

DIANA SHIPPING INC.  
Form 6-K  
February 22, 2011

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13A-16 OR 15D-16  
OF THE SECURITIES EXCHANGE ACT OF 1934

For the month of February 2011  
Commission File Number: 001-32458

DIANA SHIPPING INC.  
(Translation of registrant's name into English)  
Pendelis 16, 175 64 Palaio Faliro, Athens, Greece  
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): .

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): .

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

INFORMATION CONTAINED IN THIS FORM 6-K REPORT

Attached to this Report on Form 6-K as Exhibit 99.1 is a press release dated February 22, 2011 of Diana Shipping Inc. (the "Company") announcing the Company's financial results for the fourth quarter and year ended December 31, 2010.

The information contained in this Report on Form 6-K is hereby incorporated by reference into the Company's registration statement on Form F-3D (File no. 333-150406) filed with the U.S. Securities and Exchange Commission (the "Commission") with an effective date of April 24, 2008, and the Company's registration statement on Form F-3 ASR (File no. 333-159016) filed with the Commission with an effective date of May 6, 2009.

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Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DIANA SHIPPING INC.  
(registrant)

Dated: February 22, 2011

By: /s/ Andreas Michalopoulos  
Andreas Michalopoulos  
Chief Financial Officer and  
Treasurer

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Corporate Contact:

Ioannis Zafirakis

Director, Executive Vice-President and Secretary

Telephone: + 30-210-9470100

Email: izafirakis@dianashippinginc.com

For Immediate Release

Investor and Media Relations:

Edward Nebb

Comm-Counsellors, LLC

Telephone: + 1-203-972-8350

Email: enebb@optonline.net

DIANA SHIPPING INC. REPORTS FINANCIAL RESULTS  
FOR THE FOURTH QUARTER AND YEAR ENDED DECEMBER 31, 2010

ATHENS, GREECE, February 22, 2011 – Diana Shipping Inc. (NYSE: DSX), a global shipping company specializing in the transportation of dry bulk cargoes, today reported net income of \$32.3 million for the fourth quarter of 2010, compared to net income of \$27.6 million reported in the fourth quarter of 2009.

Time charter revenues were \$73.0 million for the fourth quarter of 2010, compared to \$58.6 million for the same period of 2009, mainly due to the addition to the Company's fleet of the vessels m/v Melite, m/v New York and m/v Alcmene, delivered in January, March and November 2010, respectively, and the participation of the Company in Diana Containerships Inc., which was a majority-owned subsidiary during the fourth quarter 2010.

Net income to Diana Shipping Inc. for 2010 amounted to \$128.8 million, compared to net income of \$121.5 million for 2009. Time charter revenues were \$275.4 million for 2010, compared to \$239.3 million for 2009.

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Fleet Employment Profile (As of February 22, 2011) ‡

Currently Diana's fleet is employed as follows:

Vessel		Sister Ships*	Gross Rate (USD Per Day)	Com**	Charterer	Delivery Date to Charterer	Redelivery Date to Owners***	Notes
BUILT	DWT							
Panamax Vessels								
CORONIS		C	\$24,000	5.00%	Siba Ships Asia Pte. Ltd.	6-Apr-10	6-Mar-12 - 21-Jun-12	1
2006	74,381							
ERATO		C	\$20,500	5.00%	C Transport Panamax Ltd., Isle of Man	4-Mar-10	4-Dec-11 - 4-Mar-12	
2004	74,444							
NAIAS		B	\$19,750	5.00%	J. Aron & Company, New York	24-Sep-10	24-Aug-12 - 24-Oct-12	
2006	73,546							
CLIO		B	\$25,000	5.00%	Daelim Corporation, Seoul	8-May-10	8-Apr-12 - 8-Jun-12	
2005	73,691							
CALIPSO		B	\$23,000	5.00%	Cargill International S.A., Geneva	4-Sep-10	20-Jul-11 - 19-Oct-11	
2005	73,691							
PROTEFS		B	\$59,000	5.00%	Hanjin Shipping Co. Ltd., Seoul	18-Sep-08	18-Aug-11 - 18-Nov-11	
2004	73,630							
THETIS		B	\$23,000	5.00%	Glencore Grain BV, Rotterdam	6-Mar-10	23-Feb-11	6
			\$13,750	5.00%	Cargill International S.A., Geneva	23-Feb-11	23-Jan-12 - 23-Apr-12	
2004	73,583							
DIONE		A	\$20,500	5.00%	Louis Dreyfus Commodities S.A., Geneva	26-Sep-10	26-Jul-12 - 26-Nov-12	
2001	75,172							

