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**DIANA SHIPPING INC. REPORTS FINANCIAL RESULTS
FOR THE THIRD QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2015**

**ANNOUNCES DELIVERY OF THE NEWLY BUILT CAPESIZE DRY BULK VESSEL M/V NEW ORLEANS AND
COMMENCEMENT OF TIME CHARTER CONTRACT WITH SWISSMARINE**

ATHENS, GREECE, November 12, 2015 – Diana Shipping Inc. (NYSE: DSX), (the “Company”), a global shipping company specializing in the ownership of dry bulk vessels, today reported a net loss of \$17.4 million and net loss attributed to common stockholders of \$18.8 million for the third quarter of 2015, compared to net income of \$7.7 million and net income attributed to common stockholders of \$6.3 million reported in the third quarter of 2014.

Time charter revenues were \$38.9 million for the third quarter of 2015, compared to \$45.1 million for the same quarter of 2014. The decrease in time charter revenues was mainly due to decreased time charter rates in the quarter and was partly offset by revenues derived from the increase in ownership days resulting from the enlargement of our fleet.

Net loss and net loss attributed to common stockholders for the nine months ended September 30, 2015 amounted to \$42.2 million and \$46.5 million, respectively, compared to net loss and net loss attributed to common stockholders of \$4.0 million and \$7.7 million, respectively, for the same period of 2014. Time charter revenues were \$119.4 million for the nine months ended September 30, 2015, compared to \$129.4 million for the same period of 2014.

Delivery of the Newly Built m/v New Orleans and Commencement of Time Charter Contract with SwissMarine

The Company also announced that, on November 10, 2015, through a separate wholly-owned subsidiary, it took delivery of the m/v New Orleans (formerly Hull No. H1364), a 180,960 dwt newly built Capesize dry bulk vessel that the Company entered into an agreement to purchase in April 2015. As previously announced, the m/v New Orleans is time chartered to SwissMarine Services S.A., Geneva, at a gross charter rate of US\$11,650 per day minus a 5% commission paid to third parties, for a period of minimum eleven (11) months to about fifteen (15) months. The charter commenced yesterday.

This employment is anticipated to generate approximately US\$3.84 million of gross revenue for the minimum scheduled period of the time charter.

Including the newly delivered m/v New Orleans, Diana Shipping Inc.’s fleet currently consists of 42 dry bulk vessels (2 Newcastlemax, 13 Capesize, 3 Post-Panamax, 4 Kamsarmax and 20 Panamax). The Company also expects to take

delivery of one Capesize dry bulk vessel by mid-November 2015, one new-building Newcastlemax dry bulk vessel during the second quarter of 2016, as well as one new-building Kamsarmax dry bulk vessel and one new-building Newcastlemax dry bulk vessel during the third quarter of 2016. As of today, the combined carrying capacity of the Company's fleet, excluding the four vessels not yet delivered, is approximately 4.8 million dwt with a weighted average age of 7.3 years. A table describing the current Diana Shipping Inc. fleet can be found on the Company's website, www.dianashippinginc.com. Information contained on the Company's website does not constitute a part of this press release.

Fleet Employment Profile (As of November 12, 2015)

Currently Diana Shipping Inc.'s fleet is employed as follows:

