

**INTERIM REPORT FOR THE PERIOD
NOVEMBER 2006 – JULY 2007****THE PERIOD IN BRIEF****Substantial earnings improvement for Viking Line**

Viking Line more than tripled its earnings during the first nine months of the fiscal year (November 2006 – July 2007). Income before taxes increased to 25.2 million euro, compared to EUR 7.7 M during the year-earlier period (+227.9 per cent). Sales rose by EUR 22.4 M to EUR 322.3 M (+7.5 per cent). This improvement in earnings was mainly generated by stronger net sales revenue per passenger, higher volume and lower fuel costs. The earnings improvement achieved during the first nine months of the fiscal year is expected to affect full fiscal year 2006/2007 earnings in such a way that they will be substantially better than 2005/2006 earnings.

Higher volume and improved capacity utilisation

Despite a smaller number of voyages, passenger volume rose by 99,174 people to 4,279,387, equivalent to a 4.6 per cent increase per voyage. The number of cargo units rose by 1,900 to 68,473, a 5.1 per cent increase per voyage.

Strengthened market share and improved revenue per passenger

Viking Line strengthened its market share: on the Turku (Finland)–Mariehamn (Åland Islands, Finland)–Stockholm (Sweden) route by 2.0 percentage points to 51.9 per cent, on the Helsinki (Finland)–Mariehamn–Stockholm route by 1.6 percentage points to 46.1 per cent and on the Helsinki–Tallinn (Estonia) route by 1.3 percentage point to 20.4 per cent.

At the same time as Viking Line increased its market share, net sales revenue per passenger – ticket plus shipboard revenue – strengthened by 5.0 per cent.

"Viking Line's consistent focus on quality and service has yielded encouraging results", says Nils-Erik Eklund, Managing Director and Chief Executive.

Any questions concerning the Interim Report will be answered by Nils-Erik Eklund, Managing Director and Chief Executive.

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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 shopping. Its shares have been listed on the Helsinki Stock Exchange since 1995. Viking Line serves Finland, Sweden and the Baltic countries with seven vessels. During fiscal 2005/2006 sales were about EUR 406 M. The number of passengers totalled 5.6 million. The average number of employees was 2,900.

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SALES AND EARNINGS

Consolidated sales of the Viking Line Group during the period November 1, 2006 – July 31, 2007 amounted to 322.31 million euro (year-earlier period: EUR 299.91 M). Operating income was EUR 24.57 M (7.29). Consolidated income before taxes amounted to EUR 25.20 M (7.69). Income after taxes was EUR 18.27 M (5.39).

Consolidated sales increased by 7.5 per cent as a consequence of an increased number of passengers and better net sales revenue per passenger. Ticket revenue per passenger rose by 7.4 per cent. Passenger-related revenue increased by 7.6 per cent to EUR 298.80 M, and cargo revenue rose by 5.3 per cent to EUR 20.35 M.

Government restitution of taxes and social security contributions for shipboard employees increased, mainly due to a change in Finnish legislation that went into effect on January 1, 2007. The Group's employee expenses nevertheless rose by EUR 0.96 M. Repair and maintenance expenses rose by EUR 0.90 M. Fuel expenses were EUR 4.30 M below their year-earlier level, amounting to EUR 22.79 M. Total consolidated operating expenses rose by 1.7 per cent to EUR 298.04 M.

SERVICES AND VOLUME

The Group's vessels served the same routes as during fiscal 2005/2006.

During the first nine months of fiscal 2006/2007, the number of passengers on the Group's vessels rose by 2.4 per cent to 4,279,387. Viking Line's cargo volume increased by 2.9 per cent to 68,473 cargo units.

During the first nine months of fiscal 2006/2007, Viking Line strengthened its market share: on the Turku (Finland)–Mariehamn (Åland Islands, Finland)–Stockholm (Sweden) route by 2.0 percentage points to 51.9 per cent, on the Helsinki (Finland)–Mariehamn–Stockholm route by 1.6 percentage points to 46.1 per cent and on the Helsinki–Tallinn (Estonia) route by 1.3 percentage points to 20.4 per cent.

