

DIANA SHIPPING INC.
Form 6-K
August 03, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13A-16 OR
15D-16 OF THE SECURITIES EXCHANGE ACT OF 1934

For the month of August 2007

Commission File Number: 001-32458

DIANA SHIPPING INC.

(Translation of registrant's name into English)

Pendelis 16, 175 64 Palaio Faliro, Athens, Greece
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ____

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ____

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934. Yes No

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If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):
82-_____.

INFORMATION CONTAINED IN THIS FORM 6-K REPORT

Attached to this Report on Form 6-K as Exhibit 1 is a press release dated August 2, 2007 of Diana Shipping Inc. (the “Company”) announcing its financial results for the second quarter and first six months of 2007 and announcing declaration of a dividend.

Exhibit 1

Corporate Contact:

Ioannis Zafirakis
Director and Vice-President
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For Immediate Release

Investor and Media Relations:

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**DIANA SHIPPING INC. REPORTS FINANCIAL RESULTS
FOR THE SECOND QUARTER AND SIX MONTHS ENDED JUNE 30, 2007**

**DECLARES CASH DIVIDEND OF 51 CENTS PER SHARE
FOR THE SECOND QUARTER**

ATHENS, GREECE, August 2, 2007 – Diana Shipping Inc. (NYSE: DSX), a global shipping transportation company specializing in dry bulk cargoes, today reported net income and net income available to common stockholders of \$26.0 million for the second quarter of 2007. This compared to net income of \$13.2 million reported in the second quarter of 2006 and net loss available to common stockholders of \$7.1 million, including a non-recurring preferential deemed dividend of \$20.3 million relating to the purchase of Diana Shipping Services S.A., the fleet management company that Diana Shipping Inc. acquired as of April 1, 2006.

Voyage and time charter revenues were \$44.0 million for the second quarter of 2007, compared to \$26.1 million for the same period of 2006, due to an increase in prevailing time charter rates and an increase in the number of vessels in the Company's fleet.

Net income and net income available to common stockholders for the six months ended June 30, 2007, amounted to \$47.5 million, compared to net income of \$24.9 million for the same period of 2006 and net income available to common stockholders of \$4.6 million. Voyage and time charter revenues were \$82.5 million for the first six months of 2007, compared to \$50.3 million for the same period of 2006.

Dividend declaration

The Company has declared a cash dividend on its common stock of \$0.51 per share, based on its results of operations during the second quarter ended June 30, 2007. The cash dividend will be payable on or about August 24, 2007 to shareholders of record as of August 16, 2007. The Company has 62.9 million shares of common stock outstanding.

Fleet Employment Profile

Currently Diana's fleet is employed as follows:

Name	Sister ships ³	Year Built	DWT	Employment ¹	Charter Expiration ²
Nirefs	A	2001	75,311	4TCs Average ⁴ + 4.5%	Oct 23, 2007 – Jan 23, 2008
Alcyon	A	2001	75,247	\$22,582	Oct 15, 2007 – Feb 15, 2008
Triton	A	2001	75,336	\$24,400	Oct. 17, 2009 – Jan 17, 2010
Oceanis	A	2001	75,211	\$43,000	Sep 4, 2007 – Sep 10, 2007
Dione	A	2001	75,172	\$28,500	Nov 7, 2007 – Jan 17, 2008
Danae	A	2001	75,106	\$29,400	Feb 18, 2009 – May 18, 2009
Protefs	B	2004	73,630	\$31,650	Feb 3, 2008 – Apr 3, 2008
Calipso	B	2005	73,691	\$26,750	Dec 21, 2007 – Feb 21, 2008
Clio	B	2005	73,691	\$27,000	Jan 27, 2009 – Mar 27, 2009
Thetis	B	2004	73,583	\$25,000	Aug 3, 2007 – Oct 18, 2007
Naias	B	2006	73,546	\$21,000	Jun 28, 2007 – Sep 28, 2007
Erato	C	2004	74,444	\$30,500	Nov 9, 2007 – Jan 9, 2008
Coronis	C	2006	74,381	\$27,500	Jan 18, 2009 – Apr 9, 2009
Pantelis SP ⁶	-	1999	169,883	\$47,500	Jul 3, 2007 ⁶
Sideris GS	D	2006	174,186	\$41,000 ⁷	Oct 15, 2010 – Jan 15, 2011
Aliki	-	2005	180,235	\$48,500 ⁹	Mar 1, 2011 – Jun 1, 2011
Semirio	D	2007	174,261	\$41,000 ¹⁰	Apr 30, 2011 – Jul 30, 2011
Boston ¹¹	D	2007	177,000	\$52,000	Oct 5, 2011 – Jan 4, 2012
Hull H1107 ¹³	D	2010	177,000	-	-
Hull H1108 ¹³	D	2010	177,000	-	-

