



DIANA SHIPPING INC.

We create to share

Financial Results for the
2nd Quarter of 2021

August 3, 2021



Forward Looking Statements

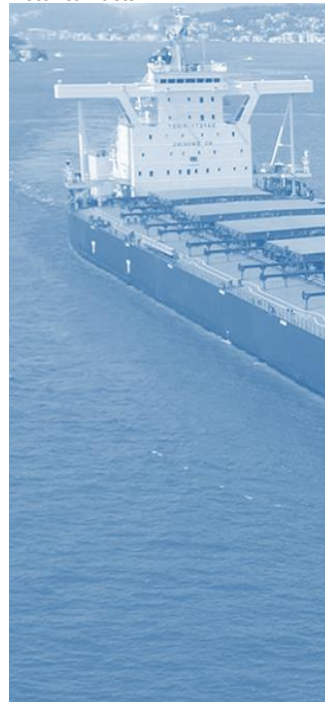
Cautionary statement regarding onward-looking statements

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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," "intend," "estimate," "forecast," "project," "plan," "potential," "may," "should," "expect," "pending" and similar expressions identify forward-looking statements. We undertake no obligation, except as required by law, to publicly update or revise any forward-looking statements contained in this presentation, whether as a result of new information, future events or otherwise.

The forward-looking statements in this presentation 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 the Company's view, could cause actual results to differ materially from those discussed in the forward-looking statements include the severity, magnitude and duration of the continuing COVID-19 pandemic, including impacts of the pandemic and of businesses' and governments' responses to the pandemic on our operations, personnel, and on the demand for seaborne transportation of bulk products; 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 the Company's operating expenses, including bunker prices, drydocking and insurance costs, the market for the Company's 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 the Company's filings with the U.S. Securities and Exchange Commission for a more complete discussion of these and other risks and uncertainties. The Company undertakes no obligation to revise or update any forward-looking statement, or to make any other forward-looking statements, whether as a result of new information, future events or otherwise



Our Executives

Semiramis Paliou



*Director &
Chief Executive Officer*

Anastasios Margaronis



Director & President

Ioannis Zafirakis



*Director,
Chief Financial Officer,
Chief Strategy Officer,
Secretary & Treasurer*

Eleftherios Papatrifon



Chief Operating Officer

Maria Dede



Chief Accounting Officer

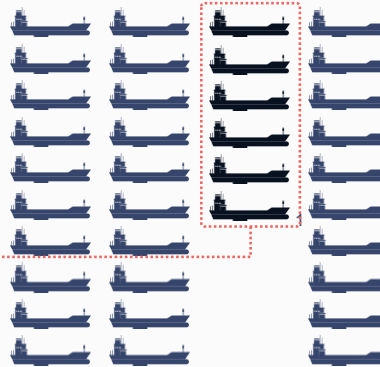
Company's confidence stems from
our established track record

Diana's key points

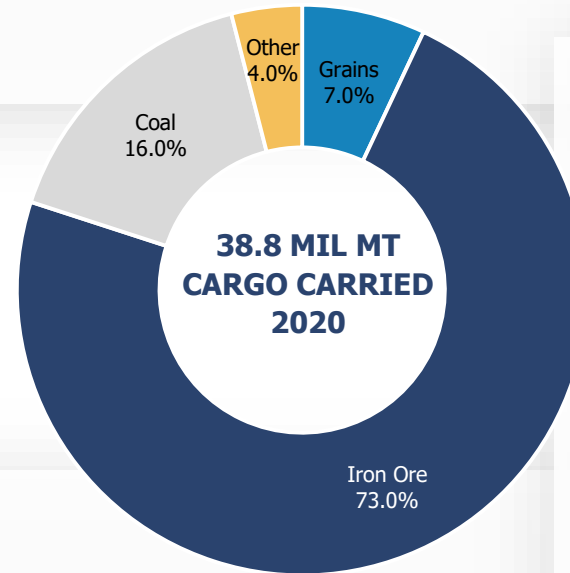
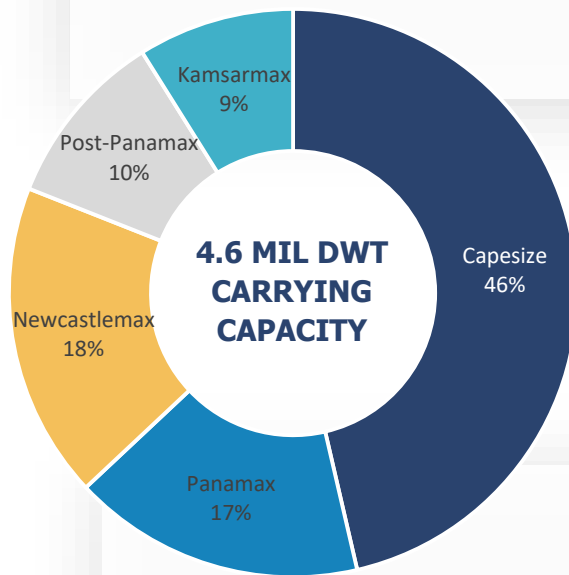
36 vessels
in the water

6 vessels
mortgage free*

1 vessel TBD



99.6%
AVERAGE FLEET
UTILIZATION**



876
people across
sea & ashore

- 31 vessels managed by Diana Shipping Services S.A.
- 5 vessels managed by Diana Wilhelmsen Management Limited

