

**INTERIM REPORT FOR THE PERIOD
JANUARY 2011–SEPTEMBER 2011****VIKING LINE'S SALES INCREASED BUT FUEL EXPENSES LOWERED ITS EARNINGS**

Consolidated sales of the Viking Line Group during the first nine months of the 2011 financial year, January 2011–September 2011, rose by 2.7 per cent to 382.7 million euros (EUR 372.7 M in January–September 2010) thanks to higher passenger revenue. Net sales revenue increased by EUR 7.7 M to EUR 276.2 M (268.5) while the Group's operating expenses increased by EUR 9.5 M to EUR 268.3 M (258.8). Fuel expenses rose by 25.1 per cent to EUR 46.4 M (37.1), due to higher fuel prices. Income after taxes amounted to EUR 6.3 M (9.1).

Viking Line's passenger volume totalled 4,860,792, or 35,290 fewer passengers than in the year-earlier period (-0.7 per cent). However, the company achieved an increase of 26,630 in passenger volume on the Helsinki (Finland)–Tallinn (Estonia) route to 1,341,326 (+2.0 per cent). In Viking Line's service on the short route between Mariehamn (Åland Islands, Finland) and Kapellskär (Sweden), passenger volume rose by 4,564 to 547,066 (+0.8 per cent). On the Helsinki–Mariehamn–Stockholm (Sweden) route, passenger volume decreased by 24,493 to 858,761 (-2.8 per cent) and on the Turku (Finland)–Mariehamn/Långnäs (Åland Islands, Finland)–Stockholm route, passenger volume decreased by 27,653 passengers to 1,377,638 (-2.0 per cent). In the company's cruise service between Stockholm and Mariehamn, passenger volume decreased by 19,456 to 716,545 (-2.6 per cent).

Cargo volume rose by 1,960 cargo units (+2.4 per cent) to 84,468. Viking Line achieved a cargo market share of 19.5 per cent (20.9 per cent).

Any questions concerning this report will be answered by Mikael Backman, President and Chief Executive Officer.

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Viking Line is a public limited company and the market leading brand in passenger traffic on the northern Baltic Sea, with a mission to provide large-scale, affordable, safe passenger and cargo carrier services including first-class recreation, good food and attractive shopping. Its shares have been listed on the NASDAQ OMX Nordic Exchange Helsinki since 1995. Viking Line serves Finland, Sweden and the Baltic countries with seven vessels. During fiscal 2009/2010 (14 months) sales were about EUR 570 M. The number of passengers totalled 7.3 million. The average number of employees was 3,087.

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COMPARATIVE FIGURES

The Group switched to a financial year equivalent to the calendar year starting on January 1, 2011 and extended its 2009/2010 fiscal year to 14 months. On March 11, 2011, the Group published quarterly financial figures for the calendar year 2010. These are being used as comparative figures in the interim reports during 2011.

SALES AND EARNINGS

Consolidated sales of the Viking Line Group during the period January 1 – September 30, 2011 increased to 382.7 million euros (same period of calendar year 2010: EUR 372.7 M). Operating income amounted to EUR 10.1 M (13.9). Net financial items totalled EUR -1.5 M (-1.5). Consolidated income before taxes totalled EUR 8.6 M (12.4). Income after taxes amounted to EUR 6.3 M (9.1).

Passenger-related revenue increased by 2.5 per cent to EUR 355.4 M (346.6). Cargo revenue rose by 4.2 per cent to EUR 24.0 M (23.1). Net sales revenue increased by 2.9 per cent to EUR 276.2 M (268.5).

Income after taxes during the period January 1 – September 30, 2011 totalled EUR 6.3 M. This was lower than during the same period of 2010, when income after taxes was EUR 9.1 M. The main reason for the weaker trend of earnings was sharply higher fuel expenses. Fuel expenses rose by 25.1 per cent to EUR 46.4 M (37.1), due to higher fuel prices. Higher repair and maintenance expenses and higher employee expenses also adversely affected earnings. The Group's operating expenses increased by a total of 3.7 per cent to EUR 268.3 M (258.8). One item affecting comparability is the settlement with the City of Mariehamn regarding excessively invoiced port fees from the 1990s. The settlement payment of EUR 1.1 M was reported under "Other operating revenue".

During the third quarter, sales increased by EUR 3.3 M compared to the same quarter of 2010, but due to higher fuel expenses, income after taxes was EUR 1.5 M lower than the year-earlier 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 2010.

