VIKING LINE

January 1–December 31, 2011

ANNUAL REPORT

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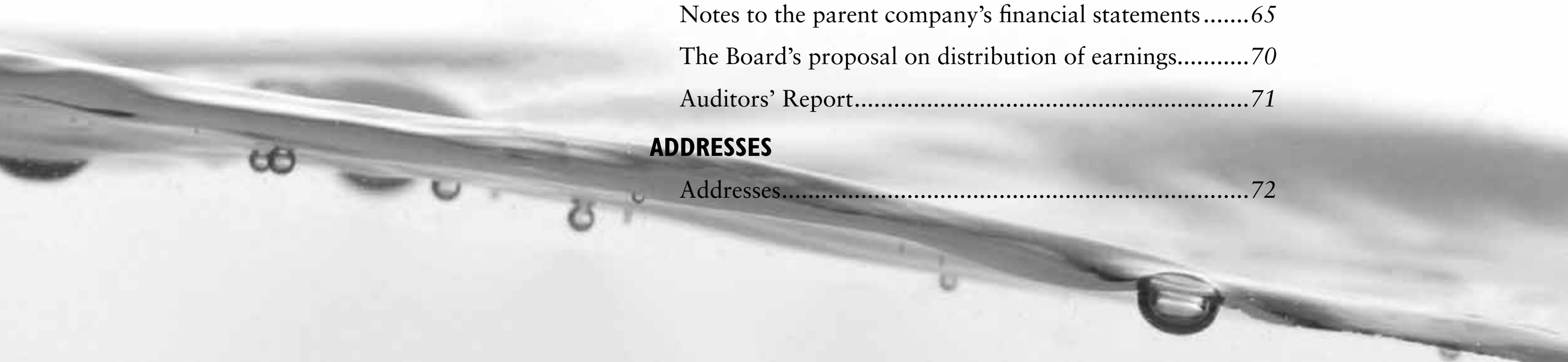


Information to shareholders

The consolidated financial statements cover the parent company, Viking Line Abp, and all its subsidiaries. The financial statements of Viking Line Group companies cover the period January 1 – December 31, 2011, while comparative figures cover the period November 1, 2009 – December 31, 2010, which is 14 months long. The results for the 2011 financial year are thus not comparable to the results for the preceding 2009/2010 fiscal year.

ANNUAL GENERAL MEETING

The Annual General Meeting of Viking Line Abp will be held at 12 noon on Wednesday, April 18, 2012 at the Alandica Kultur och Kongress, Strandgatan 33, Mariehamn, Åland, Finland.

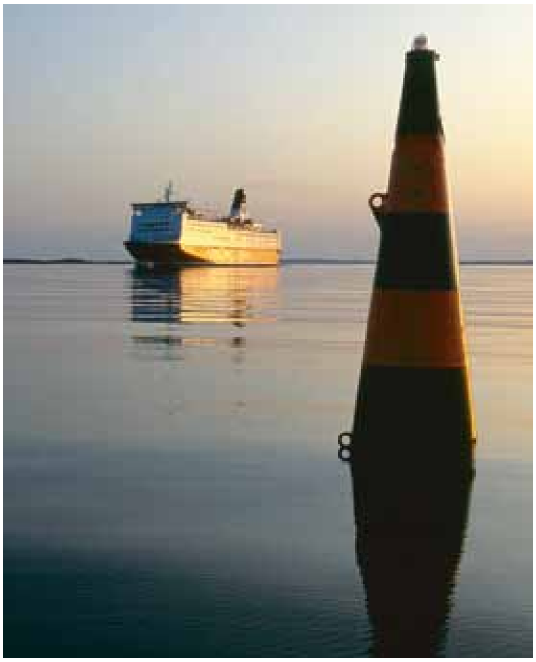
Shareholders who wish to participate in the meeting must notify the Company's head office in Mariehamn to this effect no later than 12 noon on Monday, April 16, 2012. Notification may be provided

- by e-mail to bolagsstamma@vikingline.com
- by telephone to the Company's Secretariat at +358 18 270 00
- by fax to +358 18 169 77
- or by letter to Viking Line Abp, Pb 166, AX-22101 Mariehamn, Åland, Finland.

Shareholders whose shares have not been transferred to the Finnish book-entry securities account system are also entitled to participate in the shareholders' meeting, provided that the shareholder was recorded in the Company's share register before March 12, 1999. In this case, the shareholder shall present at the shareholders' meeting his share certificates or another explanation as to why the ownership right to the shares has not been reported as a book-entry securities account.

FINANCIAL INFORMATION FOR 2012

During the financial year 2012, Viking Line Abp's interim reports will be published for the periods January 1 to March 31, 2012; January 1 to June 30, 2012 and January 1 to September 30, 2012. These interim reports will be published on May 9, August 16 and November 15, 2012, respectively. The Year-end Report for the financial year 2012 will be published on February 14, 2013. The Annual Report for the financial year 2012 will be published during the week of March 18, 2013. The official versions of the Annual Report, the Year-end Report and interim reports are published in Swedish. These reports are translated into Finnish and English. The reports will be available on Viking Line's websites at approximately 9.00 a.m. on each respective date. The Annual Report will also be available at the Head Office of Viking Line Abp and can be ordered by telephone at +358 18 277 67 or by e-mail at inv.info@vikingline.com.



Looking back – with an eye on the horizon

STABLE OPERATIONS

A very interesting and exciting 2011 lies behind us. Despite the turbulent economic situation both inside and outside Europe, Viking Line enjoyed a stable year in terms of passenger figures and services. As for earnings, we have to feel rather pleased. Passenger and cargo volume for the year were stable and sales increased slightly thanks to higher passenger revenue, but fuel expenses rose significantly due to higher prices, adversely affecting our consolidated earnings. It is worth mentioning that in 2009, the Group's fuel expenses were EUR 37.2 M, while the corresponding figure in 2011 was EUR 62.1 M. As one element of the Company's strategy, greater efforts have now been devoted to cost control. Operations are being streamlined through various projects. For example, we began a process for optimizing bunker (vessel fuel) combustion. Savings during the year were around five per cent. Another cost control project has been a reduction in employee expenses. The Company's objective is to reduce land-based vacancies by ten per cent compared to 2009. This is occurring, among other things, through the change of generation under way in the Company and by re-allocating and – to some extent – phasing out a number of positions in the organization.

A COMPLETELY NEW VESSEL CONCEPT

We began 2011 by assuming an increasingly active role in the detailed planning of our newly-ordered vessel, the **Viking Grace**, after a contract was signed just over a week earlier. The vessel, which will replace the Isabella on the Turku–Åland Islands–Stockholm route, will be unique and represents a whole new generation of passenger ferries. Construction began in September at the STX Finland shipyard in Turku. The new vessel has attracted great attention. Media interest has exceeded our expectations. The planning process has strongly emphasized environmentally friendly solutions, a high level of comfort and fresh new experiences for passengers. The project also includes an exciting design partnership. In keen competition with companies in Sweden and other countries, the Finnish interior architecture office dSign Vertti Kivi & Co landed the prestigious assignment to design and equip the interior of the vessel. We chose dSign based on their track record in public design and their vision of how the cruise vessel of the future should look. In this context, it is worth mentioning that in 2011, Vertti Kivi was named Finland's Interior Designer of the Year by the Finnish Association of Interior Architects. We look forward to unveiling the new concept for both loyal and new customers.

> **"*We are very grateful for the appreciation our customers show us by choosing our travel services. Viking Line's focus is always on our customers, and our ambition is to exceed their expectations.*"**

REFURBISHED ROSELLA A SUCCESS

In January, the Rosella underwent a lengthy dry-docking that included extensive renovation work, aimed at enabling the vessel to better meet the demands of customers on the short route between Mariehamn and Kapellskär. With a duty- and tax-free shop that has doubled in size, 1,250 seats and an expanded passenger deck with a two-storey dance bar, we have created a more inviting passenger environment, while raising quality generally. The response from the market has been positive, and the refurbished Rosella has been well-received. We can now offer cruise passengers a much more attractive concept, with generous public spaces and entertainment by well-known Swedish dance bands.

SIX MILLION PASSENGERS ON THE VIKING XPRS

In December the Viking XPRS welcomed its six millionth passenger on the Helsinki–Tallinn route, a fantastic achievement considering that service began in late April 2008. The year's warm summer weather proved beneficial for overall passenger numbers. July was a record month for the Company, with more than 812,000 passengers, of which the Viking XPRS accounted for an impressive 221,000. We are very grateful for the appreciation our customers show us by choosing our travel services. Viking Line's focus is always on our customers, and our ambition is to exceed their expectations. We put special emphasis on providing friendly service and a safe, pleasant voyage.

NORDIC COMPANY OF THE YEAR

In November, Viking Line was selected as Nordic Company of the Year by the Norden Association of Finland (Pohjola-Norden) and the Helsinki newspaper Hufvudstadsbladet. The prize jury described Viking Line as "a shipping company based in the Åland Islands that has transported millions of Nordic residents both at sea and – as a tour organizer – also on land. A genuinely Nordic company." We are pleased that our work has been appreciated, and we are grateful for this award.

THANK YOU

The new financial year 2012 will be both challenging and inspiring. We are attentively following economic developments and adapting ourselves so we can meet continued high fuel expenses. At the same time, we have an optimistic view of the opportunities that our new vessel will offer. It will be both exciting and stimulating to follow the work on this new vessel until its launch. It will go into service in January 2013.

I would like to thank our customers for the confidence they showed us during 2011 and express my sincere gratitude to all our employees and to our business partners for doing such a good job during the past year.

Mikael Backman
President and Chief Executive Officer

Services and volume

During the 2011 financial year, Viking Line transported a total of 6,351,714 passengers in its service area, encompassing Finland–Sweden and Finland/Sweden–Baltic countries. Of these passengers, 46.1 per cent were residents of Finland and 35.0 per cent residents of Sweden, while residents of other countries accounted for 18.9 per cent.

The sister vessels **Amorella** and **Isabella** provide service on the Turku–Mariehamn/Långnäs–Stockholm route. During the financial year 2011, the Amorella and the Isabella had eight idle days each. On April 26, 2011, the Amorella was dry-docked and returned to service on April 29.

The Viking Cinderella provides cruise service on the Stockholm–Mariehamn route. During the financial year 2011 it also made six cruises between Stockholm and Riga, Latvia and one cruise between Stockholm and Tallinn.

The Rosella provides service on the route between Mariehamn and Kapellskär. On January 7, 2011 the vessel was dry-docked and returned to service on February 17. During the period March 20–29, the Rosella was placed in service between Helsinki and Tallinn while the Viking XPRS was dry-docked.

On the above routes, the total number of passengers was 3,440,185.

The vessels **Gabriella** and **Mariella** provide service on the Helsinki–Mariehamn–Stockholm route. On March 27, 2011, the Gabriella was dry-docked and returned to service on April 7. The number of passengers on the route was 1,128,593.

The Viking XPRS provides service between Helsinki and Tallinn. On March 20, 2011, the vessel was dry-docked and returned to service on March 29. During its dry-docking period, the Rosella was placed in service on the route as a substitute for the Viking XPRS. The number of Viking Line passengers on services between Finland/Sweden and the Baltic countries was 1,782,936.

During the financial year 2011, Viking Line transported 114,795 cargo units.

OTHER FIELDS OF OPERATIONS

In addition to its passenger and cargo operations, the Viking Line Group runs the **Park Alandia Hotell** in Mariehamn. The hotel is wholly owned by Viking Line and has an average of 17 full-time-equivalent employees. The hotel has 79 double rooms as well as conference facilities for up to 100 people. It also has a sauna and swimming pool facility as well as a pub and a restaurant seating 56 people, operated by an outside restaurateur.

The Group also includes the subsidiary **Viking Line Buss Ab**, which provides scheduled and chartered service on 9 buses and coaches. The company has an average of 20 full-time-equivalent employees.

PASSENGER VOLUME BY ROUTE SEGMENT	2011 12 months	2009/2010 14 months
Turku–Mariehamn/Långnäs–Stockholm/Kapellskär	3,440,185	4,037,780
Helsinki–Mariehamn–Stockholm	1,128,593	1,326,260
– of which Åland services	*2,210,632*	*2,552,588*
Finland/Sweden–Baltic countries	1,782,936	1,960,007
TOTAL	**6,351,714**	**7,324,047**

Mission statement

The mission of Viking Line is to provide large-scale, affordable, safe passenger and cargo carrier services including first-class recreation, good food and attractive shopping. Viking Line wishes to do business in a long-term, balanced, value-generating way and to offer an innovative, attractive alternative for broad travel markets around the northern Baltic Sea.

Viking Line provides services on the Baltic Sea, with the Finnish mainland, Sweden, the Åland Islands (a Swedish-speaking province of Finland) and the Baltic countries as its main markets.

PASSENGER SERVICES

Passenger Services markets one-way passenger tickets, pleasure cruises and conference cruises, as well as travel and hotel packages for individual consumers and organizations. On board Viking Line's vessels, it provides attractive shopping, good food and professional entertainment in a pleasant setting.

CARGO SERVICES

Cargo Services satisfies the needs of industry and the distributive trades for safe, speedy, frequent, regularly scheduled shipping and freight forwarding services at affordable prices.

AMBITIONS AND VALUES

Viking Line's vessels shall be safe, secure, well-run and environmentally friendly.

Satisfied customers are our foremost priority and our ambition is to continuously exceed expectations through extra friendliness, service and thoughtfulness. We respect our co-workers and we value initiative, acceptance of responsibility and openness. Within the Group, we aim for humility, simplicity and thrift. Steady improvement, continuous development and motivated employees are self-evident tools for our success. We are open to good business opportunities and constantly focus on earnings, volume, revenue and costs. Good profitability benefits everyone.

VISION AND FUNDAMENTAL STRATEGY

Our vision is that markets for recreation, travel and freight forwarding services remain stable, with growth potential in certain sub-markets, and that by means of growth, Viking Line shall maintain and improve its position as a profitable market player on the northern Baltic Sea with a market-leading brand.

Our fundamental strategy is to offer a consummate travel experience at an affordable price – the greatest value for money. This is achieved through high cost-effectiveness combined with selective quality leadership, meaning that Viking Line shall be a quality leader in specific areas that provide the greatest customer satisfaction: friendly service, fully functional and clean facilities, attractive shopping, good food in an attractive setting and customer-tailored, many-faceted entertainment.

Cost-effectiveness is achieved through high capacity utilization, efficient management processes, reasonable capital costs on tonnage, broad products targeted to a broad customer base as well as economies of scale and low purchasing costs. One fundamental prerequisite for good profitability and high cost-effectiveness is personnel costs that, in the same sub-market, do not exceed those of competing shipping companies.

Connecting services and sales offices

The Viking Line fleet

VIKING CINDERELLA Delivered in 1989 • 46,398 gross registered tonnes
Length 191.0 m • Ice class I A Super • 2,560 passengers
306 cars • 2,500 berths • Stockholm–Mariehamn
Swedish flag

VIKING XPRS Built in 2008 • 35,918 gross registered tonnes
Length 185.0 m • Ice class I A Super • 2,500 passengers
220 cars • 728 berths • Helsinki–Tallinn • Swedish flag

GABRIELLA Built in 1992 • 35,492 gross registered tonnes
Length 171.2 m • Ice class I A Super • 2,420 passengers
400 cars • 2,382 berths • Helsinki–Mariehamn–Stockholm
Finnish flag

MARIELLA Delivered in 1985 • 37,860 gross registered tonnes
Length 177.0 m • Ice class I A Super • 2,500 passengers
430 cars • 2,500 berths • Helsinki–Mariehamn–Stockholm
Finnish flag

AMORELLA Delivered in 1988 • 34,384 gross registered tonnes
Length 169.4 m • Ice class I A Super • 2,480 passengers
450 cars • 1,946 berths • Turku–Mariehamn/Långnäs–Stockholm • Finnish flag

ISABELLA Delivered in 1989 • 35,154 gross registered tonnes
Length 171.2 m • Ice class I A Super • 2,480 passengers
364 cars • 2,166 berths • Turku–Mariehamn/Långnäs–Stockholm • Finnish flag

ROSELLA Delivered in 1980 • 16,879 gross registered tonnes
Length 136.1 m • Ice class I A • 1,700 passengers
340 cars • 1,184 berths • Mariehamn–Kapellskär
Swedish flag

VIKING GRACE Delivery expected in 2013 • 56,850 gross registered tonnes
Length 218.0 m • Ice class I A Super • 2,800 passengers
556 cars • 2,980 berths • Turku–Mariehamn/Långnäs–Stockholm • Finnish flag

> ***"The vessel will live with its passengers, and different times of day and night will be reflected in its interior design.***

A unique vessel for the Baltic Sea

Late in September 2011, construction began on Viking Line's newbuilding at the STX Finland shipyard in Turku. The vessel, which will serve the Turku–Åland Islands–Stockholm route, represents a whole new generation of passenger ferries. The planning process has included devoting great attention to environmentally friendly solutions, a high level of comfort and new passenger experiences. Delivery is expected to occur in January 2013.