Total:2,197,914

- 1 Gross time charter rate per day.
- 2 Charterers' optional period to redeliver the vessel to owners. Charterers have the right to add the off-hire days, if any, and therefore the optional period may be extended.
- 3 Each vessel is a sister ship of the other vessels that have the same letter.
- 4 Adjustable every 15 days based on the average of four main pre-determined time charter routes, as published by the Baltic Exchange.
- 5 The charterer has the option to employ the vessel for a further 11-13 month period at a daily rate based on the average rate of four pre-determined time charter routes as published by the Baltic Exchange. The optional period, if exercised must be declared on or before the end of the 30th month of employment and can only commence at the end of the 36th month.
- 6 The vessel has been sold and was delivered to her new owners on July 5, 2007.
- 7 The daily time charter rate will be \$46,000 during the first year; \$43,000 during the second year; \$39,000 during the third year and \$36,000 during the fourth year.

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The charterer has the option to employ the vessel for a further 11-13 month period. The optional period, if exercised, must be declared on or before the end of the 42nd month of employment and can only commence at the end of the 48th month, at the daily time charter rate of \$48,500.

9 The daily time charter rate will be \$52,000 for the first and second year and \$45,000 for the third and fourth year.

10 The daily time charter rate will be \$51,000 for the first and second year and \$31,000 for the third and fourth year. The vessel was delivered to the Company on June 14, 2007.

11. Expected to be delivered to owners/charterers on or about November 20, 2007

12 The charterer has the option to employ the vessel for a further 11-13 month period. The optional period, if exercised, must be declared on or before the end of the 42nd month of employment and can only commence at the end of the 48th month, at the daily time charter rate of \$52,000.

13 Expected to be delivered to owners in the second quarter of 2010.

Summary of Selected Financials & Other Data

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007 (unaudited)	2006 (unaudited)	2007 (unaudited)	2006 (unaudited)
INCOME STATEMENT DATA (in thousands of US Dollars):				
Voyage and time charter revenues	\$ 43,997	\$ 26,142	\$ 82,505	\$ 50,322
Voyage expenses	2,004	1,155	3,680	2,910
Vessel operating expenses	6,908	5,348	13,429	10,275
Net income	26,017	13,198	47,463	24,914
Net income / (loss) available to common stockholders	26,017	\$ (7,069)	\$ 47,463	\$ 4,647
FLEET DATA				
Average number of vessels	15.9	13.0	15.4	12.9
Number of vessels	17.0	13.0	17.0	13.0
Weighted average age of fleet (in years)	3.6	4.0	3.6	4.0
Ownership days	1,444	1,183	2,794	2,329
Available days	1,444	1,176	2,794	2,288
Operating days	1,441	1,175	2,764	2,283
Fleet utilization	99.8%	99.9%	98.9%	99.8%
AVERAGE DAILY RESULTS				
Time charter equivalent (TCE) rate (1)	\$ 29,081	\$ 21,247	\$ 28,212	\$ 20,722
Daily vessel operating expenses (2)	\$ 4,784	\$ 4,521	\$ 4,806	\$ 4,412

(1) Time charter equivalent rates, or TCE rates, are defined as our voyage and time charter revenues less voyage expenses during a period divided by the number of our available days during the period, which is consistent with industry standards. Voyage expenses include port charges, bunker (fuel) expenses, canal charges and commissions. TCE rate is a standard shipping industry performance measure used primarily to compare daily earnings generated by vessels on time charters with daily earnings generated by vessels on voyage charters, because charter hire rates for vessels on voyage charters are generally not expressed in per day amounts while charter hire rates for vessels on time charters are generally expressed in such amounts.