During the report period, the number of passengers on the Group's vessels decreased to 4,860,792, but the number of passengers increased somewhat on the Helsinki (Finland)–Tallinn (Estonia) route and on the short route across the Sea of Åland between Mariehamn (Åland Islands, Finland) and Kapellskär (Sweden). On the company's other routes, passenger volume decreased somewhat. Viking Line's cargo volume rose by 2.4 per cent to 84,468 cargo units. Viking Line thus achieved a cargo market share of 19.5 per cent.

During the financial year 2011, Viking Line strengthened its market share in cruise services between Stockholm (Sweden) and Mariehamn by 1.0 percentage points to 51.9 per cent. On the Helsinki–Mariehamn–Stockholm route, market share decreased by 1.3 percentage points to 45.3 per cent and on the Turku (Finland)–Mariehamn/Långnäs (Åland Islands, Finland)–Stockholm route, market share decreased by 0.2 percentage points to 49.4 per cent. On the Helsinki–Tallinn route, market share decreased by 0.9 percentage points to 24.1 per cent, while the market share on the short route over the Sea of Åland was unchanged at 42.5 per cent. The Group had thus a total market share in its service area of 33.8 per cent.

INVESTMENTS AND FINANCING

During the period January – September, the Group's investments totalled EUR 21.7 M (6.3).

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 repayment plus interest are already included in the Company's accounts.

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.

On September 30, 2011 the Group's non-current interest-bearing liabilities amounted to EUR 85.6 M (94.3). The equity/assets ratio was 45.3 per cent, compared to 43.7 per cent a year earlier.

At the end of September 2011, the Group's cash and cash equivalents amounted to EUR 39.8 M (48.3). Net cash flow from operating activities amounted to EUR 14.8 M (29.4).

FINANCIAL REPORTING

This Interim Report was prepared in compliance with International Financial Reporting Standards (IFRSs) and was drawn up as a summary of the financial statements for the period in compliance with IAS 34. Estimates and judgments as well as accounting principles and calculation methods are the same as in the latest annual financial statements. Recognized income taxes are based on an estimated average tax rate, which is expected to apply throughout the financial year. This Interim Report is unaudited.

ORGANIZATION AND PERSONNEL

The average number of Group employees was 3,099 (3,140), of whom 1,898 (1,926) worked for the parent company. Land-based personnel totalled 765 (783) and shipboard personnel totalled 2,334 (2,357). On September 1, 2011, Peter Hellgren assumed the position of Vice President and Head of Marketing for the Swedish market area. On November 1, 2011, Anni Kallioniemi assumed the position of Vice President and Head of Marketing for the Finnish market area. Both these executives are members of Group Management.

RISK FACTORS

Since the financial statements for fiscal 2009/2010 were published, no changes have occurred that affect the Board's assessment of the risks in Viking Line's business operations. Special risks during the immediate future mainly concern bunker prices.

OUTLOOK FOR THE FULL 2011 FINANCIAL YEAR

Competition in Viking Line's service area remains tough and implies continued pressure on prices.

Full-year passenger volume is projected to reach last year's level. Net sales revenue per passenger is expected to be better than last year, but due to sharply higher fuel prices the Group's earnings in 2011 are projected to be lower than its earnings in calendar 2010.

The press release on Viking Line's results for the financial year 2011 will be published on February 17, 2012.

Mariehamn, Åland, November 16, 2011

VIKING LINE ABP
The Board of Directors

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR M	Jul 1, 2011– Sep 30, 2011	Jul 1, 2010– Sep 30, 2010	Jan 1, 2011– Sep 30, 2011	Jan 1, 2010– Sep 30, 2010	Jan 1, 2010– Dec 31, 2010
SALES	151.2	148.0	382.7	372.7	495.5
Other operating revenue	0.5	0.4	2.2	4.2	4.8
Expenses					
Goods and services	41.0	40.6	106.4	104.2	139.5
Salary and other employment benefit expenses	29.8	28.6	92.1	88.5	118.5
Depreciation and impairment losses	7.2	7.2	21.3	21.6	29.3
Other operating expenses	50.2	46.6	154.9	148.8	196.4
	128.2	123.1	374.7	363.0	483.8
OPERATING INCOME	23.5	25.3	10.1	13.9	16.5
Financial income	0.3	0.6	0.9	1.1	1.9
Financial expenses	-0.8	-0.8	-2.4	-2.5	-3.6
INCOME BEFORE TAXES	23.0	25.1	8.6	12.4	14.8
Income taxes	-6.0	-6.6	-2.3	-3.3	-4.0
INCOME FOR THE PERIOD	17.0	18.6	6.3	9.1	10.8
Translation differences	-0.1	0.1	0.0	0.4	0.4
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	17.0	18.7	6.3	9.5	11.2
<i>Income attributable to:</i>					
Parent company shareholders	17.0	18.6	6.3	9.1	10.8
<i>Total comprehensive income attributable to:</i>					
Parent company shareholders	17.0	18.7	6.3	9.5	11.2
Earnings per share before and after dilution, EUR	1.58	1.72	0.58	0.84	1.00

