

dAmico inks sale and charter deal for product tanker worth \$14m

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Company to see \$7.2m net gain after repayment of vessel's bank loan



UNIT D'AMICO TANKERS HAS CHARTERED-IN THE VESSEL FOR A SIX-YEAR PERIOD.

ITALY-based d'Amico International Shipping has through its tanker subsidiary inked a memorandum of agreement for a sale and charter-in transaction worth \$14.1m.

Under the deal, d'Amico Tankers has offloaded the medium range product tanker *High Presence* to an undisclosed buyer, while maintaining commercial control with a six-year time charter agreement signed. The 48,700 dwt vessel was constructed by Imabari Shipbuilding in 2005.

The agreement will bring in about \$7.2m in net gains for d'Amico, after repaying the bank loan taken out on the vessel, and contributing to the financing of its fleet renewal plan.

"The sale of this 12-year-old vessel is perfectly in line with our strategy of maintaining a very young owned fleet, through the gradual replacement of some of our existing vessels with the newbuildings we have ordered in the recent years. This deal is also consistent with our goal of strengthening DIS' liquidity position...", said d'Amico International Shipping chief executive Marco Fiori.

With this deal, the group has a fleet of 56.6 double-hulled product tankers comprised of long range one, medium range and handysize vessels at an average age of 7.7 years. The fleet includes 28 owned ships, 25.5 chartered-in vessels and three bareboat chartered-in vessels.

The group also has five LR1 product tankers on order with Hyundai Mipo Dockyard with deliveries scheduled between 2017 and 2018.

Its controlling stakeholder d'Amico International has also reaffirmed its positive medium view on the tanker sector and will exercise all its 84.3m warrants of the company for €23.9m (\$28.4m) to pay for the subscription of new shares offered earlier in the year as part of a capital raising exercise.

Earlier in the month, Lloyd's List reported that the group aggressively tapped the alternative finance market, with sale and leaseback transactions this year, to bolster its liquidity and complete its newbuilding programme.

Mr Fiori told Lloyd's List that its sale and leaseback programme was mostly complete with perhaps one last transaction expected at the beginning of 2018.

DIS reported a net loss of \$7.4m in July-September compared with the year-ago loss of \$7.5m, even as revenues rose to \$101.1m from \$81.1m amid fleet expansion.

The company's fleet achieved average time charter equivalent earnings of \$12,977 per day in the third quarter, versus \$12,904 in the same period last year.