The vessel is intended for 2,800 passengers and a crew of 200 people. Its length is 218 metres, gross tonnage 56,850 and ice class 1 A Super. The number of passenger cabins totals 880. The length of its cargo lanes will be 1,275 metres, and 500 metres will be reserved for passenger cars on a separate car deck. There will also be extra space for cars on "shelves" that can be lowered into place.

VIKING LINE AN ENVIRONMENTAL PIONEER WITH ITS LNG VESSEL

Liquefied natural gas (LNG) is the cleanest fossil fuel and is unique in the world as a fuel alternative for a passenger vessel of this size. In order to handle and transport the gas, it is cooled to -162 degrees Celsius. This transforms it into liquid form and reduces its volume by about 600 times. Before combustion in the vessel's engines, the LNG is heated and resumes gaseous form. LNG contains no sulphur, and emissions of other hazardous particulates are nearly eliminated. Nitrogen emissions are 85 per cent lower and carbon dioxide emissions about 25 per cent lower than with today's fuel. By using LNG, the vessel will meet all emission standards established by the International Maritime Organization (IMO) that will go into effect in the near future.

The hull of the vessel will be hydrodynamically optimised to minimise wave formation, which is particularly important when passing through an archipelago. The Viking Grace will meet high standards of external noise elimination and will be one of the greenest, quietest vessels in the world.

EXCITING, MODERN DESIGN

The Viking Grace will offer passengers innovative, inspiring and exciting experiences. The Finnish in-

terior architecture office **dSign Vertti Kivi & Co** was given the assignment to handle the interior design of the vessel. The choice of this office was based on its track record in public design and its vision of how the cruise vessel of the future should look. The office is in charge of the interior design of all public areas on the vessel. In 2011 Vertti Kivi was selected as Finland's Interior Designer of the Year by the Finnish Association of Interior Architects. The office's ambition is to create a vessel in which everyone will feel comfortable. "Relatives, friends and the man on the street should be able to participate and enjoy their sea voyage. The vessel will live with its passengers, and different times of day and night will be reflected in its interior design."

NEW INTERACTIVE WEBSITE

In December 2011 Viking Line launched a new interactive website for the newbuilding, www.nb1376.com. The website focuses on social media and online experiences. It is based on a number of blogs, where specialists and members of the newbuilding project team continually describe the construction task. In addition to the blogs, there are various video presentations. On the website, Viking Line launched a naming competition, in which the many thousands of contestants could see their proposed name applied directly to the hull of the vessel. The winning contribution, the Viking Grace, will decorate the vessel when it goes into service in early 2013.

Environmental initiatives that exceed requirements

Viking Line endeavours to provide seagoing passenger services in an environmentally sound way. Through a long-term, active commitment to the environment, the Company has developed environmental activities that extend beyond what is stipulated by the rules in force for passenger services on the Baltic Sea.

The Group's Head Office and all its vessels are certified in compliance with ISO 14001 environmental management standards. In addition, the Viking Line organization and all vessels are certified according to the International Safety Management (ISM) Code, which sets safety and pollution prevention standards.

National legislation and international agreements are the basis for the Company's environmental work. The most extensive set of environmental protection regulations is the International Convention for the Prevention of Pollution from Ships (MARPOL 73/78), which was devised by the International Maritime Organization (IMO), a United Nations agency.

MINIMIZING ATMOSPHERIC EMISSIONS

Viking Line's environmental work focuses on its vessel operations, where the largest gains can be made when it comes to safeguarding our environment.

Viking Line's vessels use low-sulphur fuel with a sulphur content of 0.5 per cent by weight, in order to reduce sulphur oxide (SOx) emissions. According to an annex to MARPOL 73/78, effective from July 1, 2010 the sulphur content of marine diesel oil and fuel oil may not exceed 1.0 per cent in the Baltic Sea. Viking Line vessels are thus well below the threshold level.

All Viking Line vessels that are moored in port for longer than two hours use marine diesel oil with a sulphur content not exceeding 0.1 per cent throughout their port stay.

Viking Line has implemented various programmes to reduce nitrogen oxide emissions from its vessels. Catalytic cleansers have been installed on three of the Company's vessels and Humid Air Motor (HAM) technology on one vessel. HAM is a globally unique method that reduces nitrogen oxide emissions by lowering the combustion temperature of vessel engines. This temperature reduction is achieved by adding vaporized seawater to the combustion process.

Viking Line has an internal programme to reduce exhaust gas emissions. In this programme, vessel operating staff and the Company's technical department are working to introduce fuel-efficient methods of manoeuvring vessels.

NO DISCHARGES INTO THE SEA

Two main types of wastewater are mainly formed on the vessels: grey water and black water. Black water is wastewater from toilets, and grey water comes from showers and other washing activity. Bilge water, which contains oil, originates in the engine rooms of vessels.

Viking Line vessels discharge neither wastewater nor bilge water into the sea. In order not to burden the Baltic Sea with nitrogen, phosphorus and oil, the Company's vessels pump all their wastewater ashore, including bilge water. MARPOL regulates management of black and bilge water. Discharge of black and bilge water into the sea is permitted when the water meets certain specified criteria. Discharges of grey water are not regulated by legislation.

Viking Line's choice to let land-based treatment plants handle all its wastewater and bilge water is thus an environmental friendly initiative that goes beyond what the existing rules require.

NO HAZARDOUS BOTTOM PAINT

Instead of using environmentally hazardous tin-based paints on the bottoms of vessels, their hulls are brushed by divers several times each year. Purchasing and use of chemicals are governed by internal environmental standards. A list of products approved for use at Viking Line is being compiled at Group level. Environmentally friendly alternatives are used as far as possible.

INTERNAL AND EXTERNAL AUDITS

To ensure that Viking Line meets environmental certification standards, continuous internal audits of its operations are conducted. In addition, Det Norske Veritas – an independent certification body – performs yearly external audits of the environmental management system in order to verify compliance with the established objectives. In addition, the Finnish and Swedish transport authorities perform continuous ISM Code-related audits concerning both environmental and safety functions.

ACTIVE ENVIRONMENTAL WORK

Viking Line participates actively in the task of saving the Baltic Sea by supporting and collaborating with the Baltic Sea Action Group (BSAG). This collaboration will include practical projects in keeping with the overall objectives of the Helsinki Commission's new Baltic Sea Action Plan. As part of the commitments made by Viking Line in working with BSAG, a special Baltic Sea Menu was served in the Food Garden restaurants on board its vessels during April. The ingredients in this menu were sourced from producers that work around the Baltic Sea and that have chosen to take the environment into account in their operations.

During the financial year, Viking Line donated EUR 10,000 to the Finnish-based Keep the Archipelago Tidy Association. The Association is known, among other things, for its Rubbish Seal waste handling services, outhouses and floating black water pump-out stations in archipelago areas. By offering these types of waste management services, the Association ensures cleaner archipelago and lake water. The Association also provides information and advice on environmental issues to boaters.

KEY FIGURES	Jan 1, 2011-Dec 31, 2011 12 months	Nov 1, 2009-Dec 31, 2010 14 months
Passengers	6,351,714	7,324,047
Cars	621,137	694,503
Cargo units	114,795	128,659
Total distance (000 km)	1,137	1,330
Resource consumption (m^3)		
Fuel	118,355	141,437
Lubricating oil	852	928
Urea	1,428	1,938
Fresh water	343,968	431,799
Emissions (tonnes)		
Nitrogen oxides (NO_x)	4,327	5,156
Sulphur oxides (SO_x)	606	722
Carbon dioxide (CO_2)	369,527	438,355
Residual products (tonnes)		
Solid waste for combustion	1,849	2,303
Waste sent to landfills	1,348	1,679
Waste for recycling	1,445	1,666
Biowaste	528	510
Hazardous waste	56	46
Wastewater pumped ashore (m^3)		
Grey and black water	313,163	367,324
Bilge water	9,874	11,645
Waste oil (m^3)		
	2,609	3,192

Environmentally conscious procurement, too

Environmental thinking is also visible in Viking Line's shipboard customer services, including organically grown coffee and water in a personal glass bottle.

Nowadays Viking Line chooses organically grown coffee as one element of its efforts to practice environmentally conscious procurement. When purchasing the seafood that is served on board its vessels, Viking Line follows the Swedish Environmental Management Council's list of sustainable fish and shellfish stocks.

The Food Garden restaurants on Viking Line vessels no longer sell table water in plastic bottles. Instead they serve specially purified water poured directly from the tap into an environmentally themed reusable glass bottle. This has a number of environmental advantages – it reduces the need to transport bottles of water as well as the quantity of single-use bottles in shipboard solid waste.

REDUCED WATER CONSUMPTION

Shipboard cleaning staff also employ various environmentally friendly practices. On board they use a special dosage device that mixes concentrated washing fluid with water according to predeter-

mined criteria. Because of careful dosage, they achieve optimal water and washing fluid consumption when cleaning the cabins and kitchens on Viking Line vessels.

Cleaning equipment made of micro-fibres is used, since it helps reduce detergent and water use on board.

To reduce water consumption, Viking Line has installed water-saving mouthpieces on faucets and showers, which reduce water flow without affecting passenger comfort. The vacuum toilets aboard the vessels also help to reduce water use.

ALL WASTE IS TAKEN CARE OF

All solid wastes generated aboard Viking Line vessels are brought ashore for subsequent recycling, reuse, combustion, depositing in landfills, composting or other waste management by an approved recipient. On the Viking XPRS, equipment has been installed to make efficient sorting and collection of biowastes possible. On the Mariella, all biowaste is collected in receptacles. The biowaste is then transported to a digestion plant for production of biogas. Equipment equivalent to that on the Viking XPRS will be installed on the Company's new vessel, the Viking Grace.

DID YOU KNOW THAT…

…recycling of materials is very helpful to the environment – greater recycling reduces our climate impact. It requires much less energy to recycle materials than to extract new ones from nature. Eco-cycles benefit the climate.

…DURING 2011…

…Viking Line brought the following ashore from its vessels for recycling:

- 15 tonnes of plastic, which is equivalent to a 26 tonne reduction in CO_2 emissions – comparable to driving a car 138,320 km on a motorway.
- 9 tonnes of aluminium, which is equivalent to a 90 tonne reduction in CO_2 emissions – comparable to driving a car 478,800 km on a motorway.
- 2,600 tonnes of used oils, which is equivalent to a 4,550 tonne reduction in CO_2 emissions – comparable to driving a car 24,206,000 km on a motorway.
- 428 tonnes of glass packaging. When recycled glass is melted down to make new glass, the process consumes 20 per cent less energy than starting from sand, soda ash and limestone as raw materials. Glass packaging can be recycled any number of times without deteriorating in quality.
- 67 tonnes of scrap metal. Recycling of steel, for example from food tins, consumes 75 per cent less energy than production from iron ore.
- 770 tonnes of paper and cardboard packaging. Because of recycling, we do not need to cut down as many new trees. A tonne of recycled paper is equivalent to about 14 trees. Paper can be recycled around seven times.

... Viking Line brought ashore from the Viking XPRS and the Mariella a total of 528 tonnes of food waste, yielding 42,000 cubic metres of biogas. 42,000 cubic metres of biogas are equivalent to 47,700 litres of petrol. Biogas production neither increases atmospheric carbon dioxide levels nor contributes to the greenhouse effect. Biogas is thus usually described as carbon dioxide-neutral.

… Viking Line served 5,845,297 cups of organically grown coffee. Organic cultivation means that the beans are grown amid rich biological diversity and without artificial fertilizers, chemical pesticides or genetic manipulation.

Highly proficient, motivated employees

During 2011 the average number of employees in the Viking Line Group was 3,060 (3,087). Of the total number of employees, 2,400 (2,431) resided in Finland, including 621 (644) in Åland. The number residing in Sweden was 545 (565). There were 6 (6) employees residing in Germany and 109 (85) in Estonia.

Most of Viking Line's employees work aboard its vessels. Shipboard personnel totalled 2,305 (2,319) and land-based personnel 755 (768). Of the Group's land-based personnel, 65.6 per cent were women and 34.4 per cent were men, while women accounted for 41.8 per cent and men 58.2 per cent of shipboard personnel.

VIKING LINE'S HUMAN RESOURCE VALUES

The objective of Viking Line's human resources work is to ensure highly proficient and motivated employees in well-dimensioned numbers at all levels of the organization as well as to make Viking Line an attractive employer in an increasingly competitive labour market.

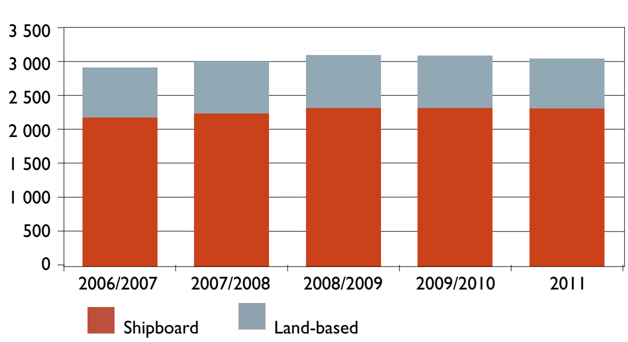
We respect our co-workers and we value initiative, acceptance of responsibility and openness. Employees shall treat our customers with warmth, hospitality and humility and shall always strive to exceed their expectations. Employees shall also show respect and consideration for each other, be prepared for new knowledge and continuous professional development, and shall work to ensure that our vessels are safe, secure, well-run and environmentally friendly.

HUMAN RESOURCE MANAGEMENT

Viking Line aims at achieving cost-effective human resource management. The objective is to continuously maintain a workforce that ensures sufficient expertise at all levels, according to the principle of having the right person in the right place at the right time.

The need for a knowledgeable, highly proficient, motivated and well-dimensioned workforce is ensured through recruitment, introductory training, human resource development and leadership by supervisors. Focus areas for human resource development programmes are safety, security, the environment, leadership and customer service. Long job experience is an important resource that the Company utilizes and allocates among all units and departments. Workplace rotation within suitable areas is a way of developing reserves of knowledge, while giving employees the variation and stimulation they need on the job.

VIKING LINE GROUP EMPLOYEES



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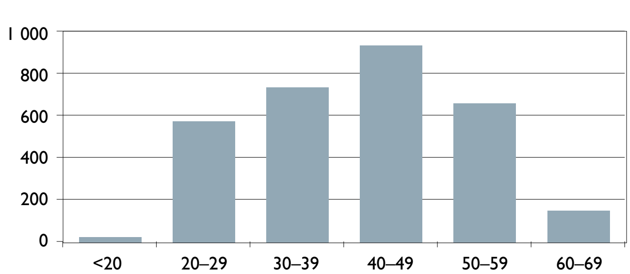
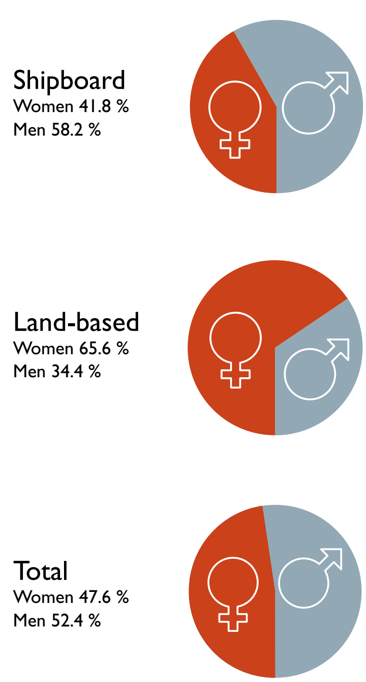


GENDER BREAKDOWN



Methodical safety and security work

Maritime safety and security are governed by our safety policy and are a top priority in the operations of Viking Line. Under the International Safety Management (ISM) Code and the International Ship & Port Facility Security Code (ISPS), we work systematically to identify potential risk situations and thereby prevent accidents. Our objective is continuous improvement in safety and security.

THE SAFETY AND SECURITY ORGANIZATION

Viking Line's land-based organization maintains crisis management capabilities to provide back-up to each vessel's own safety and security organization, vessel terminals, Viking Line Buss and the Park Alandia Hotell in case of an emergency situation. Methodical safety and security work, which has been under way for many years, has created a well-established safety and security culture within the organization. Both the Management of Viking Line and its vessel crews participate in safety and security work in addition to their regular duties.