*As of August 3, 2021

**For the three months ended June 30, 2021

Source: Company

Highlights of the 2nd Quarter 2021 and recent developments

- In June 2021, issued US\$125m Senior Unsecured Bond in Oslo Stock Exchange, maturing in June 2026 with a coupon of 8.375%
- Repurchased the majority of the 9.5% senior unsecured bonds due in 2023 and the remaining portion to be refinanced in September 2021
- In July 2021, agreed to acquire a 2011 Japanese built Kamsarmax dry bulk vessel for a purchase price of \$22m
- Delivery of m/v Naias to her new owners on July 30, 2021
- In July 2021, initiated a tender offer to repurchase up to 3,333,333 common shares at a price of **\$4.50** per share
- In July 2021, concluded a supplemental agreement with Nordea to extend the existing loan maturity until March 2024
- In April 2021, put in place an ATM program
- Have currently secured US\$167.3m contracted revenues for 2021



Financial Highlights for the 2nd Quarter 2021

	Three months ended June 30,	
	2021	2020
TC Revenues	\$47.0m	\$41.0m
Net Income/(Loss) on a per share basis	\$0.02	-\$0.14

	June 30, 2021	December 31, 2020
Cash, Cash Equivalents, Restricted cash	\$155.0m	\$82.9m
Debt, net of deferred financing costs	\$461.5m	\$420.3m

Recent Chartering Activity*

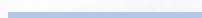
We secured charters on **8 vessels***

- **6** Panamax/Kamsarmax/Post-Panamax vessels chartered at a weighted average daily rate of **\$25,693**** for a remaining average period of **116** days per vessel***, compared to weighted average daily rate of \$16,571 for previous quarter's chartering activity.
- **2** Capesize vessels chartered at a weighted average daily rate of **\$25,957** for a remaining average period of **234** days per vessel***, compared to weighted average daily rate of \$18,896 for previous quarter's chartering activity.

VESSEL	TYPE	BUILT	RATE	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22
Maia	Kamsarmax	2009	\$25,000							
Boston	Capesize	2007	\$25,500							
Melia	Panamax	2005	\$25,750							
P. S. Palios	Capesize	2013	\$26,500							
Alcmene	Post-Panamax	2010	\$25,500							
Amphitrite	Post-Panamax	2012	\$28,327****							
Phaidra	Post-Panamax	2013	\$27,000							
Naias	Panamax	2006	\$23,250**							

Previous Charter Period

Fixed Period ***



*As of July 26, 2021

**Does not include previous charter of m/v Naias with Nasshipping Inc. at \$25,000 reported in the previous quarter

***Earliest redelivery date

****Average rate of consecutive charters for Q2 2021 & July

Source: Company's filings with the U.S. Securities and Exchange Commission

Income Statement

	Three months ended June 30,	
	2021	2020
	\$ Millions	\$ Millions
Time charter revenues	47.0	41.0
<u>Expenses</u>		
Voyage expenses	2.3	3.8
Vessel operating expenses	19.2	20.8
Depreciation and amortization of deferred charges	10.1	11.7
General and administrative expenses	7.2	6.8
Management fees to related party	0.4	0.5
Vessel impairment charges	-	2.5
Loss on sale of vessels	(0.002)	-
Other loss	0.1	0.1
Operating Income/(Loss)	7.7	(5.3)
Interest expense and finance costs	(4.7)	(5.7)
Interest income	0.02	0.2
Loss on debt extinguishment	(0.2)	-
Loss from equity method investment	(0.08)	(0.06)
Total other expenses, net	(4.9)	(5.5)
Net Income/(Loss)	2.8	(10.8)
Dividends on series B preferred shares	(1.4)	(1.4)
Net Income/(Loss) attributed to common stockholders	1.4	(12.2)
Loss per common share, basic and diluted	0.02	(0.14)



Income Statement

	Six months ended June 30,	
	2021	2020
	\$ Millions	\$ Millions
Time charter revenues	88.1	84.7
<u>Expenses</u>		
Voyage expenses	4.1	7.6
Vessel operating expenses	37.7	42.1
Depreciation and amortization of deferred charges	20.1	23.3
General and administrative expenses	13.9	16.2
Management fees to related party	0.9	1.0
Vessel impairment charges	-	95.7
Loss on sale of vessels	0.2	1.1
Other loss / (income)	(0.004)	(0.1)
Operating Income/(Loss)	11.2	(102.2)
Interest expense and finance costs	(9.3)	(12.0)
Interest income	0.05	0.6
Loss on debt extinguishment	(0.2)	-
Loss from equity method investment	(0.2)	(0.08)
Total other expenses, net	(9.7)	(11.4)
Net Income/(Loss)	1.5	(113.6)
Dividends on series B preferred shares	(2.9)	(2.9)
Net loss attributed to common stockholders	(1.4)	(116.5)
Loss per common share, basic and diluted	(0.02)	(1.35)



Balance Sheet

- As of June 30, 2021
\$461.5 million Total Debt*
- \$155.0 million of Cash**
- Net Debt of \$315.8 million

	June 30, 2021	December 31, 2020
<u>Assets</u>	\$ Millions	\$ Millions
Cash, cash equivalents and restricted cash	155.0	82.9
Other current assets	23.6	41.8
Vessels, net	690.8	716.2
Other fixed assets, net	21.6	21.7
Other non-current assets	8.6	9.8
Total Assets	899.6	872.4
<u>Liabilities and Stockholders' Equity</u>		
Long-term debt, net of deferred financing costs	461.5	420.3
Other liabilities	22.4	23.5
Total stockholders' equity	415.7	428.6
Total Liabilities and Stockholders' Equity	899.6	872.4

Summary of Selected Financial & Other Data

Three months ended June 30,
2021 2020

Statement of Operations Data (\$ Millions)

Time charter revenues	47.0	41.0
Voyage expenses	2.3	3.8
Vessel operating expenses	19.2	20.8
Net income/(loss)	2.8	(10.8)
Net income/(loss) attributed to common stockholders	1.4	(12.2)

Fleet data

Average number of vessels	37.0	41.0
Number of vessels	37.0	41.0
Weighted average age of vessels	10.4	9.5
Ownership days	3,367	3,731
Available days	3,319	3,507
Operating days	3,305	3,446
Fleet utilization	99.6%	98.3%

Average Daily Results

Time charter equivalent (TCE) rate*	13,477	10,593
Daily vessel operating expenses**	5,696	5,577

*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.