(2) Daily vessel operating expenses, which include crew wages and related costs, the cost of insurance, expenses relating to repairs and maintenance, the costs of spares and consumable stores, tonnage taxes and other miscellaneous expenses, are calculated by dividing vessel operating expenses by ownership days for the relevant period.

Conference Call and Webcast Information

Diana Shipping Inc. will conduct a conference call and simultaneous Internet webcast to review these results at 10:00 A.M. (Eastern Time) on Thursday, August 2, 2007. Investors may access the webcast by visiting the Company's website at www.dianashippinginc.com, and clicking on the webcast link. The webcast also is accessible at www.viavid.net, by clicking on the Diana Shipping link under "Events". The conference call also may be accessed by

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telephone by dialing 1-888-339-9446 (for U.S.-based callers) or 1-480-629-9562 (for international callers).

A replay of the webcast will be available soon after the completion of the call and will be accessible on both www.dianashippinginc.com and www.viavid.net. A telephone replay will be available by dialing 1-800-406-7325 (for U.S.-based callers) or 1-303-590-3030 (for international callers); callers must use the PIN number 3762079.

About the Company

Diana Shipping Inc. is a global provider of shipping transportation services. The Company specializes in transporting dry bulk cargoes, including such commodities as iron ore, coal, grain and other materials along worldwide shipping routes.

Cautionary Statement Regarding Forward-Looking Statements

Matters discussed in this press release may constitute forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts.

The Company desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. The words “believe,” “anticipate,” “intends,” “estimate,” “forecast,” “project,” “plan,” “potential,” “will,” “may,” “should,” “expect,” “pen” expressions identify forward-looking statements.

The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, our management’s examination of historical operating trends, data contained in our records and other data available from third parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections.

In addition to these important factors, other important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include the strength of world economies and currencies, general market conditions, including fluctuations in charter rates and vessel values, changes in demand for dry bulk shipping capacity, changes in our operating expenses, including bunker prices, drydocking and insurance costs, the market for our vessels, availability of financing and refinancing, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, vessels breakdowns and instances of off-hires and other factors. Please see our filings with the Securities and Exchange Commission for a more complete discussion of these and other risks and uncertainties.

(See financial tables attached)

BALANCE SHEET DATA

	June 30, 2007	December 31, 2006
ASSETS	(unaudited)	
Cash and cash equivalents	11,623	14,511
Other current assets	4,796	4,551
Vessels held for sale	57,353	-
Advances for vessels under construction and acquisitions and other vessel costs	47,270	24,347
Vessels’ net book value	605,611	464,439
Other fixed assets, net	994	897

Other non-current assets	1,233	1,930
Total assets	728,880	510,675

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities	9,464	7,636
Long-term debt	202,423	138,239
Other non-current liabilities	2,925	1,697
Total stockholders' equity	514,068	363,103
Total liabilities and stockholders' equity	728,880	510,675

OTHER FINANCIAL DATA

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2007	2006	2007	2006
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Net cash from operating activities	\$ 32,619	\$ 18,380	\$ 60,649	\$ 33,985
Net cash used in investing activities	(200,266)	(3,963)	(231,339)	(41,880)
Net cash from / (used in) financing activities	170,205	(15,120)	167,802	5,380

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Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DIANA SHIPPING INC.
(registrant)

Dated: August 3, 2007

By: /s/ Anastassis
Margaronis
Anastassis Margaronis
President

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