PREVENTIVE SAFETY WORK AND REGULATORY OVERSIGHT

The commanding officer of each respective vessel is responsible for its seaworthiness, which is ensured by preventive maintenance and safety work. The national maritime authorities in Finland, Sweden and Estonia are responsible for overseeing compliance with all national and international rules and conduct regular inspections and audits. The ob-

jective of safety work is that no accidents or near-accidents should occur. If an emergency situation nevertheless arises, there must be effective capabilities to deal with it.

PUBLIC ORDER AND SECURITY

In order to maintain good public order and ensure that passengers enjoy a pleasant voyage, during 2011 the Company stepped up its monitoring on board and in its terminals. This was achieved by adding more security guard positions and improving and intensifying baggage screening at the Stockholm terminal.

Corporate governance

The parent company Viking Line Abp has been listed on the NASDAQ OMX Nordic Exchange Helsinki since July 5, 1995. The wholly owned subsidiaries Viking Line Skandinavien AB and its subsidiary; Viking Rederi AB; OÜ Viking Line Eesti; Viking Line Finnlandverkehr GmbH and Viking Line Buss Ab belong to the Viking Line Group. Viking Line Abp applies the Finnish Corporate Governance Code issued by the Securities Market Association on June 15, 2010.

CORPORATE GOVERNANCE STATEMENT

On its website www.vikingline.fi, Viking Line has published a Corporate Governance Statement in Swedish and Finnish, in compliance with Recommendation 54 of the Finnish Corporate Governance Code, pursuant to Chapter 2, Section 6 of the Finnish Securities Market Act.

ANNUAL GENERAL MEETING

Viking Line Abp is a public limited company domiciled in Finland, which is governed by the Finnish Companies Act and the Company's Articles of Association. In compliance with the Companies Act, the Annual General Meeting is the highest decision-making body of the Company, where the owners exercise their influence.

All Viking Line Abp shares constitute one series, in which all shares are of equal value. Each share is represented by one vote when voting on motions and candidates at shareholders' meetings. However, no shareholder may vote on behalf of more than 1/4 of the shares represented at a shareholders' meeting. On December 31, 2011 Viking Line Abp had 2,824 registered shareholders.

The Annual General Meeting decides on such matters as the adoption of the financial statements for the preceding financial year, the distribution of the Company's profit or loss and discharge of the Board of Directors as well as the President and Chief Executive Officer from liability for that year. The meeting also elects Board members and auditors, as well as deciding on their fees.

In accordance with the Articles of Association, the Annual General Meeting is held in Mariehamn before the end of June. The latest such meeting took place on April 15, 2011. Information from this meeting is available on the Company's websites in Swedish and Finnish. The next Annual General Meeting will be held on April 18, 2012.

The invitation to the Annual General Meeting occurs through an announcement that appears in a newspaper published in the Company's place of domicile. This invitation is also published on the

Company's websites. The invitation shall be issued no earlier than three months before the shareholders' record date and no later than three weeks before the Annual General Meeting.

In addition to disclosing the items of business that will be discussed at the meeting, the invitation shall contain the names of candidates for service on the Board of Directors that have been communicated to the Board, provided that these candidates have been nominated by the Board or by shareholders representing at least 10 per cent of the shares and that they have agreed to serve on the Board. The invitation shall also state the name of any proposed auditor.

The President and CEO, the Chairman of the Board, a majority of Board members as well as any individuals who are first-time candidates for service as members of the Board shall be present at the Annual General Meeting.

Further information about the Annual General Meeting, as well as the Company's Articles of Association, are available on the Company's websites in Swedish and Finnish.

THE BOARD OF DIRECTORS

The Company is headed by the Board of Directors and by the President and Chief Executive Officer. In his absence, the Deputy CEO substitutes for the President and CEO. The Board of Directors has appointed a Group Management team.

The Board of Directors consists of the Chairman and six members as well as three deputy members. The Chairman, members and deputy members are elected by the Annual General Meeting for the period until the end of the next Annual General Meeting. In case the Chairman or a member of the Board will be absent, he or she has the primary responsibility for nominating the deputy who will be summoned in his/her place. The Articles of Association has not established any special system for the appointment of Board members. The Board has not appointed any committees.

The Board has not appointed an audit committee. Instead, all information related to audits is dealt with directly by the Board.

The Board of Directors is in charge of the administration of the Company's affairs. It leads and monitors the Company's operative management, appoints and removes the President and CEO and the other members of Group Management, approves the Company's strategic goals and risk management principles and ensures that the management system is functioning. The Board establishes the Company's values, which are observed in its operations.

At its statutory meeting after the Annual General Meeting, the Board of Directors adopts rules of procedure for the financial year. These rules of procedure shall contain information about indicative dates for:

- discussion of vision and strategy
- discussion of accounts and interim reports

• discussion of audit reports
• discussion of the Group's budget and plan of operations
• appointment of any Board committees
• evaluation of the work of the Board.

In addition, as appropriate, the Board deals with:
• other items of business which are incumbent on the Board according to the Companies Act, the Articles of Association and other rules and regulations
• significant investments and divestments
• other items of business submitted by the operational management or by individual Board members.

At each Board meeting, the President and CEO provides information about the Company's operations. In addition, the Board continuously receives information in the form of regular reports and the minutes of Group Management meetings. The Company's chief legal counsel serves as secretary of the Board.

The Board meets generally once a month. A notice of each meeting and supporting documents for the decisions to be made are provided to the Board members well in advance, at least four days beforehand unless there are important reasons for doing otherwise. During the financial year 2011, the Board held 12 meetings. Board members' average attendance at meetings was 85.7 per cent.

PRESIDENT AND CEO

The President and CEO is appointed and dismissed by the Board of Directors. The terms of his employment relationship are established in a written contract that is approved by the Board. The President and CEO may be elected to the Board, but not as its Chairman. Mikael Backman is the President and CEO of the Company.

GROUP MANAGEMENT

In addition to the President and CEO, the Board also appoints the Deputy CEO and the other members of Group Management. Under the leadership of the President and CEO, Group Management is responsible for directing the Company's operating activities as well as strategic and financial planning. Group Management meets regularly once a month.

PRINCIPLES FOR COMPENSATION TO THE BOARD AND GROUP MANAGEMENT

Fees adopted by the Annual General Meeting are paid as compensation for the work of the Board. Reasonable travel expenses are paid as invoiced. The members of the Board do not belong to the Company's incentive and bonus system. The following fees were paid in compliance with the decision of the Annual General Meeting:

EUR	2011	2009/2010
Annual fee, Chairman of the Board	20,000	20,000
Annual fee, other regular Board members	17,000	17,000
Fee per meeting attended, Board and deputy members	1,000	1,000

For the financial year 2011, a total of EUR 205,000 in Board fees (2009/2010: 241,000) was disbursed.

As compensation for his work, the President and CEO is paid a monthly salary that is reviewed by the Board yearly. During the financial year 2011, the President and CEO received a total of EUR 227,690 (2009/2010: EUR 332,145) in salary plus meal and telephone benefits.

The President and CEO is subject to the terms of the Finnish public pension system. The retirement age of the President and CEO is 63-68. The President and CEO has a termination notice period of 8 months. The Company's Board is entitled to terminate his contract in compliance with the Employment Contracts Act, but the President and CEO will enjoy 8 months of salary after the termination date. No other individual agreements regarding compensation due to dismissal have been concluded, either for the Board of Directors, members of Group Management or other employees.

The Group applies an incentive and bonus system for the Company's President and CEO as well as those who have been members of the Group Management for the full year. The size of the bonus is affected both by the results of the financial period and personal job performance. The bonus may not exceed 35 per cent of annual salary. The Company has no share-based incentive systems. During the financial year 2011, no bonuses were disbursed (a total of EUR 145,592 in bonuses was disbursed in fiscal 2009/2010).

Further information about compensation to the Group's key individuals in leading positions can be found in the consolidated financial statements, Note 24 and on the Company's websites.

AUDITORS

The Company has two Auditors and two Deputy Auditors. They are elected at the Annual General Meeting for a term expiring at the end of the next Annual General Meeting. The Auditors examine the Company's accounts, financial statements, Report of the Directors and administration. After completion of this examination, the Board receives a review report and an Auditors' Report is submitted to the Annual General Meeting.

The Company's Auditors are:

Johan Kronberg, Authorized Public Accountant (CGR)
PricewaterhouseCoopers Oy
The Company's Auditor since 2010

Martin Grandell, Authorized Public Accountant (CGR)
PricewaterhouseCoopers Oy
The Company's Auditor since 2010

Sven-Harry Boman, Authorized Public Accountant (CGR), and **Erika Sjölund**, Authorized Public Accountant (GRM), serve as Deputy Auditors.

Auditors' fees are adopted by the Annual General Meeting. According to the decision in force, fees are paid according to regular invoices. The Group's auditing expenses amounted to EUR 99,969 during 2011 (2009/2010: 99,821), of which EUR 73,045 (EUR 68,825 during 2009/2010) was related to the parent company. The expenses of other consulting services by the Group's Auditors as well as their auditing firms were EUR 26,536 during 2011 (2009/2010:16,641).

INTERNAL MONITORING AND RISK MANAGEMENT

The objective of the internal monitoring for which the Board of Directors and the operative management are responsible is to ensure efficient, profitable operations, reliable information and compliance with regulations and business principles. Risk management is an integral element of the Group's controls and monitoring of operations. Risks in operating activities are discussed in the Report of the Directors, and management of financial risks is dealt with in the consolidated financial statements, Note 25.

The Board of Directors continuously monitors the Group's trend of earnings and its financial position by means of the internal reporting system. The internal control system consists of detailed internal accounts, which are reconciled with the business accounts. The Group's financing and liquidity situation are assessed continuously.

The outside Auditors continuously evaluate the internal control system in their review reports to the Board.

INSIDERS

Viking Line applies the provisions of the Securities Market Act on insider information as well as the insider regulations of the NASDAQ OMX Nordic Exchange Helsinki. Responsibility for this rests with the Company's legal affairs department. Among Viking Line insiders, according to Chapter 5, Section 3 of the Securities Market Act, are the Board of Directors, the President and CEO as well as his deputy, the Company's auditors, plus individuals in top management who regularly receive insider information and who are entitled to make decisions concerning the Company's future development and organization of operating activities. In addition to the public register of insiders who are obligated to declare their holdings, Viking Line also maintains an internal company insider register, which includes all individuals in the service of the Company who, due to their position or their tasks, regularly receive insider information. Viking Line's websites provide links to the Company's public insider register, which shows in Swedish and Finnish the individuals who are listed in the register as well as their current holdings in Viking Line shares and those of their related parties.

More information on the Company's corporate governance is available in Swedish and Finnish on the Company's websites.

BEN LUNDQVIST

Managing Director, Ångfartygs Ab Alfa,
Rederi Ab Hildegaard
and Lundqvist Rederierna Ab
Born in 1943
Chairman of the Board since 1995
Board member since 1978

JESPER BLOMSTERLUND

President and CEO, Ab Rafael
Born in 1974
Board member since 2010

NILS-ERIK EKLUND

President and CEO, Viking Line Abp
until February 11, 2010
Born in 1946
Board member since 1997

ERIK GRÖNBERG

Managing Director, Shopex Marketing AB
Chairman of the Board, Ge-Te Media AB
Born in 1943
Board member since 2004

AGNETA KARLSSON

Dr.Econ.
Associate Professor
Born in 1954
Board member since 2006

DICK LUNDQVIST

Chairman of the Board, Lundqvist
Rederierna Ab and Rederi Ab Hildegaard
Born in 1946
Board member since 2000

LARS G NORDSTRÖM

Chairman of the Board, Vattenfall AB
Board member, Nordea Bank AB
Born in 1943
Board member since 2006

The deputy members of the Board are **CARITA BLOMSTERLUND, TRYGVE ERIKSSON** and **STEFAN LUNDQVIST.**

MIKAEL BACKMAN
President and CEO since 2010
Born in 1966
Joined the Company in 2009

JAN HANSES
Deputy CEO
Executive Vice President since 2005
General Counsel and Head of Human Resources
Born in 1961
Joined the Company in 1988

KENT NYSTRÖM
Executive Vice President since 1990
Head of Finance and IT
Born in 1948
Joined the Company in 1986

PETER HELLGREN
Vice President since 2011
Head of Sales and Marketing in Sweden
Born in 1967
Joined the Company in 1994

ANNI KALLIONIEMI
Vice President since 2011
Head of Sales and Marketing in Finland
Born in 1957
Joined the Company in 2011

BENGT LINDBERG
Vice President
Head of Marketing Support
Born in 1948
Joined the Company in 1973

HARRI WINTER
Vice President
Head of Shipboard
Commercial Operations
Born in 1952
Joined the Company in 1995

TONY ÖHMAN
Vice President
Head of Marine Operations
and Real Estate
Born in 1953
Joined the Company in 1989

Further information about the members of the Board and Group Management is available in Swedish and Finnish on the Company's websites.

Financial statements 2011

Report of the Directors

COMPARATIVE FIGURES

The financial statements of Group companies encompass the period January 1 – December 31, 2011, while the comparative figures apply to November 1, 2009 – December 31, 2010, that is, 14 months. The outcome of this financial year is thus not comparable to the outcome for the preceding fiscal year.

SALES AND EARNINGS

Consolidated sales of the Viking Line Group during the period January 1 – December 31, 2011 amounted to 504.3 million euros (November 1, 2009 – December 31, 2010: EUR 569.9 M). Operating income amounted to EUR 9.8 M (16.1). Net financial items totalled EUR -1.9 M (-1.7). Consolidated income before taxes totalled EUR 7.9 M (14.4). Income after taxes amounted to EUR 7.6 M (10.5).

The Group's expenses were EUR 497.1 M (558.7). Fuel expenses rose due to higher fuel prices and amounted to EUR 62.1 M (56.3). Salary and employee benefit expenses were EUR 121.7 M (137.4). Viking Line reached a settlement with the City of Mariehamn concerning excessively invoiced port fees from the 1990s. The settlement payment of EUR 1.1 M was reported under "Other operating revenue".

The strengthening of the Swedish krona had a positive impact on revenue but also contributed to a heightened cost situation in the Group. The net effect was positive for the Group.

The section "Five-year financial review" presents information about the Group's financial position and earnings over a five-year period.

SERVICES AND MARKET TRENDS

The Viking Line Group provides passenger and cargo carrier services using seven vessels on the northern Baltic Sea. The Group served the same routes as during 2009/2010.

The number of passengers on Viking Line vessels totalled 6,351,714 during the financial year. Viking Line's cargo volume was 114,795 cargo units.

During 2011, Viking Line strengthened its market share in cruise services between Stockholm (Sweden) and Mariehamn (Åland Islands, Finland) by 1.1 percentage points to 51.6 per cent. The Group achieved an increase in market share of 0.1 percentage points to 43.2 per cent in services on the short route over the Sea of Åland between Sweden and the Åland Islands. Market share decreased on the Helsinki (Finland)–Mariehamn–Stockholm route by 1.3 percentage points to 46.0 per cent and on the Turku (Finland)–Mariehamn/Långnäs (Åland Islands, Finland)–Stockholm route by 0.2 percentage points to 49.3 per cent. On the Helsinki–Tallinn (Estonia) route, market share decreased by 0.6 percentage points to 24.2 per cent. The Group

thus had a total market share in its service area of 34.0 per cent. Viking Line's cargo market share decreased by 1.1 percentage points to 19.8 per cent.

INVESTMENTS AND FINANCING

To date, pre-construction engineering work on the new vessel for the Turku–Mariehamn/Långnäs–Stockholm route has proceeded as planned. Construction of the vessel began on September 28, 2011 at the STX Finland Oy shipyard in Turku. However, the environmental grant of EUR 28 M that was approved by the Finnish Ministry of Transport and Communications has not yet been approved by the European Commission. The net investment in the vessel, about EUR 230 M, is being financed mainly through a long-term loan of EUR 185 M from Finnish Export Credit Ltd.

During the financial year, the Group's investments totalled EUR 36.9 M (8.7), of which EUR 26.4 M was related to advance payments for the above newbuilding contract with STX Finland Oy.

The arbitration ruling concerning the newbuilding contract with the Spanish shipyard Astilleros de Sevilla became legally binding on August 16, 2011. Viking Line subsequently received the advance payments it had made plus interest compensation. The repayment, which amounted to EUR 39.2 M plus interest compensation of EUR 5.0 M, was made to Viking Line on October 6, 2011. The interest compensation was reported under "Other operating revenue" in the amount of EUR 0.7 M in 2011 and in the amount of EUR 4.3 M in fiscal 2009/2010.