**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.

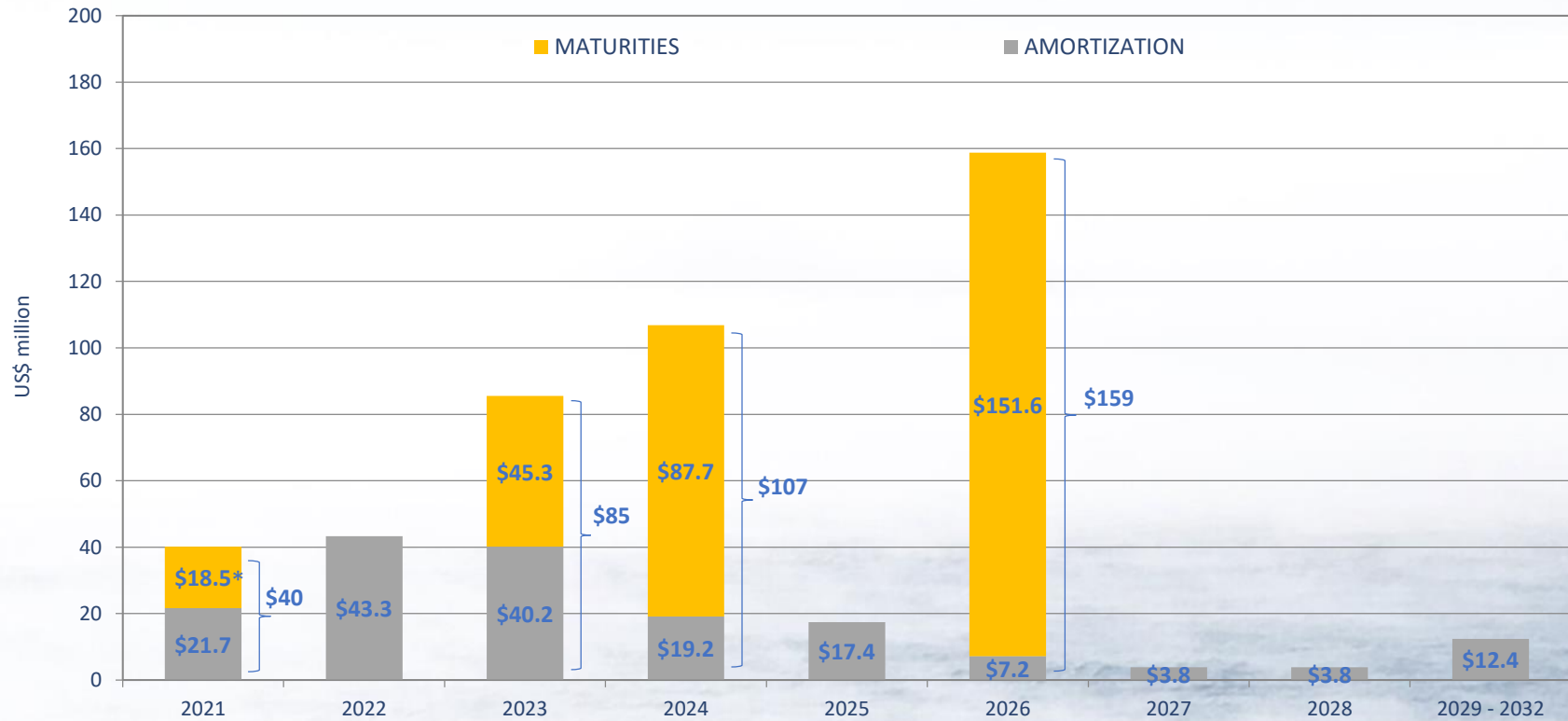
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Time charter revenues	88.1	84.7
Voyage expenses	4.1	7.6
Vessel operating expenses	37.7	42.1
Net income/(loss)	1.5	(113.6)
Net loss attributed to common stockholders	(1.4)	(116.5)
Fleet data		
Average number of vessels	37.6	41.4
Number of vessels	37.0	41.0
Weighted average age of vessels	10.4	9.5
Ownership days	6,801	7,532
Available days	6,753	7,025
Operating days	6,692	6,838
Fleet utilization	99.1%	97.3%
Average Daily Results		
Time charter equivalent (TCE) rate*	12,439	10,986
Daily vessel operating expenses**	5,548	5,593

*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.

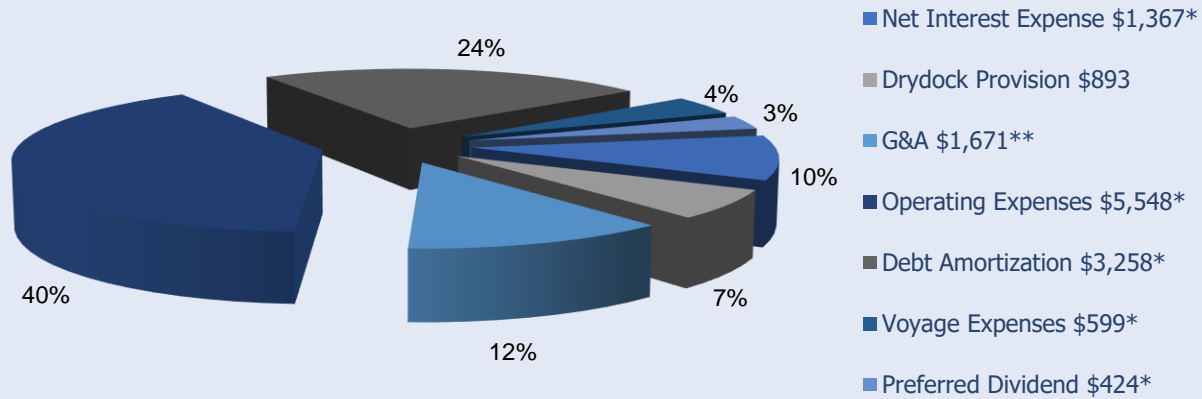
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Current Debt Amortization Profile