INVESTMENTS AND FINANCING

The Group's investments totalled EUR 14.65 M (9.76). On July 31, 2007, the equity/assets ratio was 59.2 per cent, compared to 55.5 per cent on the same date in 2006.

At the end of July 2007, the Group's cash and cash equivalents amounted to EUR 49.31 M (41.71). Net cash flow from operating activities amounted to EUR 30.70 M (18.97).

The contracts related to the construction of a passenger ferry at the Spanish shipyard Asterillos de Sevilla, S.A. have finally entered into force. The vessel will be delivered in the summer of 2009, and Viking Line will immediately place it in service on the route between Mariehamn and Kapellskär (Sweden). During a two-year period from the date of delivery, Viking Line will bareboat charter the vessel. At the end of the charter period, Viking Line will assume ownership of the vessel. The investment totals more than EUR 60 M. The vessel will have a capacity of 1,500 passengers and 320 cars. It will be 133 metres long and 21.9 metres wide and will be built according to ice class 1 A. Cruising speed will be 22 knots.

FINANCIAL REPORTING

Viking Line transitioned to financial reporting in compliance with International Financial Reporting Standards (IFRSs) as of October 31, 2006. The Group's comparative figures in compliance with IFRSs for the interim periods of the 2005/2006 fiscal year were issued in Swedish and Finnish on November 14, 2006. This Interim Report was drawn up as a summary of the financial statements for the period in compliance with IAS 34. The 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 fiscal year. This Interim Report is unaudited.

ORGANISATION AND PERSONNEL

The average number of Group employees was 2,900 (2,892), of whom 2,060 (2,063) worked for the parent company. Land-based personnel totalled 729 (720) and shipboard personnel totalled 2,171 (2,172).

ANNUAL SHAREHOLDERS' MEETING

The annual shareholders' meeting of Viking Line Abp on February 7, 2007 adopted the parent company and consolidated financial statements. This included the proposal of the Board of Directors for a dividend of EUR 0.55 per share for the fiscal year November 1, 2005 – October 31, 2006. The annual meeting discharged the Board of Directors and the Managing Director from liability for fiscal 2005/2006.

OUTLOOK FOR THE FULL 2006/2007 FISCAL YEAR

The Group's earnings are not generated evenly throughout the year. The enclosed quarterly income statements illustrate the seasonal variations in its operations. Volume and price developments during the summer months are crucial to the Group's earnings. During the current fiscal year, Viking Line has performed well in the prevailing stiff competition. During the summer, the demand for travel on the Group's vessels was larger than expected, while net sales revenue per passenger was better than last year. The earnings improvement achieved during the first nine months of the fiscal year is expected to affect full fiscal year 2006/2007 earnings in such a way that they will be substantially better than 2005/2006 earnings.

The Group's press release on results for fiscal 2006/2007 will be published on December 20, 2007.

Mariehamn, Åland, September 13, 2007

VIKING LINE ABP
The Board of Directors

CONSOLIDATED INCOME STATEMENT

EUR M	May 1 ,2007– Jul. 31, 2007	May 1 ,2006– Jul. 31, 2006	Nov. 1 ,2006– Jul. 31, 2007	Nov. 1 ,2005– Jul. 31, 2006	Nov. 1 ,2005– Oct. 31, 2006
SALES	128.60	117.75	322.31	299.91	405.95
Other operating revenue	0.12	0.08	0.31	0.29	0.44
Expenses					
Goods and services	35.40	32.09	88.73	83.43	113.26
Employee expenses	25.36	24.95	74.90	73.93	98.47
Depreciation and impairment losses	4.65	4.53	13.90	13.42	18.55
Other operating expenses	41.24	41.97	120.52	122.13	162.46
	106.65	103.53	298.04	292.92	392.74
OPERATING INCOME	22.07	14.30	24.57	7.29	13.65
Financial income	0.55	0.23	1.83	1.28	1.79
Financial expenses	-0.32	-0.07	-1.20	-0.89	-1.19
INCOME BEFORE TAXES	22.30	14.46	25.20	7.69	14.25
Income taxes	-5.50	-3.70	-6.93	-2.30	-3.80
INCOME FOR THE PERIOD	16.81	10.77	18.27	5.39	10.45
Attributable to:					
Parent company shareholders	16.81	10.77	18.27	5.39	10.45
Minority interest	0.00	0.00	0.00	0.00	0.00
Earnings per share, EUR	1.56	1.00	1.69	0.50	0.97