On December 31, 2011 the Group's non-current interest-bearing liabilities amounted to EUR 81.5 M (89.9). The equity/assets ratio was 46.5 per cent, compared to 44.8 per cent a year earlier.

At the end of December 2011, the Group's cash and cash equivalents amounted to EUR 55.7 M (57.9). In addition to this, current receivables included bank deposits of EUR 20.0 M (0.0) with maturities of 3-12 months. Net cash flow from operating activities amounted to EUR 30.6 M (53.5).

RISK FACTORS

The market for cruises and ferry services in the Baltic Sea is stable but subject to tough competition. Political decisions may change Viking Line's operating conditions, with potentially adverse consequences to its business operations. Åland's special tax status, which makes duty- and tax-free sales possible on services to and from Åland, is nevertheless permanent. The European Commission's guidelines for the promotion of seafaring, which makes the net salary system for shipboard employees possible, are being reviewed during 2012. These guidelines currently appear likely to be extended without major changes. The expenditure savings programme that the Finnish government agreed on in its government programme is not deemed likely to affect the restitution of Finnish shipboard employees' taxes and social security contributions during 2012.

The Group's business operations are dependent on functioning logistics and computer systems. Disruptions in traffic or data communications may have an adverse impact on the Group's earnings. Viking Line endeavours to minimize the risk of lengthy unplanned service interruptions by means of continuous vessel maintenance, a well-developed safety and security system, training and regular drills. Risks in information management are minimized by developing appropriate security systems and alternative working methods as well as efforts to ensure the reliability of computer systems.

The Group's vessels are recognized in the balance sheet at a carrying amount of EUR 196.0 M (214.7). The vessels have hull and machinery and increased value insurance totalling EUR 488.5 M (488.5). In addition, all vessels have strike insurance and protection and indemnity (P&I) insurance.

Fluctuations in bunker prices have a direct impact on the Group's earnings. The Group is also exposed to various financial risks, among them fluctuations in currency exchange rates. Revenue is generated in euros and Swedish kronor. Most operational influx of cash and cash equivalents consists of euros. Prices of goods for sale and bunker oil are affected by foreign currencies, especially the US dollar. The Group endeavours to maintain good liquidity in order to be prepared to deal with adverse changes in operational cash flow.

In connection with the newly ordered vessel from the STX Finland Oy shipyard, which will be delivered in 2013, the Company's interest-bearing liabilities and liquidity risk will increase. The loan for the vessel order has a maturity of 12 years and a fixed interest rate. The loan conditions include requirements related to the Company's equity/assets ratio.

Further information about financial risk management can be found in Note 25 to the consolidated financial statements.

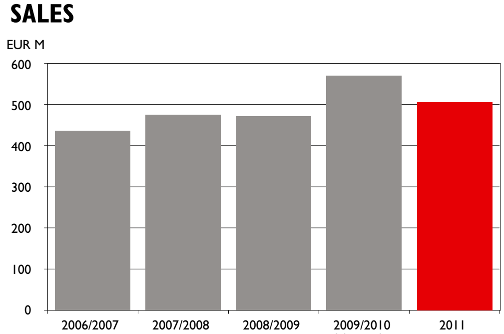
THE ENVIRONMENT, SAFETY AND SECURITY

Viking Line endeavours to provide safe and secure seagoing passenger services in an environmentally sound way. National legislation and international agreements are the basis for the Company's environmental work. Through a long-term, active commitment to the environment, the Company has developed environmental activities that extend beyond what is stipulated by the rules in force for passenger services on the Baltic Sea. Viking Line's environmental work focuses on its vessel operations, where the largest gains can be made when it comes to safeguarding our environment.

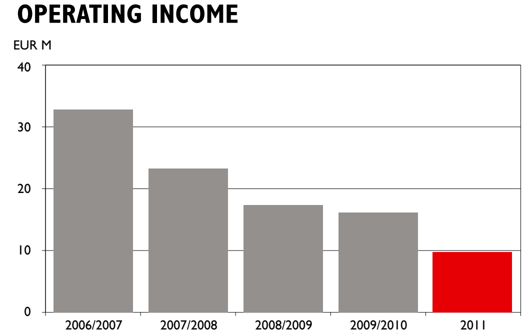
The Group's Head Office and all its vessels are certified in compliance with ISO 14001 environmental management standards.

Viking Line fulfils the requirements of the International Safety Management (ISM) Code and the International Ship and Port Facility Security (ISPS) Code. The Company is responsible for ensuring that its vessels, their crews and the land-based organization fulfil all the provisions of the rules that apply to passenger and cargo services. National maritime authorities oversee the safety and security equipment, fire protection systems, communications equipment, stability and safety organization of Viking Line's vessels. Emergency preparedness on board is maintained by a safety organization that carries out regular drills, training and

SALES



OPERATING INCOME



upgrades. Viking Line also has a special safety and crisis management plan, which is constantly being updated and redeveloped. The plan is continuously tested by means of realistic drills, both on board and on land.

ORGANIZATION AND PERSONNEL

During 2011 the average number of employees in the Viking Line Group was 3,060 (3,087). Of the total number of employees, 2,400 (2,431) resided in Finland, including 621 (644) in Åland. The number residing in Sweden was 545 (565). There were 6 (6) employees residing in Germany and 109 (85) in Estonia.

Most of Viking Line's employees work aboard its vessels. Shipboard personnel totalled 2,305 (2,319) and land-based personnel 755 (768).

Viking Line Abp has no foreign branches. Foreign subsidiaries are listed in Note 24 to the consolidated financial statements.

BOARD OF DIRECTORS, MANAGEMENT AND AUDITORS

The Board of Directors consists of Ben Lundqvist, Chairman; Jesper Blomsterlund, Nils-Erik Eklund, Erik Grönberg, Agneta Karlsson, Dick Lundqvist and Lars G Nordström. The deputies to the members of the Board are Carita Blomsterlund, Trygve Eriksson and Stefan Lundqvist.

The President and CEO of the Company is Mikael Backman. Jan Hanses serves as the Deputy CEO.

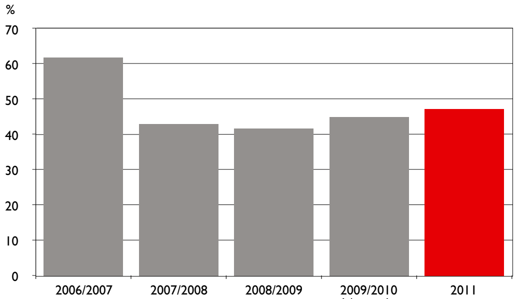
Johan Kronberg, Authorized Public Accountant (CGR) and Martin Grandell, Authorized Public Accountant (CGR), are regular Auditors. Sven-Harry Boman, Authorized Public Accountant (CGR) and Erika Sjölund, Authorized Public Accountant (GRM), serve as Deputy Auditors.

The Group has no loan arrangements, guarantees, contingent liabilities provided/received or other liabilities associated with related parties. The President and CEO has a termination notice period of 8 months. The Company's Board is entitled to terminate his contract in compliance with the Employment Contracts Act, but the President and CEO will enjoy 8 months of salary after the termination date. No other individual agreements regarding compensation due to termination have been concluded, either for the Board of Directors, members of Group Management or other employees. Additional information about related party transactions can be found in Note 24 to the consolidated financial statements. Information on the Company's corporate governance is available in Swedish and Finnish on the Company's web sites.

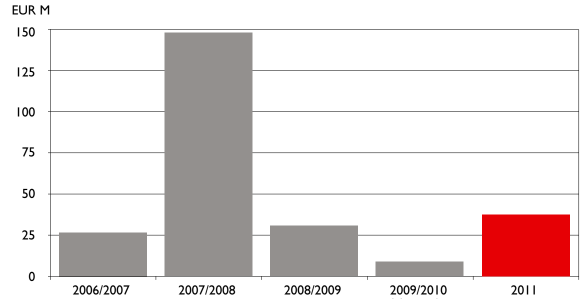
SHARES

All of Viking Line Abp's 10,800,000 shares constitute one series, in which all shares are of equal value. Each share is equivalent to one vote on motions and candidates at shareholders' meetings. The Company has not issued any warrants or bonds. The Board of Directors has not requested authorization from a shareholders' meeting to change the share capital, to issue warrants or bonds or to acquire the Company's own shares. The Company and its subsidiaries do not own any of their own shares. More information about

EQUITY / ASSETS RATIO



GROSS CAPITAL SPENDING



Viking Line shares can be found in the section "Share data".

OUTLOOK FOR 2012

During 2012 the Group's vessels will provide service on a normal scale on their regular routes. Viking Line Abp expects its passenger volume and earnings to remain largely at the same level as in 2011.

THE BOARD'S PROPOSAL ON DISTRIBUTION OF EARNINGS

According to the balance sheet of Viking Line Abp on December 31, 2011 unrestricted equity totalled EUR 67,306,174.33.

The Board of Directors proposes to the annual shareholders' meeting that:

A dividend of EUR 0.50 per share shall be paid, totalling	EUR 5,400,000.00
Remaining unrestricted equity	EUR 61,906,174.33

No material changes in the Company's financial position have occurred after the end of fiscal 2011. In the assessment of the Board of Directors, the dividend is justifiable in light of the demands with respect to the size of the equity capital which are imposed by the nature, scope and risks associated with the business.

Consolidated statement of comprehensive income

EUR M	Note	Jan 1, 2011– Dec 31, 2011 12 months	Nov 1, 2009– Dec 31, 2010 14 months
SALES	2	**504.3**	**569.9**
Other operating revenue	3	2.5	4.8
Expenses			
Goods and services	4	141.3	160.4
Salary and other employment benefit expenses	5	121.7	137.4
Depreciation and impairment losses	6	28.3	34.1
Other operating expenses	7	205.8	226.8
		497.1	558.7
OPERATING INCOME		**9.8**	**16.1**
Financial income	8	1.5	2.4
Financial expenses	8	-3.4	-4.1
INCOME BEFORE TAXES		**7.9**	**14.4**
Income taxes	9	-0.3	-3.9
INCOME FOR THE PERIOD		**7.6**	**10.5**
Translation differences		0.0	0.5
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**7.6**	**10.9**
Income attributable to:			
Parent company shareholders		7.6	10.5
Total comprehensive income attributable to:			
Parent company shareholders		7.6	10.9
Earnings per share before and after dilution, EUR	10	0.70	0.97

Consolidated balance sheet

EUR M	Note	Dec 31, 2011	Dec 31, 2010
ASSETS			
Non-current assets			
Intangible assets	11	1.1	1.2
Land	12	1.1	1.1
Buildings and structures	12	6.6	5.7
Renovation costs for rented properties	12	0.5	0.5
Vessels	12	196.0	214.7
Machinery and equipment	12	5.4	5.4
Advance payments	12	26.4	-
Investments available for sale	13	0.0	0.0
Receivables	14	0.8	0.0
Total non-current assets		**237.9**	**228.6**
Current assets			
Inventories	15	13.7	12.0
Income tax assets		1.4	0.0
Refund claim on advance payments		-	39.2
Trade and other receivables	16	49.0	32.6
Cash and cash equivalents	17	55.7	57.9
Total current assets		**119.8**	**141.7**
TOTAL ASSETS		**357.7**	**370.3**
EQUITY AND LIABILITIES			
Equity	18		
Share capital		1.8	1.8
Reserves		0.0	0.0
Translation differences		0.1	0.1
Retained earnings		164.4	163.7
Equity attributable to parent company shareholders		166.3	165.7
Total equity		**166.3**	**165.7**
Non-current liabilities			
Deferred tax liabilities	19	31.2	33.9
Non-current interest-bearing liabilities	20	81.5	89.9
Total non-current liabilities		**112.7**	**123.8**
Current liabilities			
Current interest-bearing liabilities	20	8.6	8.7
Income tax liabilities		0.0	4.5
Trade and other payables	21	70.0	67.6
Total current liabilities		**78.6**	**80.8**
Total liabilities		**191.4**	**204.6**
TOTAL EQUITY AND LIABILITIES		**357.7**	**370.3**

Consolidated cash flow statement

EUR M	Jan 1, 2011– Dec 31, 2011 12 months	Nov 1, 2009– Dec 31, 2010 14 months
OPERATING ACTIVITIES		
Income for the period	7.6	10.5
Adjustments		
Depreciation and impairment losses	28.3	34.1
Other items not included in cash flow	-1.1	4.1
Interest expenses and other financial expenses	2.4	2.3
Interest income and other financial income	-0.6	-0.5
Dividend income	0.0	0.0
Income taxes	0.3	3.9
Change in working capital		
Change in trade and other receivables	3.7	0.6
Change in inventories	-1.6	-0.8
Change in trade and other payables	2.4	-0.2
Interest paid	-2.1	-2.4
Financial expenses paid	-0.2	0.0
Interest received	0.3	0.3
Financial income received	0.1	0.1
Taxes paid	-8.9	1.4
NET CASH FLOW FROM OPERATING ACTIVITIES	**30.6**	**53.5**
INVESTING ACTIVITIES		
Investments in vessels	-6.9	-5.5
Investments in other property, plant and equipment	-3.6	-2.9
Advance payments	-26.4	-0.3
Refund claim on advance payments	39.2	-
Divestments of other property, plant and equipment	0.4	0.1
Divestments of investments available for sale	-	0.1
Change in non-current receivables	0.0	0.0
Dividends received	0.0	0.0
NET CASH FLOW FROM INVESTING ACTIVITIES	**2.8**	**-8.4**
FINANCING ACTIVITIES		
Increase in non-current liabilities	0.2	0.5
Amortization of non-current liabilities	-8.7	-27.0
Dividends paid	-7.0	-7.6
NET CASH FLOW FROM FINANCING ACTIVITIES	**-15.5**	**-34.1**
CHANGE IN CASH AND CASH EQUIVALENTS	**17.9**	**10.9**
Cash and cash equivalents at beginning of period	57.9	47.0
Change in held-to-maturity investments	-20.0	-
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**55.7**	**57.9**

Statement of changes in consolidated equity

EUR M	Share capital	Reserves	Translation differences	Retained earnings	Total Equity
	Equity attributable to parent company shareholders				
Equity, Nov 1, 2009	**1.8**	**0.0**	**-0.1**	**160.6**	**162.4**
Dividend to shareholders				-7.6	-7.6
Total comprehensive income for the period (14 months)		0.0	0.2	10.7	10.9
Equity, Dec 31, 2010	**1.8**	**0.0**	**0.1**	**163.7**	**165.7**
Equity, Jan 1, 2011	**1.8**	**0.0**	**0.1**	**163.7**	**165.7**
Dividend to shareholders				-7.0	-7.0
Total comprehensive income for the period		0.0	-0.1	7.7	7.6
Equity, Dec 31, 2011	**1.8**	**0.0**	**0.1**	**164.4**	**166.3**

Notes to the consolidated financial statements

1. ACCOUNTING PRINCIPLES

COMPANY INFORMATION

The Viking Line Group provides passenger and cargo carrier services in the northern Baltic Sea traffic area, with the Finnish mainland, Sweden, the Åland Islands (a Swedish-speaking province of Finland) and the Baltic countries as its main markets. The Group's profit centres also include the Park Alandia Hotell and Viking Line Buss Ab. The parent company of the Group is Viking Line Abp, domiciled in Mariehamn, Åland. The shares of the parent company are listed on the NASDAQ OMX Nordic Exchange Helsinki. The registered address of the Head Office is Norragatan 4, AX-22100 Mariehamn, Åland, Finland. The financial statements are available on www.vikingline.fi and at the Group's Head Office.

These financial statements were approved for publication and signed by the Board of Directors on February 15, 2012 and will be submitted to the Annual General Meeting for adoption.

GENERAL PRINCIPLES

These financial statements have been prepared in compliance with International Financial Reporting Standards (IFRSs). In drafting them, the International Accounting Standards (IASs) and IFRSs as well as the interpretations of the Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) that were in force on December 31, 2011 have been applied. In the Finnish Accounting Act and in the regulations issued on the basis of this Act, "IFRSs" refers to standards that have been adopted for application in the Community in compliance with the acts of the European Parliament and the European Council.

Since January 1, 2011, the Group has applied the following new and revised standards:

• The revised IAS 24 "Related Party Disclosures". This standard has not led to any changes in the disclosures in the notes to the consolidated financial statements.

• Other changes in IAS and IFRS standards as well as IFRIC interpretations that went into effect during the financial year did not have any substantial impact on the Group's financial statements.

The consolidated financial statements have been prepared on the basis of original costs unless otherwise stated in the accounting principles or notes below.

