

**INTERIM REPORT FOR THE PERIOD
NOVEMBER 2007 – JANUARY 2008****THE PERIOD IN BRIEF****Strengthened market position and increased sales**

During the first quarter of the financial year, Viking Line strengthened its market position substantially. Meanwhile net sales revenue per passenger also increased. Despite a sales increase of more than 6.2 million euros from EUR 95.1 M to EUR 101.3 M (+6.5 per cent), operating income nevertheless weakened somewhat due to sharply higher fuel expenses (+54.1 per cent).

Strengthened market share and increased net sales revenue per passenger

Viking Line strengthened its market share during the first three months of the fiscal year on the Turku (Finland)–Mariehamn (Åland Islands, Finland)–Stockholm (Sweden) route by 5.0 percentage points to 58.2 per cent and on the Helsinki (Finland)–Mariehamn–Stockholm route by 5.6 percentage points to 50.7 per cent. In cruise services between Stockholm and Mariehamn, Viking Line's market share increased by 2.5 percentage points to 52.6 per cent. The Group thus increased its total market share in its service area to 40.2 per cent, compared to 38.6 per cent for its closest competitor.

The Group managed to strengthen its market share at the same time as net sales revenue per passenger rose. Combined with a small expansion in passenger volume, this resulted in an increase in passenger-related revenue of 6.9 per cent.

According to Nils-Erik Eklund, Managing Director and Chief Executive, Viking Line's strengthened market position can be largely explained by the Company's systematic quality development work, which is now beginning to yield an economic return.

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 2006/2007 sales were about EUR 436 M. The number of passengers totalled 5.7 million. The average number of employees was 2,911.

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SALES AND EARNINGS

Consolidated sales of the Viking Line Group during the period November 1, 2007 – January 31, 2008 amounted to 101.34 million euros (year-earlier period: EUR 95.12 M). Operating income was EUR 0.03 M (0.87). Consolidated income before taxes amounted to EUR 0.08 M (1.19). Income after taxes was EUR -0.21 M (0.53).

Consolidated sales increased by 6.5 per cent mainly as a consequence of better net sales revenue per passenger. Passenger-related revenue increased by 6.9 per cent to EUR 93.19 M, and cargo revenue rose by 2.2 per cent to EUR 7.31 M.

Fuel expenses increased by 54.1 per cent to EUR 10.55 M due to substantially higher bunker prices. Total consolidated operating expenses rose by 7.5 per cent to EUR 101.41 M.

SERVICES AND VOLUME

The Group's vessels served the same routes as during fiscal 2006/2007. In late April 2008, the newbuilding Viking XPRS will replace the Rosella on the Helsinki–Tallinn route.

During the first three months of fiscal 2007/2008, the number of passengers on the Group's vessels rose by 0.4 per cent to 1,257,621 even though the total market decreased. Viking Line's cargo volume decreased by 2.2 per cent to 23,386 cargo units.

During the first three months of fiscal 2007/2008, Viking Line strengthened its market share on the Turku (Finland)–Mariehamn (Åland Islands, Finland)–Stockholm (Sweden) route by 5.0 percentage points to 58.2 per cent and on the Helsinki (Finland)–Mariehamn–Stockholm route by 5.6 percentage points to 50.7 per cent. In cruise services between Stockholm and Mariehamn, Viking Line's market share increased by 2.5 percentage points to 52.6 per cent. On the Helsinki–Tallinn (Estonia) route, market share decreased by 3.3 percentage points to 21.4 per cent. The Group thus increased its total market share in its service area to 40.2 per cent, compared to 38.6 per cent for its closest competitor.

INVESTMENTS AND FINANCING

The Group's investments totalled EUR 16.88 M (0.56), of which EUR 13.41 M consisted of advance payments. On January 31, 2008, the equity/assets ratio was 62.1 per cent, compared to 57.0 per cent on the same date in 2007.

At the end of January 2008, the Group's cash and cash equivalents amounted to EUR 30.37 M (47.97). Net cash flow from operating activities amounted to EUR 4.68 M (2.61).

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. 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.

Since the system of government restitution of shipboard employees' taxes and social security contributions was not permanent in Finland, the Company previously chose not to take into account any future restitution related to holiday and compensation liability for shipboard employees on the Group's Finnish-registered vessels. This accounting practice has been changed now that the

restitution system has been made permanent in Finland. The restitution of taxes and social security contributions that are included in holiday pay liability on January 31, 2008 and that will be received in the future has been estimated at EUR 3.17 M. To minimize the effect on comparability of this change in accounting practices, one fourth (EUR 0.79 M) is being recognized as a reduction in employee expenses each quarter during fiscal 2007/2008.

Otherwise, estimates and judgments as well as accounting principles and calculation methods are the same as in the latest annual financial statements.

ORGANIZATION AND PERSONNEL

The average number of Group employees was 2,837 (2,812), of whom 2,029 (2,012) worked for the parent company. Land-based personnel totalled 716 (686) and shipboard personnel totalled 2,121 (2,126).

