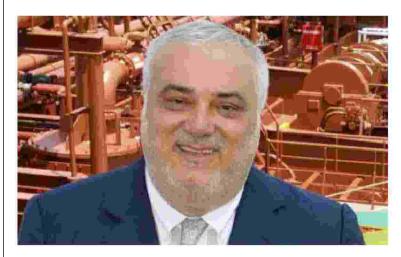# D'Amico sells 2014-built MR tanker for $27m

Wednesday 17 May 2017, 17:34 by Max Tingyao Lin

Fiori: The deal will strength DIS's balance sheet and liquidity position.

Deal comes after sales of two 2004-built vessels earlier in 2017

D'AMICO International Shipping has sold another medium range product tanker in the Milan-listed firm's drive to renew its fleet and enhance liquidity.

The Italian product tanker player signed a memorandum of agreement to sell the 2014-built, 49,990 dwt *High Fidelity* to unnamed Japanese investors and lease it back on a 10-year bareboat charter, with a purchase obligation when the charter expires.

The sale is agreed at $27m, according to a company statement. VesselsValue estimates the ship's market value at almost the same price.

Net of commissions and repayments of the ship's existing loans, the transaction will generate $11.2m in cash for the seller.

The deal will strength DIS's balance sheet and liquidity position as the company will take delivery of six long range one vessels from the fourth quarter of this year to end-2018, said chief executive Marco Fiori.

The leaseback will allow the company to take advantage of the forecast market recovery.

In January, DIS sold two 2004-built MR product tankers to Sea World Tankers for $27m in total and leased them back on four-year time charters.

Codice abbonamento: 118838

DIS is a unit of product tanker operator d'Amico Società di Navigazione SpA, which transports refined petroleum products, chemicals and vegetable oils.

As of Wednesday, DIS's fleet comprises 53.8 MR and handysize product tankers with an average age of about 7.8 years on an equity basis.

Article from Lloyd's List

https://www.lloydslist.com/ll/sector/tankers/article556044.ece

Published: Wednesday 17 May 2017

Codice abbonamento: 118838