* The outstanding amount of the 9.50% Senior Unsecured Notes will be redeemed at 103.8% premium on September 2021

Modest All-in Breakeven Costs



Per Day
Per Vessel

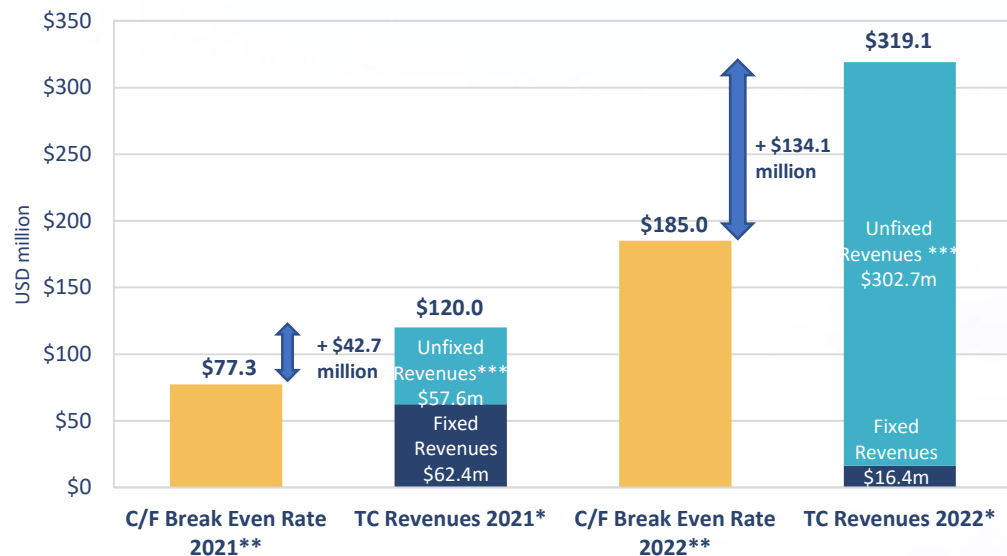
Free Cash Flow
Breakeven
= **\$13,760**

As of July 29, 2021	2021	2022
Average Daily Time Charter Rate of Fixed Revenues***	\$14,967	\$20,623
% of Total Fixed Days	83%	6%

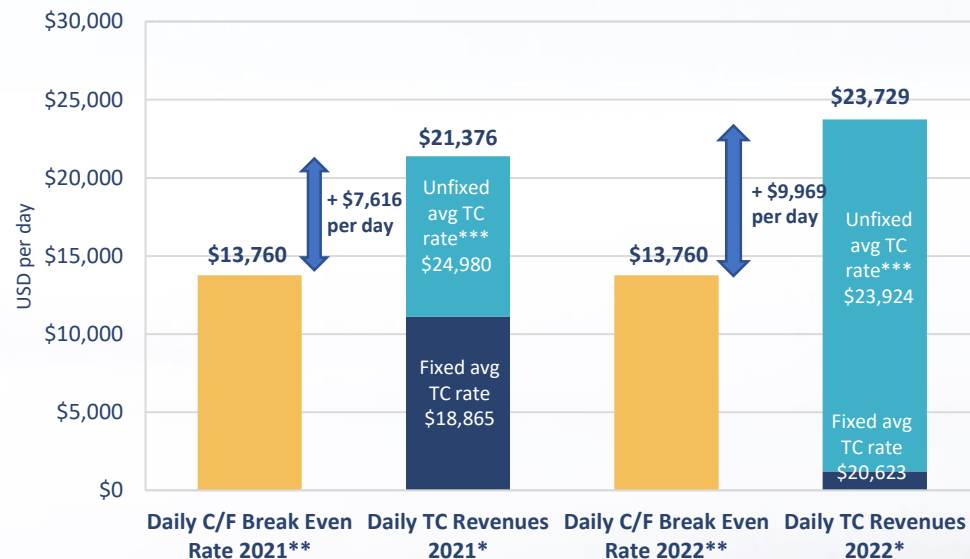
*As of June 30, 2021
 **As of June 30, 2021, adjusted for non-cash items. Includes management fees to Diana Wilhelmsen Management Limited.
 ***Assumes earliest redelivery dates of all vessels on charter.
 Source: Company

Breakeven vs Estimated Revenue for the remainder of 2021 & 2022*

Estimated Cash Uses vs TC Revenues



Daily Estimated Cash Uses vs Daily TC Revenues



FFA rates**** used for the unfixed revenues calculation

	Panamax	Kamsarmax	Post-Panamax	Capesize	Newcastlemax
Q3 2021	\$33,157	\$34,493	\$33,157	\$32,505	\$39,006
Q4 2021	\$27,929	\$29,265	\$27,929	\$33,500	\$40,200
Q1 2022	\$18,921	\$20,257	\$18,921	\$17,643	\$21,172
Q2 2022	\$21,329	\$22,665	\$21,329	\$22,393	\$26,872
Q3 2022	\$18,339	\$19,675	\$18,339	\$27,657	\$33,188
Q4 2022	\$17,404	\$18,740	\$17,404	\$26,525	\$31,830
Q1 2023	\$14,029	\$15,365	\$14,029	\$14,443	\$17,332
Q2 2023	\$14,200	\$15,536	\$14,200	\$20,186	\$24,223
Q3 2023	\$14,200	\$15,536	\$14,200	\$20,186	\$24,223
Q4 2023	\$14,200	\$15,536	\$14,200	\$20,186	\$24,223