CONSOLIDATED BALANCE SHEET

EUR M	Sep 30, 2011	Sep 30, 2010	Dec 31, 2010
ASSETS			
Non-current assets			
Intangible assets	1.1	1.2	1.2
Land	1.1	1.1	1.1
Buildings and structures	6.0	5.7	5.7
Renovation costs for rented properties	0.5	0.5	0.5
Vessels	201.7	220.9	214.7
Machinery and equipment	5.0	5.6	5.4
Advance payments	13.6	-	-
Investments available for sale	0.0	0.0	0.0
Receivables	0.9	0.0	0.0
Total non-current assets	229.8	235.1	228.6
Current assets			
Inventories	13.1	11.5	12.0
Income tax assets	1.0	0.0	0.0
Refund claim on advance payments	39.2	39.2	39.2
Trade and other receivables	40.8	41.3	32.6
Cash and cash equivalents	39.8	48.3	57.9
Total current assets	134.0	140.3	141.7
TOTAL ASSETS	363.8	375.4	370.3
EQUITY AND LIABILITIES			
Equity			
Share capital	1.8	1.8	1.8
Reserves	0.0	0.0	0.0
Translation differences	0.0	0.1	0.1
Retained earnings	163.1	162.0	163.8
Equity attributable to parent company shareholders	165.0	164.0	165.7
Total equity	165.0	164.0	165.7
Non-current liabilities			
Deferred tax liabilities	33.9	34.8	33.9
Non-current interest-bearing liabilities	85.6	94.3	89.9
Total non-current liabilities	119.5	129.1	123.8
Current liabilities			
Current interest-bearing liabilities	8.6	10.7	8.7
Income tax liabilities	1.0	3.1	4.5
Trade and other payables	69.8	68.5	67.6
Total current liabilities	79.4	82.3	80.8
Total liabilities	198.8	211.4	204.6
TOTAL EQUITY AND LIABILITIES	363.8	375.4	370.3

CONSOLIDATED CASH FLOW STATEMENT

EUR M	Jan 1, 2011– Sep 30, 2011	Jan 1, 2010– Sep 30, 2010	Jan 1, 2010– Dec 31, 2010
OPERATING ACTIVITIES			
Income for the period	6.3	9.1	10.8
Adjustments			
Depreciation and impairment losses	21.3	21.6	29.3
Other items not included in cash flow	-1.1	4.1	4.1
Interest expenses and other financial expenses	1.7	1.6	2.0
Interest income and other financial income	-0.2	-0.2	-0.3
Dividend income	0.0	0.0	0.0
Income taxes	2.3	3.3	4.0
Change in working capital			
Change in trade and other receivables	-8.2	-16.1	-7.5
Change in inventories	-1.1	-0.7	-1.1
Change in trade and other payables	2.1	6.2	5.3
Interest paid	-1.6	-1.4	-1.9
Financial expenses paid	-0.1	0.0	0.0
Interest received	0.2	0.1	0.3
Financial income received	0.1	0.0	0.1
Taxes paid	-6.9	1.9	1.6
NET CASH FLOW FROM OPERATING ACTIVITIES	14.8	29.4	46.7
INVESTING ACTIVITIES			
Investments in vessels	-6.5	-4.2	-5.1
Investments in other property, plant and equipment	-1.7	-2.1	-2.5
Advance payments	-13.6	-	-
Divestments of other property, plant and equipment	0.2	0.0	0.1
Change in non-current receivables	0.0	0.0	0.0
Dividends received	0.0	0.0	0.0
NET CASH FLOW FROM INVESTING ACTIVITIES	-21.5	-6.2	-7.5
FINANCING ACTIVITIES			
Increase in non-current liabilities	-	0.5	0.5
Amortization of non-current liabilities	-4.4	-16.4	-22.8
Dividends paid	-7.0	-7.6	-7.6
NET CASH FLOW FROM FINANCING ACTIVITIES	-11.4	-23.4	-29.8
CHANGE IN CASH AND CASH EQUIVALENTS	-18.1	-0.2	9.4
Cash and cash equivalents at beginning of period	57.9	48.5	48.5
CASH AND CASH EQUIVALENTS AT END OF PERIOD	39.8	48.3	57.9

