



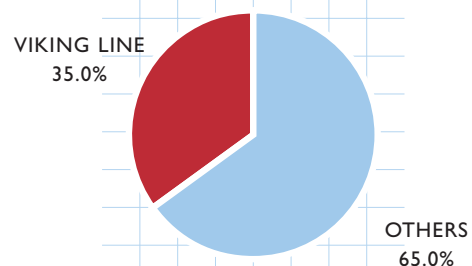
Annual Report
2000/2001

November 1, 2000 - October 31, 2001

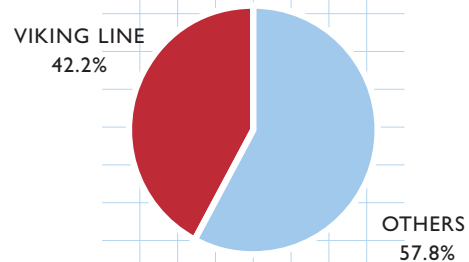
VIKING LINE

VIKING LINE'S MARKET SHARE

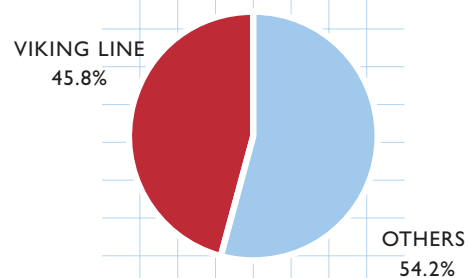
TOTAL PASSENGERS



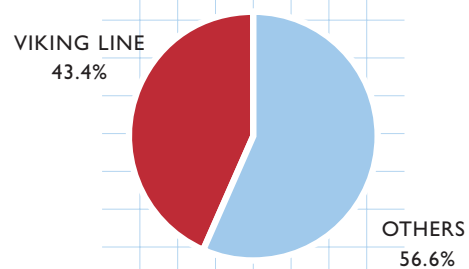
ÅLAND SERVICES



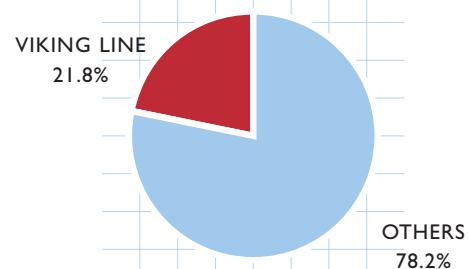
TURKU-STOCKHOLM/KAPELLSKÄR



HELSINKI-STOCKHOLM



HELSINKI-ESTONIA



Contents

Information to shareholders	3
Viking Line mission statement	4
Highlights of 2000/2001	5
Managing Director's review	6
Traffic and market conditions	8
Cargo	11
Passenger Services	12
Quality enhancement	14
Personnel	18
Share data	20
Report of the Directors	22
Five-year financial review	24
Income statement	25
Balance sheet	26
Statement of changes in financial position	28
Accounting principles	29
Notes	30
Board of Directors	34
The Board's proposal on distribution of earnings	34
Auditors	35
Auditors' Report	35
Organizational structure	36
Group Management	37
Vessels	38
Addresses	39

Note to the international edition: This Annual Report is, in all essential respects, a translation of the Swedish-language official version. M means million and K means thousands. Numbers in brackets following fiscal 2000/2001 figures are comparable figures for fiscal 1999/2000, which ended on October 31, 2000. Currency code used: EUR = euros. "The Group" refers to the Viking Line Group, which consists of the parent company Viking Line Abp ("the Company") and its subsidiaries.

Translation: Victor Kayfetz, Scan Edit, Oakland, CA, USA.





Information to shareholders

ANNUAL MEETING

The annual shareholders' meeting of Viking Line Abp will be held at 12 noon on Wednesday, February 6, 2002 at the Hotel Arkipelag, Strandgatan 31, Mariehamn, Åland, Finland.

Shareholders whose shares have not been transferred to the Finnish central share registry 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 central share registry account.

Shareholders who wish to participate in the meeting must notify the Company's office in Mariehamn to this effect not later than 2 p.m., February 4, 2002, either in writing to Viking Line Abp, Norragatan 4, FIN-22100 Mariehamn, Finland, or by telephone to the Company's Secretariat at +358 (18) 27 000.

DIVIDEND

The Board of Directors has decided to recommend that the annual shareholders' meeting approve a dividend of EUR 1.50 per share for fiscal 2000/2001.

FINANCIAL INFORMATION DURING 2001/2002

During fiscal 2001/2002, Viking Line Abp will issue interim reports for the periods November 1, 2001 to January 31, 2002, November 1, 2001 to April 30, 2002 and November 1, 2001 to July 31, 2002. These interim reports will be published in March, June and September, respectively. The official versions of the Annual Report and interim reports are published in Swedish. These reports are translated to Finnish and English. The reports will be available on the Internet at <http://www.vikingline.fi> and <http://www.vikingline.se>. The Annual Report will also be available at the Head Office of Viking Line Abp and can be ordered by telephone at +358 (18) 27 767 or by e-mail at inv.info@vikingline.se.

Viking Line mission statement

The mission of Viking Line is to provide reasonably priced, safe passenger services including recreation and tax-free sales, as well as cargo carrier services.



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

PASSENGER SERVICES

The Passenger Services business area is divided into Travel Services and Shipboard Services.

The Travel Services area markets one-way passenger tickets, pleasure cruises and conference cruises, as well as travel and hotel packages.

The Shipboard Services area provides shopping, good food and entertainment in a pleasant setting.

CARGO SERVICES

The Cargo Services business area supplies speedy, regularly scheduled shipping and freight forwarding services at affordable prices.





Highlights of 2000/2001

	2000/2001	1999/2000
Sales, EUR M	420.78	413.67
Operating profit, EUR M	38.06	23.31
Profit before taxes, EUR M	34.82	21.69
Total assets, EUR M	294.85	291.34
Earnings per share, EUR M	2.26	1.30
Dividend per share, EUR (2000/2001: proposed)	1.50	0.84
Average number of employees during the year	2,780	2,823

2000/2001

November The shipowners' associations and the Finnish Seamen's Union approved a newly negotiated collective agreement for the crews on passenger vessels

February The annual shareholders' meeting for fiscal 1999/2000 was held. Viking Line was the first Finnish passenger shipping company to join with the Finnish Seamen's Union in signing the rules for applying the new collective agreement.

March The new collective agreement took effect.

May The Viking Line vessels m/s Isabella and m/s Gabriella as well as the Company's Head Office were granted ISO 14001 international certification for their environmental management systems.

June The Viking Line vessels m/s Mariella and m/s Amorella were granted ISO 14001 environmental management certification.

October The Swedish Parliament approved the introduction of a "net wage" system for lowering the manning expenses of Swedish passenger vessels engaged in international service, starting on October 1, 2001.

2001/2002

November The Finnish Parliament approved a limited system of wage support for ship-board personnel on Finnish passenger vessels engaged in international service, starting in the beginning of 2002.

Managing Director's review



KEEPING UP WITH CHANGE

The world around us is constantly changing. In order to remain an attractive alternative for our customers in the future, we must be keenly aware of these changes and adapt ourselves to the developments in our surroundings. This is why Viking Line is always working to enhance its service and products in order to maintain a continued high quality level. During fiscal 2000/2001, we made plans for actions aimed at further improving service and quality throughout our organization. I have great hopes that we will succeed in this important process.

Fundamental to the quality at Viking Line is that our vessels, which are the core of all our operations, maintain high standards both in terms of technology and service. Over the past four fiscal years, Viking Line has invested EUR 95 million in capital expenditures as well as repairs and maintenance on these vessels. In the environmental field, one milestone in Viking Line's quality programme is that the Humid Air Motor (HAM) has gone into service. The Mariella became the world's first vessel to have this new technology installed in all its main engines.

FINNISH-REGISTERED VESSELS AT A COMPETITIVE DISADVANTAGE

The environment in which Viking Line operates is characterized by international competition. Of key importance to a company's competitiveness are its manning expenses, which account for a sizeable proportion of operating expenses in the shipping industry. One factor that complicates the competitive situation is that these expenses differ depending on what flag a company's vessels sail under.

If a government wants to help level the national differences in manning expenses, it can consider letting shipping companies recruit employees from other countries, according to the terms of their national collective agreements. Or it can adapt its legislation to European Union shipping guidelines, which came into existence in order to offset the competition from low-cost countries. In practice, Finland has chosen only to let shipping companies man their vessels in accordance with the terms of Finnish collective agreements. Meanwhile, the country has not adapted its legislation to EU guidelines. As a consequence of this, manning expenses on Finnish vessels have become the highest in the Nordic countries.

During fiscal 1999/2000, major Finnish shipowners' associations and the Finnish Seamen's Union initiated negotiations aimed at lowering wage and salary-related expenses by 10-15 per cent. These negotiations finally led to a new collective agreement for the crews on passenger vessels that temporarily created an equilibrium in the employee expense situation between Swedish- and Finnish-registered vessels. It must be described as extremely gratifying that the employer and employee organizations in Finland's shipping sector managed to achieve this consensus after many decades of struggle.



In 2000, Denmark decided to extend its “net wage” system to apply also to passenger vessels engaged in international service that call at Danish ports. Sweden introduced a net wage model for Swedish passenger vessels engaged in international service, which went into effect in October 2001. This again put Finnish passenger vessels in a less favourable competitive position compared to their Swedish counterparts. Meanwhile the existing competitive weakness of these vessels against those of other nations, especially Estonia, continued.

Finland has decided to introduce a limited net wage system for Finnish passenger vessels engaged in international traffic, starting in the beginning of 2002. This system is not at all comparable to the Swedish net wage system, which will mean a sizeable competitive disadvantage for passenger vessels that sail under the Finnish flag.

PASSENGER VESSELS OUTSIDE TONNAGE TAX SYSTEM

The passenger shipping companies in the Baltic Sea region need to gradually renew their vessel fleets. To make possible the necessary level of self-financing for these capital-intensive investments, it is important that the shipping companies are given a good opportunity to build up untaxed reserves. In keeping with EU guidelines, a number of European countries have therefore adopted a tax relief system for the shipping industry, which involves only marginal taxation based on the gross tonnage of these vessels, called a “tonnage tax”.

The Finnish government has also presented a tonnage tax proposal. Unfortunately this proposal has been formulated in such a way that it does not provide support to shipping companies for their passenger vessels, since duty- and tax-free sales are not included in the operations subject to tonnage tax. As a result, ferry companies will not benefit at all from applying the tonnage tax system in its proposed form.

Duty- and tax-free sales have always been an important element of Finland’s ferry service revenues. Thanks to these sales, it has been possible to keep the price levels for passenger tickets and cargo services down, while building up a safe and otherwise high-quality vessel fleet.