ANNUAL SHAREHOLDERS' MEETING

The annual shareholders' meeting of Viking Line Abp on February 6, 2008 adopted the parent company and consolidated financial statements. This included the proposal of the Board of Directors for a dividend of EUR 1.00 per share for the fiscal year November 1, 2006 – October 31, 2007. The annual meeting discharged the Board of Directors and the Managing Director from liability for fiscal 2006/2007.

All members and deputy members of the Board of Directors were re-elected. The Company's Board of Directors until the end of the next annual shareholders' meeting thus has the following composition: Ben Lundqvist (Chairman), Carita Blomsterlund, Nils-Erik Eklund, Erik Grönberg, Agneta Karlsson, Dick Lundqvist and Lars G Nordström plus deputy members Trygve Eriksson, Stefan Lundqvist and Airi Sundman. Re-elected as the Company's Auditor was Leif Hermans, Authorized Public Accountant (CGR). Erika Sjölund, Authorized Public Accountant (GRM), was elected as a new regular Auditor. Sven-Harry Boman, Authorized Public Accountant (CGR) and Sixten Söderström, Authorized Public Accountant (GRM) were elected as new Deputy Auditors.

OUTLOOK FOR THE FULL 2007/2008 FISCAL YEAR

Developments during the first quarter of the fiscal year, with better net sales revenue per passenger and strengthened market share on Viking Line's main routes between Finland and Sweden, were positive in today's tough competitive situation. Extreme increases in bunker prices are having a significant adverse impact on the Group's earnings. Since the financial statements for fiscal 2006/2007 were published, no changes have occurred that affect the Board's assessment of the risks in Viking Line's business operations. Developments to date do not cause any change in the outlook published with those financial statements, which stated that the Group's earnings in fiscal 2007/2008 are expected to be lower than in fiscal 2006/2007.

The next Interim Report (November 2007 – April 2008) will be published on June 12, 2008.

Mariehamn, Åland, March 13, 2008

VIKING LINE ABP
The Board of Directors

CONSOLIDATED INCOME STATEMENT

EUR M	Nov. 1, 2007– Jan. 31, 2008	Nov. 1, 2006– Jan. 31, 2007	Nov. 1, 2006– Oct. 31, 2007
SALES	101.34	95.12	436.02
Other operating revenue	0.10	0.09	0.49
Expenses			
Goods and services	27.31	26.34	120.30
Employee expenses	25.14	24.91	99.93
Depreciation and impairment losses	5.05	4.61	18.93
Other operating expenses	43.91	38.50	164.56
	101.41	94.34	403.72
OPERATING INCOME	0.03	0.87	32.80
Financial income	0.45	0.71	2.83
Financial expenses	-0.40	-0.39	-1.85
INCOME BEFORE TAXES	0.08	1.19	33.78
Income taxes	-0.29	-0.66	-8.93
INCOME FOR THE PERIOD	-0.21	0.53	24.84
<i>Attributable to:</i>			
Parent company shareholders	-0.21	0.53	24.84
Minority interest	0.00	0.00	0.00
Earnings per share, EUR	-0.02	0.05	2.30

CONSOLIDATED BALANCE SHEET

EUR M	Jan. 31, 2008	Jan. 31, 2007	Oct. 31, 2007
ASSETS			
Non-current assets			
Intangible assets	0.66	0.71	0.68
Land	1.10	1.10	1.10
Buildings and structures	5.63	5.99	5.71
Renovation costs for rented properties	0.49	0.37	0.30
Vessels	123.99	135.29	126.45
Machinery and equipment	5.22	4.60	4.45
Advance payments	47.94	13.65	34.54
Financial assets	0.07	0.07	0.07
Receivables	0.04	0.03	0.03
Total non-current assets	185.13	161.81	173.33
Current assets			
Inventories	9.60	7.81	9.61
Income tax assets	1.32	0.24	0.01
Trade and other receivables	28.76	28.36	31.86
Cash and cash equivalents	30.37	47.97	42.53
Total current assets	70.06	84.38	84.02
TOTAL ASSETS	255.19	246.19	257.35
EQUITY AND LIABILITIES			
Equity			
Share capital	1.82	1.82	1.82
Reserves	0.02	0.02	0.02
Translation differences	-0.03	0.02	0.02
Retained earnings	156.64	138.40	156.80
Equity attributable to parent company shareholders	158.45	140.26	158.65
Minority interest	0.04	0.04	0.04
Total equity	158.49	140.30	158.69
Non-current liabilities			
Deferred tax liabilities	27.65	30.41	27.65
Interest-bearing liabilities	4.52	6.73	4.52
Total non-current liabilities	32.17	37.14	32.17
Current liabilities			
Interest-bearing liabilities	2.25	8.96	2.23
Income tax liabilities	5.47	3.20	5.47
Trade and other payables	56.81	56.59	58.79
Total current liabilities	64.53	68.75	66.48
Total liabilities	96.70	105.89	98.66
TOTAL EQUITY AND LIABILITIES	255.19	246.19	257.35

