

d'Amico International Shipping chairman and chief executive Paolo d'Amico. The company owns product tankers. Photo: d'Amico International Shipping

D'Amico strikes fresh Japanese leaseback deal

Transaction sees Italian tanker owner refinance two ships at a lower cost

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By [Paul Peachey](#)

Italy's d'Amico International Shipping (DIS) has struck a new 10-year leaseback deal with Japanese investors for two MR product tankers.

Milan-listed DIS bought back the 50,000-dwt High Discovery and 50,000-dwt High Fidelity (both built 2014) and immediately resold them in fresh transactions.



Paolo d'Amico would rather buy than be bought as he talks tanker strategy.

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It marks a return to the Japanese market after d'Amico completed sale-and-leaseback deals for the two vessels in 2017. It is unclear if the counterparties are the same as five years ago.

DIS said it exercised purchase options on the tankers on Friday for \$20.3m and \$19.2m, respectively.

It immediately resold the vessels but will retain control of them via 10-year bareboat charters. Both deals include an obligation to buy at the end of the contract.

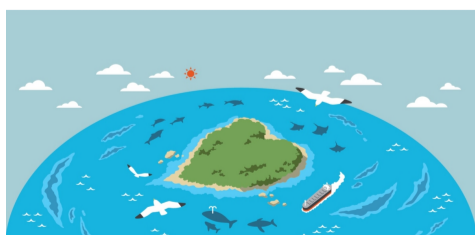
Paolo d'Amico, chief executive of the shipowner, said the move allowed DIS to generate some cash while significantly reducing the cost of funding and cash breakeven rates for the tankers.

The company has entered a number of leaseback deals in recent years.

DIS in May reported net losses of \$6.5m in the three months to March 31, up from \$9.8m in the same period of 2021. It expected results to improve further with spot rates rising. Its fleet includes 35 double-hulled product tankers of various sizes with an average age of 6.9 years.

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