MARKET DEVELOPMENTS

The market for passenger ferries in Viking Line’s service area decreased by 3.1 per cent compared to fiscal 1999/2000. Despite this, Viking Line has managed to preserve its market leadership. This further strengthens our resolve to maintain a leading market position in the future.

GRATITUDE

I would like to express my sincerest appreciation to all of those who contributed to the operations of Viking Line during this past fiscal year, and especially to the employees of the Group.

Nils-Erik Eklund
Managing Director

Traffic and market conditions



A WELL-DEVELOPED TRANSPORT SYSTEM

With its ferry traffic, Viking Line helps to maintain a well-developed transport system for passengers, vehicles and cargo between the Finnish mainland, the Åland Islands and Sweden, as well as between Finland and Estonia. The number of daily sailings is largely constant throughout the year. The transport system's carrying capacity for passengers and vehicles is fully utilized mainly during the summer and major holidays. During large portions of the year, however, there is excess capacity, since in the short term it is not possible to adapt vessel capacity to variations in the need for passenger transport services during the year. Combining the need for passenger transport services with recreational travel achieves more uniform capacity utilization. Investments in facilities for shipboard conferences and shipboard entertainment support the transport system and create a network of affordable passenger and cargo carrier services. Without duty- and tax-free sales, it would not be financially defensible to maintain a transport system with enough capacity for the peak-season traffic. It is not possible to take the vessels out of service for certain periods of the year, since the need for well-educated, trained crews and land-based personnel who are capable of handling advanced working tasks presupposes a permanently employed workforce. Nor is such a situation sustainable from a safety standpoint. In addition, the extensive capital that is tied up in the transport system requires that the vessels be utilized as efficiently as possible.

THE PASSENGER MARKET

The total number of passengers in Viking Line's service area, Finland-Sweden and Finland-Estonia, was 15,395,558 during the 2000/2001 fiscal year. Viking Line's share totalled 5,387,749 passengers or 35.0 per cent, compared to 34.5 per cent in fiscal 1999/2000. Of our passengers, 65.5 per cent were residents of Finland and 31.6 per cent residents of Sweden.

The sister vessels Amorella and Isabella provided regular service on the Turku-Mariehamn-Stockholm route during the entire 2000/2001 fiscal year. On July 1, 1999, these vessels began to make stopovers in Åland at night as well. These night-time stopovers occur at Långnäs harbour on the eastern side of Åland. During the summer months, the Rosella provided service on the Turku-Mariehamn-Kapellskär route. During the rest of the fiscal year, she operated cruises between Stockholm and Mariehamn under the name "The Dancing Queen". As previously, the Ålandsfärjan provided service on the Mariehamn-Kapellskär route, although service was suspended during the entire month of January 2001. On these routes, the total number of passengers was 2,976,500, compared to 2,977,697 in fiscal 1999/2000. On the Turku-Stockholm/Kapellskär route, Viking Line's market share totalled 45.8 per cent (45.0), while its market share for services to Åland was 42.2 per cent (43.1).

Throughout 2000/2001, the vessels Gabriella and Mariella provided service on the Helsinki-Mariehamn-Stockholm route. The number of Viking Line passengers on this route was 1,103,045 (1,163,045). Viking Line's market share on the long Helsinki-Stockholm route was 43.4 per cent (43.3).

Throughout 2000/2001, the Cinderella provided 20-hour cruises on the Helsinki-Tallinn route. The number of Viking Line passengers on this route was 1,308,204 (1,334,530). Viking Line's market share was 21.8 per cent (21.7).





Passenger volumes by route	2000/2001	1999/2000	Change
Turku-Mariehamn-Stockholm/Kapellskär	2,976,500	2,977,697	-0.0%
Helsinki-Mariehamn-Stockholm	1,103,045	1,163,045	-5.2%
- of which, Åland services	1,399,353	1,413,820	-1.0%
Helsinki-Estonia	1,308,204	1,334,530	-2.0%
TOTAL	5,387,749	5,475,272	-1.6%

LOGISTICS

Reliability is an important quality requirement for all companies that provide transport services, including Viking Line. During the fiscal year, only 2 out of nearly 10,000 planned departures were cancelled. In both cases, this was due to bad weather. Minor delays are sometimes unavoidable, mainly due to rough weather.

In order to improve the logistics at the Port of Turku, the wharf area underwent extensive changes. Among other things, the old terminal building was demolished and the wharf was renovated to make the harbour area better suited to our needs.

Cargo

THE CARGO MARKET

The cargo volume in Viking Line's service area totalled 348,509 cargo units, compared to 346,732 units in 1999/2000. Viking Line transported 77,879 cargo units (74,846), equivalent to a market share of 22.3 per cent (21.6). Viking Line's share of the Finnish mainland – Åland – Sweden route segment totalled 22.6 per cent (23.3). In services between Finland and Estonia, Viking Line continued to increase its market share, which totalled 21.8 per cent (17.0).

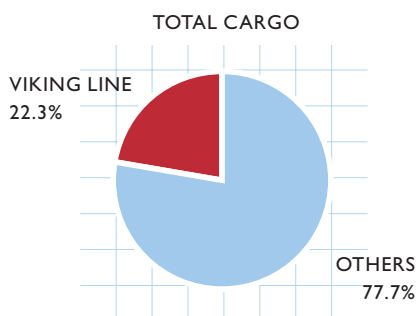
The total cargo market still continued its growth at the beginning of the fiscal year, but during the spring of 2001 there was a downward trend, due to deteriorating general economic conditions. Cargo volume in services between Finland and Estonia continued to grow, however, although the pace of growth slowed late in the fiscal year. The shrinking market in the Finnish mainland – Åland – Sweden route segment resulted in excess capacity, causing a loss of market share by Viking Line. In services between Finland and Estonia, however, Viking Line increased its market share. The volume increase on this route (44.7 per cent) offset volume declines on other routes, enabling Viking Line to increase its total cargo volume by 4.1 per cent.

CARGO SERVICES

Viking Line offers its cargo customers top-quality transport services on passenger ferries between the Finnish mainland, Åland and Sweden as well as between Finland and Estonia. Frequent departures, modern vessels and knowledgeable employees, both land-based and shipboard, help to meet the needs of transport companies.

Viking Line provides stevedoring and freight forwarding services that guarantee fast, smooth handling of transport units and documents at our ports. In Tallinn, this service is provided by our agent, Estma.

In collaboration with shipping companies in southern Sweden and overland transport companies, Viking Line provides package solutions for cargo services to and from southern Sweden and the Continent. We can provide transit tickets as well as combination sea/land transport services for trailers.



Passenger Services



GOOD SERVICE MEANS A LOT

During fiscal 2000/2001, nearly 5.4 million passengers travelled with Viking Line. Given such a large passenger volume, we must satisfy a broad range of needs, wishes and expectations. In addition, the demands of our customers are constantly changing, according to the prevailing trends in the entertainment and travel industries.

A BRIDGE ACROSS THE BALTIC

Viking Line is one of the largest market players in Baltic Sea shipping. For decades, our fleet has been a leader in passenger and cargo services between Sweden and Finland. Since so many travellers choose Viking Line, we can offer affordable price levels for transporting freight, vehicles and passengers. Large volume allows frequent sailings, ensuring that our vessels meet high standards of safety, environment and comfort and that our fleet will continue to be among the world's most modern of its kind.

Well-developed maritime services between the Finnish mainland, Åland and Sweden are not only part of the infrastructure. Ferry services also generate port dues, and local companies earn revenues when visitors spend their money. Baltic Sea shipping companies are also among the largest buyers of hotel rooms in Sweden and Finland.

EVERYTHING FROM MODEST TO LUXURIOUS

On board most of our vessels, we offer a broad spectrum of accommodation alternatives, restaurants and experiences attractive to many different tastes. Passengers can stay in luxurious sea view suites or choose simple budget cabins. Whether guests prefer a gourmet meal with a pleasantly aged wine, or a quicker alternative like coffee and an open-faced sandwich in the cafeteria, will be determined by their wishes and their wallets.

ONE OF THE STRONGEST BRAND NAMES

Viking Line is among the few brand names that awaken associations among almost the entire population of the Finnish mainland, Sweden and Åland. Having such a name is a major asset, which requires responsible brand management. This is why in our market communications, we continuously strive to accentuate and reinforce the Viking Line brand.

RETAIL OPERATIONS

We are constantly endeavouring to give our passengers a positive shopping experience on Viking Line vessels. New, varied sales campaign concepts and sophisticated visual marketing help us achieve an efficient, customer-friendly retail environment.

Viking Line has continued its collaboration with the Finnish-based airline Finnair in selecting the wines for its Food Garden restaurants. This collaboration is leading to a gradual upgrading of the quality of wines sold in our retail shops. It also achieves logistic advantages. As part of its collaboration with Finnair, Viking Line has developed its own “Vessel Vintages” concept. In order to further strengthen our quality and introduce our passengers to the exciting world of wine, we are continuing to work with Bengt Frithiofsson, one of Sweden’s leading wine experts. We have also begun working with Finnish wine connoisseur Juha Berglund.

The “Beauty Line” fragrance and cosmetics concept was launched on the Gabriella and Mariella. At this “mini-trade show” held during port time, our customers have the opportunity to become more familiar with the newest fragrances and cosmetics products.