CONSOLIDATED BALANCE SHEET

EUR M	Jul. 31, 2007	Jul. 31, 2006	Oct. 31, 2006
ASSETS			
Non-current assets			
Goodwill	-	0.47	-
Other intangible assets	0.66	0.76	0.73
Land	1.10	1.10	1.10
Buildings and structures	5.81	6.19	6.09
Renovation costs for rented properties	0.32	0.18	0.39
Vessels	127.16	141.54	139.35
Machinery and equipment	4.43	4.83	4.62
Advance payments	26.98	6.72	13.46
Financial assets	0.07	0.13	0.07
Receivables	0.03	0.02	0.02
Total non-current assets	166.56	161.94	165.83
Current assets			
Inventories	8.73	8.52	8.30
Income tax assets	0.02	-	0.09
Trade and other receivables	32.54	30.82	22.47
Cash and cash equivalents	49.31	41.71	45.93
Total current assets	90.60	81.05	76.78
TOTAL ASSETS	257.16	242.99	242.61
EQUITY AND LIABILITIES			
Equity			
Share capital	1.82	1.82	1.82
Reserves	0.02	0.06	0.02
Translation differences	0.03	-0.02	-0.02
Retained earnings	150.23	132.86	137.91
Equity attributable to parent company shareholders	152.09	134.72	139.73
Minority interest	0.03	0.03	0.03
Total equity	152.12	134.75	139.76
Non-current liabilities			
Deferred tax liabilities	30.41	32.82	30.41
Interest-bearing liabilities	6.73	8.94	6.73
Total non-current liabilities	37.14	41.76	37.14
Current liabilities			
Interest-bearing liabilities	2.21	8.99	8.95
Income tax liabilities	4.63	-	3.20
Trade and other payables	61.06	57.49	53.55
Total current liabilities	67.89	66.47	65.70
Total liabilities	105.04	108.24	102.84
TOTAL EQUITY AND LIABILITIES	257.16	242.99	242.61

CONSOLIDATED CASH FLOW STATEMENT

EUR M	Nov. 1 ,2006– Jul. 31, 2007	Nov. 1 ,2005– Jul. 31, 2006	Nov. 1 ,2005– Oct. 31, 2006
OPERATING ACTIVITIES			
Income for the period	18.27	5.39	10.45
Adjustments			
Depreciation and impairment losses	13.90	13.42	18.55
Other items not included in cash flow	0.02	-0.03	-0.03
Interest expenses and other financial expenses	0.60	0.55	0.72
Interest income and other financial income	-0.99	-0.43	-0.74
Dividend income	0.00	-0.01	-0.01
Income taxes	6.93	2.30	3.80
Change in working capital			
Change in trade and other receivables	-10.08	-7.00	1.01
Change in inventories	-0.43	-0.14	0.08
Change in trade and other payables	7.52	7.41	3.39
Interest paid	-0.42	-0.49	-0.66
Financial expenses paid	-0.18	-0.05	-0.05
Interest received	0.92	0.36	0.61
Financial income received	0.08	0.08	0.12
Taxes paid	-5.43	-2.38	-2.75
NET CASH FLOW FROM OPERATING ACTIVITIES	30.70	18.97	34.50
INVESTING ACTIVITIES			
Investments in vessels	-0.33	-1.55	-3.43
Investments in other property, plant and equipment	-0.80	-1.49	-1.94
Advance payments	-13.51	-6.72	-13.46
Divestments of other property, plant and equipment	0.03	0.06	0.06
Divestments of financial assets	0.00	0.01	0.01
Dividends received	0.00	0.01	0.01
NET CASH FLOW FROM INVESTING ACTIVITIES	-14.62	-9.68	-18.75
FINANCING ACTIVITIES			
Increase in non-current liabilities	0.06	0.31	0.21
Amortization of non-current liabilities	-6.81	-6.79	-8.93
Change in non-current receivables	-0.02	0.01	0.01
Dividends paid	-5.94	-	-
NET CASH FLOW FROM FINANCING ACTIVITIES	-12.70	-6.47	-8.71
CHANGE IN CASH AND CASH EQUIVALENTS	3.38	2.82	7.04
Cash and cash equivalents at beginning of period	45.93	38.89	38.89
CASH AND CASH EQUIVALENTS AT END OF PERIOD	49.31	41.71	45.93