*From July 29, 2021

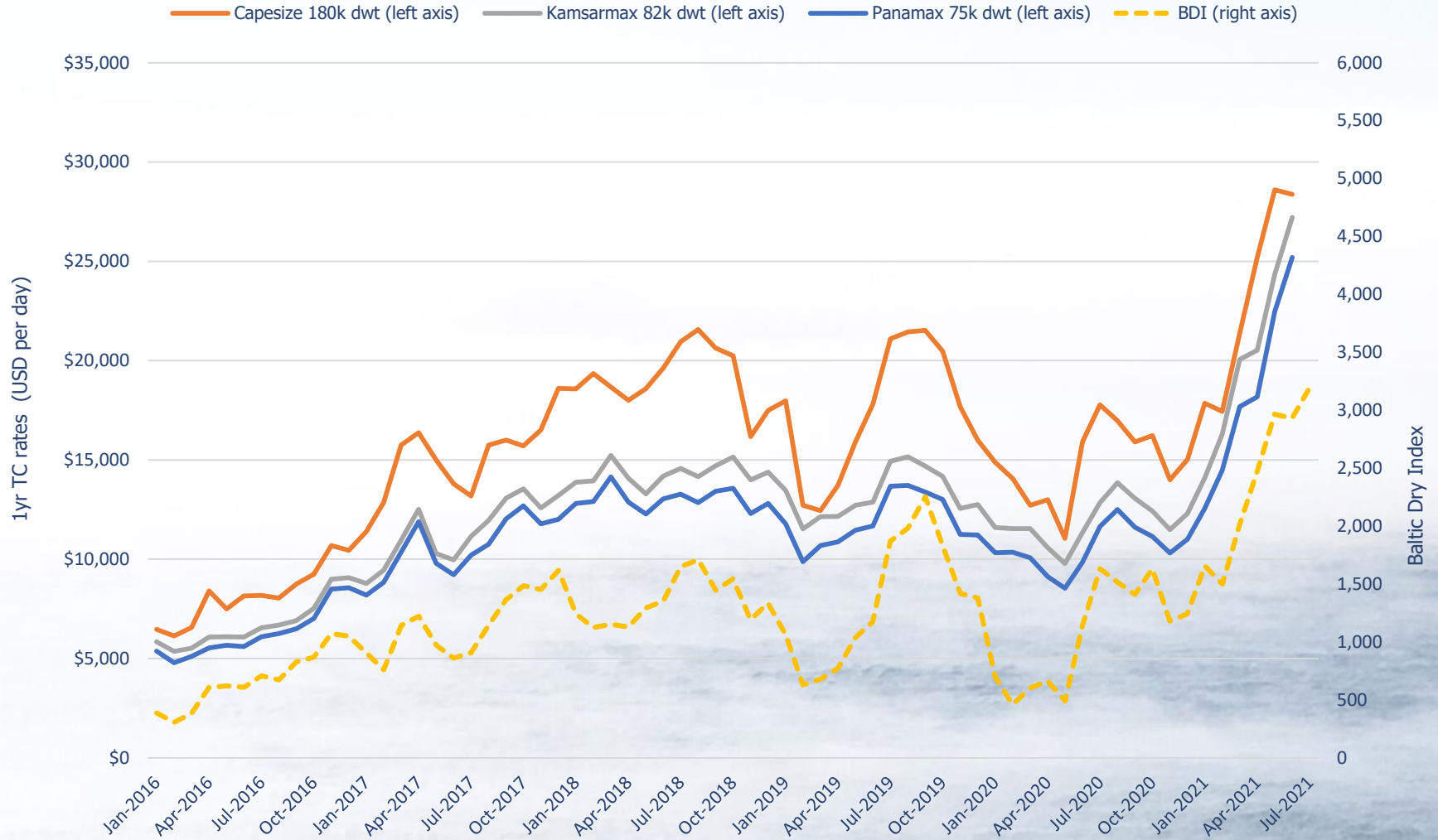
**As of June 30, 2021 (slide 14)

*** Assumes vessels fixed for 12 months upon redelivery to owners from previous charter

**** As of July 6, 2021

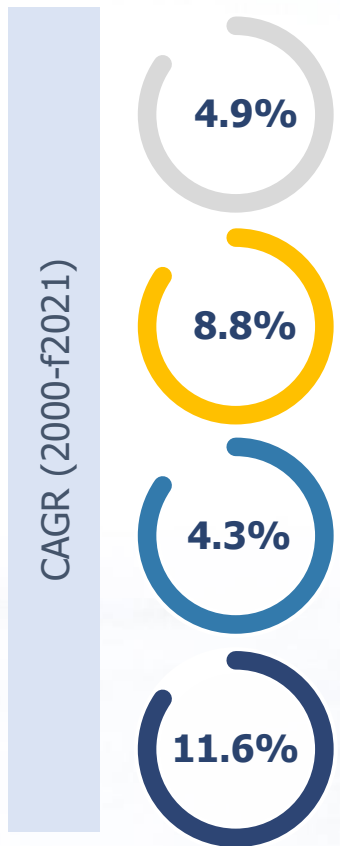
Source: Company's filings with the U.S. Securities and Exchange Commission