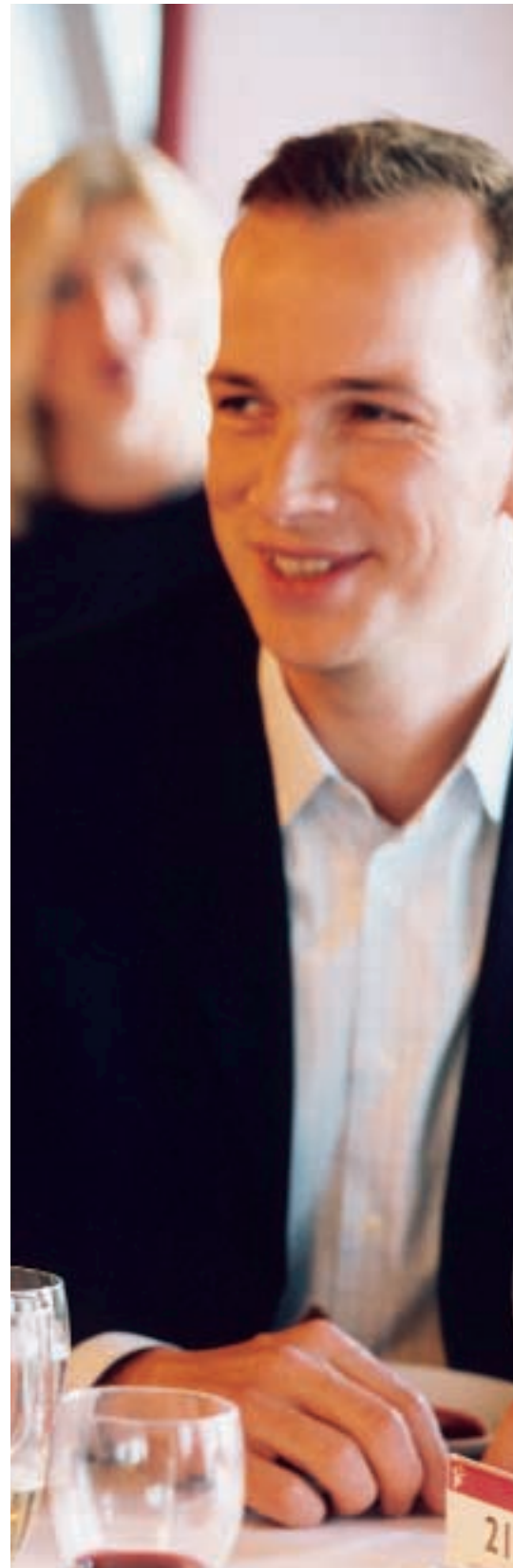
RESTAURANT OPERATIONS

The restaurants on our vessels are where most of our contacts with customers occur, making them the most important shipboard meeting places in terms of service and customer relations. The goal of our restaurant operations is to offer memorable experiences to our restaurant and conference guests, based on a customer-oriented approach.

In our restaurant operations, we strive for continuous improvement in our meal choices. As one step in this process, we added an Asian department to our Food Garden Restaurants early in fiscal 2000/2001. We also added Asian products to our take-away range in the Food Garden Shop.

The largest programme and entertainment project of the fiscal year was our Latino Weeks during March. During these theme weeks, Latin American specialities were featured on the menu, along with South American wines and other Latin-inspired beverages. Our retail shops added Latin American products to their assortment, including Argentine wines and Cuban cigars.

In time for the summer season we introduced a new restaurant concept, the Play Off Sports Pub, aboard the Amorella and Isabella on the Turku route. The Play Off Sports Pub offers a traditional pub venue in a modern, sports-oriented setting. Guests listen to troubadours, watch the latest sporting events on television or participate in betting activities while sampling our broad selection of beers and whiskies.





ENTERTAINMENT

During fiscal 2000/2001, many of the best known entertainers and the most popular dance bands from both Finland and Sweden have performed on our vessels.

The year began with vocalist Laura Vuotilainen's Christmas show on the Isabella, specially produced for Viking Line. The winter continued with a succession of Finnish, Swedish and international dance bands and performers. Italian vocalist Toto Cutugno was a big hit with the audience when he appeared together with Finland's own Kari Tapio on the Cinderella. On the Helsinki-Sweden route, passengers enjoyed a specially produced show entitled "Around the World". During the spring's Latino Weeks, internationally renowned Cuban orchestras provided warm Caribbean island rhythms.



Quality enhancement

During fiscal 1999/2000, Viking Line invested EUR 24 M in a large-scale quality enhancement programme. Several of our vessels underwent lengthy dry-dockings. Viking Line continued its quality-related work during fiscal 2000/2001, although not with such large-scale measures as during the preceding year.

During 2000/2001, Viking Line started a new quality management process under the name "WOW". This process is a natural continuation of the earlier "Big Red Q" quality programme. Its main objective is to further raise the standard of service in all areas of the Company, through a more systematic and focused methodology. The process is designed to upgrade basic operational quality, but also to produce a "WOW effect", meaning that we have managed to exceed customer expectations. Quality improvement efforts involve all units of the Company, and they are based on demands and wishes culled from Viking Line's customer feedback system.



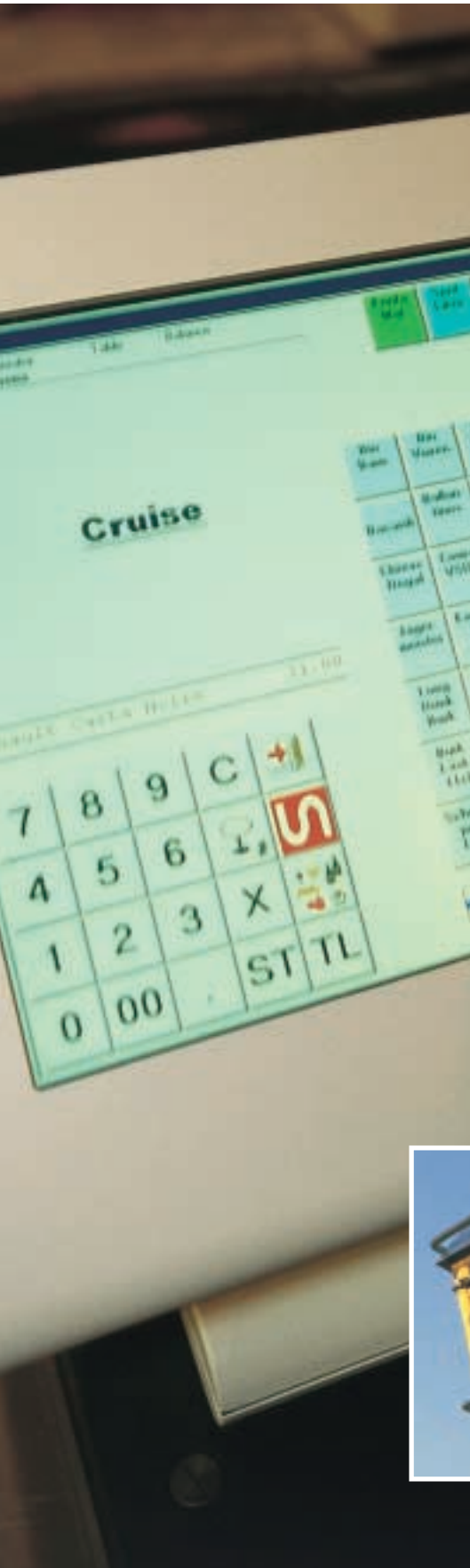
THE ENVIRONMENT

In recent years, Viking Line has worked actively to adapt its environmental efforts to meet the international standards of the ISO 14001 environmental management system. Qualifying for ISO 14001 certification presupposes that Viking Line is continuously improving its environmental work and complies with the relevant laws and other requirements.

Today the Head Office of Viking Line as well as the vessels Amorella, Gabriella, Isabella and Mariella have been environmentally certified by Det Norske Veritas Certification Ab. These vessels pursue both short- and long-term environmental targets and programmes, in keeping with the environmental policy of Viking Line, which spells out our visions for future environmental efforts. Concrete actions have been undertaken in such areas as waste management. Employees have received training in the environmental management system, and waste management training is continuing. We are striving to choose suppliers who take steps to reduce the environmental impact of their operations, and the Company's purchasing policy documents now also include information on our environmental requirements.

We will continue our efforts to introduce the ISO 14001 environmental management system on Viking Line's remaining vessels. Environmental teams on each vessel collaborate with their commanding officers to deal with concrete shipboard environmental issues. During 2000/2001 we distributed environmental information in passenger cabins and common areas aboard our vessels and added an environmental section to the Swedish- and Finnish-language pages on our web site.

The Humid Air Motor (HAM) system went into full-scale operation on the Mariella in March 2001. The use of HAM technology has reduced nitrogen oxide (NO_x) emissions from the Mariella by about 70-85 per cent. Nitrogen oxides have an adverse impact on the environment. The HAM method is unique since it limits the prerequisites for any NO_x to be formed at all. The Mariella is the first vessel in the world to have a HAM system installed on all of its main engines.



ADMINISTRATION/IT

Internet reservations

Viking Line has developed its Internet web site into an important sales channel. The task of improving the Internet reservation system therefore continued with undiminished intensity during 2000/2001. Today passengers can not only reserve “last-minute trips” but also regular one-way tickets and cruises. The Company has also placed in service an Internet-based customer record system, which will allow more direct personal communication with our passengers.

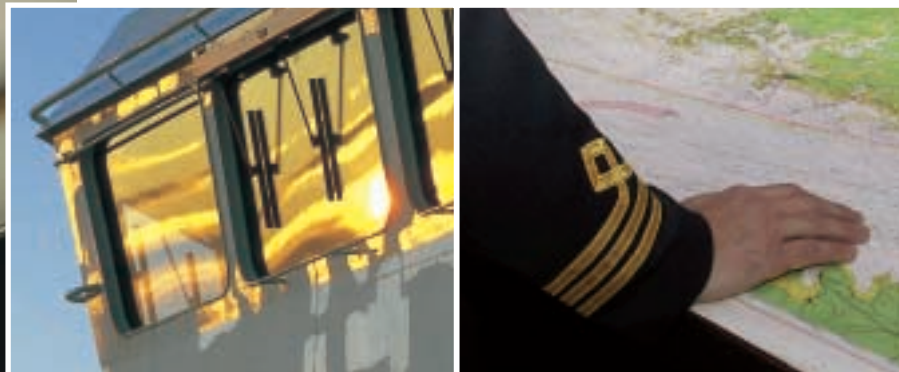
Sales and logistics

During 2000/2001, the project to replace our old shipboard sales and logistics system accelerated further. The new Oscar Cruise Management System was developed in collaboration with Anker Systems, one of Europe’s leading suppliers of retail and restaurant systems. Oscar CMS was introduced on most of our vessels. The system will be installed on the remaining vessels by early in fiscal 2001/2002.

The Oscar system is an open, flexible platform that efficiently supports continuous improvements in shipboard commercial operations. The structure of Oscar CMS allows rapid system changes and faster reporting, due to more easily accessible sales and purchasing information.

