

Shipping. Today sees the launch in Ulsan of a number of ships to transport oil products

d'Amico: Four ships launched in Korea

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From our correspondent in BUSAN

In 2014, Italy is leading the way in the global recovery currently being experienced by the shipping industry, which consequently also indicates a recovery in the shipbuilding sector: today at the Hyundai Mipo shipyard in Ulsan, four ships will be simultaneously launched for the D'Amico group, which will be used mostly to transport refined oil products. This multiple launch on the same day is a first for the d'Amico Group - and indeed has not been seen for several years in South Korean shipyards.

d'Amico intends to ride the crest of this new wave - which follows the multi-year crisis following the collapse of Lehman Brothers - with an investment program worth a total of one billion US dollars (about 380 of which is related the Group's listed company) to renew and expand its fleet, adding 36 new vessels by 2016 (of which 50% are already essentially chartered). With 4 other ships on order, d'Amico will also

be the first customer of the Korean group's brand new shipyards in Vietnam (its first decentralisation project).

Today, therefore, the Italian national anthem will be played in Ulsan to mark the delivery of the tankers "Cielo di Gaeta," "Cielo di New York," "High Freedom" and "High Discovery": the first two are Eco-ships with a deadweight of 40 thousand tonnes while the other two have a dwt of 50 thousand tonnes; all are 183 metres in length and are characterized by high energy efficiency, capable of reducing CO₂ emissions by up to 20%. The first three vessels have already been chartered by **Total**, while the fourth will almost certainly be taken on by **Chevron**. In addition, having placed the order about two years ago when the shipyards were desperate for orders, the price obtained was very favourable: at the time of delivery, therefore, the ships are worth about 20% more than their cost of 30 million US dollars (for a total of 127 million). "We were right to bet on the recovery of the market in its darkest moments," said d'Amico's Chairman, Paolo d'Amico. "The outlook for the industry

appears positive, not just due to the winds of recovery that are blowing new life into the economy and the international trade in commodities, but also due to a number of more specific dynamics, such as the relocation of refineries closer to the sources of production."

The stock market has anticipated these developments: the share price of the Group's listed company (which focuses

THE PLAN

Investment program of one billion by 2016
50% of the profits realised will be distributed to the listed company's shareholders

precisely on tankers) rose by 100% in the last year, in parallel with an improvement in all financial indicators. The trend for the first nine months should be substantially confirmed at year end, as will be announced on 27 February next. The CFO, Giovanni Barberis, has indicated that up to 50% of the company's profit will be distributed among its shareholders. Banca IMI estimates a net profit of 23 million euros, including however 5 million of

capital gains from the sale of "Cielo di Parigi", which has been postponed to this year. Given the further improvement underway, it is estimated that the overall profit will stand at around 20 million.

The majority shareholder has confirmed its intention to reduce its stake to increase the free float and thus the liquidity of the company's shares: "We can reduce our stake to around 55%, in a flexible and steady manner," said Paolo d'Amico: the current holding is 70%, which will increase by another 2-3% with the upcoming exercise of warrants. d'Amico revealed the possibility of the future diversification of funding sources, with possible bond issues. Diversification may also be explored on the business side, with expansion into the transport of liquefied natural gas: "We are carefully examining this opportunity, which is complex but achievable with the right partner. If you can find the right partner."

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