ESTIMATES AND JUDGEMENTS

In preparing the consolidated financial statements in compliance with IFRS, the Management of the Company must make judgements and estimates about the future that affect the reported amounts for assets and liabilities, revenue and expenses as well as other information. The judgements and estimates contained in the financial statements are based on the best assessment of Management on the date of the financial statements. The actual outcome may deviate from the estimates and judgements that have been made. Future events may change the basis for estimates and judgements.

The most important area involving judgements is the valuation of the Group's vessels. See Note 12. If the Group's estimates of the residual value or useful life of its vessels change, this affects the size of depreciation, which in turn affects earnings.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements encompass the parent company, Viking Line Abp, and all its subsidiaries. Starting on January 1, 2011, the Group is applying the calendar year as its financial year. The financial statements of Group companies encompass the period January 1 – December 31, 2011, while the comparative figures apply to November 1, 2009 – December 31, 2010, that is, 14 months. The outcome of this financial year is thus not comparable to the outcome for the preceding fiscal year.

Subsidiaries are reported according to the purchase method of accounting. This means that all assets that have been acquired, liabilities that have been taken over and contingent liabilities are recognized at fair values on the date the business was acquired. All subsidiaries were acquired before the transition to IFRS reporting. These acquisitions have been reported as previously in compliance with Finnish generally accepted accounting principles (GAAP).

The Group's internal business transactions as well as receivables and liabilities have been eliminated.

ITEMS IN FOREIGN CURRENCIES

The consolidated financial statements have been prepared in euros, which is the parent company's functional currency and financial reporting currency. When rounding off items to the nearest EUR 1,000,000, rounding-off differences of EUR ±0.1 M may occur.

Monetary items in foreign currencies have been translated to euros according to the exchange rates prevailing on the balance sheet date, while non-monetary items have been translated according to the exchange rate on the transaction date. Exchange rate differences that have arisen from translation are recognized in the income statement.

The income statements of foreign subsidiaries have been translated to euros according to monthly middle rates, while their balance sheets have been translated at the exchange rates on the balance sheet date. Exchange rate differences that have arisen from translation are recognized in equity. Translation differences that arose after the transition to IFRS are recognized as a separate balance sheet item under equity.

GOODWILL AND OTHER INTANGIBLE ASSETS

The Group has no recognized goodwill as of the balance sheet date.

Other intangible assets mainly comprise computer software programmes. These are recognized at their original cost and are amortized on a straight-line basis during their estimated useful economic life of 5-10 years.

Research and development concerning vessel technology are mainly carried out by manufacturers. The Group has no actual research and development expenditures.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recognized at historical cost less accumulated depreciation and any impairment loss. The residual values and estimated useful life of the assets are examined yearly and are adjusted if they deviate substantially from previous values.

The Group's vessels comprise most of its property, plant and equipment. For vessels, an estimated residual value at the end of their useful life is taken into account in calculating depreciation. The vessels are divided into component parts. Depreciation occurs mainly on a straight-line basis over the expected useful life of the parts. The depreciation principles for new vessels were adjusted during 2007/2008. The hull, engine and other long-term component parts are depreciated on a straight-line basis over 25 years, while short-term component parts are depreciated on a straight-line basis over 15 years. Normal expenditures for repairs and maintenance are expensed on a current basis. Expenditures for large-scale renovation projects are capitalized in the balance sheet if it is likely that the future economic benefits associated with the project will flow to the Group. These renovation projects are depreciated together with the asset to which the work is attributable, over its remaining useful life, but at least five years. Viking Line's vessels are dry-docked at 2-3 year intervals. Dry-docking expenses are capitalized for each respective vessel and depreciated until the next planned dry-docking.

Capitalized renovation costs for rented properties are depreciated on a straight-line basis. Other property, plant and equipment are depreciated on a declining balance basis. Land is not depreciated.

Depreciation for property, plant and equipment is calculated according to the following principles:

Vessels	20–25 years, straight-line
Vessels, short-term component parts	15 years, straight-line
Vessel dry-docking	2–3 years, straight-line
Vessels, machinery and equipment	25% of remaining expenditure
Buildings	4–7% of remaining expenditure
Structures	20–25% of remaining expenditure
Renovation costs for rented properties	5–10 years, straight-line
Machinery and equipment	25% of remaining expenditure

Gains or losses on the sale or transfer of property, plant and equipment are recognized in the income statement.

Advance payments are related to vessels under construction. These consist of advance payments in compliance with vessel construction (newbuilding) contracts, planning and monitoring expenses and capitalized borrowing expenses. Planning and monitoring expenses consist of architect fees plus salary and travel expenses for planning and technical monitoring of vessel construction. Interest expenses for loans related to advance payments attributable to vessels that have not yet been delivered are capitalized.

IMPAIRMENT LOSSES

The recognized values of asset items are tested regularly to discover any external or internal indications of impairment. If such indications are observed for any asset item, its recoverable amount is estimated.

The recoverable amount of intangible and tangible assets refers to their fair value minus costs to sell or value in use, whichever is higher. When estimating value in use, future cash flows are discounted to their present value on the basis of the discount rates that describe the average pre-tax capital costs of the asset in question.

An impairment loss is recognized in the income statement if the carrying amount of the asset item exceeds its recoverable amount.

An impairment loss attributable to tangible and intangible non-current assets, except for goodwill, is reversed if a change has occurred in the values used in determining the recoverable amount of the asset item. The impairment loss is reversed to the extent that the carrying amount of the asset after reversal does not exceed the carrying amount that the asset would have had if no impairment loss had been recognized, taking into account the depreciation that would then have been carried out.

During the fiscal year 2011 there were no indications of impairment.

FINANCIAL ASSETS AND LIABILITIES

According to IAS 39, financial assets are classified in the following categories: 1) financial assets recognized at fair value via the income statement, 2) held-to-maturity investments, 3) loan receivables and trade receivables and 4) financial assets available for sale.

Bank deposits whose maturity is 3-12 months are classified as held-to-maturity investments and are accounted for among current receivables. The Group's other financial investments are classified as financial assets available for sale. Unlisted shares and participations are recognized at fair value. Acquisitions and divestments of financial assets are recognized on the payment date. The carrying amount of non-current receivables is regarded as being equivalent to fair value. After the acquisition date, non-current receivables are carried at accrued cost according to the effective interest method, which is regarded as being equivalent to fair value taking into account the prevailing conditions on the date of the financial statements.

Financial liabilities are initially recognized at fair value based on the amount received. Transaction costs are included in the original carrying amount of financial liabilities. After the acquisition date, the liabilities are carried at accrued cost according to the effective interest method, which is regarded as being equivalent to fair value taking into account the prevailing conditions on the date of the financial statements. Non-current liabilities have an expected maturity longer than one year, while current liabilities have a maturity less than one year. The Group's interest-bearing financial liabilities have floating interest rates.

Viking Line cancelled its newbuilding contract with Astilleros de Sevilla on February 8, 2010. The advance payments of EUR 39.2 M that had been made and that have been demanded back were transferred to current assets on December 31, 2010 and were repaid during 2011.

INVENTORIES

Inventories have been recognized at a weighted average purchase price or at a probable lower net selling price.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of pledged deposits, cash and bank accounts and highly liquid short-term investments whose maturity from the acquisition date is no more than three months. For cash and cash equivalents with a short maturity, the carrying amount is regarded as being equivalent to fair value.

SEGMENT REPORTING

Group Management has established operating segments based on the information that is dealt with by the Management. Viking Line applies a matrix organization in which operational responsibility is divided into Passenger Acquisition, On-board Sales and Marine Operations. Operations, financial earnings forecasts and plans are followed up in these areas for all vessels and are assessed from a comprehensive perspective. The vessels also fulfil all aggregation criteria. The Group's operations have thus been divided into two operating segments: Vessels and Unallocated. The Vessels operating segment comprises direct revenue and expenses including depreciation and amortization that is attributable to vessel operations. The Unallocated operating segment mainly comprises unallocated marketing and administrative expenses. Unallocated also includes the Park Alandia Hotell profit centre and Viking Line Buss Ab, which are support units for vessel operations and account for less than 10 per cent of the Group's sales, operating income and assets. Assets and liabilities by operating segment are not reported to Group Management.

REVENUE AND SALES RECOGNITION PRINCIPLES

Sales are calculated on the basis of sales revenue minus discounts and indirect taxes, adjusted for exchange rate differences. Sales are recognized after goods or services have been received by the customer and benefits associated with ownership of goods or performance of services have been transferred to the purchaser and the Group has thus performed what the customer has paid for. Advance payments are carried in the balance sheet under "Other current liabilities". Any credit losses or other decreases in the value of receivables are recognized as expenses in the income statement. The Group has no actual customer loyalty programmes. Future free or discounted voyages of a bonus nature are recognized as corrective items under sales.

OTHER OPERATING REVENUE

Viking Line cancelled its newbuilding contract with Asterillos de Sevilla on February 8, 2010 and demanded repayment of advance payments it had made, EUR 39.2 M, plus interest compensation. This repayment was made to Viking Line on October 6, 2011. The accrued interest compensation was reported as income under "Other operating income". It totalled EUR 0.7 M in 2011 and EUR 4.3 M in fiscal 2009/2010.

EMPLOYEE COMPENSATION

Viking Line has different pension arrangements in the countries where the Group operates. Outside pension companies are responsible for the legally mandated pension liability in Group companies. At present, all of the Group's pension plans are classified as defined-contribution. Pension premiums are recognized as expenses in the income statement for the accounting period to which they are attributable.

During the autumn of 2011, Viking Line dismissed some employees. Compensation related to these dismissals is accounted for among "Salary and other employment benefit expenses" and outstanding compensation is accounted for among "Current liabilities" in the balance sheet. Otherwise the Group has no defined-benefit pension arrangements or other benefits after employment has ceased. However, the President and CEO enjoys 8 months of salary in case of termination by the Company. The Group applies an incentive and bonus system for the Company's President and CEO and for those persons who have been members of Group Management all year. The size of the added bonus is affected both by earnings for the financial year and personal job performance. The expenses for the Management's incentive and bonus system are included in the income statement under "Salary and employment benefit expenses" for the financial period whose earnings entitle Management to bonuses. The Group has no share-based incentive systems. No specific pension agreement has been made for Group Management.

GOVERNMENT RESTITUTION

The Group receives government restitution from Finland and Sweden related to the taxes and social security contributions for shipboard employees, in keeping with European Union guidelines. The restitution received is recognized in the income statement among salary and employment benefit expenses. See Note 5 to the consolidated financial statements.

RENTAL AGREEMENTS

The Group's leases and rental agreements are classified as operating leases, which means that rental income and expenses are recognized in the income statement on a straight-line basis over the period of the lease. See Note 22 to the consolidated financial statements.

INCOME TAXES

Income taxes in the income statement consist of taxes based on the taxable income for the period, adjustment of taxes for previous periods and deferred taxes.

Taxes based on the taxable income for the period are calculated according to the applicable tax rate in each respective country. Income taxes are recognized in the income statement except when underlying transactions have been recognized directly in equity, in which case the related tax effects are recognized in equity.

Deferred taxes are calculated for all temporary differences between carrying amount and tax base. The largest temporary differences are attributable to accumulated depreciation differences. Deferred taxes are estimated according to the tax rates that were established before the balance sheet date. When estimating deferred taxes on December 31, 2011, the 2012 tax rate of 24.5 per cent has been used in the Group's Finnish companies. No deferred tax liabilities have been recognized for the undistributed retained earnings of the Estonian subsidiary, since these earnings will not be distributed in the foreseeable future. The Group has not recognized any deferred tax assets.

APPLICATION OF RENEWED OR AMENDED IFRSS

The Group begins to apply each respective standard and interpretation from the date when it enters into force or from the beginning of the following accounting period, if the date when application begins is a date other than the first day of the accounting period.

Future changes in IASs, IFRSs and IFRIC interpretations that the EU has approved are not expected to have any substantial impact on the consolidated financial statements.

	EUR M	Jan 1, 2011– Dec 31, 2011 12 months	Nov 1, 2009– Dec 31, 2010 14 months
2.	**OPERATING SEGMENTS**		
	Sales		
	Vessels	499.2	564.0
	Unallocated	5.3	6.1
	Total, operating segments	504.5	570.1
	Eliminations	-0.2	-0.2
	Total sales of the Group	504.3	569.9
	Operating income		
	Vessels	56.2	69.5
	Unallocated	-46.4	-53.4
	Total operating income of the Group	9.8	16.1
3.	**OTHER OPERATING REVENUE**		
	Interest compensation, newbuilding contract	0.7	4.3
	Settlement compensation, port fees	1.1	-
	Rents received on properties	0.4	0.4
	Miscellaneous other operating revenue	0.4	0.1
	Total	2.5	4.8
4.	**GOODS AND SERVICES**		
	Goods	118.5	133.6
	Externally purchased services	22.8	26.8
	Total	141.3	160.4
5.	**SALARY AND OTHER EMPLOYMENT BENEFIT EXPENSES**		
	Salaries	124.9	141.6
	Expenses of defined-contribution pensions	13.7	15.9
	Other payroll overhead	20.7	22.3
		159.2	179.8
	Government restitution	-37.6	-42.4
	Total	121.7	137.4
	AVERAGE NUMBER OF EMPLOYEES		
	Shipboard employees	2,305	2,319
	Land-based employees	755	768
	Total	3,060	3,087

Disclosures on compensation to the Group's key individuals in leading positions are found in Note 24.

EUR M		Jan 1, 2011– Dec 31, 2011 12 months	Nov 1, 2009– Dec 31, 2010 14 months
6.	**DEPRECIATION AND IMPAIRMENT LOSSES**		
	Depreciation		
	Other intangible assets	0.4	0.4
	Buildings and structures	0.5	0.4
	Renovation expenses for rented properties	0.2	0.2
	Vessels	25.6	31.5
	Machinery and equipment	1.7	1.7
	Total	28.3	34.1
	Total depreciation and impairment losses	28.3	34.1
7.	**OTHER OPERATING EXPENSES**		
	Sales and marketing expenses	31.1	37.7
	Washing and cleaning expenses	19.0	21.4
	Repairs and maintenance	18.9	18.9
	Public port expenses and vessel charges	37.1	41.2
	Fuel expenses	62.1	56.3
	Miscellaneous expenses	37.6	51.3
	Total	205.8	226.8

As a consequence of the newbuilding contract cancellation, during fiscal 2009/2010 previously capitalized project expenses of EUR 3.8 M were recognized under “Miscellaneous expenses”.

Auditors' fees		
Auditing	0.1	0.1
Miscellaneous consulting	0.0	0.0
Total	0.1	0.1

EUR M	Jan 1, 2011– Dec 31, 2011 12 months	Nov 1, 2009– Dec 31, 2010 14 months
8. FINANCIAL INCOME AND EXPENSES		
Dividend income from investments available for sale	0.0	0.0
Interest income from cash, cash equivalents and non-current receivables	0.4	0.4
Interest income from held-to-maturity investments	0.1	-
Exchange gains	0.9	1.9
Other financial income	0.1	0.1
Total financial income	1.5	2.4
Interest expenses on financial liabilities recognized at accrued cost	2.2	2.3
Exchange losses	1.0	1.8
Other financial expenses	0.2	0.0
Total financial expenses	3.4	4.1

Sales included exchange rate differences of EUR 0.1 M (EUR 0.5 M).
Other operating expenses included exchange rate differences of EUR -0.0 M (EUR -1.8 M)

9. INCOME TAXES		
Tax for the fiscal year	3.0	4.8
Tax attributable to previous fiscal years	0.0	0.0
Deferred tax, change in temporary differences	-0.7	-0.9
Deferred tax, change in tax rate	-2.0	-
Total	0.3	3.9
Reconciliation of tax expense in the income statement and taxes estimated according to tax rate in the Group's home country		
Income before taxes	7.9	14.4
Taxes estimated according to Finnish tax rate (26%)	2.1	3.7
Tax attributable to previous fiscal years	0.0	0.0
Tax effect of		
divergent tax rates in foreign subsidiaries	0.0	0.0
tax-exempt revenue and non-deductible expenses	0.1	0.1
temporary differences	0.0	0.0
deferred tax, change in tax rate	-2.0	-
other	0.0	0.0
Taxes in the income statement	0.3	3.9

10. EARNINGS PER SHARE

Earnings per share are calculated on the basis of 10,800,000 shares of equal value. Viking Line has no share option, convertible debenture or share-based incentive programmes, so no dilution can occur.