Satellite communications

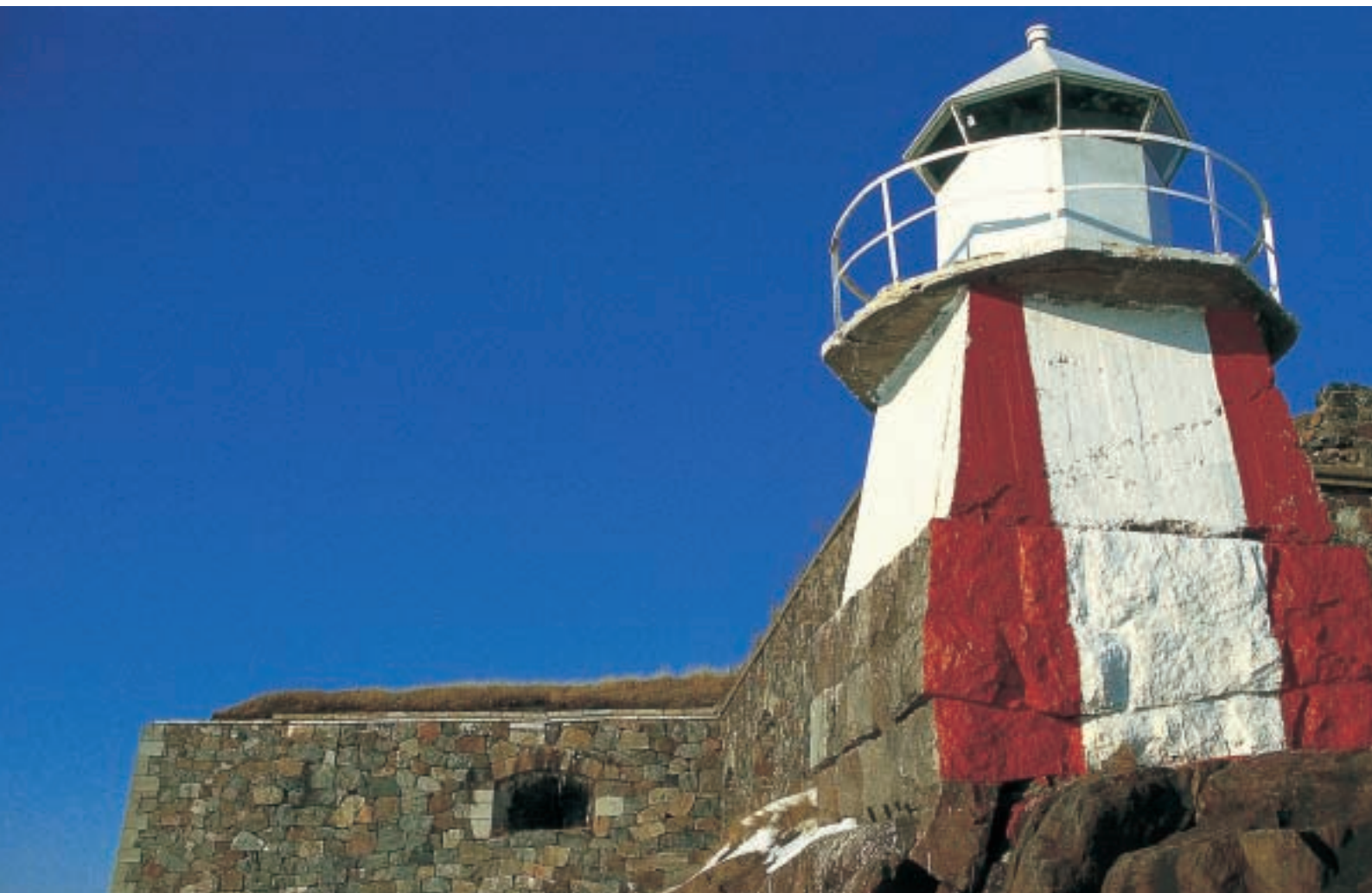
Viking Line vessels today have online links both to the Company’s internal networks and to outside networks. This infrastructure provides good potential to further improve and streamline our operations.



SAFETY

There has always been safety training of shipboard personnel. However, as a result of the new safety rules specified in the Standards for Training, Certification and Watchkeeping for Seafarers (STCW-95) of the International Maritime Organization (IMO) – which must be fulfilled before February 2002 – Viking Line has adapted its safety training programme for this purpose. During 2000/2001, the Company intensified its training courses, which were mainly carried out in collaboration with maritime training schools and the Maritime Safety Centre in Åland. Viking Line has devised a computerized system for keeping track of the training levels of its employees.

Work to expand the sprinkler systems on Viking Line vessels continued during the fiscal year. Installation of sprinklers took place in common areas and engine rooms on the Cinderella and Mariella, as well as in the engine room of the Ålandsfärjan.

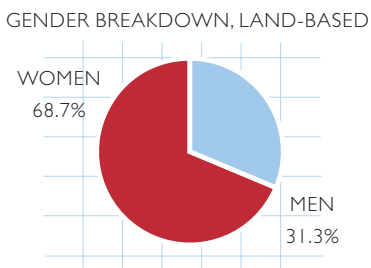
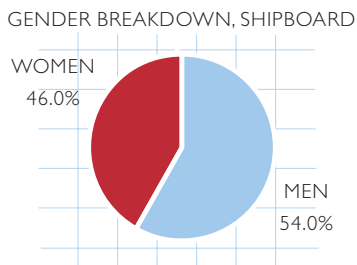
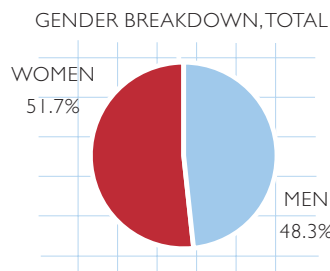


Personnel

During 2000/2001 the average number of employees in the Viking Line Group was 2,780. This represented a decrease compared to the previous year (2,823). Of the total number of employees, 2,525 (2,570) resided in Finland, including 647 (658) in Åland. The number residing in Sweden was 227 (229). There were 4 (4) employees residing in Germany and 24 (20) in Estonia.

Most of Viking Line's employees work aboard its vessels. Shipboard personnel totalled 2,080 (2,122) and land-based personnel 700 (701).

Sales per employee totalled EUR 151 K, which was somewhat higher than the EUR 147 K reported in 1999/2000. Employee expenses amounted to 26.9 per cent of sales (28.5).





NEW COLLECTIVE AGREEMENT FOR CREWS

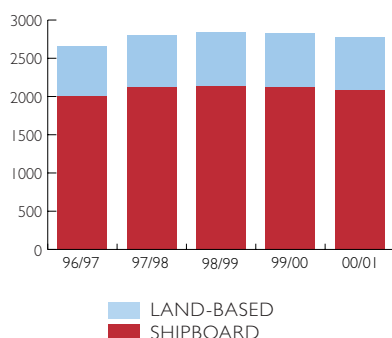
During fiscal 2000/2001, Finland's collective agreement for the employees on car and passenger ferries was reformed, which must be described as an historic event. The previous agreement had been based on the labour contracts for cargo vessels and contained provisions added during several decades of negotiating rounds. The agreement seemed increasingly outdated, unwieldy and illogical for today's modern car and passenger ferry services.

In October 2000, the Finnish Seamen's Union began negotiations with the Finnish and Åland Shipowners' Associations. The shipping companies called for reductions of about 15 per cent in employee expenses, in order to match the level of Swedish seamen's labour costs. The negotiations, which proceeded in a constructive spirit, resulted in a preliminary settlement on October 31, 2000. This settlement was approved unanimously by the boards of all the negotiating parties in November 2000.

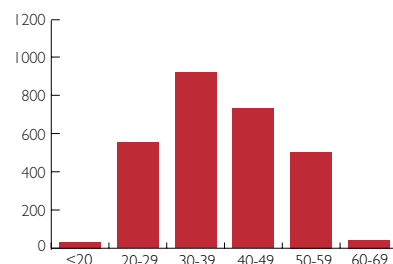
The new collective agreement is more closely adapted to the needs of the passenger shipping business. Working hours were harmonised with EU norms, and the rotation system has been defined in a new, more appropriate way. These factors have created a modern agreement with greater flexibility.

Late in February 2001, Viking Line was the first Finnish passenger shipping company to join the Finnish Seamen's Union in signing the rules for applying the rotation and duty system in the new collective agreement. The agreement took effect on March 1, 2001.

VIKING LINE GROUP EMPLOYEES



AGE DISTRIBUTION



Share data

SHARE CAPITAL AND SHARES

The minimum share capital of Viking Line Abp is EUR 605,476.54 and the maximum share capital is EUR 2,421,906.14. Within these limits, share capital may be increased or decreased without amending the Articles of Association. Since April 12, 1995, the share capital of Viking Line Abp has been EUR 1,816,429.61. The nominal value of each share is EUR 0.17. This nominal value is not an exact value. Since July 5, 1995, the shares of Viking Line Abp have been listed on the Helsinki Stock Exchange.

JOINING THE CENTRAL SHARE REGISTRY SYSTEM

The changeover of Viking Line Abp shares to the Finnish central registry share system 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 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.

AUTHORITY TO MAKE CHANGES

The Articles of Association stipulate lower and upper limits for the Company's share capital. The Board of Directors is not entitled to change the share capital or issue warrants or bonds without the approval of a shareholders' meeting.

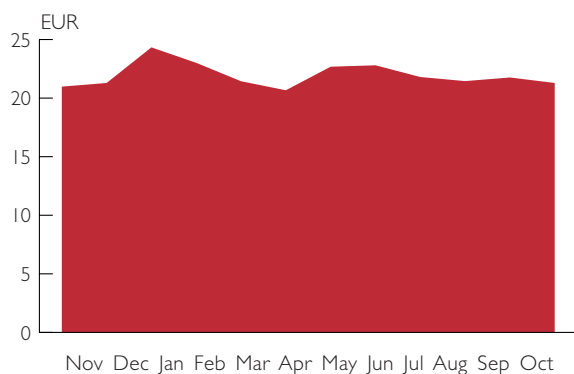
SHAREHOLDERS

At the end of the 2000/2001 fiscal year, the Company had 2,070 registered shareholders. The ten largest shareholders are presented in the table below:

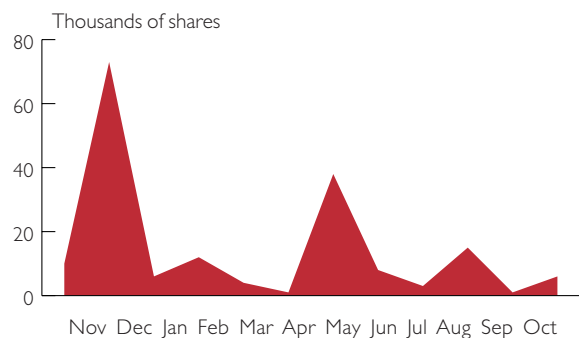
LARGEST SHAREHOLDERS, OCTOBER 31, 2001

	Number of shares	Percentage of total
1. Ångfartygs Ab Alfa	1,657,500	15.3
2. Ab Rafael	1,460,700	13.5
3. Rederi Ab Hildegaard	807,900	7.5
4. Chips Finans Ab	295,800	2.7
5. Sundman Per-Sune	276,550	2.6
6. Lundqvist Ben	238,699	2.2
7. Lundqvist Margareta	222,800	2.1
8. Eklund Nils-Erik	220,500	2.0
9. Sviberg Marie-Louise	202,500	1.9
10. Lundqvist Dick	134,000	1.2

SHARE PRICE
November 2000–October 2001



TRADING VOLUME
November 2000–October 2001



VIKING LINE AB'S SHAREHOLDERS, BY SECTOR

	Number of shareholders	Percentage of total	Number of shares	Percentage of total
Private individuals	1,792	86.7	5,071,365	47.0
Companies	117	5.7	4,716,557	43.7
Credit institutions and insurance companies	6	0.3	171,940	1.6
Other legal persons	25	1.2	221,695	2.1
Foreign shareholders	128	6.2	546,811	5.1
Nominee-registered shares	2	0.0	71,365	0.7
Not transferred to central share registry system			267	0.0
Total	2,070	100.0	10,800,000	100.0

DISTRIBUTION OF SHARE CAPITAL

Shareholdings by size	Number of shareholders	Percentage of total	Number of shares	Percentage of total
1-99	739	35.7	22,203	0.2
100-999	751	36.3	168,874	1.6
1,000-9,999	446	21.5	1,553,218	14.4
10,000-99,999	123	5.9	3,406,039	31.5
100,000-999,999	9	0.4	2,531,199	23.4
1,000,000-	2	0.1	3,118,200	28.9

The members and deputy members of the Board of Directors, the Managing Director and the Deputy Managing Director own or control 4,172,230 shares in the Company, equivalent to a voting power of 38.6 per cent.

