



D'Amico to order two product tankers

D'AMICO International Shipping is poised to "pull the trigger" on its options for two newbuilding product tankers next week, *writes Hal Brown.*

The two options follow orders for four product tankers made by the company earlier this year, d'Amico chief executive Marco Fiori told Lloyd's List on his return from South Korea, where he was discussing whether to exercise the two options.

"We have to decide to pull the trigger on these orders next week," he said.

The Milan-listed company is raising equity through a rights issue to fund the newbuildings. The first part of the process is expected to raise around \$83m.

Mr Fiori said he expected the money to be raised successfully, given that the company has always had strong support from its parent group, which has committed to underwriting the deal.

"We're in a lucky position," said Mr Fiori. "We have support from the financial world because we've always been financially strong and didn't overstretch ourselves too much in 2007 and 2008. It's made us very very positive about going out into the market and ordering new ships."

The newbuildings will be so-called eco-ships, which save money on fuel. Estimates vary, but some say they can save a ship up to \$1m per year. Some companies, such as Maersk, are even retrofitting tankers to save money.

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Marco Fiori

"Eco-ships are the only way to go forward," said Mr Fiori. "There's going to be a well-defined line between people who have eco-ships and people who don't."

Asked about stringent vetting procedures by oil companies, he said this was a good thing because it separated good owners from average owners.

The newbuildings ordered earlier this year were two handysize tankers that cost \$30.7m each, while two

medium range tankers cost \$33m each, some of the lowest prices for the past few years. ■

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