

***Corporate Contact:***

Ioannis Zafirakis  
Director and Vice-President  
Telephone: + 30-210-9470100  
[izafirakis@dianashippinginc.com](mailto:izafirakis@dianashippinginc.com)

***Investor and Media Relations:***

Edward Nebb  
Euro RSCG Magnet  
Telephone: + 1-212-367-6848  
[ed.nebb@eurorscg.com](mailto:ed.nebb@eurorscg.com)

**Diana Shipping Inc. Announces Pricing of Follow-On Offering**

ATHENS, GREECE, March 29, 2007 – Diana Shipping Inc. (NYSE: DSX) today announced the pricing of the previously announced underwritten public offering of 10,500,000 shares of common stock at \$17.00 per share. The offering consists of 8,250,000 shares of common stock that will be sold by the Company, and 2,250,000 shares of common stock that will be sold by certain of the Company's stockholders.

J.P. Morgan Securities Inc. and Wachovia Capital Markets, LLC are acting as joint bookrunning managers. In connection with the offering, the underwriters have been granted a 30-day option to purchase from the Company up to 1,575,000 additional shares of common stock to cover any over-allotments.

A registration statement relating to these securities has been filed with and declared effective by the Securities and Exchange Commission. This communication shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. The offering of these securities will be made only by means of a prospectus and related prospectus supplement. Copies of the prospectus and prospectus supplement relating to the offering may be obtained from J.P. Morgan Securities Inc. at National Statement Processing, Prospectus Library, 4 Chase Metrotech Center, CS Level, Brooklyn, NY 11245, telephone: 718-242-8002 or Wachovia Capital Markets, LLC at 375 Park Avenue, New York, NY 10152, telephone: 800-326-5897.

**About Diana Shipping Inc.**

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.

# # #