

**Report of Organizational Actions
 Affecting Basis of Securities**

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name DIANA SHIPPING INC.		2 Issuer's employer identification number (EIN) 98-1221439	
3 Name of contact for additional information MR. IOANNIS ZAFIRAKIS	4 Telephone No. of contact +30-210-9470-100	5 Email address of contact izafirakis@dianashippinginc.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact PENDELIS 16, PALAIO FALIRO		7 City, town, or post office, state, and ZIP code of contact ATHENS, GREECE 175 64	
8 Date of action SEE BELOW DATA IN #14	9 Classification and description COMMON SHARES		
10 CUSIP number Y2066G104	11 Serial number(s)	12 Ticker symbol DSX	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **DURING THE YEAR ENDED DECEMBER 31, 2022, DIANA SHIPPING INC. (DIANA SHIPPING) DECLARED THE FOLLOWING CASH DISTRIBUTIONS TO COMMON SHAREHOLDERS OF RECORD ON THE DATES SPECIFIED BELOW:**

DATE OF RECORD	AMOUNT PER SHARE	DATE PAID
MARCH 9, 2022	\$0.20000000	MARCH 21, 2022
JUNE 6, 2022	\$0.25000000	JUNE 17, 2022
AUGUST 8, 2022	\$0.27500000	AUGUST 19, 2022
NOVEMBER 18, 2022	\$0.17500000	DECEMBER 15, 2022

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **DISTRIBUTIONS IN EXCESS OF CURRENT AND ACCUMULATED EARNINGS AND PROFITS OF A CORPORATION REDUCE THE BASIS OF SHARES OF A CORPORATION PURSUANT TO INTERNAL REVENUE CODE (IRC) SECTIONS 301(c)(2) AND 316(a). TO THE EXTENT A RETURN OF CAPITAL DISTRIBUTION EXCEEDS A SHAREHOLDER'S ADJUSTED COST BASIS, THE SHAREHOLDER SHOULD RECOGNIZE CAPITAL GAIN. BASED ON CURRENT AND ACCUMULATED EARNINGS AND PROFITS OF DIANA SHIPPING, A PORTION OF THE CASH DISTRIBUTIONS PAID TO COMMON SHAREHOLDERS DURING THE TAX YEAR, AS OF THE DATE OF RECORD, WILL REDUCE THE BASIS IN EACH COMMON SHAREHOLDER AS SHOWN BELOW:**

\$0.04167214 PER SHARE ON MARCH 9, 2022
\$0.05209018 PER SHARE ON JUNE 6, 2022
\$0.05729920 PER SHARE ON AUGUST 8, 2022
\$0.03646313 PER SHARE ON NOVEMBER 18, 2022

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **BASED ON DIANA SHIPPING'S CURRENT AND ACCUMULATED EARNINGS AND PROFITS, A PORTION OF THE CASH DISTRIBUTIONS TO THE COMMON SHAREHOLDERS, AS OF THE DATES OF RECORD, WILL REDUCE THE BASIS OF EACH COMMON SHAREHOLDER.**

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► IRC SECTIONS 301(c)(2) AND 316(a).

18 Can any resulting loss be recognized? ► FOR US FEDERAL INCOME TAX PURPOSES, THE DISTRIBUTIONS WILL NOT RESULT IN ANY TAX LOSSES FOR THE COMMON SHAREHOLDERS OF DIANA SHIPPING.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► THE REPORTABLE TAX YEAR IS 2022. COMMON SHAREHOLDERS AS OF THE BELOW RECORD DATES SHOULD REDUCE THEIR BASIS IN EACH COMMON SHARE HELD ON THESE DATES, BY THE FOLLOWING AMOUNTS PER SHARE:

\$0.04167214 PER SHARE ON MARCH 9, 2022
\$0.05209018 PER SHARE ON JUNE 6, 2022
\$0.05729920 PER SHARE ON AUGUST 8, 2022
\$0.03646313 PER SHARE ON NOVEMBER 18, 2022

THE REDUCTION IN BASIS IS CUMULATIVE SUCH THAT A SHAREHOLDER WHO WAS A COMMON SHAREHOLDER ON THE DATE OF RECORD FOR ALL THE ABOVE MENTIONED DISTRIBUTIONS IN 2022 WOULD REDUCE ITS BASIS BY A TOTAL OF \$0.18752465 PER SHARE. THIS BASIS REDUCTION IS IN ADDITION TO ANY BASIS REDUCTION RECOGNIZED RELATIVE TO THE SPECIAL DISTRIBUTION OF OCEANPAL INC. (OP) SERIES D CONVERTIBLE PREFERRED SHARES OR COMMON SHARES DISTRIBUTED IN 2022 BY DIANA SHIPPING (PLEASE SEE THE SEPARATE FORM 8937 REGARDING THE OP DISTRIBUTION).

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
 Signature ► [Signature] Date ► February 21, 2023
 Print your name ► MR. IOANNIS ZAFIRAKIS Title ► DIRECTOR, CFO, CSO, TREAS., & SEC.

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	<u>MICHAEL J MCDERMOTT</u>	<u>Michael J Mc Dermott</u>	<u>02/20/2023</u>		<u>P00877281</u>
	Firm's name ► <u>ERNST & YOUNG LLP</u>	Firm's address ► <u>5100 TOWN CENTER CIR, STE 500, BOCA RATON, FL 33486</u>		Firm's EIN ► <u>34-6565596</u>	Phone no. <u>+1-561-955-8000</u>