	Vessel		Sister Ships*	Gross Rate (USD Per Day)	Com**	Charterers	Delivery Date to Charterers** *	Redelivery Date to Owners****	Notes
	BUILT	DWT							
20 Panamax Bulk Carriers									
1	DANAE		A	\$7,650	3.75%	Glencore Grain B.V., Rotterdam	16-Jan-15	16-Dec-15 - 16-Mar-16	1
	2001	75,106							
2	DIONE		A	\$9,250	5.00%	RWE Supply & Trading GmbH, Essen	12-Sep-14	26-Nov-15 - 27-Feb-16	2
	2001	75,172							
3	NIREFS		A	\$7,500	5.00%	Glencore Grain B.V., Rotterdam	25-Dec-14	25-Nov-15 - 25-Feb-16	3
	2001	75,311							
4	ALCYON		A	\$7,750	5.00%	EDF Trading Limited, UK	21-Dec-12	6-Aug-15	4,5
				\$7,600	5.00%	Transgrain Shipping B.V., Rotterdam	22-Aug-15	22-Apr-16 - 22-Jul-16	
	2001	75,247							
5	TRITON		A	\$9,250	5.00%	Glencore Grain B.V., Rotterdam	24-Oct-14	6-Oct-15	6
				\$6,800	5.00%		28-Oct-15	13-Sep-16 - 28-Dec-16	
	2001	75,336							
6	OCEANIS		A	\$7,200	5.00%	Glencore Grain B.V., Rotterdam	11-May-15	22-Feb-16 - 22-May-16	
	2001	75,211							
7	THETIS		B	\$8,300	5.00%	EDF Trading Limited, UK	1-Sep-13	14-Jul-15	
				\$7,000	5.00%	Norden A/S, Copenhagen	14-Jul-15	14-Jun-16 - 14-Sep-16	
	2004	73,583							
8	PROTEFS		B	\$6,250	5.00%	Glencore Grain B.V., Rotterdam	3-Apr-15	3-Mar-16 - 3-Jun-16	
	2004	73,630							
9	CALIPSO		B	\$6,000	5.00%	China Shipping Bulk Carrier Co., Ltd., Hong Kong	9-Jun-15	9-Apr-16 - 9-Aug-16	
	2005	73,691							
10	CLIO		B	\$4,500	5.00%	Jaldhi Overseas Pte Ltd, Singapore	1-Jun-15	4-Aug-15	
				\$6,500	5.00%	Transgrain Shipping B.V., Rotterdam	4-Aug-15	4-May-16 - 4-Aug-16	
	2005	73,691							
11	NAIAS		B	\$8,500	5.00%	Bunge S.A., Geneva	3-Sep-14	12-Jul-15	
				\$6,800	4.75%	Cargill International S.A., Geneva	12-Jul-15	12-May-16 - 12-Aug-16	
	2006	73,546							
12	ARETHUSA		B	\$7,100	5.00%	Glencore Grain B.V., Rotterdam	5-Mar-15	5-Feb-16 - 5-May-16	
	2007	73,593							

13	ERATO	C	\$7,100	5.00%	Glencore Grain B.V., Rotterdam	9-Mar-15	9-Feb-16 - 9-May-16		
	2004		74,444						
14	CORONIS	C	\$5,300	5.00%	Norvic Shipping North America Inc., Toronto	29-May-15	3-Jul-15		
			\$6,500	5.00%	Sandgate Maritime Ltd	3-Jul-15	3-Apr-16 - 3-Jul-16		
	2006		74,381						
15	MELITE	D	\$7,250	5.00%	Glencore Grain B.V., Rotterdam	29-Jan-15	13-Oct-15		
			\$7,250	4.75%	Cargill International S.A., Geneva	13-Oct-15	13-Sep-16 - 13-Dec-16		
	2004		76,436						
16	MELIA	D	\$7,050	5.00%	Bunge S.A., Geneva	19-May-15	24-Oct-15		
			\$7,200	5.00%	Nidera S.P.A., Roma	24-Oct-15	24-Nov-16 - 24-Feb-17		
	2005		76,225						
17	ARTEMIS		\$9,375	3.75%	Rio Tinto Shipping Pty, Ltd., Melbourne	26-Aug-13	17-Jul-15	7	
			\$7,500	5.00%	China Shipping Bulk Carrier Co., Ltd., Hong Kong	16-Aug-15	16-May-16 - 16-Aug-16		
	2006		76,942						
18	LETO		\$7,100	4.75%	Cargill International S.A., Geneva	19-Jun-15	4-Sep-16 - 3-Jan-17		
	2010		81,297						
19	CRYSTALIA	E	\$15,800	5.00%	Glencore Grain B.V., Rotterdam	21-Feb-14	29-Aug-15		
			\$9,000	5.00%		29-Aug-15	29-Jun-16 - 29-Sep-16		
	2014		77,525						
20	ATALANDI	E	\$8,000	5.00%	Glencore Grain B.V., Rotterdam	21-May-15	21-Mar-16 - 21-Jun-16		
	2014		77,529						
4 Kamsarmax Bulk Carriers									
21	MAIA	F	\$12,000	5.00%	RWE Supply & Trading GmbH, Essen	29-Sep-14	14-Nov-15	8	
			\$7,500	5.00%		14-Nov-15	14-Apr-17 - 14-Jul-17		
	2009		82,193						
22	MYRSINI	F	\$8,250	4.75%	Clearlake Shipping Pte. Ltd., Singapore	18-Feb-15	18-Dec-15 - 18-Apr-16	9	
	2010		82,117						
23	MEDUSA	F	\$7,450	4.75%	Clearlake Shipping Pte. Ltd., Singapore	2-Jun-15	2-Apr-16 - 2-Aug-16	9	
	2010		82,194						
24	MYRTO	F	\$9,850	5.00%	Glencore Grain B.V., Rotterdam	5-Jan-15	5-Dec-15 - 5-Mar-16		
	2013		82,131						
3 Post-Panamax Bulk Carriers									
25	ALCMENE		\$6,750	5.00%	ADM International SarI, Rolle, Switzerland	13-May-15	13-Feb-17 - 2-Jun-17		
	2010		93,193						
26	AMPHITRITE	G	\$11,300	5.00%	Bunge S.A., Geneva	15-Aug-14	15-Jul-15		
			\$7,700	5.00%		15-Jul-15	30-Apr-17 - 30-Aug-17		

