

NewLead confirms bitumen tanker acquisitions

- Wednesday 28 January 2015, 13:44
- by [Nigel Lowry](#)

Interested in this topic? Set up a custom email alert and we'll tell you everytime we write more like this.

Three vessels acquired outright and two more under hire-purchase deals

NEWLEAD Holdings, the Greece-based dry bulk carrier owner and commodity company that is listed on the over-the-counter market in the US, has confirmed it has branched into tanker ownership with five bitumen tankers, expanding its owned fleet to 10 vessels.

Lloyd's List last month reported the owner appeared to have extended its fleet with the five chemical tankers/asphalt carriers, all built between 2008 and 2009.

Company chief executive Michael Zolotas said with the investment in modern bitumen tankers, NewLead hoped to "capture opportunities in emerging economies and niche markets with relatively low competition".

The company's relationships with oil majors and fuel oil companies would "allow responsiveness to market opportunities, as well as support its commitment to continue to grow its fleet", Mr Zolotas said.

The vessels look to have been acquired from Athens-based Harmonia Shipping Management, a bitumen transport specialist.

Three of the vessels — the 5,887 dwt *Captain Nikolas I*, the 3,416 dwt *Nepheli* and the 2,888 dwt *Sofia* — have been purchased outright for about \$21m, which is to be paid through a combination of equity and debt financing.

The other two units — the 3,396 dwt *Ioli* and the 3,357 dwt *Katerina L* — have been taken under bareboat/leasing deals, with an obligation to purchase the pair at the end of the agreements, although with options to buy them at any time before that.

NewLead said it expects to make a \$4.2m payment for delivery of the last two vessels and will pay a minimum aggregate purchase price of just over \$6m when it acquires them outright.

The company said it expects to issue shares to fund both payments.

NewLead has been managing *Captain Nikolas I* and *Sofia* for more than one year and took delivery of the other vessels in the fourth quarter of 2014.

Four of the five bitumen tankers are trading on the spot market and the other is on a period time charter until August this year. The company is projecting gross earnings from the vessels of \$12.65m per year and earnings before interest, taxes and depreciation of \$7m.

NewLead is no stranger to tankers, managing one handysize oil tanker for a third party. It also owned product tankers alongside a bulker fleet before an epic restructuring that saw the company clear out its entire fleet.

It has since rebuilt and last year took delivery of three modern eco-type handysize bulkers.

Article from Lloyd's List

<http://www.lloydslist.com/ll/sector/dry-cargo/article456236.ece>

Published: Wednesday 28 January 2015

© 2015 Informa plc. All rights Reserved. Lloyd's is the registered trademark of the Society incorporated by the Lloyd's Act 1871 by the name of Lloyd's