EUR M	

11. INTANGIBLE ASSETS

Cost, Jan 1, 2011	4.1
Translation difference	0.0
Increases	0.3
Decreases	0.0
Cost, Dec 31, 2011	4.4
Accumulated amortization, Jan 1, 2011	-2.9
Translation difference	0.0
Accumulated amortization on decreases	0.0
Amortization for the fiscal year	-0.4
Accumulated amortization, Dec 31, 2011	-3.3
Carrying amount, Jan 1, 2011	1.2
Carrying amount, Dec 31, 2011	1.1
Cost, Nov 1, 2009	3.6
Translation difference	0.0
Increases	0.5
Cost, Dec 31, 2010	4.1
Accumulated amortization, Nov 1, 2009	-2.5
Translation difference	0.0
Amortization for the fiscal year	-0.4
Accumulated amortization, Dec 31, 2010	-2.9
Carrying amount, Nov 1, 2009	1.1
Carrying amount, Dec 31, 2010	1.2

Other intangible assets consist mainly of computer software programmes.

EUR M

12. PROPERTY, PLANT AND EQUIPMENT

PROPERTY, PLANT AND EQUIPMENT	Land	Buildings and structures	Renovation expenses for rented properties	Vessels	Machinery and equipment	Advance payments	Total
Cost, Jan 1, 2011	1.1	18.2	10.7	618.4	32.0	-	680.4
Translation difference	0.0	0.0			0.0		0.0
Increases		1.5	0.2	6.9	1.7	26.4	36.6
Decreases/adjustments	0.0	0.0	0.0	-4.8	-1.0		-5.9
Cost, Dec 31, 2011	1.1	19.6	10.9	620.4	32.6	26.4	711.1
Accumulated depreciation, Jan 1, 2011	-	-12.5	-10.2	-403.7	-26.6	-	-453.1
Translation difference		0.0			0.0		0.0
Accumulated depreciation on decreases/adjustments		0.0	0.0	4.8	1.0		5.9
Depreciation for the fiscal year		-0.5	-0.2	-25.6	-1.7		-27.9
Accumulated depreciation, Dec 31, 2011	-	-13.0	-10.4	-424.5	-27.3	-	-475.1
Carrying amount, Jan 1, 2011	1.1	5.7	0.5	214.7	5.4	-	227.4
Carrying amount, Dec 31, 2011	1.1	6.6	0.5	196.0	5.4	26.4	236.0
Cost, Nov 1, 2009	1.1	17.2	10.7	616.7	31.0	42.7	719.4
Translation difference	0.0	0.0			0.0		0.1
Increases		0.9	0.1	5.5	1.4	0.3	8.2
Decreases				-3.8	-0.4		-4.2
Transfer to current assets						-39.2	-39.2
Recognition of capitalized project expenses						-3.8	-3.8
Cost, Dec 31, 2010	1.1	18.2	10.7	618.4	32.0	0.0	680.4
Accumulated depreciation, Nov 1, 2009	-	-12.1	-10.0	-376.0	-25.2	-	-423.4
Translation difference		0.0			0.0		0.0
Accumulated depreciation on decreases				3.8	0.3		4.1
Depreciation for the fiscal year		-0.4	-0.2	-31.5	-1.7		-33.8
Accumulated depreciation, Dec 31, 2010	-	-12.5	-10.2	-403.7	-26.6	-	-453.1
Carrying amount, Nov 1, 2009	1.1	5.1	0.7	240.7	5.7	42.7	296.0
Carrying amount, Dec 31, 2010	1.1	5.7	0.5	214.7	5.4	0.0	227.4

Advance payments are related to vessels under construction. Viking Line cancelled the newbuilding contract with Astilleros de Sevilla on February 8, 2010. The advance payments, EUR 39.2 M, that were demanded back were transferred to "Current assets" and the capitalized project expenses, EUR 3.8 M, were recognized under "Other operating expenses" during fiscal 2009/2010.

Viking Line has no financial leases related to property, plant and equipment.

13. INVESTMENTS AVAILABLE FOR SALE

INVESTMENTS AVAILABLE FOR SALE	Carrying amount Dec 31, 2011	Fair value Dec 31, 2011	Carrying amount Dec 31, 2010	Fair value Dec 31, 2010
Unlisted shares and participations	0.0	0.0	0.0	0.0
Investments available for sale	0.0	0.0	0.0	0.0

Unlisted shares and participations are recognized at fair value.

EUR M

14. RECEIVABLES

	Carrying amount Dec 31, 2011	Fair value Dec 31, 2011	Carrying amount Dec 31, 2010	Fair value Dec 31, 2010
Receivable, settlement compensation	0.8	0.8	-	-
Loans receivable	0.0	0.0	0.0	0.0
Total	0.8	0.8	0.0	0.0

Viking Line reached a settlement with the City of Mariehamn concerning disputed port fees from the 1990s. The carrying amount of the settlement compensation has been calculated according to the effective interest method, which is regarded as being equivalent to fair value. The settlement compensation is being paid annually for seven years, beginning on December 31, 2011.

The carrying amount of loans receivable is recognized as fair value.
The maximum credit risk for non-current receivables is equivalent to their carrying amount.

15. INVENTORIES

	Dec 31, 2011	Dec 31, 2010
Inventories of goods for sale	11.8	10.6
Supplies	0.2	0.3
Stocks of vessel fuel	1.6	1.2
Total	13.7	12.0

16. TRADE AND OTHER RECEIVABLES

	Carrying amount Dec 31, 2011	Fair value Dec 31, 2011	Carrying amount Dec 31, 2010	Fair value Dec 31, 2010
Trade receivables	9.7	9.7	9.9	9.9
Accrued income and prepaid expenses	17.4	17.4	21.7	21.7
Held-to-maturity investments	20.0	20.0	-	-
Other receivables	2.0	2.0	1.1	1.1
Total	49.0	49.0	32.6	32.6

Accrued income and prepaid expenses	Dec 31, 2011	Dec 31, 2010
Employee-related items	15.6	15.9
Other accrued income and prepaid expenses	1.8	5.8
Total	17.4	21.7
Age analysis, trade receivables		
Not overdue	7.1	6.3
Overdue 1–30 days	2.4	3.4
Overdue more than 30 days	0.1	0.2
Total	9.7	9.9
Trade and other receivables by currency		
EUR	40.4	24.9
SEK	8.1	7.4
CHF	0.1	0.1
DKK	0.0	0.0
GBP	0.3	0.1
NOK	0.1	-
Total	49.0	32.6

Bank deposits whose maturity is 3-12 months are classified as held-to-maturity investments and are accounted for among current receivables. The carrying amount of trade and other receivables was equivalent to fair value. The maximum credit risk for trade and other receivables is equivalent to their carrying amount.

EUR M

17. CASH AND CASH EQUIVALENTS

	Carrying amount Dec 31, 2011	Fair value Dec 31, 2011	Carrying amount Dec 31, 2010	Fair value Dec 31, 2010
Pledged deposits	1.5	1.5	1.3	1.3
Cash and bank accounts	28.2	28.2	16.8	16.8
Short-term investments	26.1	26.1	39.7	39.7
Total	55.7	55.7	57.9	57.9

The maturity of short-term investments is from 2 to 91 days.

18. EQUITY

Share capital

The minimum share capital of Viking Line Abp is EUR 720,000.00 and the maximum share capital is EUR 2,880,000.00. Within these limits, share capital may be increased or decreased without amending the Articles of Association. The minimum number of shares is 3,600,000 and the maximum number is 14,400,000. Since April 12, 1995, the share capital of Viking Line Abp has been EUR 1,816,429.61 and the number of shares 10,800,000. All 10,800,000 shares constitute one series, in which all shares are of equal value. Each share is equivalent to one vote on motions and candidates at shareholders' meetings. However, no shareholder may vote on behalf of more than 1/4 of the shares represented at a shareholders' meeting. The Company has not issued any warrants or bonds. The Board of Directors has not requested authorization from a shareholders' meeting to change the share capital or to issue warrants or bonds or to acquire the Company's own shares. The Company and its subsidiaries do not own any of their own shares.

Reserves	Dec 31, 2011	Dec 31, 2010
Legal reserve	0.0	0.0
Share premium reserve	0.0	0.0
Total	0.0	0.0

Translation differences

Translation differences consist of differences that have arisen when consolidating the financial statements of foreign subsidia

Dividend

A dividend of EUR 0.65 per share, totalling EUR 7.0 M, was distributed for the fiscal year 2009/2010 (for fiscal 2008/2009, EUR 0.70 per share, totalling EUR 7.6 M). After the balance sheet date, the Board of Directors proposed that EUR 0.50 per share be distributed as a dividend. The dividend distribution is recognized as a liability in the balance sheet when the shareholders' meeting has approved it.

19. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax liabilities	Jan 1, 2011	Recognized in income statement	Dec 31, 2011
Accumulated depreciation differences	33.9	-2.6	31.2
Other temporary differences	0.0	0.0	0.0
Total	33.9	-2.7	31.2

Deferred tax liabilities	Nov 1, 2009	Recognized in income statement	Dec 31, 2010
Accumulated depreciation differences	34.8	-0.9	33.9
Other temporary differences	0.0	0.0	0.0
Total	34.8	-0.9	33.9

The Group has not recognized any deferred tax assets.

Undistributed retained earnings in the Estonian subsidiary totalled EUR 0.2 M on December 31, 2011 (EUR 0.2 M on December 31, 2010). No deferred tax liabilities have been reported, since these earnings will not be distributed within the foreseeable future.

EUR M

20. FINANCIAL LIABILITIES

Non-current liabilities, interest-bearing	Carrying amount Dec 31, 2011	Fair value Dec 31, 2011	Carrying amount Dec 31, 2010	Fair value Dec 31, 2010
Loans from credit institutions	81.5	81.5	89.9	89.9

Current liabilities, interest-bearing	Carrying amount Dec 31, 2011	Fair value Dec 31, 2011	Carrying amount Dec 31, 2010	Fair value Dec 31, 2010
Loans from credit institutions, principal payments	8.6	8.6	8.7	8.7

Interest-bearing financial liabilities fall due for payment as follows:	Dec 31, 2011	Dec 31, 2010
Within one year	8.6	8.7
Later than one year but within five years	34.4	34.4
Later than five years	47.1	55.6
Total	90.1	98.6

The Group's financial liabilities are in euros with floating interest rates. The total interest rate consists of the market interest rate and a company-specific margin. The carrying amount for non-current liabilities has been calculated according to the effective interest method, which is regarded as equivalent to fair value.

21. TRADE AND OTHER LIABILITIES

	Carrying amount Dec 31, 2011	Fair value Dec 31, 2011	Carrying amount Dec 31, 2010	Fair value Dec 31, 2010
Trade liabilities	27.7	27.7	26.6	26.6
Accrued expenses and prepaid income	32.2	32.2	30.3	30.3
Other liabilities	10.2	10.2	10.7	10.7
Total	70.0	70.0	67.6	67.6

Accrued expenses and prepaid income	Dec 31, 2011	Dec 31, 2010
Employee-related expenses	24.8	24.1
Other accrued expenses and prepaid income	7.4	6.2
Total	32.2	30.3

Trade and other liabilities by currency		
EUR	44.1	43.8
SEK	25.3	23.3
DKK	0.0	0.0
GBP	0.0	-
NOK	0.0	0.0
USD	0.6	0.4
Total	70.0	67.6

The carrying amount of trade and other liabilities was equivalent to fair value.

Most of "Other liabilities" consisted of employee-related items.

EUR M

22. RENTAL AGREEMENTS

Rental income

The Group rents out premises in portions of its properties to various business owners. Most of these agreements are cancellable. Of non-cancellable agreements, the most important is the granting of a lease for operation of the meal service business at the Park Alandia Hotell.

Future rental income related to non-cancellable rental agreements	Dec 31, 2011	Dec 31, 2010
Due within one year	0.2	0.2
Due in later than one year but within five years	0.3	-
Due in later than five years	-	-
Total	0.5	0.2

Minimum lease payments and rent expenses

The Group has no agreements that are classified as financial leases. The Group rents a number of premises for sales and administrative purposes. In addition, there are various operating leases related to machinery and equipment. The agreements vary in length between 1 and 10 years. The agreements normally include options for renewal after the expiration of the agreement. The agreements vary with regard to indexing, renewal and other terms and conditions. In addition, the Group leases a harbour area whose remaining lease period totals 14 years. One condition for occupying the property is that it be used for passenger, cargo and car ferry services. In the lease, the Company has also undertaken to pay port fees for all its vessels that use the harbour in question. These port fees should total a certain minimum level. Minimum levels are also specified for volumes and net registered tonnage. Viking Line is entitled to transfer the agreement to a third party.

Future minimum lease payments and rents related to non-cancellable operating leases	Dec 31, 2011	Dec 31, 2010
Due within one year	1.9	1.8
Due in later than one year but within five years	2.7	2.9
Due in later than five years	0.2	0.2
Total	4.8	4.8

23. PLEDGED ASSETS AND CONTINGENT LIABILITIES

Contingent liabilities	Dec 31, 2011	Dec 31, 2010
Loans and credit lines for which vessel and vehicle mortgages were provided as collateral	90.3	98.7
Other contingent liabilities not included in the balance sheet		
Covered by vessel mortgages	1.8	-
Covered by vehicle mortgages	0.0	0.1
Covered by deposits	1.5	1.2
Total	93.5	100.0
Assets pledged for own debt		
Vessel mortgages	132.7	108.6
Vehicle mortgages	0.7	0.7
Site leasehold mortgages	0.4	0.3
Deposits	1.5	1.3
Total	135.3	110.9
Investment commitments not included in the accounts		
Commitments, vessel orders and renovation of harbour terminals	224.9	240.2
– Contractual amount	250.1	240.2

Viking Line has a binding credit commitment of EUR 185.0 M for financing vessel orders.

EUR M

24. RELATED PARTIES

Group companies	Domicile	Holding	Share of voting power
Owned by the parent company, Viking Line Abp	*Mariehamn, Finland*		
Viking Rederi AB	Norrtälje, Sweden	100 %	100 %
OÜ Viking Line Eesti	Tallinn, Estonia	100 %	100 %
Viking Line Buss Ab	Mariehamn, Finland	100 %	100 %
Viking Line Skandinavien AB	Stockholm, Sweden	100 %	100 %
Viking Line Finnlandverkehr GmbH	Lübeck, Germany	100 %	100 %
Oy Viking Tours Ruotsinmatkat - Sverigecenter Ab	Mariehamn, Finland	100 %	100 %
Oy Ruotsinsatama - Sverigehamnen Ab	Naantali, Finland	100 %	100 %
Owned by subsidiaries			
Finlandshamnen Stuveri AB	Stockholm, Sweden	100 %	100 %

Compensation to the Group's key individuals in leading positions	Jan 1, 2011– Dec 31, 2011 12 months	Nov 1, 2009–– Dec 31, 2010 14 months
Salaries and fees		
President and CEO	0.2	0.3
Deputy CEO	0.2	0.2
Other key individuals in leading positions	0.8	1.0
Compensation to board members		
Ben Lundqvist, Chairman of the Board	0.0	0.0
Jesper Blomsterlund, Board member from Feb 11, 2010, Deputy member until Feb 11, 2010	0.0	0.0
Nils-Erik Eklund, Board member	0.0	0.0
Erik Grönberg, Board member	0.0	0.0
Agneta Karlsson, Board member	0.0	0.0
Dick Lundqvist, Board member	0.0	0.0
Lars G Nordström, Board member	0.0	0.0
Carita Blomsterlund, Deputy member from Feb 11, 2010, Board member until Feb 11, 2010	0.0	0.0
Trygve Eriksson, Deputy member of the Board	0.0	0.0
Stefan Lundqvist, Deputy member of the Board	0.0	0.0
Total	1.4	1.8

Nils-Erik Eklund served as President and CEO until February 11, 2010. Since February 11, 2010 Mikael Backman has served as President and CEO. Jan Hanses has served as Deputy CEO.

No compensation other than salaries and short-term compensation has been paid to key individuals in management positions. The Group has no share-based incentive systems. No specific pension agreement has been made for Group Management.

Transactions with companies that are under significant influence of the Group's key individuals in leading positions	Jan 1, 2011- Dec 31, 2011 12 months	Nov 1, 2009- Dec 31, 2010 14 months
Sales of services	0.1	0.1
Purchases of services	0.8	1.6

	Dec 31, 2011	Dec 31, 2010
Receivables outstanding	0.0	0.0
Liabilities outstanding	0.0	0.1

Transactions with related parties are carried out on market terms.
The Group has no loan arrangements, guarantees, contingent liabilities provided/received or other liabilities associated with related parties.

