

Stena Line reduces sea and land-based staff

Stena Line is holding negotiations with the Trade Unions in conjunction with cutting 800 jobs in its Scandinavian operations, comprising 650 redundancies on-board and 150 land-based.

These measures will primarily affect the Göteborg-Kiel and Göteborg-Frederikshavn routes, as well the land-based staff in Göteborg. Stena Line aims to have completed this restructuring by 1 September 1999.

"This is a regrettable but necessary measure in the face of the abolition of tax-free next year, and is one in a series of measures to improve profitability and be able to operate without tax-free," says Bo Severed, Stena Line's President.

The aggressive investment programme over the last few years in vessels and facilities has given Stena Line a fully-adapted and efficient fleet of ships with the right balance of high-speed HSS ferries, conventional ferries and freight vessels.

Stena Line has also introduced a more customer-focussed, route based organization, merged its English Channel operations with P&O and implemented a comprehensive cost saving programme in its land-based organization.

To safeguard the company's financial strength in coming years, Stena Line refinanced its operations earlier this year through a syndicated bank loan and a bond loan in the US market.

"These measures are aimed at securing Stena Line's position, our ferry routes' departure frequency and our freight and passenger capacity" concludes Bo Severed.

Göteborg, 8 December 1998
Stena Line AB
Bo Severed
President

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