TRADING VOLUME AND SHARE PRICE

During fiscal 2000/2001, 178,420 Viking Line shares changed hands on the Helsinki Stock Exchange. This was equivalent to 1.7 per cent of all shares. The year's highest share price was EUR 25.50, the lowest EUR 18.50. On October 31, 2001, the quoted share price was EUR 21.90. The Company's market capitalization on that date was EUR 236.52 M.

SHARE-RELATED FINANCIAL RATIOS AND STATISTICS

	1996/1997	1997/1998	1998/1999	1999/2000	2000/2001
Earnings per share, EUR	2.59	2.91	2.08	1.30	2.26
Shareholders' equity per share, EUR	11.14	12.36	12.07	11.66	13.07
Dividend per share, EUR*	1.68	2.35	1.68	0.84	1.50
Dividend/earnings	64.9%	80.8%	81.0%	64.9%	66.4%
Dividend/share price	5.3%	5.4%	4.1%	3.6%	6.8%
Price/earnings (P/E) ratio	12	15	20	18	10
Share price on October 31, EUR	31.96	43.73	41.00	23.50	21.90
Highest share price, EUR	33.64	49.95	48.77	41.50	25.50
Lowest share price, EUR	25.06	32.80	37.00	23.00	18.50
Average share price, EUR	28.71	39.35	41.25	31.64	21.88
Market capitalization, EUR M	345.12	472.27	442.80	253.80	236.52
Number of shares traded	829,810	385,269	482,447	293,620	178,420
Percentage of shares traded	7.7%	3.6%	4.5%	2.7%	1.7%
Dividend paid for the fiscal year, EUR M*	18.16	25.43	18.16	9.08	16.20
Average number of shares	10,800,000	10,800,000	10,800,000	10,800,000	10,800,000
Number of shares on October 31	10,800,000	10,800,000	10,800,000	10,800,000	10,800,000

* For fiscal 2000/2001, proposed by the Board of Directors for approval by the annual shareholders' meeting.

For definitions of financial ratios, see the chapter entitled "Five-year financial review".

Report of the Directors

MARKET DEVELOPMENTS

The market for passenger ferry services between Sweden and Finland plus services between Finland and Estonia shrank by 3.1 per cent to 15,395,558 passengers. The number of passengers on Viking Line's vessels fell by 1.6 per cent to 5,387,749.

The total number of cargo units in the service area rose by 0.5 per cent to 348,509. On Viking Line's vessels, the quantity of cargo rose by 4.1 per cent to 77,879 units.

Viking Line's share of passengers in its entire service area (Sweden-Finland and Finland-Estonia) amounted to 35.0 per cent (34.5). In terms of route segments, its market share was distributed as follows: Helsinki (Finland)-Stockholm (Sweden), 43.4 per cent (43.3); Turku (Finland)-Stockholm/Kapellskär (Sweden), 45.8 per cent (45.0); services to the Åland Islands (Finland), 42.2 per cent (43.1); and Helsinki-Estonia 21.8 per cent (21.7).

VESSELS AND ROUTES

During fiscal 2000/2001, Viking Line's vessels provided service on the same main routes as during the preceding fiscal year. Since July 1, 1999, all vessels in service between the Finnish mainland and Sweden stop over at a harbour outside the EU tax union (Åland) in both directions and may thus engage in duty- and tax-free sales.

Viking Line's seven vessels have a book value of 198.1 million euros, while their insurance value amounts to EUR 492.1 M. In addition, all vessels have protection and indemnity (P&I) insurance.

SALES AND EARNINGS

Viking Line's earnings improved during fiscal 2000/2001. Sales and other operating revenues rose by EUR 7.1 M. Operating profit rose from EUR 23.3 M to EUR 38.1 M. The improvement in earnings was mainly due to lower personnel expenses as well as lower repair and maintenance expenses. Vessel fuel (bunkering) expenses were

somewhat lower than in fiscal 1999/2000, but were still at a relatively high level. The increase in sales was mainly due to a larger number of service days and somewhat higher revenues per passenger than during the preceding fiscal year. The weak Swedish krona adversely affected earnings.

CAPITAL SPENDING AND FINANCING

The Group's investments in fixed assets totalled EUR 8.2 M (24.1).

On October 31, 2001, the equity/assets ratio stood at 47.9 per cent, compared to 43.2 per cent a year earlier. The Group's long-term liabilities decreased during fiscal 2000/2001 to EUR 50.5 M (61.5).

At the close of fiscal 2000/2001, the Group's liquid assets amounted to EUR 56.0 M (41.5). Net cash flow from business operations amounted to EUR 41.2 M (34.8).

OPERATING CONDITIONS

Starting on October 1, 2001, the Swedish government introduced a "net wage" system for Swedish passenger vessels engaged in international service. Under this system, withholding taxes on the wages and salaries of shipboard personnel and mandatory social insurance charges are credited to the shipping companies. In Finland, Parliament has approved limited restitution of withholding taxes for Finnish passenger vessels engaged in international service, starting in the beginning of 2002. The Finnish system will be considerably less favourable than the Swedish one and entails a sizeable competitive disadvantage for Finnish-registered passenger vessels.

The Finnish government has also presented a tonnage tax proposal. Under this proposal, duty- and tax-free sales would not be included in operations subject to tonnage tax. Viking Line will not benefit at all from applying the tonnage tax system in its proposed form.

PERSONNEL

The average number of Viking Line employees was 2,780 (2,823), of whom 2,086 (2,114) worked for the parent company. Land-based personnel totalled 700 (701) and shipboard personnel totalled 2,080 (2,122).

BOARD OF DIRECTORS, MANAGEMENT AND AUDITORS

The Board of Directors consists of Ben Lundqvist, Chairman; Carita Blomsterlund, Sture Carlson, Nils-Erik Eklund and Dick Lundqvist. The personal deputies to the members of the Board are Stefan Lundqvist, Rafael Mattsson, Erik Grönberg, Marie-Louise Sviberg and Gunilla Lundqvist.

Kurt Hollfast, Authorized Public Accountant (CGR) and Leif Hermans, Authorized Public Accountant (CGR), are regular Auditors. Mikael Holmström, Authorized Public Accountant (CGR), and Erika Sjölund, Authorized Public Accountant (GRM), are Deputy Auditors.

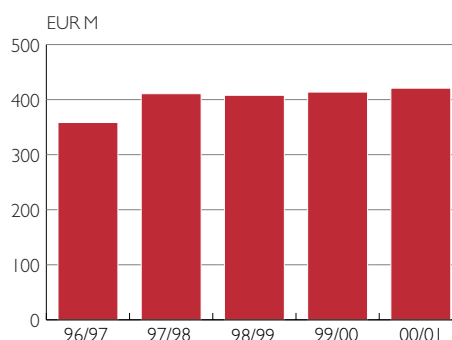
The Managing Director of the Company is Nils-Erik Eklund. The Deputy Managing Director is Kent Nyström.

OUTLOOK FOR 2002

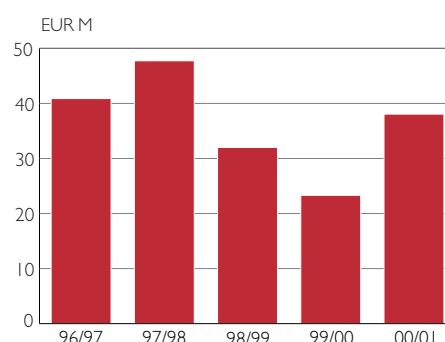
The market in Viking Line's service area is expected to be stable during 2002.

As a result of the steps taken by the Finnish government, ferries under the Finnish flag will continue to operate under less favourable competitive conditions than those registered in neighbouring countries. The Board will evaluate the consequences of this. However, the partial restitution of shipboard personnel's taxes is expected to result in a lowering of personnel expenses. Fiscal 2001/2002 earnings are thus expected to be better than 2000/2001 earnings.