Dry Bulk Market Overview

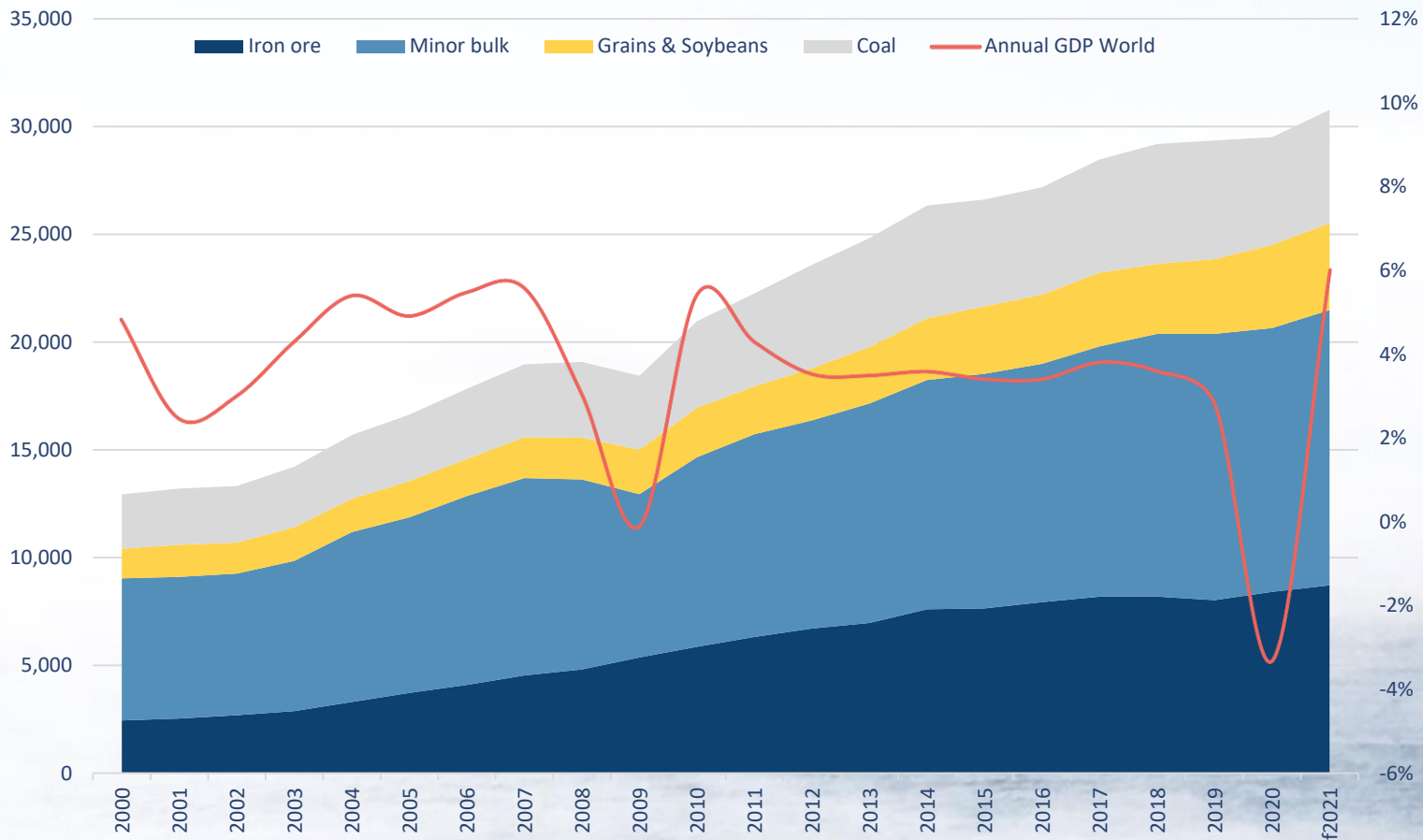


Source: Clarksons SIN

Key demand drivers

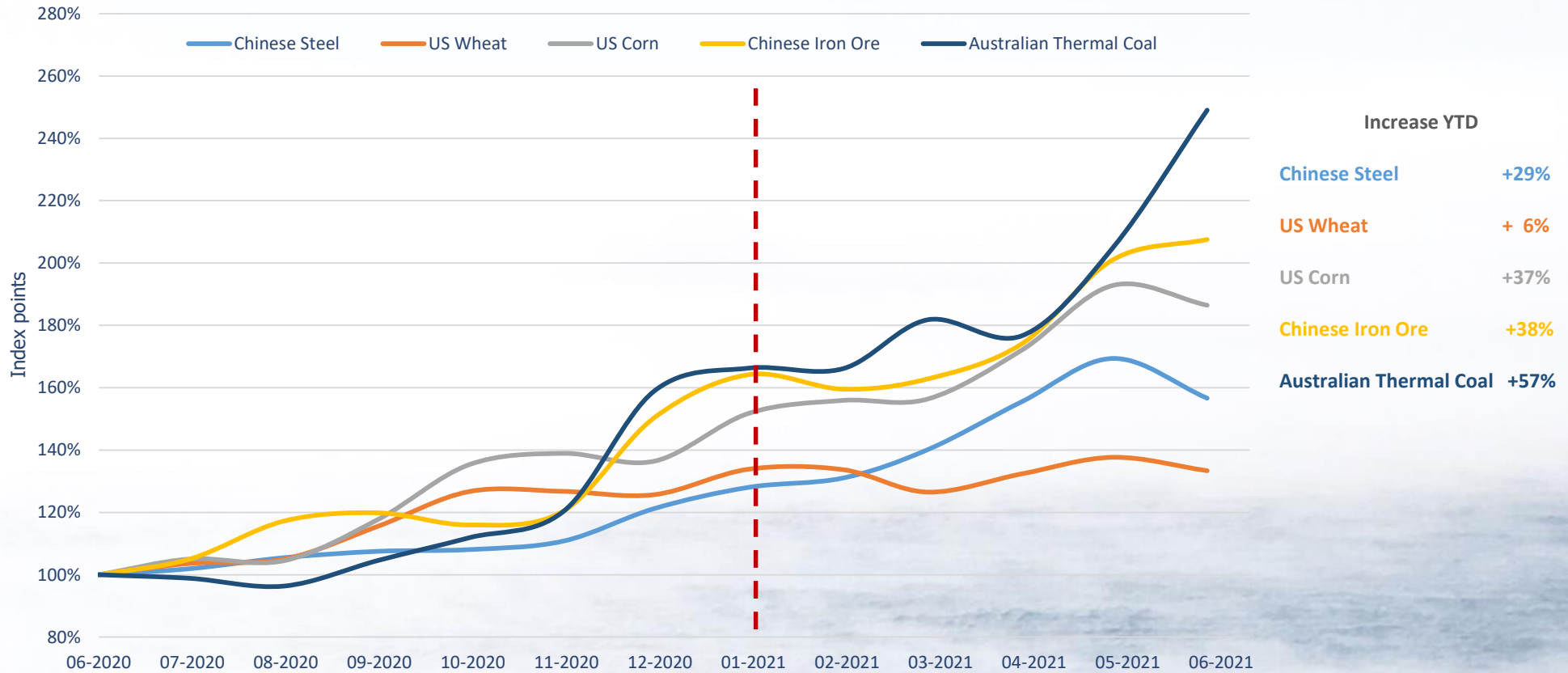


Dry bulk trades in bn tonne-mile and GDP growth YoY



Source: Clarksons SIN

Major Seaborne Commodity Prices

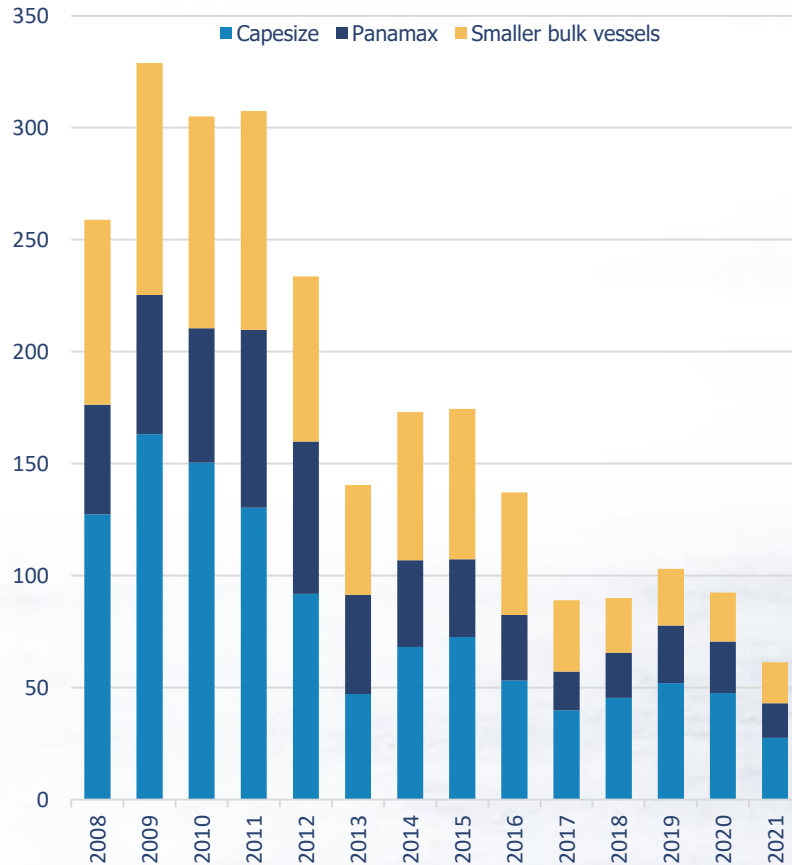


Dry bulk

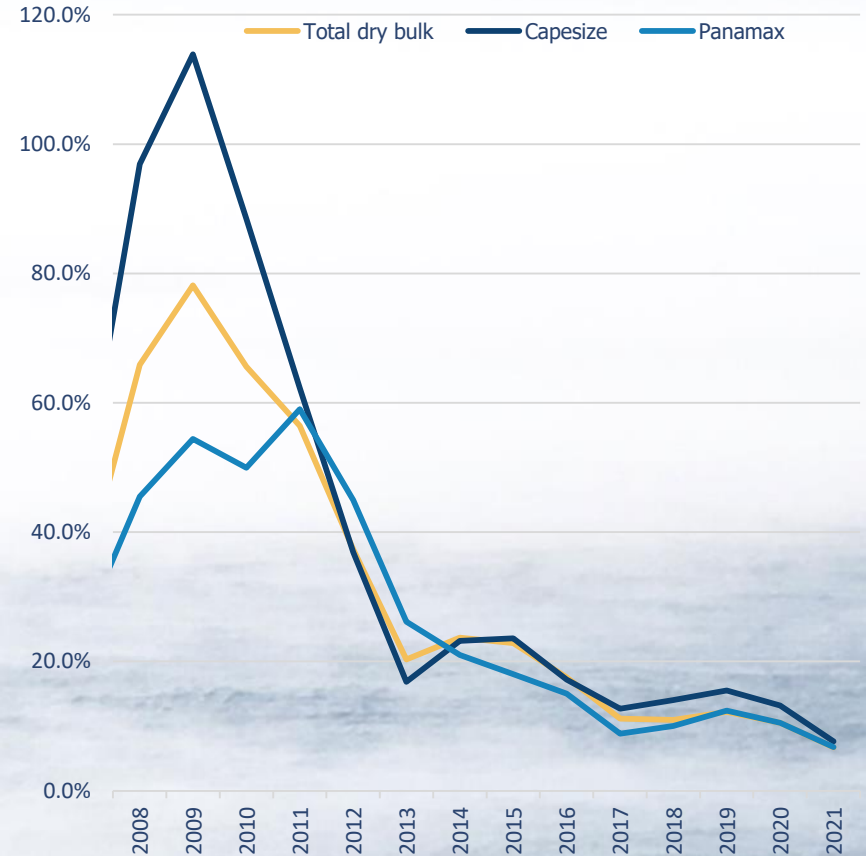
orderbook is at a historical low

The dry bulk orderbook is at a 20-year low point, total orderbook in % of total fleet is <6%

