

D'Amico International Shipping pulls leaseback lever again

Milan-listed owner frees up more cash with latest leaseback with Japanese partner.

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D'Amico International Shipping has freed up a further \$10.7m with its latest-sale-and-leaseback deal.

Milan-listed DIS says the 50,000-dwt High Discovery (built 2014) has been sold for \$28m and will be bareboat chartered back for a 10-year period.

Marco Fiori says the deal is with a Japanese counterparty and the cash boost will hit the owner's balance sheet in the third quarter.

He adds the move will "strengthening our balance sheet and liquidity position in view of the completion of our newbuilding plan".

As with the previous sale-and-leaseback transaction signed by DIS in May, repurchase options will kick in after three years.

Fiori told TradeWinds last week that the company was confident of making money should it take up the option to buyback the 50,000-dwt MR tanker High Fidelity (built 2014), which was also sold a Japanese investor.

DIS, which has entered a number of leaseback deals in the past couple of years, has more than 50 owned and chartered tankers on its books.

Last week the owner logged an \$8m loss in the three months to the end of June, which tipped it into the red for the first half of 2017.

"I am still confident, and there is ample support to this feeling among the analyst community, that we are on the verge of a very positive market since the fundamentals have not changed but it is just a matter of time," Fiori said.