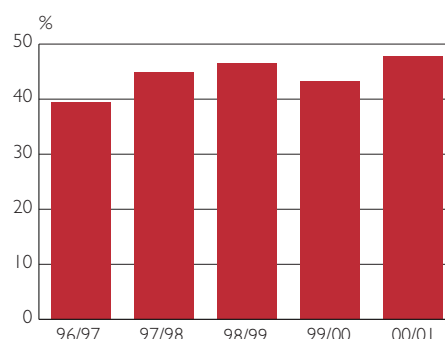
SALES



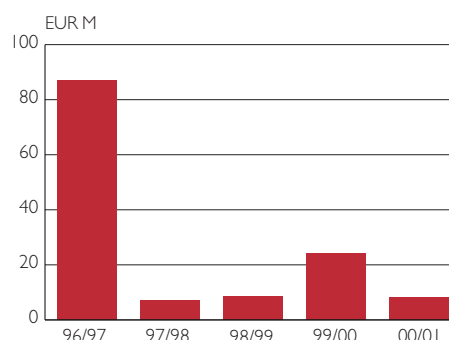
OPERATING PROFIT



EQUITY/ASSETS RATIO



GROSS CAPITAL SPENDING



Five-year financial review

THE GROUP, EUR M	1996/1997	1997/1998	1998/1999	1999/2000	2000/2001
Sales	358.40	410.72	407.83	413.67	420.78
Operating profit	40.88	47.74	32.89	23.31	38.06
- as % of sales	11.4%	11.6%	8.1%	5.6%	9.0%
Profit before extraordinary items	39.22	44.05	31.52	21.99	34.82
- as % of sales	10.9%	10.7%	7.7%	5.3%	8.3%
Profit before taxes	39.22	44.05	31.52	21.69	34.82
- as % of sales	10.9%	10.7%	7.7%	5.2%	8.3%
Return on equity (ROE), %	24.6%	24.8%	17.0%	10.9%	18.3%
Return on investment (ROI), %	22.6%	22.7%	17.2%	12.7%	19.8%
Equity/assets ratio, %	39.5%	44.9%	46.5%	43.2%	47.9%
Gross capital spending	86.95	7.23	8.64	24.09	8.16
- as % of sales	24.3%	1.8%	2.1%	5.8%	1.9%
Average number of employees	2,658	2,800	2,840	2,823	2,780

DEFINITIONS OF FINANCIAL RATIOS

Return on equity (ROE) =	$\frac{\text{Profit before extraordinary items - direct taxes}}{\text{Shareholders' equity (average for the year)}}$
Return on investment (ROI) =	$\frac{\text{Profit before extraordinary items + interest and other financial expenses}}{\text{Total assets - interest-free liabilities (average for the year)}}$
Equity/assets ratio =	$\frac{\text{Shareholders' equity}}{\text{Total assets - advances received}}$
Earnings per share =	$\frac{\text{Profit before extraordinary items - direct taxes}}{\text{Average number of shares}}$
Shareholders' equity per share =	$\frac{\text{Shareholders' equity}}{\text{Number of shares on October 31}}$
Dividend/earnings =	$\frac{\text{Dividend per share}}{\text{Earnings per share}}$
Dividend/share price =	$\frac{\text{Dividend per share}}{\text{Share price on October 31}}$
Price/earnings (P/E) ratio =	$\frac{\text{Share price on October 31}}{\text{Earnings per share}}$

Income statement

EUR M	Note	THE GROUP		PARENT COMPANY	
		Nov.1,2000- Oct.31,2001	Nov.1,1999- Oct.31,2000	Nov.1,2000- Oct.31,2001	Nov.1,1999- Oct.31,2000
Sales		420.78	413.67	405.53	396.37
Other operating revenues	1	0.49	0.62	0.46	0.33
Operating expenses					
Materials and services	2	111.49	113.27	106.56	107.56
Employee expenses	3	113.11	117.95	87.04	90.92
Depreciation	4	18.79	17.79	16.34	15.19
Other operating expenses		139.81	141.97	109.21	112.48
		383.21	390.97	319.16	326.16
OPERATING PROFIT		38.06	23.31	86.83	70.54
Financial items	5	-3.24	-1.32	-3.36	-1.47
PROFIT BEFORE EXTRAORDINARY ITEMS		34.82	21.99	83.47	69.07
Extraordinary items					
Group contributions		-	-	-47.71	-46.23
Other extraordinary expenses		-	-0.30	-	-0.30
		-	-0.30	-47.71	-46.53
PROFIT BEFORE ALLOCATIONS AND TAXES		34.82	21.69	35.76	22.54
Allocations	6	-	-	-0.81	-5.22
Direct taxes	7	-10.43	-7.99	-10.16	-5.05
NET PROFIT FOR THE FISCAL YEAR		24.40	13.70	24.79	12.27

Balance sheet

EUR M	Note	THE GROUP		PARENT COMPANY	
		Oct.31,2001	Oct.31,2000	Oct.31,2001	Oct.31,2000
ASSETS					
FIXED ASSETS					
Intangible assets	8				
Goodwill		0.53	1.06	-	-
Other long-term assets		0.33	0.42	0.01	-
		<u>0.86</u>	1.48	<u>0.01</u>	-
Tangible assets	8				
Parcels of land		1.07	1.08	1.04	1.04
Buildings and structures		8.81	9.31	5.02	5.20
Vessels		198.10	207.05	197.14	206.70
Machinery and equipment		4.14	4.69	0.76	0.78
Other tangible assets		0.29	0.36	0.04	0.05
		<u>212.42</u>	222.48	<u>203.99</u>	213.76
Shares and participations	9				
Shares in Group companies		-	-	12.57	12.57
Other shares and participations		0.07	0.07	0.04	0.04
		<u>0.07</u>	0.07	<u>12.61</u>	12.61
TOTAL FIXED ASSETS		213.34	224.03	216.62	226.38
CURRENT AND FINANCIAL ASSETS					
Current assets	10	7.90	8.85	7.61	8.54
Long-term receivables					
Loans receivable		0.08	0.07	-	-
Other long-term receivables		-	0.15	-	-
		<u>0.08</u>	0.22	<u>-</u>	-
Current receivables					
Accounts receivable		11.89	11.44	3.50	3.57
Group receivables		-	-	8.63	8.45
Other current receivables		1.35	1.30	0.03	0.04
Accrued income and prepaid expenses	11	4.34	4.00	2.52	2.18
		<u>17.58</u>	16.74	<u>14.68</u>	14.24
Liquid assets and bank balances		55.96	41.50	54.36	39.53
TOTAL CURRENT AND FINANCIAL ASSETS		81.51	67.31	76.65	62.32
TOTAL ASSETS		294.85	291.34	293.26	288.70

EUR M	Note	Oct.31,2001	THE GROUP	PARENT COMPANY	
			Oct.31,2000	Oct.31,2001	Oct.31,2000
SHAREHOLDERS' EQUITY AND LIABILITIES					
SHAREHOLDERS' EQUITY					
	12				
Share capital		1.82	1.82	1.82	1.82
Legal reserve		0.02	0.02	-	-
Share of accumulated appropriations		103.93	101.68	-	-
Profit equalization reserve		12.54	9.89	18.13	14.94
Retained earnings		-1.55	-1.17	-	-
Translation difference		0.07	-0.02	-	-
Net profit for the fiscal year		24.40	13.70	24.79	12.27
TOTAL SHAREHOLDERS' EQUITY		141.21	125.91	44.73	29.03
ACCUMULATED APPROPRIATIONS					
	13				
Accumulated extra depreciation		-	-	146.96	146.16
LIABILITIES					
Deferred tax liability					
		42.69	42.45	-	-
Long-term liabilities					
	14				
Liabilities to credit institutions		50.46	61.47	50.46	61.47
Current liabilities					
Repayment portion of liabilities to credit institutions		11.02	9.67	11.02	9.67
Accounts payable		17.71	21.21	13.66	16.83
Group liabilities		-	-	0.51	1.66
Other current liabilities		9.53	10.06	8.55	8.94
Accrued expenses and prepaid income	15	22.25	20.55	17.38	14.94
		60.50	61.51	51.11	52.04
TOTAL LIABILITIES		153.65	165.43	101.57	113.51
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		294.85	291.34	293.26	288.70

Statement of changes in financial position

EUR M	THE GROUP		PARENT COMPANY	
	Nov.1, 2000- Oct.31, 2001	Nov.1, 1999- Oct.31, 2000	Nov.1, 2000- Oct.31, 2001	Nov.1, 1999- Oct.31, 2000
BUSINESS OPERATIONS				
Operating profit	38.06	23.31	86.83	70.54
Depreciation	18.79	17.79	16.34	15.19
Group contribution	-	-	-47.71	-46.23
Interest received	1.34	0.70	1.31	0.67
Interest paid	-3.19	-2.40	-3.19	-2.39
Dividends received	0.03	0.02	0.03	0.02
Other financial items	-1.42	0.35	-1.52	0.22
Extraordinary items	-	-0.30	-	-0.30
Taxes paid	-10.18	-5.08	-10.16	-5.05
	43.43	34.40	41.94	32.68
Change in working capital				
Current assets, increase(-), decrease(+)	0.95	-0.49	0.94	-0.50
Current receivables, increase(-), decrease(+)	-0.84	0.91	-0.44	1.49
Non-interest-bearing liabilities, increase (+), decrease (-)	-2.35	0.02	-2.27	-0.83
	-2.23	0.44	-1.77	0.16
NET CASH FLOW FROM BUSINESS OPERATIONS	41.20	34.83	40.16	32.84
CAPITAL SPENDING				
Investments in Group companies	-	-	-	0.00
Investments in vessels	-7.10	-20.77	-6.26	-20.64
Investments in other fixed assets	-1.06	-3.32	-0.32	-1.70
Divestments of other fixed assets	0.02	0.06	-	-
Decrease in long-term investments	-	0.63	-	-
TOTAL CASH FLOW FROM CAPITAL SPENDING	-8.15	-23.39	-6.58	-22.34
CASH FLOW BEFORE FINANCIAL ITEMS	33.05	11.44	33.58	10.51
FINANCIAL ITEMS				
Increase in long-term liabilities	-	21.02	-	21.02
Decrease in long-term liabilities	-9.67	-8.49	-9.67	-7.57
Change in long-term receivables	0.14	-0.13	-	-
Dividend to shareholders	-9.08	-18.16	-9.08	-18.16
Translation difference	0.02	-0.02	-	-
TOTAL FINANCIAL ITEMS	-18.60	-5.78	-18.75	-4.71
CHANGE IN LIQUID ASSETS	14.46	5.67	14.83	5.80
Liquid assets, Nov. 1	41.50	35.84	39.53	33.73
Liquid assets, Oct. 31	55.96	41.50	54.36	39.53

Accounting principles

GENERAL PRINCIPLES

All sales revenues related to the Group's passenger tickets and cargo comprise the parent company's revenues. The parent company pays agency commissions for the Group's passenger and cargo agent transactions in Sweden and to outside travel agencies and tour operators. The parent company disbursed EUR 47.7 M to its own marketing subsidiary in the form of a Group contribution, compared to EUR 46.2 M in 1999/2000.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements of the Viking Line Group encompass the parent company, Viking Line Abp, and all its subsidiaries. The financial statements of Group companies encompass the period November 1, 2000 – October 31, 2001.

Internal shareholdings

Internal shareholdings have been eliminated according to the purchase method of accounting. The difference between the acquisition cost and the shareholders' equity of the subsidiary Viking Line Marketing Ab Oy on the acquisition date has been reported in its entirety as goodwill and is being depreciated on a straight-line basis over 10 years beginning in 1993.

Internal transactions

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

Foreign subsidiaries

The income statements of foreign subsidiaries have been translated into euros on a monthly basis, using middle exchange rates, while their balance sheets have been translated at the fiscal year-end exchange rate.

Associated companies

Shares in associated companies were divested during fiscal 1999/2000.

