

NewLead takes its first new ship since restructuring

- Monday 19 May 2014, 16:14
- by [Nigel Lowry](#)

Price for handysize bulker has already increased, says owner

NEWLEAD Holdings, the Greece-based dry bulk and commodities company, has said that it is already in the money on its first vessel acquired since a marathon restructuring.

Two-year-old, 32,318 dwt eco-type bulker *Newlead Albion* was delivered to the owner on Monday and is trading on the spot market.

One of two vessels acquired for \$18.5m each, the bulker is today worth an estimated \$2.25m, NewLead said.

The Nasdaq-listed company, which already had two panamaxs in its fleet, funded the ship through a \$1.85m cash deposit, the balance coming through a combination of cash and 75% financing arranged by Pareto Project Finance.

NewLead said the deal was supported by strong institutional investors.

The second bulker is due to be delivered in July.

Chairman and chief executive Michael Zolotas said that the transaction demonstrated "third-party belief" in NewLead's transformation. He also hinted at further acquisitions in the pipeline.

"We are modernising our fleet with fuel-efficient vessels. The fleet age is being optimised," he said.

"NewLead expects to have three new modern handysize vessels added to its fleet by the end of August 2014."

Newlead Albion is trading on the spot market and, according to NewLead, is expected to generate \$2m annually in earnings before interest, taxes and depreciation.

Last week, the company implemented a one-for-50 reverse stock split to boost its share price and regain compliance with Nasdaq's \$1 minimum bid price requirement for continued listing.

Article from Lloyd's List

<http://www.lloydlist.com/lll/sector/dry-cargo/article441815.ece>

Published: Monday 19 May 2014

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