

Finnlines' 55 years

FINNLINES HAS MAINTAINED A VITAL BRIDGE TO EUROPE FOR FINNISH EXPORTERS AND IMPORTERS FOR HALF A CENTURY. DURING THE PAST TEN YEARS, THE GROUP HAS CONCENTRATED ON DEVELOPING AND STRENGTHENING ITS CORE BUSINESS OPERATIONS WHILE ACTIVELY DETACHING FROM BALANCE SHEET ITEMS UNRELATED TO THESE OPERATIONS.



Finnlines 1947–1988

Oy Finnlines Ltd was founded in 1947 for the purpose of managing the vessels and traffic of Merivienti Oy, a company owned by the Finnish forest industry and trade sector. The following year the Company started liner services to the United States with a fleet consisting of three old steam boats. Finnlines provided liner services to the United States until 1976.

In 1955, Finnlines initiated its traffic services to Europe by opening a route between Finland and Great Britain. Traffic services between Finland and Germany were started in 1962 with the introduction of a new ship, the Hansa Express. Passenger vessels MS Finn hansa and MS Finnpartner started operating the route in 1966. In addition to transporting passengers, the vessels provided an ideal sea route to meet the needs of the rising volume in truck and lorry traffic. Finnlines' own passenger traffic services in the Baltic Sea were terminated in 1986, when Enso-Gutzeit sold off its last passenger vessel, the Finnjet, to Effoa. Finnlines also operated cruise ships in the Mediterranean during 1965–1980.

In 1975, Finnlines and its rival FÅA (later known as Effoa) established a jointly owned marketing company, Oy Finncarriers Ab, which took over the Baltic Sea and the North Sea freight traffic services formerly handled by Finnlines and Effoa.

Finnlines was a partially or fully owned subsidiary of Enso-Gutzeit until 1982, when Enso sold off 75 per cent of Finnlines to other Finnish industrial companies. At the same time, Enso sold off all of its vessels operating in Finncarriers traffic to Effoa and Neste Oy and relinquished its ownership of Finncarriers, which became a fully owned subsidiary of Effoa.

Finnlines 1989–2002

Effoa incorporated its share in the Railship railferry company (40 per cent), the Satama Stevedoring Group (which consisted of the companies Finnish Stevedores Oy, Oy A.E.Erickson Ab and Oy Turku Shipping Ltd among others), as well as its share in Kantvikin Satama Oy (60 per cent ownership) and Huolintakeskus Oy Ab (45.5 per cent) into the operations of its subsidiary Finncarriers Oy Ab. Effoa decided to separate its freight traffic services from the rest of the company's operations. In the spring of 1989, Effoa offered its shareholders shares in Finncarriers Oy Ab instead of carrying out a dividend distribution. After a series of mergers, diffusions and name changes, the Finnlines Group Oy Ab consortium was born. Its subsidiaries included Finncarriers Oy Ab which was in charge of the Group's freight traffic, ship management company FG-Shipping

Oy Ab, Satama Stevedoring Group (later known as Finnsteve), Kantvikin Satama Oy and Strömsby-Invest Oy Ab, as well as a 40 per cent share in the Railship railferry company and a 45.5 per cent share in Huolintakeskus Oy Ab. This new Finnlines was listed on the Helsinki Exchanges on 2 July 1990.

Acquisition of Bore Line

At the beginning of the 1990s, Finnlines acquired its domestic rival Oy Bore Line Ab from Oy Rettig Ab. At the same time, Rettig became a 10 per cent shareholder in Finnlines. The business operations of Bore Line were incorporated into Finn carriers in 1992.

Swapping Huolintakeskus for Poseidon

In 1995, Finnlines acquired the remainder of Huolintakeskus' shares. The same year the company was sold to the Bilspedition Transport Logistics (BTL) Group in exchange for a directed share issue in which Finnlines acquired 16.5 per cent of BTL. Finnlines continued to purchase BTL shares in 1995 and 1996, ending up with 35 per cent of the group's shares and approximately 50 per cent of its voting rights. In the autumn of 1997, Finnlines exchanged this holding for shares in its long-term partner, the German shipping company Poseidon Schiffahrt AG, through a sale and purchase agreement with Stinnes AG. Currently this company is Finnlines' German subsidiary Finnlines Deutschland AG, the backbone of Finnlines' operations in Germany.

Relinquishing Railship operations

As a result of the acquisition of Poseidon Schiffahrt AG, Railship AG also became a subsidiary of Finnlines. In order to improve the company's profitability, Railship traffic services were moved from Hanko to Turku. In 2002, Finnlines sold off its entire railway wagon equipment. The vessels which operated on Railship's traffic routes currently provide liner services from Turku, transporting customers' railway wagons in addition to other unitised cargo.

Becoming a container feeder operator

As a result of BTL/Poseidon deal, Finnlines became a 31.8 per cent shareholder in Team Lines, a container feeder shipping company. In 2001, Finnlines bought the rest of Team Lines shares, making the company a fully owned subsidiary of Finnlines. Team Lines is one of the largest container feeder shipping companies in Northern Europe.

Detaching from land areas in Kantvik

In 1997, Finnlines and the City of Helsinki signed a preliminary agreement on the exchange of land areas. As a result of the agreement, Finnlines acquired construction rights in Kamppi, entitling the Company to build approximately 8,500 m² of office facilities in the heart of Helsinki. In exchange for these rights, Finnlines relinquished its ownership of land areas in Kantvik in Kirkkonummi, which it had obtained through its subsidiary Strömsby-Invest Oy Ab.

Return to passenger traffic services

In the mid-1990s, Finnlines made a small-scale re-entry into passenger traffic services between Finland and Germany when the Company invested in four new generation ro-ro/passenger vessels. Later in the 1990s, Finnlines bought two new vessels each having a passenger capacity of approximately four hundred berths. In 2002, the Finnlines fleet provided a total of some 1,000 passenger berths on its vessels.

Reducing the number of companies and product names

At the beginning of 2001, Finnlines' subsidiary and sea transport operator Finn carriers Oy Ab, and the ship management and technology company FG-Shipping Oy Ab, were incorporated into the parent company. The Group's port operations companies, Oy Finnsteve Ab and Oy A.E. Erickson Ab, were merged into a single company under the name of Finnsteve, which continues to provide port and stevedoring services mainly in Helsinki and Turku.

Entry into the traffic between Sweden and Finland

In 1989, some of Finnlines' shareholders established a new company, Oy Finnlink Ab, for the purpose of transporting lorries and railway wagons between Finland and Sweden. Finnlines initially owned 15 per cent of the company's shares. Finnlines became the company's sole owner by 1997. Its rail-ferry traffic was terminated and its services were concentrated on the Naantali–Kapellskär route. FinnLink's business operations are based on short distance, high frequency traffic, which is focused on serving freight customers. FinnLink is the market leader in freight traffic services between Finland and Sweden.

Entry into the traffic between Sweden and Germany

In 2002, the Swedish company Nordö-Link AB, one of the biggest freight traffic operators between Sweden and Germany, was acquired to the Finnlines product family.