CONSOLIDATED CASH FLOW STATEMENT

EUR M	Nov. 1, 2007– Jan. 31, 2008	Nov. 1, 2006– Jan. 31, 2007	Nov. 1, 2006– Oct. 31, 2007
OPERATING ACTIVITIES			
Income for the period	-0.21	0.53	24.84
Adjustments			
Depreciation and impairment losses	5.05	4.61	18.93
Other items not included in cash flow	0.02	-0.01	-0.05
Interest expenses and other financial expenses	0.09	0.33	0.70
Interest income and other financial income	-0.40	-0.38	-1.44
Dividend income	-	-	0.00
Income taxes	0.29	0.66	8.93
Change in working capital			
Change in trade and other receivables	3.09	-5.87	-9.36
Change in inventories	0.01	0.48	-1.31
Change in trade and other payables	-1.98	3.04	5.26
Interest paid	-0.09	-0.16	-0.53
Financial expenses paid	0.00	-0.17	-0.19
Interest received	0.38	0.33	1.27
Financial income received	0.02	0.02	0.14
Taxes paid	-1.60	-0.80	-9.35
NET CASH FLOW FROM OPERATING ACTIVITIES	4.68	2.61	37.84
INVESTING ACTIVITIES			
Investments in vessels	-2.15	-0.11	-4.08
Investments in other property, plant and equipment	-1.33	-0.27	-1.22
Advance payments	-13.41	-0.19	-21.07
Divestments of other property, plant and equipment	0.03	0.00	0.03
Divestments of financial assets	-	0.00	0.00
Dividends received	-	-	0.00
NET CASH FLOW FROM INVESTING ACTIVITIES	-16.86	-0.56	-26.34
FINANCING ACTIVITIES			
Increase in non-current liabilities	0.05	0.03	-
Amortization of non-current liabilities	-0.03	-0.03	-8.94
Change in non-current receivables	-0.01	-0.01	-0.01
Dividends paid	-	-	-5.94
NET CASH FLOW FROM FINANCING ACTIVITIES	0.01	-0.01	-14.89
CHANGE IN CASH AND CASH EQUIVALENTS	-12.17	2.04	-3.39
Cash and cash equivalents at beginning of period	42.53	45.93	45.93
CASH AND CASH EQUIVALENTS AT END OF PERIOD	30.37	47.97	42.53

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, 2007	1.82	0.02	0.02	156.80	158.65	0.04	158.69
Translation differences		0.00	-0.05	0.05	0.01		0.01
Income for the period				-0.21	-0.21	0.00	-0.21
Equity, Jan. 31, 2008	1.82	0.02	-0.03	156.64	158.45	0.04	158.49
Equity, Nov. 1, 2006	1.82	0.02	-0.02	137.91	139.73	0.03	139.76
Translation differences		0.00	0.04	-0.04	0.00	0.00	0.00
Income for the period				0.53	0.53	0.00	0.53
Equity, Jan. 31, 2007	1.82	0.02	0.02	138.40	140.26	0.04	140.30

QUARTERLY CONSOLIDATED INCOME STATEMENT

EUR M	2007/2008 Q1	2006/2007 Q4	2006/2007 Q3	2006/2007 Q2
SALES	101.34	113.71	128.60	98.59
Other operating revenue	0.10	0.18	0.12	0.10
Expenses				
Goods and services	27.31	31.57	35.40	26.99
Employee expenses	25.14	25.04	25.36	24.63
Depreciation and impairment losses	5.05	5.03	4.65	4.64
Other operating expenses	43.91	44.04	41.24	40.79
	101.41	105.67	106.65	97.05
OPERATING INCOME	0.03	8.22	22.07	1.64
Financial income	0.45	1.00	0.55	0.57
Financial expenses	-0.40	-0.65	-0.32	-0.50
INCOME BEFORE TAXES	0.08	8.58	22.30	1.71
Income taxes	-0.29	-2.01	-5.50	-0.77
INCOME FOR THE PERIOD	-0.21	6.57	16.81	0.94
Attributable to:				
Parent company shareholders	-0.21	6.57	16.81	0.94
Minority interest	0.00	0.00	0.00	0.00
Earnings per share, EUR	-0.02	0.61	1.56	0.09

PLEGGED ASSETS AND CONTINGENT LIABILITIES

EUR M	Jan. 31, 2008	Jan. 31, 2007	Oct. 31, 2007
Contingent liabilities	8.21	17.17	8.72
Assets pledged for own debt	10.83	28.76	11.20
Investment commitments not included in the accounts	144.10	114.36	156.28
– contractual amount	188.26	127.42	188.21

FINANCIAL RATIOS AND STATISTICS

	Nov. 1, 2007– Jan. 31, 2008	Nov. 1, 2006– Jan. 31, 2007	Nov. 1, 2006– Oct. 31, 2007
Equity per share, EUR	14.67	12.99	14.69
Equity/assets ratio	62.1 %	57.0 %	61.7 %
Investments, EUR M	16.88	0.56	26.37
– as % of sales	16.7 %	0.6 %	6.0 %
Passengers	1,257,621	1,253,175	5,695,343
Cargo units	23,386	23,921	91,333
Average number of employees, full time equivalent	2,837	2,812	2,911

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.