	2012	98,697						
27	POLYMNIA	G	\$7,500	5.00%	Vroon Dry Cargo Chartering B.V., Breskens	17-Jan-15	24-Nov-15 - 17-Feb-16	2,10
	2012	98,704						
14 Capesize Bulk Carriers								
28	NORFOLK		\$10,250	4.75%	Clearlake Shipping Pte. Ltd., Singapore	4-Mar-15	4-Apr-16 - 4-Aug-16	9
	2002	164,218						
29	ALIKI		\$26,500	5.00%	Minmetals Logistics Group Co. Ltd., Beijing	1-Mar-11	1-Feb-16 - 1-Apr-16	
	2005	180,235						
30	BALTIMORE		\$15,000	5.00%	RWE Supply & Trading GmbH, Essen	8-Jul-13	8-Jul-16 - 8-Jan-17	
	2005	177,243						
31	SALT LAKE CITY		BCI 4TCs AVG + 3.5%	5.00%	K Noble Hong Kong Ltd., Hong Kong	7-Feb-15	7-Nov-16 - 7-Feb-17	
	2005	171,810						
32	SIDERIS GS	H	\$10,000	5.00%	Rio Tinto Shipping (Asia) Pte., Ltd., Singapore	22-Feb-15	22-Dec-15 - 22-Apr-16	
	2006	174,186						
33	SEMIRIO	H	\$10,000	5.00%	Rio Tinto Shipping (Asia) Pte., Ltd., Singapore	20-Feb-15	20-Feb-16 - 20-Jun-16	
	2007	174,261						
34	BOSTON	H	\$14,250	4.75%	Clearlake Shipping Pte. Ltd., Singapore	24-Aug-13	9-Aug-15	9
			\$13,000	4.75%		9-Aug-15	25-May-17 - 24-Oct-17	
	2007	177,828						
35	HOUSTON	H	\$12,750	5.00%	RWE Supply & Trading GmbH, Essen	4-Jan-15	4-Jan-16 - 4-Apr-16	
	2009	177,729						
36	NEW YORK	H	\$12,850	4.75%	Clearlake Shipping Pte. Ltd., Singapore	17-Dec-14	17-Feb-16 - 17-Jun-16	9
	2010	177,773						
37	CHURCHILL BULKER (tbr. SEATTLE)	I	-	-	-	-	- - -	11
	2011	179,362						
38	P. S. PALIOS	I	\$18,350	5.00%	RWE Supply & Trading GmbH, Essen	3-Dec-13	18-Sep-15	
			\$13,000	5.00%		18-Sep-15	31-Dec-16 - 31-Mar-17	
	2013	179,134						
39	G. P. ZAFIRAKIS	J	\$25,250	5.00%	RWE Supply & Trading GmbH, Essen	23-Aug-14	14-Feb-16 - 23-Jun-16	
	2014	179,492						
40	SANTA BARBARA	J	\$12,000	5.00%	RWE Supply & Trading GmbH, Essen	13-Jan-15	13-Dec-15 - 13-Jan-16	2
	2015	179,426						
41	NEW ORLEANS		\$11,650	5.00%	SwissMarine Services S.A., Geneva	11-Nov-15	11-Oct-16 - 26-Feb-17	
	2015	180,960						