25. MANAGEMENT OF FINANCIAL RISKS

In its normal operating activities, the Group is exposed to several financial risks. The main financial risks are foreign exchange risk, interest rate risk, liquidity risk, credit and counterparty risk and oil price risk. The Group's financing and management of financial risks have been concentrated in the Finance unit of the parent company. The Group's foreign exchange holdings and investments are reported regularly to the Board of Directors.

The Group currently has no derivative contracts.

FOREIGN EXCHANGE RISK

The Group's foreign exchange risk consists of sales and purchases as well as balance sheet items in foreign currencies and net investments in foreign subsidiaries. The impact of changes in currency exchange rates on net investments in foreign subsidiaries is reflected as translation differences in Group equity.

The most important foreign currencies for the Group are Swedish kronor (SEK) and American dollars (USD). During 2011 SEK-denominated sales accounted for about 33 per cent of total consolidated sales. Salary and employment benefit expenses and purchases denominated in SEK accounted for about 39 per cent of the Group's total salary and employment benefit expenses and purchases. The USD exchange rate affects the Group's earnings mainly through the currency component included in bunker (vessel fuel) prices.

The Group's foreign exchange positions in the balance sheet are shown in Notes 16 and 21. The Group's loans are entirely denominated in euros. The currency position is monitored continuously and the Group endeavours to achieve a matching of the currency flows. Since an imbalance between the Group's inflows and outflows of SEK arises, this is managed primarily by a continuous sale of SEK. The Group has no form of currency hedging.

A 5 per cent change in the exchange rate of the euro against all other currencies in the balance sheet on December 31, 2011 would have an estimated effect of EUR ±0.7 M (EUR ±0.2 M on December 31, 2010) on consolidated earnings.

INTEREST RATE RISK

Fluctuations in interest rates affect the Group's interest expenses and interest income. The Group's non-current financial liabilities have floating interest rates. The total interest rate consists of the market interest rate and a company-specific margin. There are no interest rate derivatives.

A one percentage point change in the market interest rates on the Group's interest-bearing liabilities on December 31, 2011 would have an estimated effect of EUR ±0.9 M (EUR ±1.0 M on December 31, 2010) on consolidated earnings.

LIQUIDITY RISK

Viking Line evaluates and continuously monitors the financing that is required in its operating activities in order to always have sufficient funds for day-to-day activities, principal payments and investments. Liquidity risk is also managed through efficient cash management, by ensuring reasonably priced financing sources and by dispersing a sufficient portion of financial investments among liquid financial instruments. Vessel investments are financed with long-term credit agreements.

Viking Line Abp and the STX Finland Oy shipyard have signed a contract on the construction of a passenger ferry to be delivered early in 2013. The contract price is about EUR 240 M. The environmental grant of EUR 28 M that was approved by the Finnish Ministry of Transport and Communications as compensation for the extensive environmental investments in the new vessel has not yet been approved by the European Commission. Eighty per cent of the net investment is being financed at a fixed interest rate by Finnish Export Credit Ltd, from which Viking Line has a binding credit commitment of EUR 185.0 M. The remaining 20 per cent of the net investment is being financed by Viking Line's own funds.

The Group's non-current interest-bearing liabilities amounted to EUR 81.5 M on December 31, 2011 (EUR 89.9 M on December 31, 2010). Information on the dates when interest-bearing liabilities fall due for payments is found in the consolidated financial statements, Note 20. The Group's cash and cash equivalents amounted to EUR 55.7 M on December 31, 2011 (EUR 57.9 M on December 31, 2010).

CREDIT AND COUNTERPARTY RISK

Trade and other receivables are a credit risk for the Group. Credit risk in operational activities is continuously followed up. Credit risk in the Group's trade and other receivables is regarded as low, since these are dispersed among a large number of customers. The Group had no substantial credit losses during the fiscal year. The balance sheet carrying amount of the Group's trade and other receivables is equivalent to its maximum credit exposure. An age analysis of unimpaired trade receivables can be found in the consolidated financial statements, Note 16.

Significant advance payments submitted by Viking Line, for example when ordering vessels, are safeguarded by adequate counterparty guarantees.

Cash is invested in financial instruments that are liquid and exposed to low risk. Investments in financial instruments are made only with counterparties deemed to have good solvency and creditworthiness.

OIL PRICE RISK

Bunker (vessel fuel) costs are a substantial risk for the Group. Most of the price of the Group's bunker purchases is determined by world market prices. The floating component in the bunker price comprises a combination of the average price of the oil quality in question during the month of purchase and the month's average USD/SEK exchange rate. The Group has not hedged against fluctuations in bunker prices.

Vessel bunker costs amounted to EUR 61.8 M during the fiscal year 2011 (EUR 56.1 M during the fiscal year 2009/2010), which is equivalent to 12.3 per cent (9.8) of Group sales. Bunker consumption totalled about 118,756 m^3 during 2011 (about 141,916 m^3 during November 1, 2009 – December 31, 2010).

A 10 per cent change in the bunker price on December 31, 2011 based on projected bunker consumption in 2012 would have an estimated effect of EUR ±5.8 M on Group income.

ASSET MANAGEMENT

The purpose of the Group's asset management is a capital structure that ensures normal operating conditions. The Company's Board of Directors assesses the capital structure of the Group regularly by monitoring the equity/assets ratio. On December 31, 2011, the equity/assets ratio amounted to 46.5 per cent, compared to 44.8 per cent on December 31, 2010.

26. LITIGATION AND DISPUTES

The financial statements include no provisions related to litigation and disputes.

27. EVENTS AFTER THE BALANCE SHEET DATE

The Management of the Company is not aware of any major events after the balance sheet date that might influence the financial statements.

Five-year financial review

THE GROUP	2006/2007	2007/2008	2008/2009	2009/2010 14 months	2011
Sales, EUR M	436.0	475.4	470.7	569.9	504.3
Operating income, EUR M	32.8	23.3	17.3	16.1	9.8
– as % of sales	7.5 %	4.9 %	3.7 %	2.8 %	1.9 %
Income before taxes, EUR M	33.8	19.8	14.4	14.4	7.9
– as % of sales	7.7 %	4.2 %	3.1 %	2.5 %	1.6 %
Return on equity (ROE)	16.6 %	9.2 %	6.5 %	6.4 %	4.6 %
Return on investment (ROI)	21.5 %	10.6 %	6.3 %	6.0 %	3.9 %
Equity/assets ratio	61.7 %	42.8 %	41.6 %	44.8 %	46.5 %
Debt/equity ratio (gearing)	-22.6 %	54.9 %	48.2 %	24.6 %	20.7 %
Gross capital spending, EUR M	26.4	148.1	30.6	8.7	36.9
– as % of sales	6.0 %	31.2 %	6.5 %	1.5 %	7.3 %
Average number of employees	2,911	2,994	3,091	3,087	3,060
– of whom, shipboard employees	2,178	2,232	2,314	2,319	2,305
– of whom, land-based employees	733	762	777	768	755
Salaries etc, EUR M	103.0	112.7	115.1	141.6	124.9

Quarterly consolidated statement of comprehensive income

EUR M	2011 Q4	2011 Q3	2011 Q2	2011 Q1
SALES	**121.7**	**151.2**	**130.8**	**100.6**
Other operating revenue	0.3	0.5	1.3	0.4
Expenses				
Goods and services	34.8	41.0	37.4	28.0
Salary and other employment benefit expenses	29.6	29.8	31.4	30.9
Depreciation and impairment losses	7.0	7.2	7.1	7.0
Other operating expenses	50.9	50.2	53.9	50.8
	122.3	128.2	129.8	116.7
OPERATING INCOME	**-0.3**	**23.5**	**2.3**	**-15.8**
Financial income	0.6	0.3	0.2	0.4
Financial expenses	-0.9	-0.8	-0.8	-0.7
INCOME BEFORE TAXES	**-0.7**	**23.0**	**1.7**	**-16.2**
Income taxes	2.0	-6.0	-0.5	4.1
INCOME FOR THE PERIOD	**1.3**	**17.0**	**1.3**	**-12.0**
Translation differences	0.1	-0.1	-0.1	0.1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**1.3**	**17.0**	**1.2**	**-11.9**
Income attributable to:				
Parent company shareholders	1.3	17.0	1.3	-12.0
Total comprehensive income attributable to:				
Parent company shareholders	1.3	17.0	1.2	-11.9
Earnings per share before and after dilution, EUR	0.12	1.58	0.12	-1.11

Share data

SHARE CAPITAL AND SHARES

The minimum share capital of Viking Line Abp is EUR 720,000.00 and the maximum share capital is EUR 2,880,000.00. Within these limits, share capital may be increased or decreased without amending the Articles of Association. The minimum number of shares is 3,600,000 and the maximum number is 14,400,000. Since April 12, 1995, the share capital of Viking Line Abp has been EUR 1,816,429.61. Since July 5, 1995, the shares of Viking Line Abp have been listed on the NASDAQ OMX Nordic Exchange Helsinki.

JOINING THE FINNISH BOOK-ENTRY SECURITIES ACCOUNT SYSTEM

The changeover of Viking Line Abp shares took place during the period February 15 – March 12, 1999.

WARRANTS AND BONDS

The Company has not issued warrants or bonds.

LIMITATIONS ON VOTING RIGHTS

All shares constitute one series, in which all shares are of equal value. Each share is equivalent to one vote when voting on motions and candidates at shareholders' meetings. However, no shareholder may vote on behalf of more than 1/4 of the shares represented at a shareholders' meeting.

AUTHORITY TO MAKE CHANGES

The Articles of Association stipulate lower and upper limits for the Company's share capital. The Board of Directors has not requested authorization from a shareholders' meeting to change the share capital or to issue warrants or bonds or acquire the Company's own shares.

LARGEST SHAREHOLDERS, December 31, 2011	Number of shares	Percentage of total
1. Ångfartygs Ab Alfa	1,656,500	15.3 %
2. Ab Rafael	1,476,944	13.7 %
3. Rederi Ab Hildegaard	1,110,803	10.3 %
4. Lundqvist Ben	335,003	3.1 %
5. Eklund Nils-Erik	332,645	3.1 %
6. Sviberg Marie-Louise	315,245	2.9 %
7. Sundman Airi	158,740	1.5 %
8. Eriksson Carola	124,103	1.1 %
9. Lundqvist Dick	120,000	1.1 %
10. Blomsterlund Carita	117,703	1.1 %

VIKING LINE ABP'S SHAREHOLDERS, BY SECTOR	Number of shareholders	Percentage of total	Number of shares	Percentage of total
Companies	130	4.6 %	4,757,156	44.0 %
Credit institutions and insurance companies	6	0.2 %	191,841	1.8 %
Public sector entities	4	0.1 %	182,291	1.7 %
Households	2,507	88.8 %	5,073,916	47.0 %
Non-profit entities	19	0.7 %	61,004	0.6 %
Foreign shareholders	150	5.3 %	442,554	4.1 %
Nominee-registered shares	8	0.3 %	91,042	0.8 %
Not transferred to book-entry securities account system			196	0.0 %
Total	**2,824**	**100.0 %**	**10,800,000**	**100.0 %**

DISTRIBUTION OF SHARE CAPITAL	Number of shareholders	Percentage of total	Number of shares	Percentage of total
1–99	1,219	43.2 %	35,030	0.3 %
100–999	922	32.6 %	211,465	2.0 %
1,000–9,999	554	19.6 %	1,446,831	13.4 %
10,000–99,999	116	4.1 %	3,030,025	28.0 %
100,000–999,999	10	0.4 %	1,832,206	17.0 %
1,000,000–	3	0.1 %	4,244,247	39.3 %

SHAREHOLDERS

At the end of the 2011 fiscal year, the Company had 2,824 registered shareholders.

BOARD AND TOP MANAGEMENT SHAREHOLDINGS

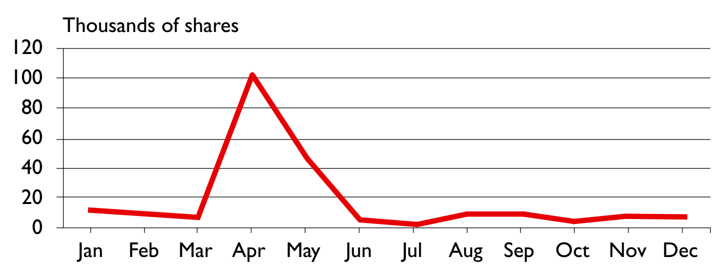
The members and deputy members of the Board of Directors, the President and Chief Executive Officer, and the Deputy Chief Executive Officer own or control, in the manner described in Chapter 1, Section 5 of the Finnish Securities Market Act, 1,075,619 shares in the Company, equivalent to a voting power of 10.0 per cent. Viking Line applies the provisions of the Securities Market Act on insider information as well as the insider regulations of the NASDAQ OMX Nordic Exchange Helsinki.

TRADING VOLUME AND SHARE PRICE

During fiscal 2011, trading in Viking Line on the NASDAQ OMX Nordic Exchange Helsinki totalled 218,515 shares. This meant that 2.0 per cent of all shares changed hands. The year's highest share price was EUR 32.15, the lowest EUR 20.55. On December 31, 2011, the quoted share price was EUR 22.10. The Company's market capitalization on that date was EUR 238.68 M.

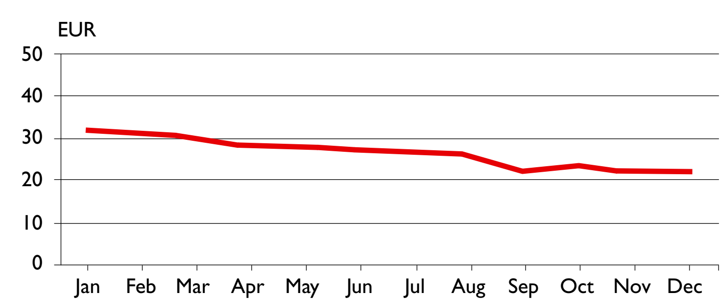
TRADING VOLUME

January – December 2011



SHARE PRICE

January – December 2011



SHARE-RELATED FINANCIAL RATIOS	2006/2007	2007/2008	2008/2009	2009/2010 14 months	2011
Earnings per share, EUR	2.30	1.37	0.98	0.97	0.70
Equity per share, EUR	14.69	15.06	15.03	15.35	15.40
Dividend per share, EUR*	1.00	1.00	0.70	0.65	0.50
Dividend/earnings	43.5 %	73.2 %	71.6 %	67.1 %	71.2 %
Dividend/share price	2.4 %	3.2 %	2.1 %	2.0 %	2.3 %
Price/earnings (P/E) ratio	18	23	34	33	31
Share price on Oct 31/Dec 31, EUR	42.00	31.10	33.00	32.15	22.10
Highest share price, EUR	42.00	42.50	33.90	39.50	32.15
Lowest share price, EUR	21.18	30.99	29.00	29.81	20.55
Average share price, EUR	29.02	39.28	30.44	34.57	27.40
Market capitalization, EUR M	453.60	335.88	356.40	347.22	238.68
Number of shares traded	151,861	99,438	179,881	116,279	218,515
Percentage of shares traded	1.4 %	0.9 %	1.7 %	1.1 %	2.0 %
Dividend paid for fiscal year, EUR M*	10.80	10.80	7.56	7.02	5.40
Average number of shares	10,800,000	10,800,000	10,800,000	10,800,000	10,800,000
Number of shares on Oct 31/Dec 31	10,800,000	10,800,000	10,800,000	10,800,000	10,800,000

* For the financial year 2011, proposed by the Board of Directors for approval by the Annual General Meeting.