Taxes

The change in deferred tax liability was attributable to the change in appropriations and was reported in the consolidated financial statements among direct taxes. The change for fiscal 1999/2000 included an expense of EUR 1.4 M due to an increase in corporate income tax beginning in 2000.

FIXED ASSETS AND DEPRECIATION

Fixed assets have been reported in the balance sheet at their original acquisition cost less straight-line scheduled depreciation, which has been calculated on the basis of the probable economic life of the assets. Uniform depreciation principles are applied in the Group. The depreciation periods are:

Goodwill	10 years
Other long-term assets.....	5 years
Vessels purchased as newbuildings	25 years
Vessels purchased second-hand..	12.5-20 years
Harbour facilities	5-10 years
Computer equipment	5 years

Additional investments in vessels are depreciated during the scheduled remaining economic life of each vessel. Scheduled depreciation on buildings, machinery, office equipment and light structures in land-based operations coincides with the maximum depreciation permitted by tax law. Revaluations, which are based on statement of outside appraisers, have been made on buildings. These revaluations have no significant impact on income taxation.

CURRENT ASSETS

Current assets have been reported according to a weighted average acquisition price, or at a probable lower sale price.

ACCRUAL OF PENSION COSTS

Pension costs have been reported according to the national legislation of the various countries. Outside pension companies are responsible for the legally mandated pension liability of Group companies.

RECEIVABLES AND LIABILITIES IN FOREIGN CURRENCIES

Receivables and liabilities in foreign currencies have been translated to euros according to the fiscal year-end exchange rate.

Notes

EUR M	THE GROUP		PARENT COMPANY	
	2000/2001	1999/2000	2000/2001	1999/2000
1. OTHER OPERATING REVENUES				
Rents received on properties	0.34	0.37	0.31	0.31
Reimbursement of surplus pension premiums from SPP		0.23		
Miscellaneous operating revenues	0.15	0.02	0.15	0.03
Total	0.49	0.62	0.46	0.33
2. MATERIALS AND SERVICES				
Purchases during the fiscal year	96.82	100.28	91.89	94.60
Change in stocks	0.88	-0.36	0.90	-0.36
Externally purchased services	13.79	13.35	13.78	13.33
Total	111.49	113.27	106.56	107.56
3.1. EMPLOYEE EXPENSES				
Salaries etc to Boards of Directors. Managing Directors and Deputy MD's	0.57	0.55	0.27	0.26
Salaries etc to others	90.87	94.50	71.15	74.20
Expenses on pensions	9.66	9.94	7.58	7.85
Other employee expenses	12.01	12.96	8.04	8.61
Total	113.11	117.95	87.04	90.92
3.2. NUMBER OF EMPLOYEES				
Shipboard employees	2,080	2,122	1,967	1,997
Land-based employees	700	701	119	117
Total	2,780	2,823	2,086	2,114
4. DEPRECIATION				
Goodwill	0.53	0.53		
Other long-term assets	0.14	0.14	0.00	
Buildings	0.57	0.54	0.24	0.25
Vessels	16.02	14.84	15.83	14.65
Machinery and equipment	1.37	1.57	0.25	0.26
Other assets	0.16	0.17	0.02	0.03
Total	18.79	17.79	16.34	15.19
5. FINANCIAL REVENUES AND EXPENSES				
Dividend revenues				
From others	0.03	0.02	0.03	0.02
Interest revenues and other financial revenues				
From Group companies			0.01	
From others	1.48	1.09	1.36	0.96
Total	1.48	1.09	1.37	0.96
Interest expenses and other financial expenses				
To Group companies			-0.02	-0.04
To others	-4.75	-2.43	-4.74	-2.41
Total	-4.75	-2.43	-4.76	-2.45
Total financial revenues and expenses	-3.24	-1.32	-3.36	-1.47
Interest and other financial revenues/expenses include net exchange gains/losses	-1.55	0.25	-1.55	0.24
6. APPROPRIATIONS				
Difference between scheduled depreciation and depreciation for tax purposes			0.81	5.22
7. DIRECT TAXES				
Income tax on actual operations	10.18	5.08	10.16	5.05
Change in deferred tax liability	0.24	2.91		
Total	10.43	7.99	10.16	5.05

8.1. FIXED ASSETS, GROUP

	Goodwill	Other long-term assets	Total			
Intangible assets						
Acquisition cost, Nov.1, 2000	6.65	13.16	19.81			
Translation difference		0.00	0.00			
Increases		0.05	0.05			
Decreases		-0.11	-0.11			
Acquisition cost, Oct.31, 2001	6.65	13.09	19.74			
Accumulated depreciation, Nov.1, 2000	-5.59	-12.74	-18.33			
Accumulated depreciation on decreases		0.11	0.11			
Depreciation for the fiscal year	-0.53	-0.14	-0.67			
Accumulated depreciation, Oct.31, 2001	-6.12	-12.77	-18.88			
Book value, Oct.31, 2001	0.53	0.33	0.86			
		Buildings and structures	Vessels	Machinery and equipment	Other assets	Total
Tangible assets	Parcels of land					
Acquisition cost, Nov.1, 2000	1.08	16.89	438.44	24.26	2.77	483.44
Translation difference	0.00	-0.03	-0.54	-0.01		-0.58
Increases		0.09	7.10	0.89	0.09	8.17
Decreases		-1.11		-2.81	-0.24	-4.15
Acquisition cost, Oct.31, 2001	1.07	15.84	445.00	22.33	2.62	486.87
Accumulated depreciation, Nov.1, 2000		-8.43	-231.39	-19.57	-2.41	-261.80
Translation difference		0.02	0.51	0.01		0.54
Accumulated depreciation on decreases		1.11		2.74	0.24	4.09
Depreciation for the fiscal year		-0.57	-16.02	-1.37	-0.16	-18.12
Accumulated depreciation, Oct.31, 2001		-7.87	-246.90	-18.19	-2.33	-275.29
Revaluations		0.84				0.84
Book value, Oct.31, 2001	1.07	8.81	198.10	4.14	0.29	212.42

8.2. FIXED ASSETS, PARENT COMPANY

		Other long-term assets				
Intangible assets						
Acquisition cost, Nov.1, 2000		0.00				
Increases		0.02				
Acquisition cost, Oct.31, 2001		0.02				
Accumulated depreciation, Nov.1, 2000		0.00				
Depreciation for the fiscal year		0.00				
Accumulated depreciation, Oct.31, 2001		0.00				
Book value, Oct.31, 2001		0.01				
	Parcels of land	Buildings and structures	Vessels	Machinery and equipment	Other assets	Total
Tangible assets						
Acquisition cost, Nov.1, 2000	1.04	7.06	433.86	3.97	0.31	446.24
Increases		0.06	6.26	0.23	0.01	6.57
Acquisition cost, Oct.31, 2001	1.04	7.12	440.13	4.20	0.32	452.81
Accumulated depreciation, Nov.1, 2000		-2.70	-227.16	-3.19	-0.26	-233.32
Depreciation for the fiscal year		-0.24	-15.83	-0.25	-0.02	-16.34
Accumulated depreciation, Oct.31, 2001		-2.94	-242.99	-3.44	-0.28	-249.66
Revaluations		0.84				0.84
Book value, Oct. 31, 2001	1.04	5.02	197.14	0.76	0.04	203.99

EUR M	THE GROUP		PARENT COMPANY	
	2000/2001	1999/2000	2000/2001	1999/2000
Other shareholders' equity, Nov.1	12.51	21.51	12.27	18.68
Translation difference	0.01	-0.02		
Transfer; legal reserve	0.00			
Transfer; profit equalization reserve	-2.66	0.02	-3.19	-0.51
Transfer; share of appropriations	-2.27	-4.54		
Dividend paid to shareholders	-9.08	-18.16	-9.08	-18.16
Net profit for the fiscal year	24.40	13.70	24.79	12.27
Other shareholders' equity, Oct.31	22.91	12.51	24.79	12.27
Total shareholders' equity	141.21	125.91	44.73	29.03
12.2. UNRESTRICTED EQUITY				
Profit equalization reserve	12.54	9.89	18.13	14.94
Retained earnings	-1.55	-1.17		
Translation difference	0.07	-0.02		
Net profit for the fiscal year	24.40	13.70	24.79	12.27
Change in equity portion of appropriations	-0.60	-2.27		
Total	34.85	20.13	42.92	27.21
13. ACCUMULATED APPROPRIATIONS				
Accumulated appropriations				
(Group before allocation)	147.21	146.40	146.96	146.16
Deferred tax liability	42.69	42.45	42.62	42.39
Equity portion of accumulated appropriations	104.52	103.95	104.34	103.77
of which				
share of appropriations	103.93	101.68		
share of net profit for the fiscal year	0.60	2.27		
14. LOANS THAT FALL DUE LATER THAN AFTER 5 YEARS				
Loans from credit institutions	15.14	20.60	15.14	20.60
15. ACCRUED EXPENSES AND PREPAID INCOME				
Accrued employee expenses	13.22	15.30	9.64	11.17
Other accrued expenses and prepaid income	9.03	5.25	7.74	3.77
Total	22.25	20.55	17.38	14.94
16. PLEDGED ASSETS AND OTHER CONTINGENT LIABILITIES				
Contingent liabilities				
Loans for which vessel mortgages				
were provided as collateral	61.47	71.14	61.47	71.14
Other contingent liabilities not included in the balance sheet				
Covered by vessel mortgages	0.75	1.38	0.75	1.38
Covered by deposits	0.93	0.98	0.62	0.62
Total	63.16	73.50	62.85	73.15
Assets pledged for own debt				
Vessel mortgages	65.90	77.58	65.90	77.58
Deposits	0.93	0.98	0.62	0.62
Total	66.83	78.56	66.52	78.20
Leasing liabilities				
Amounts that fall due during				
the following fiscal year	0.21	0.23		
Amounts that fall due later	0.30	0.40		
Total	0.51	0.63		

Board of Directors



From the left: Ben Lundqvist, Nils-Erik Eklund, Sture Carlson, Carita Blomsterlund and Dick Lundqvist.

The Board's proposal on distribution of earnings

According to the balance sheet of the Viking Line Group on October 31, 2001, the unrestricted equity of the Group totalled EUR 34,852,313.40. The unrestricted equity of the parent company totalled EUR 42,915,596.93.