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

EUR M	Equity attributable to parent company shareholders					Minority interest	Total equity
	Share capital	Reserves	Translation differences	Retained earnings	Total		
Equity, Nov. 1, 2006	1.82	0.02	-0.02	137.91	139.73	0.03	139.76
Translation differences		0.00	0.05	-0.02	0.03	0.00	0.03
Dividend to shareholders				-5.94	-5.94		-5.94
Income for the period				18.27	18.27	0.00	18.27
Equity, Jul. 31, 2007	1.82	0.02	0.03	150.23	152.09	0.03	152.12
Equity, Oct. 31, 2005	1.82	0.02	0.07	127.38	129.29	0.03	129.32
Effect of IAS 39		0.04			0.04		0.04
Adjusted equity, Nov. 1, 2005	1.82	0.06	0.07	127.38	129.32	0.03	129.36
Translation differences		0.00	-0.10	0.09	0.00	0.00	0.00
Financial assets, change in fair value		0.00			0.00		0.00
Income for the period				5.39	5.39	0.00	5.39
Equity, Jul. 31, 2006	1.82	0.06	-0.02	132.86	134.72	0.03	134.75

CONSOLIDATED INCOME STATEMENT

EUR M	2006/2007 Q3	2006/2007 Q2	2006/2007 Q1	2005/2006 Q4
SALES	128.60	98.59	95.12	106.04
Other operating revenue	0.12	0.10	0.09	0.15
Expenses				
Goods and services	35.40	26.99	26.34	29.83
Employee expenses	25.36	24.63	24.91	24.54
Depreciation and impairment losses	4.65	4.64	4.61	5.13
Other operating expenses	41.24	40.79	38.50	40.33
	106.65	97.05	94.34	99.83
OPERATING INCOME	22.07	1.64	0.87	6.36
Financial income	0.55	0.57	0.71	0.51
Financial expenses	-0.32	-0.50	-0.39	-0.30
INCOME BEFORE TAXES	22.30	1.71	1.19	6.56
Income taxes	-5.50	-0.77	-0.66	-1.51
INCOME FOR THE PERIOD	16.81	0.94	0.53	5.06
Attributable to:				
Parent company shareholders	16.81	0.94	0.53	5.05
Minority interest	0.00	0.00	0.00	0.00
Earnings per share, EUR	1.56	0.09	0.05	0.47

PLEGDED ASSETS AND CONTINGENT LIABILITIES

EUR M	Jul. 31, 2007	Jul. 31, 2006	Oct. 31, 2006
Contingent liabilities	11.55	20.26	17.78
Assets pledged for own debt	11.83	29.92	29.25
Investment commitments not included in the accounts	162.19	120.26	113.84
– contractual amount	187.66	126.82	126.82

FINANCIAL RATIOS AND STATISTICS

	Nov. 1 ,2006– Jul. 31, 2007	Nov. 1 ,2005– Jul. 31, 2006	Nov .1 ,2005– Oct. 31, 2006
Equity per share, EUR	14.08	12.47	12.94
Equity/assets ratio	59.2 %	55.5 %	57.6 %
Investments, EUR M	14.65	9.76	18.83
– as % of sales	4.5 %	3.3 %	4.6 %
Passengers	4,279,387	4,180,213	5,577,966
Cargo units	68,473	66,573	90,092
Average number of employees, full time equivalent	2,900	2,892	2,900

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 +/- 0.01 M have occurred.