2 Newcastlemax Bulk Carriers

42	LOS ANGELES	K	\$18,000	5.00%	EDF Trading Limited, UK	9-Feb-12	9-Dec-15 - 9-Jan-16	2
	2012	206,104						
43	PHILADELPHIA	K	\$18,000	5.00%	EDF Trading Limited, UK	17-May-12	17-Jan-16 - 17-Jul-16	
	2012	206,040						

3 Vessels Under Construction

44	HULL DY6006		-	-	-	-	---	12
	2016	82,000						
45	HULL H2548	L	-	-	-	-	---	12
	(tbn. SAN FRANCISCO)							
	2016	208,500						
46	HULL H2549	L	-	-	-	-	---	12
	(tbn. NEWPORT NEWS)							
	2016	208,500						

* Each dry bulk carrier is a "sister ship", or closely similar, to other dry bulk carriers that have the same letter.

** Total commission percentage paid to third parties.

*** In case of newly acquired vessel with time charter attached, this date refers to the expected/actual date of delivery of the vessel to the Company.

**** Range of redelivery dates, with the actual date of redelivery being at the Charterers' option, but subject to the terms, conditions, and exceptions of the particular charterparty.

1 Vessel off-hire for drydocking from September 13, 2015 to October 6, 2015.

2 Based on latest information.

3 Vessel off-hire for drydocking from August 9, 2015 to August 21, 2015.

4 In May 2015, owners and charterers mutually agreed to extend the maximum redelivery date.

5 Vessel on scheduled drydocking from August 6, 2015 to August 22, 2015.

6 Vessel on scheduled drydocking from October 6, 2015 to October 28, 2015.

7 Vessel on scheduled drydocking from July 17, 2015 to August 16, 2015.

8 Estimated date.

9 Clearlake Shipping Pte. Ltd., Singapore is a member of the Gunvor Group.

10 Charter includes a one time gross ballast bonus payment of US\$237,500.

11 Expected date of delivery to the Company by mid-November 2015.

12 Year of delivery and dwt are based on shipbuilding contract.

Summary of Selected Financial & Other Data (unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
STATEMENT OF OPERATIONS DATA (in thousands of US Dollars):				
Time charter revenues	\$ 38,852	\$ 45,147	\$ 119,427	\$ 129,442
Voyage expenses	3,053	2,568	12,105	7,207
Vessel operating expenses	21,573	21,997	64,695	64,587
Net income / (loss)	(17,396)	7,742	(42,216)	(4,033)
Net income / (loss) attributed to common stockholders	(18,838)	6,300	(46,543)	(7,671)
FLEET DATA				
Average number of vessels	41.0	38.4	40.4	37.5
Number of vessels	41.0	39.0	41.0	39.0
Weighted average age of vessels	7.5	6.8	7.5	6.8
Ownership days	3,772	3,537	11,030	10,234
Available days	3,695	3,463	10,798	10,120
Operating days	3,691	3,454	10,697	10,063
Fleet utilization	99.9%	99.7%	99.1%	99.4%
AVERAGE DAILY RESULTS				
Time charter equivalent (TCE) rate (1)	\$ 9,688	\$ 12,295	\$ 9,939	\$ 12,079
Daily vessel operating expenses (2)	\$ 5,719	\$ 6,219	\$ 5,865	\$ 6,311

- (1) Time charter equivalent rates, or TCE rates, are defined as our 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 is a non-GAAP measure. 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

The Company's management will conduct a conference call and simultaneous Internet webcast to review these results at 9:00 A.M. (Eastern Time) on Thursday, November 12, 2015.

Investors may access the webcast by visiting the Company's website at www.dianashippinginc.com, and clicking on the webcast link. The conference call also may be accessed by telephone by dialing 1-877-407-8291 (for U.S.-based callers) or 1-201-689-8345 (for international callers), and asking the operator for the Diana Shipping Inc. conference call.

A replay of the webcast will be available soon after the completion of the call and will be accessible for 30 days on www.dianashippinginc.com. A telephone replay also will be available for 30 days by dialing 1-877-660-6853 (for U.S.-based callers) or 1-201-612-7415 (for international callers), and providing the Replay ID number 13624218.

About the Company

Diana Shipping Inc. is a global provider of shipping transportation services through its ownership of dry bulk vessels. The Company's vessels are employed primarily on medium to long-term time charters and transport a range of 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," "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.