Definitions of financial ratios

Return on equity (ROE), % = (Income before taxes – income taxes) / Equity including minority interest (average for the year)

Return on investment (ROI), % = (Income before taxes + interest and other financial expenses) / (Total assets – interest-free liabilities [average for the year])

Equity/assets ratio, % = Equity including minority interest / (Total assets – advances received)

Debt/equity ratio (gearing), % = (Interest-bearing liabilities – cash and cash equivalents) / Equity including minority interest

Earnings per share = (Income before taxes – income taxes +/– minority interest) / Average number of shares

Equity per share = Equity attributable to parent company shareholders / Number of shares on October 31/December 31

Dividend/earnings, % = Dividend per share / Earnings per share

Dividend/share price, % = Dividend per share / Share price on October 31 / December 31

Price/earnings (P/E) ratio = Share price on October 31/December 31 / Earnings per share

Parent company income statement

EUR M	Note	Jan 1, 2011– Dec 31, 2011 12 months	Nov 1, 2009– Dec 31, 2010 14 months
SALES		**514.9**	**582.4**
Other operating revenue	2	2.3	4.8
Operating expenses			
Goods and services	3	140.3	159.1
Employee expenses	4	76.1	88.3
Depreciation/amortization	5	27.9	33.7
Other operating expenses	6	264.3	290.6
		508.6	571.7
OPERATING INCOME		**8.6**	**15.6**
Financial items	7	-1.6	-0.8
INCOME BEFORE ALLOCATIONS AND TAXES		**7.0**	**14.8**
Allocations	8	2.8	3.6
Income taxes	9	-2.6	-4.6
INCOME FOR THE FISCAL YEAR		**7.3**	**13.7**

Parent company balance sheet

EUR M	Note	Dec 31, 2011	Dec 31, 2010
ASSETS			
FIXED ASSETS			
Intangible assets	10	1.6	1.6
Tangible assets	10		
Land		1.9	1.9
Buildings and structures		6.2	5.1
Vessels		196.0	214.7
Machinery and equipment		4.0	4.1
Advance payments		26.4	-
		234.4	225.9
Shares and participations	11		
Shares in Group companies		1.1	1.1
Other shares and participations		0.0	0.0
		1.1	1.1
TOTAL FIXED ASSETS		**237.1**	**228.5**
CURRENT AND FINANCIAL ASSETS			
Inventories	12	13.6	12.0
Long-term receivables			
Group receivables		0.3	0.3
Loan receivables		0.0	0.0
Receivable, settlement payment		0.8	-
		1.1	0.4
Current receivables			
Refund claim on advance payments		-	39.2
Trade receivables		9.2	9.4
Group receivables		0.1	0.1
Other current receivables		0.7	0.2
Accrued income and prepaid expenses	13	14.0	17.1
		23.9	66.0
Cash and cash equivalents		74.6	57.2
TOTAL CURRENT AND FINANCIAL ASSETS		**113.2**	**135.5**
TOTAL ASSETS		**350.3**	**364.1**

EUR M	Note	Dec 31, 2011	Dec 31, 2010
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY	14		
Share capital		1.8	1.8
Retained earnings		60.0	53.4
Income for the period		7.3	13.7
TOTAL SHAREHOLDERS' EQUITY		**69.1**	**68.9**
ACCUMULATED APPROPRIATIONS			
Accumulated depreciation differences		**127.4**	**130.3**
LIABILITIES			
Long-term liabilities	15		
Liabilities to credit institutions		80.9	89.4
Current liabilities			
Repayment portion of liabilities to credit institutions		8.5	8.5
Accounts payable		26.1	24.4
Group liabilities		7.5	8.6
Other current liabilities		7.9	7.9
Accrued expenses and prepaid income	16	22.8	26.0
		72.8	75.5
TOTAL LIABILITIES		**153.7**	**164.9**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**350.3**	**364.1**

Parent company cash flow statement

EUR M	Jan 1, 2011– Dec 31, 2011 12 months	Nov 1, 2009– Dec 31, 2010 14 months
OPERATING ACTIVITIES		
Income for the period	7.3	13.7
Adjustments		
Depreciation/amortization	27.9	33.7
Other items not included in cash flow	-3.7	0.2
Interest expenses and other financial expenses	2.4	2.3
Interest income and other financial income	-0.5	-0.5
Dividend income	-0.4	-1.0
Income taxes	2.6	4.6
Change in working capital		
Change in current receivables	4.4	1.3
Change in inventories	-1.6	-0.8
Change in non-interest-bearing liabilities	1.8	-1.6
Interest paid	-2.1	-2.4
Financial expenses paid	-0.3	-0.1
Interest received	0.3	0.3
Financial income received	0.1	0.1
Taxes paid	-8.5	1.6
NET CASH FLOW FROM OPERATING ACTIVITIES	**29.7**	**51.6**
INVESTING ACTIVITIES		
Investments in vessels	-6.9	-5.5
Investments in other property, plant and equipment	-3.2	-2.0
Advance payments	-26.4	-0.3
Refund claim on advance payments	39.2	-
Divestments of other property, plant and equipment	0.0	0.1
Repayment of conditional shareholders' contribution	-	0.4
Change in non-current receivables	0.1	0.1
Dividends received	0.4	1.0
NET CASH FLOW FROM INVESTING ACTIVITIES	**3.2**	**-6.3**
FINANCING ACTIVITIES		
Amortization of long-term liabilities	-8.5	-26.9
Dividends paid	-7.0	-7.6
NET CASH FLOW FROM FINANCING ACTIVITIES	**-15.5**	**-34.4**
CHANGE IN CASH AND CASH EQUIVALENTS	**17.4**	**10.9**
Cash and cash equivalents at beginning of period	57.2	46.3
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**74.6**	**57.2**

Notes to the parent company's financial statements

1. ACCOUNTING PRINCIPLES

GENERAL PRINCIPLES

Viking Line Abp, domiciled in Mariehamn, Åland, is the parent company of the Viking Line Group. The Company's Business Identity Code is 0144983-8.

The financial statements of Viking Line Abp have been prepared in compliance with Finnish accounting legislation as well as other national rules and regulations concerning financial statements.

Starting on January 1, 2011, the Company is applying the calendar year as its financial year. The financial statements of the Company encompass the period January 1 – December 31, 2011, while the comparative figures apply to November 1, 2009 – December 31, 2010, that is, 14 months. The outcome of this financial year is thus not comparable to the outcome for the preceding fiscal year.

TANGIBLE AND INTANGIBLE ASSETS AND DEPRECIATION/AMORTIZATION

Tangible and intangible assets are recognized at historical cost less accumulated scheduled depreciation, which has been calculated on the basis of the probable economic life of the assets. Carrying amounts in the balance sheet also include revaluations on parcels of land, based on appraisals made by outside appraisers.

Vessels, which comprise the largest asset item in the balance sheet, are depreciated on a straight-line basis. For vessels, an estimated residual value at the end of their economic life has been taken into account in calculating depreciation. Additional capital expenditures for vessels are depreciated over the remaining scheduled economic life of the vessels, but at least five years. During 2007/2008, the depreciation principles for new vessels were adjusted. The hull, engine and other long-term component parts will be depreciated on a straight-line basis over 25 years, while short-term component parts will be depreciated on a straight-line basis over 15 years. Normal expenditures for repairs and maintenance are expensed on a current basis. Viking Line's vessels are dry-docked at 2-3 year intervals. Dry-docking expenses are capitalized for each respective vessel and depreciated until the next planned dry-docking. Other tangible assets are depreciated on a declining balance basis. Land is not depreciated.

Intangible assets mainly comprise computer software programmes and capitalized renovation expenses for leased properties and are amortized on a straight-line basis.

Depreciation for fixed assets is calculated according to the following principles:

Vessels	20–25 years, straight-line
Vessels, short-term component parts	15 years, straight-line
Vessel dry-docking	2–3 years, straight-line
Vessels, machinery and equipment	25% of remaining expenditure
Buildings	4–7% of remaining expenditure
Structures	20–25% of remaining expenditure
Machinery and equipment	25% of remaining expenditure
Intangible assets (amortization)	5–10 years, straight-line

Advance payments are related to vessels under construction. These consist of advance payments in compliance with vessel construction (newbuilding) contracts, planning and monitoring expenses and capitalized borrowing expenses. Planning and monitoring expenses consist of architect fees plus salary and travel expenses for planning and technical monitoring of vessel construction. Interest expenses for loans related to advance payments attributable to vessels that have not yet been delivered are capitalized.

FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities are recognized at acquisition cost.

TAXES

Income taxes recognized in the income statement are attributable to income for the year as well as to earlier accounting periods.

EUR M		Jan 1, 2011 - Dec 31, 2011 12 months	Nov 1, 2009- Dec 31, 2010 14 months
2.	**OTHER OPERATING REVENUE**		
	Interest compensation, newbuilding contract	0.7	4.3
	Settlement compensation, port fees	1.2	-
	Rents received on properties	0.4	0.5
	Miscellaneous operating revenues	0.0	0.0
	Total	2.3	4.8
3.	**GOODS AND SERVICES**		
	Purchases during the fiscal year	119.2	133.0
	Change in inventories	-1.3	-0.3
	Externally purchased services	22.4	26.4
	Total	140.3	159.1
4.	**EMPLOYEE EXPENSES**		
	Salaries etc	80.0	93.4
	Pension expenses	10.3	11.8
	Other employee expenses	6.0	6.7
		96.3	112.0
	Government restitution	-20.2	-23.7
	Total	76.1	88.3
	AVERAGE NUMBER OF EMPLOYEES		
	Shipboard employees	1,389	1,403
	Land-based employees	484	492
	Total	1,873	1,895
5.	**DEPRECIATION/AMORTIZATION**		
	Intangible assets	0.5	0.5
	Buildings and structures	0.4	0.3
	Vessels	25.6	31.5
	Machinery and equipment	1.3	1.4
	Total	27.9	33.7
6.	**AUDITORS' FEES**		
	Auditing	0.1	0.1
	Miscellaneous consulting	0.0	0.0
	Total	0.1	0.1

EUR M	Jan 1, 2011 - Dec 31, 2011 12 months	Nov 1, 2009- Dec 31, 2010 14 months
7. FINANCIAL INCOME AND EXPENSES		
Dividend income from Group companies	0.4	1.0
Dividend income from others	0.0	0.0
Interest income from Group companies	0.0	0.0
Interest income from others	0.4	0.4
Exchange gains	0.9	1.8
Other financial income	0.1	0.1
Total financial income	1.8	3.3
Interest expenses to Group companies	0.1	0.0
Interest expenses to others	2.2	2.2
Exchange losses	1.0	1.8
Other financial expenses	0.2	0.0
Total financial expenses	3.4	4.1
Total financial income and expenses	-1.6	-0.8
8. APPROPRIATIONS		
Difference between scheduled depreciation and depreciation for tax purposes	2.8	3.6
9. INCOME TAXES		
Income tax on actual operations	2.6	4.6

EUR M

10. FIXED ASSETS

Intangible assets	Intangible rights	Other long-term assets	Total
Acquisition cost, Jan 1, 2011	3.9	10.7	14.6
Increases	0.3	0.2	0.5
Acquisition cost, Dec 31, 2011	4.2	10.9	15.1
Accumulated amortization, Jan 1, 2011	-2.8	-10.2	-13.0
Amortization for the period	-0.3	-0.2	-0.5
Accumulated amortization, Dec 31, 2011	-3.1	-10.4	-13.5
Book value, Dec 31, 2011	1.1	0.5	1.6

Tangible assets	Land	Buildings and structures	Vessels	Machinery and equipment	Advance payments	Total
Acquisition cost, Jan 1, 2011	1.1	17.5	618.4	29.2	-	666.1
Increases		1.5	6.9	1.3	26.4	36.0
Decreases			-4.8	-0.2		-5.1
Acquisition cost, Dec 31, 2011	1.1	18.9	620.4	30.2	26.4	697.0
Accumulated depreciation, Jan 1, 2011	-	-12.3	-403.7	-25.1	-	-441.1
Accumulated depreciation on decreases			4.8	0.2		5.0
Depreciation for the period		-0.4	-25.6	-1.3		-27.4
Accumulated depreciation, Dec 31, 2011	-	-12.8	-424.5	-26.2	-	-463.4
Revaluations	0.8					0.8
Book value, Dec 31, 2011	1.9	6.2	196.0	4.0	26.4	234.4

11. SHARES AND PARTICIPATIONS

	Shares in Group companies	Other shares	Total
Acquisition cost, Jan 1, 2011	1.1	0.0	1.1
Increases	-	-	-
Acquisition cost, Dec 31, 2011	1.1	0.0	1.1
Book value, Dec 31, 2011	1.1	0.0	1.1

12. INVENTORIES

	Dec 31, 2011	Dec 31, 2010
Stocks of goods for sale	11.7	10.5
Supplies	0.2	0.3
Stocks of vessel fuel	1.6	1.2
Total	13.6	12.0

EUR M		
13. ACCRUED INCOME AND PREPAID EXPENSES	**Dec 31, 2011**	**Dec 31, 2010**
Employee-related items	11.1	11.7
Other accrued income and prepaid expenses	2.9	5.4
Total	14.0	17.1
14. SHAREHOLDERS' EQUITY	**2011**	**2009/2010**
Share capital, Jan 1, 2011 / Nov 1, 2009	1.8	1.8
Share capital, Dec 31	1.8	1.8
Retained earnings, Jan 1, 2011 / Nov 1, 2009	53.4	57.6
Income for the previous fiscal year	13.7	3.3
Dividend paid to shareholders	-7.0	-7.6
Retained earnings, Dec 31	60.0	53.4
Income for the period	7.3	13.7
Total shareholders' equity	69.1	68.9
15. LOANS THAT FALL DUE LATER THAN AFTER 5 YEARS	**Dec 31, 2011**	**Dec 31, 2010**
Liabilities to credit institutions	46.9	55.4
16. ACCRUED EXPENSES AND PREPAID INCOME	**Dec 31, 2011**	**Dec 31, 2010**
Employee-related items	15.6	15.4
Other accrued expenses and prepaid income	7.2	10.6
Total	22.8	26.0
17. PLEDGED ASSETS AND OTHER CONTINGENT LIABILITIES	**Dec 31, 2011**	**Dec 31, 2010**
Contingent liabilities		
Loans and credit lines for which vessel mortgages were provided as collateral	89.4	98.0
Other contingent liabilities not included in the balance sheet		
Covered by vessel mortages	1.8	-
Covered by deposits	0.8	0.8
Loan guarantee on behalf of subsidiary	0.1	0.1
Total	92.1	98.9
Assets pledged for own debt		
Vessel mortgages	132.7	108.6
Deposits	0.8	0.8
Total	133.5	109.5
Leasing liabilities		
Amounts that fall due during the following period	0.6	0.6
Amounts that fall due later	1.4	2.0
Total	2.0	2.6
Investment commitments not included in the accounts		
Commitments, vessel orders and renovation of harbour terminals	224.9	240.2
– Contractual amount	250.1	240.2

Viking Line has a binding credit commitment of EUR 185.0 M for financing vessel orders.

The Board's proposal on distribution of earnings

According to the balance sheet of Viking Line Abp on December 31, 2011, unrestricted equity totalled EUR 67,306,174.33.

The Board of Directors proposes to the annual shareholders' meeting that:

A dividend of EUR 0.50 per share shall be paid, totalling	EUR 5,400,000.00
Remaining unrestricted equity	EUR 61,906,174.33

No material changes in the Company's financial position have occurred after the end of the financial year 2011. In the assessment of the Board of Directors, the dividend is justifiable in light of the demands with respect to the size of the equity capital which are imposed by the nature, scope and risks associated with the business.

Mariehamn, February 15, 2012

Ben Lundqvist, Chairman of the Board
Jesper Blomsterlund
Nils-Erik Eklund
Erik Grönberg
Agneta Karlsson
Dick Lundqvist
Lars G Nordström

Mikael Backman, President and CEO

Auditors' Report

TO THE ANNUAL GENERAL MEETING OF VIKING LINE ABP

We have audited the accounting records, the financial statements, the Report of the Directors and the administration of Viking Line Abp for the year ended December 31, 2011. The financial statements comprise the consolidated balance sheet, statement of comprehensive income, statement of changes in equity and cash flow statement, and notes to the consolidated financial statements, as well as the parent company's balance sheet, income statement, cash flow statement and notes to the financial statements.

RESPONSIBILITY OF THE BOARD OF DIRECTORS AND THE PRESIDENT AND CEO

The Board of Directors and the President and CEO are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as for the preparation of financial statements and the Report of the Directors that give a true and fair view in accordance with the laws and regulations governing the preparation of the financial statements and the Report of the Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the President and CEO shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the financial statements, on the consolidated financial statements and on the Report of the Directors based on our audit. The Auditing Act requires that we comply with the requirements of professional ethics. We conducted our audit in accordance with good auditing practice in Finland. Good auditing practice requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the Report of the Directors are free from material misstatement, and whether the members of the Board of Directors of the parent company and the President and CEO are guilty of an act or negligence which may result in liability in damages towards the company or whether they have violated the Limited Liability Companies Act or the articles of association of the company.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the Report of the Directors. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements and Report of the Directors that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the Report of the Directors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

In our opinion, the consolidated financial statements give a true and fair view of the financial position, financial performance, and cash flows of the group in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

OPINION ON THE COMPANY'S FINANCIAL STATEMENTS AND THE REPORT OF THE DIRECTORS

In our opinion, the financial statements and the Report of the Directors give a true and fair view of both the consolidated and the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements and the Report of the Directors in Finland. The information in the Report of the Directors is consistent with the information in the financial statements.

Mariehamn, February 15, 2012

Johan Kronberg	Martin Grandell
Authorized Public Accountant	Authorized Public Accountant

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VIKING LINE