THE BOARD OF DIRECTORS PROPOSES THE FOLLOWING:

Of the net profit for the fiscal year, totalling	EUR 24,786,735.36
a dividend of EUR 1.50 per share shall be paid, totalling	EUR 16,200,000.00
To be carried forward	EUR 8,586,735.36

Mariehamn, December 18, 2001

Ben Lundqvist, *Chairman of the Board*

Carita Blomsterlund

Sture Carlson

Dick Lundqvist

Nils-Erik Eklund, *Managing Director*

Auditors

Kurt Hollfast, Authorized Public Accountant
Revisorernas Ab - Ernst & Young

Leif Hermans, Authorized Public Accountant
Hermans & Revisorernas Ab

Auditors' Report

TO THE SHAREHOLDERS OF VIKING LINE ABP

We have audited the accounting, the financial statements and the corporate governance of Viking Line Abp for the period November 1, 2000 – October 31, 2001. The financial statements, which include the report of the Board of Directors, consolidated and parent company income statements, balance sheets and notes to the financial statements, have been prepared by the Board of Directors and the Managing Director. Based on our audit we express an opinion on these financial statements and on corporate governance.

We have conducted the audit in accordance with Finnish Standards of Auditing. Those standards require that we perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit included examining on a test basis evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. The purpose of our audit of corporate governance is to examine that the members of the Board of Directors and the Managing Director have legally complied with the rules of the Companies' Act.

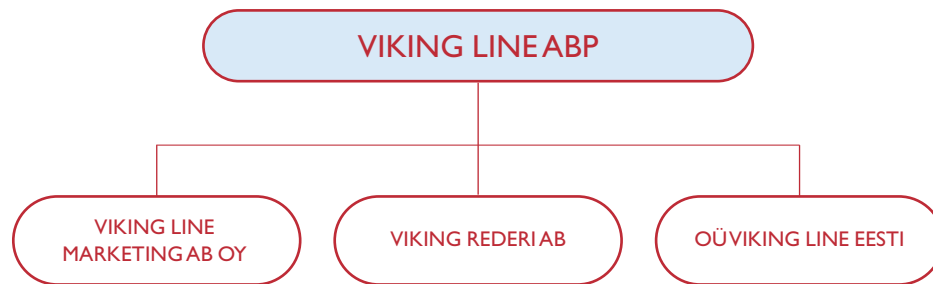
In our opinion the financial statements, showing a profit of EUR 24,786,735.36, have been prepared in accordance with the Accounting Act and other rules and regulations governing the preparation of financial statements in Finland. The financial statements give a true and fair view, as defined in the Accounting Act, of both the consolidated and parent company's result of operations as well as of their financial position. The financial statements with the consolidated financial statements can be adopted and the members of the Board of Directors and the Managing Director of the parent company can be discharged from liability for the period audited by us. The proposal by the Board of Directors regarding the distribution of retained earnings is in compliance with the Companies Act.

We have reviewed the interim reports published during the financial year. In our opinion, the interim reports have been prepared in accordance with applicable regulations.

Mariehamn, December 19, 2001

Kurt Hollfast, Authorized Public Accountant
Leif Hermans, Authorized Public Accountant

Organizational structure



THE GROUP

The parent company, Viking Line Abp, has been listed on the Helsinki Stock Exchange since July 5, 1995. The Group also includes the wholly-owned subsidiaries Viking Line Marketing Ab Oy and its subsidiaries, Swedish-based Viking Rederi AB and Estonian-based OÜ Viking Line Eesti. The Boards of Viking Line Abp, Viking Line Marketing Ab Oy and Viking Rederi AB and the Supervisory Board of OÜ Viking Line Eesti are identical.

The operations of the Viking Line Group consist of its shipping business as well as its related businesses: freight forwarding operations, tour operations, travel agency operations and hotel and restaurant businesses.

Viking Line Abp is responsible for the Group's shipping services and tour operations. This includes establishing routes and timetables, ticket prices and cargo fees as well as other conditions of passage. The parent company also runs the shipping services and is responsible for shipboard commercial operations.

LAND-BASED AND SHIPBOARD ORGANIZATION

Viking Line's Group Management is in charge of marketing, commercial shipboard business, vessels and facilities, finance and administration plus legal affairs.

The operations of each vessel are handled by a shipboard management team consisting of the commanding officer, the chief engineer and the chief purser.

Marketing and the provision of services are handled through the subsidiary Viking Line Marketing, by units located in our main markets – Finland and Sweden. The Finland unit, which also handles sales outside Scandinavia, is managed from Helsinki. The Åland region of Finland has a separate marketing and sales organization in Mariehamn. The Scandinavia unit (Viking Line Skandinavien AB) is managed from Stockholm. Cargo sales are managed from Helsinki.

Viking Line has its own harbour terminals in Stockholm and Turku. In Helsinki, Mariehamn and the Swedish port of Kapellskär, Viking Line rents the necessary space for its terminal operations.

The Group also owns and operates the Park Alandia Hotel in Mariehamn.

Group Management



From the left: Kent Nyström, Harri Winter, Jan Hanses, Kaj Jansson, Boris Ekman and Nils-Erik Eklund.

Nils-Erik Eklund

Managing Director

Boris Ekman

*Managing Director, VL Marketing
Marketing*

Kaj Jansson

*Manager
Vessels and Facilities*

Kent Nyström

*Deputy Managing Director
Finance and Administration*

Harri Winter

*Manager
Shipboard Commercial Operations*

Jan Hanses

*Manager
Legal Affairs*

Vessels



AMORELLA

Delivered in 1988. 34,384 gross registered tonnes.
Length 169.4 m. Ice class IA Super.
2,480 passengers. 450 cars. 1,986 berths.

CINDERELLA

Delivered in 1989. 46,398 gross registered tonnes.
Length 191.0 m. Ice class IA Super.
2,500 passengers. 340 cars. 2,500 berths.



GABRIELLA

Built in 1992. 35,492 gross registered tonnes.
Length 171.2 m. Ice class IA Super.
2,420 passengers. 420 cars. 2,388 berths.

ISABELLA

Delivered in 1989. 34,937 gross registered tonnes.
Length 170.9 m. Ice class IA Super.
2,480 passengers. 364 cars. 2,210 berths.



MARIELLA

Delivered in 1985. 37,860 gross registered tonnes.
Length 177.0 m. Ice class IA Super.
2,500 passengers. 400 cars. 2,500 berths.

ROSELLA

Delivered in 1980. 16,850 gross registered tonnes.
Length 136.1 m. Ice class IA.
1,700 passengers. 340 cars. 1,184 berths.



ÅLANDSFÄRJAN

Built in 1972. 6,172 gross registered tonnes.
Length 104.6 m. Ice class IB.
963 passengers. 185 cars.

Addresses

HEAD OFFICE

Viking Line Abp
Street address: Norragatan 4
Postal address: PB 166
FIN-22101 Mariehamn, Finland
Tel: +358 (18) 27 000
Fax: +358 (18) 16 944

Viking Line Marketing Ab Oy
Street address: Storagatan 2
Postal address: PB 35
FIN-22101 Mariehamn, Finland
Tel: +358 (18) 26 011
Fax: +358 (18) 15 811

Viking Rederi AB
VL Stadsgården
SE-116 30 Stockholm, Sweden
Tel: +46 (8) 452 41 00
Fax: +46 (8) 452 42 85

OÜ Viking Line Eesti
c/o Viking Line Abp
Street address: Norragatan 4
Postal address: PB 166
FIN-22101 Mariehamn, Finland
Tel: +358 (18) 27 000
Fax: +358 (18) 16 944

CARGO UNIT

Mastokatu 1
FIN-00161 Helsinki, Finland
Tel: +358 (9) 12 351
Fax: +358 (9) 631 895

CARGO OFFICES

TURKU
Postal address: PB 265
FIN-20101 Turku, Finland
Tel: +358 (2) 333 14 46
Fax: +358 (2) 333 14 52

STOCKHOLM
VL Stadsgården
SE-116 30 Stockholm, Sweden
Tel: +46 (8) 452 42 52
Fax: +46 (8) 452 42 60

FINLAND UNIT

Street address: Mastokatu 1
Postal address: PB 119
FIN-00161 Helsinki, Finland
Tel: +358 (9) 12 351
Fax: +358 (9) 175 551

Street address: Linnansatama
Postal address: PB 265
FIN-20101 Turku, Finland
Tel: +358 (2) 33 311
Fax: +358 (2) 333 13 17

PASSENGER OFFICES

HELSINKI
Mannerheimintie 14
FIN-00100 Helsinki, Finland
Tel: +358 (9) 12 351
Fax: +358 (9) 647 075

HANSA-THALIA
Aurakatu 10
FIN-20100 Turku, Finland
Tel: +358 (2) 33 311
Fax: +358 (2) 333 13 19

TAMPERE
Hämeenkatu 2
FIN-33100 Tampere, Finland
Tel: +358 (3) 249 01 11
Fax: +358 (3) 249 01 50

LÜBECK
Passenger and Cargo Office
Beckergrube 87
D-23552 Lübeck, Germany
Tel: +49 (451) 384 63 0
Fax: +49 (451) 384 63 99

TALLINN
Travel Booking
World Trade Center
Ahtri 12
EE-10151 Tallinn, Estonia
Tel: +372 (61) 16 640
Fax: +372 (61) 16 639

SCANDINAVIA UNIT

Danvik Center
Hästholsmsvägen 28
SE-131 30 Nacka, Sweden
Tel: +46 (8) 452 41 00
Fax: +46 (8) 452 41 10

PASSENGER OFFICES

STOCKHOLM
City Terminal
Klarabergsviadukten 72
SE-111 64 Stockholm, Sweden
Tel: +46 (8) 452 40 00
Fax: +46 (8) 452 40 75

VÄSTERÅS
Smedjegatan 15
SE-722 13 Västerås, Sweden
Tel: +46 (21) 15 83 00
Fax: +46 (21) 15 83 05

UPPSALA
Street address: Hotel Svava,
Bangårdsgatan 24
Postal address: Box 1904
SE-751 49 Uppsala, Sweden
Tel: +46 (18) 18 84 00
Fax: +46 (18) 18 84 11

NORRKÖPING
Street address: Drottninggatan 53
Postal address: Box 2263
SE-600 02 Norrköping, Sweden
Tel: +46 (11) 24 86 00
Fax: +46 (11) 24 86 16

ÅLAND REGION

Street address: Storagatan 2
Postal address: PB 35
FIN-22101 Mariehamn, Finland
Tel: +358 (18) 26 211
Fax: +358 (18) 26 116

PARK ALANDIA HOTEL
Norra Esplanadgatan 3
FIN-22100 Mariehamn, Finland
Tel: +358 (18) 14 130
Fax: +358 (18) 17 130

VIKING LINE

VIKING LINE ABP, (STREET ADDRESS NORRAGATAN 4), PB 166, FIN-22101 MARIEHAMN, FINLAND
TEL: +358 (18) 27 000. FAX: +358 (18) 16 944. Web sites: www.vikingline.fi or www.vikingline.se