(See financial tables attached)

DIANA SHIPPING INC.

FINANCIAL TABLES

Expressed in thousands of U.S. Dollars, except share and per share data

UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME / (LOSS)

	Three months ended September 30,		Nine months ended September 30,	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
REVENUES:				
Time charter revenues	\$ 38,852	\$ 45,147	\$ 119,427	\$ 129,442
EXPENSES:				
Voyage expenses	3,053	2,568	12,105	7,207
Vessel operating expenses	21,573	21,997	64,695	64,587
Depreciation and amortization of deferred charges	19,274	17,998	56,538	52,212
General and administrative expenses	5,977	6,203	17,874	18,736
Management fees to related party	85	-	85	-
Foreign currency gain	(77)	(130)	(558)	(280)
Operating loss	<u>(11,033)</u>	<u>(3,489)</u>	<u>(31,312)</u>	<u>(13,020)</u>
OTHER INCOME / (EXPENSES):				
Interest and finance costs	(4,791)	(2,198)	(10,684)	(6,261)
Interest and other income	834	899	2,635	2,742
Income from derivative instruments	-	-	-	68
Income / (loss) from equity method investments	(2,406)	12,530	(2,855)	12,438
Total other income / (expenses), net	<u>(6,363)</u>	<u>11,231</u>	<u>(10,904)</u>	<u>8,987</u>
Net Income / (loss)	<u>(17,396)</u>	\$ <u>7,742</u>	\$ <u>(42,216)</u>	\$ <u>(4,033)</u>
Dividends on series B preferred shares	<u>(1,442)</u>	<u>(1,442)</u>	<u>(4,327)</u>	<u>(3,638)</u>
Net income / (loss) attributed to common stockholders	<u>(18,838)</u>	<u>6,300</u>	<u>(46,543)</u>	<u>(7,671)</u>
Earnings / (loss) per common share, basic and diluted	\$ <u>(0.24)</u>	\$ <u>0.08</u>	\$ <u>(0.59)</u>	\$ <u>(0.09)</u>
Weighted average number of common shares, basic	<u>79,562,705</u>	<u>81,745,223</u>	<u>79,462,836</u>	<u>81,864,186</u>
Weighted average number of common shares, diluted	<u>79,562,705</u>	<u>82,065,783</u>	<u>79,462,836</u>	<u>81,864,186</u>
	Three months ended September 30,		Nine months ended September 30,	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Net income / (loss)	\$ <u>(17,396)</u>	\$ <u>7,742</u>	\$ <u>(42,216)</u>	\$ <u>(4,033)</u>
Comprehensive income / (loss)	\$ <u>(17,396)</u>	\$ <u>7,742</u>	\$ <u>(42,216)</u>	\$ <u>(4,033)</u>

CONDENSED CONSOLIDATED BALANCE SHEET DATA (unaudited)

(in thousands of U.S. Dollars)

	<u>September 30, 2015</u>	<u>December 31, 2014</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 242,520	\$ 218,901
Other current assets	19,829	19,333
Advances for vessels under construction and acquisitions and other vessel costs	38,275	29,500
Vessels' net book value	1,387,553	1,373,133
Other fixed assets, net	23,585	23,887
Due from related parties, non-current	45,000	50,866
Equity method investment and joint venture.	64,764	67,546
Other non-current assets	5,952	3,956
Total assets	\$ 1,827,478	\$ 1,787,122
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Current liabilities, including current portion of long-term debt, net of deferred financing costs, current	\$ 54,179	\$ 98,092
Long-term debt, net of current portion and deferred financing costs, non-current	532,819	405,522
Other non-current liabilities	1,312	1,282
Total stockholders' equity	1,239,168	1,282,226
Total liabilities and stockholders' equity	\$ 1,827,478	\$ 1,787,122

OTHER FINANCIAL DATA (unaudited)

	<u>Three months ended September 30,</u>		<u>Nine months ended September 30,</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Net Cash provided by operating activities	\$ 8,186	\$ 11,610	\$ 22,452	\$ 32,410
Net Cash used in investing activities	(551)	(102,841)	(77,418)	(141,102)
Net Cash provided by/(used in) financing activities	\$ (39,866)	\$ (16,699)	\$ 78,585	\$ 69,235