Dry bulk orderbook in million DWT



Dry bulk orderbook in % of existing fleet



Source: Clarksons SIN

Diana Shipping Inc.'s Summary

- ↓ Robust balance sheet and low cash flow breakeven points
- ↓ Generating strong positive cash flows in current market environment
- ↓ Conditions accommodate potential growth, fleet renewal and dividends
- ↓ Maintain disciplined strategy, which protects the downside and allows for shareholder value generation throughout the various market cycles



Q & A



Appendix



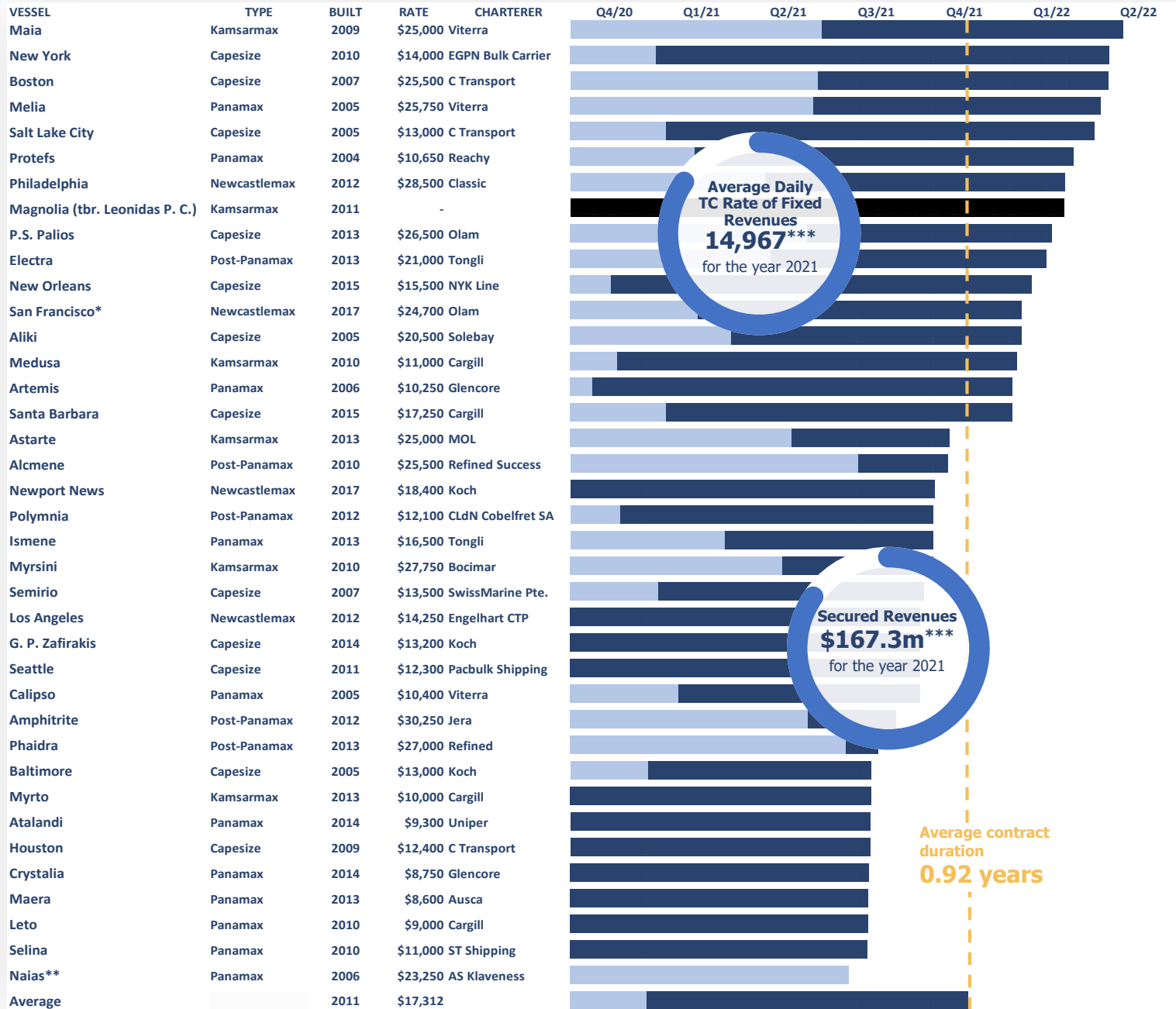
Non-speculative & disciplined employment strategy

*The charter rate is \$17,750 per day for the first one hundred five (105) days of the charter period.

**Vessel sold and delivered to her new owners on July 30, 2021.

***As of July 27, 2021

Source: Company



Fixed Period

Previous Charter Period