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

EUR M	Equity attributable to parent company shareholders				Total equity
	Share capital	Reserves	Translation differences	Retained earnings	
Equity, Jan 1, 2011	1.8	0.0	0.1	163.8	165.7
Dividend to shareholders				-7.0	-7.0
Total comprehensive income for the period		0.0	-0.1	6.4	6.3
Equity, Sep 30, 2011	1.8	0.0	0.0	163.1	165.0
Equity, Jan 1, 2010	1.8	0.0	-0.1	160.4	162.1
Dividend to shareholders				-7.6	-7.6
Total comprehensive income for the period		0.0	0.2	9.2	9.5
Equity, Sep 30, 2010	1.8	0.0	0.1	162.0	164.0

QUARTERLY CONSOLIDATED INCOME STATEMENT

EUR M	2011 Q3	2011 Q2	2011 Q1	2010 Q4
SALES	151.2	130.8	100.6	122.8
Other operating revenue	0.5	1.3	0.4	0.6
Expenses				
Goods and services	41.0	37.4	28.0	35.3
Salary and other employment benefit expenses	29.8	31.4	30.9	30.1
Depreciation and impairment losses	7.2	7.1	7.0	7.8
Other operating expenses	50.2	53.9	50.8	47.6
	128.2	129.8	116.7	120.7
OPERATING INCOME	23.5	2.3	-15.8	2.7
Financial income	0.3	0.2	0.4	0.9
Financial expenses	-0.8	-0.8	-0.7	-1.1
INCOME BEFORE TAXES	23.0	1.7	-16.2	2.4
Income taxes	-6.0	-0.5	4.1	-0.7
INCOME FOR THE PERIOD	17.0	1.3	-12.0	1.7
Translation differences	-0.1	-0.1	0.1	0.0
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	17.0	1.2	-11.9	1.8
<i>Income attributable to:</i>				
Parent company shareholders	17.0	1.3	-12.0	1.7
<i>Total comprehensive income attributable to:</i>				
Parent company shareholders	17.0	1.2	-11.9	1.8
Earnings per share before and after dilution, EUR	1.58	0.12	-1.11	0.16

SEGMENT INFORMATION, VIKING LINE GROUP

OPERATING SEGMENTS, EUR M	Jan 1, 2011– Sep 30, 2011	Jan 1, 2010– Sep 30, 2010	Jan 1, 2010– Dec 31, 2010
Sales			
Vessels	378.6	368.6	490.4
Unallocated	4.2	4.2	5.3
Total, operating segments	382.8	372.8	495.7
Eliminations	-0.2	-0.1	-0.2
Total sales of the Group	382.7	372.7	495.5
Operating income			
Vessels	44.1	47.3	62.2
Unallocated	-34.0	-33.5	-45.7
Total operating income of the Group	10.1	13.9	16.5

PLEGGED ASSETS AND CONTINGENT LIABILITIES

EUR M	Sep 30, 2011	Sep 30, 2010	Dec 31, 2010
Contingent liabilities	95.8	106.5	100.0
Assets pledged for own debt	133.1	111.1	110.9
Investment commitments not included in the accounts	228.8	-	240.2
– contractual amount	241.5	-	240.2

FINANCIAL RATIOS AND STATISTICS

	Jan 1, 2011– Sep 30, 2011	Jan 1, 2010– Sep 30, 2010	Jan 1, 2010– Dec 31, 2010
Equity per share, EUR	15.28	15.18	15.35
Equity/assets ratio	45.3 %	43.7 %	44.8 %
Investments, EUR M	21.7	6.3	7.6
– as % of sales	5.7 %	1.7 %	1.5 %
Passengers	4,860,792	4,896,082	6,392,990
Cargo units	84,468	82,508	111,094
Average number of employees, full time equivalent	3,099	3,140	3,100

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 balance sheet date

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

When rounding off items to the nearest EUR 1,000,000, rounding-off differences of EUR +/- 0.1 M may occur.