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**DIANA SHIPPING INC. ANNOUNCES DELIVERY OF
CAPESIZE BULK CARRIER**

ATHENS, GREECE, February 12, 2008 - Diana Shipping Inc. (NYSE: DSX), a global shipping transportation company specializing in dry bulk cargoes, today announced that the Company has taken delivery of the 164,218, dwt Capesize dry bulk carrier “Thalassini Kyra”, renamed “Norfolk”, built in 2002 by China Shipbuilding Corporation, Kaohsiung Shipyard. The agreement to purchase this vessel was originally announced on October 17, 2007.

As previously announced, “Norfolk” was purchased for US\$135 million and is chartered as of February 12, 2008 to Corus UK Ltd., as agents on behalf of Corus Staal B.V., for a period of minimum 59 to maximum 61 months, at a daily rate of US\$74,750 less 3.75% commission. Current employment is anticipated to generate approximately US\$133 million of gross revenues for the Company over the minimum scheduled period of the charter.

Including the newly-delivered “Norfolk”, the Diana Shipping Inc. fleet currently consists of 19 dry bulk carriers (13 Panamax and 6 Capesize) with a weighted average age of 3.4 years only. The Company also previously announced two Capesize new-building dry bulk carriers that are expected to be delivered during the second quarter of 2010. A table describing the current Diana Shipping Inc. fleet can be found on the Company’s website, www.dianashippinginc.com.

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," "pending" and similar 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, vessel 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.