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DANAE	A	\$12,000	5.00%	Augustea Oceanbulk Maritime Limitada, Madeira	7-Apr-09	12-Apr-11 - 12-May-11	2,3,6
2001	75,106						
OCEANIS	A	\$19,750	5.00%	China National Chartering Co. Ltd. (Sinochart), Beijing	17-Sep-10	17-Aug-12 - 1-Nov-12	
2001	75,211						
TRITON	A	\$17,000	5.00%	Intermare Transport GmbH, Hamburg, Germany	10-Oct-09	20-Nov-10	4
2001	75,336	\$19,500	4.75%	Resource Marine Pte., Ltd, Singapore	11-Dec-10	11-Nov-13 - 11-Feb-14	5
ALCYON	A	\$34,500	4.75%	Cargill International S.A., Geneva	21-Feb-08	21-Nov-12 - 21-Feb-13	
2001	75,247						
NIREFS	A	\$21,000	5.00%	Louis Dreyfus Commodities Suisse S.A.	12-Feb-10	28-Dec-11 - 27-Mar-12	
2001	75,311						
MELITE		\$24,250	5.00%	J. Aron & Company, New York	29-Jan-10	1-Feb-11	
		\$16,500	5.00%	Cargill International S.A., Geneva	1-Feb-11	1-Jan-13 - 1-Mar-13	
2004	76,436						

## Post-Panamax Vessels

ALCMENE		\$20,250	5.00%	Cargill International S.A., Geneva	20-Nov-10	5-Oct-12 - 4-Jan-13	
2010	93,193						

## Capesize Vessels

NORFOLK		\$74,750	3.75%	Corus UK Limited	12-Feb-08	12-Jan-13 - 12-Mar-13	
2002	164,218						

ALIKI		\$45,000	4.75%	Cargill International S.A., Geneva	1-May-09	1-Mar-11	6
2005	180,235	\$26,500	5.00%	Minmetals Logistics Group Co. Ltd., Beijing	1-Mar-11	1-Feb-16 - 1-Apr-16	

SALT LAKE CITY		\$55,800	5.00%	Refined Success Limited	28-Sep-07	28-Aug-12 - 28-Oct-12	
2005	171,810						

SIDERIS GS	D	\$36,000 \$30,500	5.00%	BHP Billiton Marketing AG	30-Nov-09 16-Oct-10	16-Oct-10 16-Feb-13 - 16-Jun-13	
2006	174,186						

SEMIRIO	D	\$31,000	5.00%	BHP Billiton Marketing AG	15-Jun-09	30-Apr-11 - 30-Jul-11	
2007	174,261						

BOSTON	D	\$52,000	5.00%	BHP Billiton Marketing AG	13-Nov-07	28-Sep-11 - 28-Dec-11	7
2007	177,828						

HOUSTON	D	\$55,000	4.75%	Shagang Shipping Co.	3-Nov-09	3-Oct-14 - 3-Jan-15	8
2009	177,729						

NEW YORK	D	\$48,000	3.75%	Nippon Yusen Kaisha, Tokyo (NYK)	3-Mar-10	3-Jan-15 - 3-May-15	
2010	177,773						

## Vessels Under Construction

LOS ANGELES	E	N/A	N/A	N/A	N/A	N/A	N/A	9,10
2012								206,000
PHILADELPHIA	E	N/A	N/A	N/A	N/A	N/A	N/A	9,11
2012								206,000

\* 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.

\*\*\* Charterers' optional period to redeliver the vessel to owners. Charterers have the right to add the off hire days, if any, and therefore the optional period may be extended.

1 Vessel off-hire for drydocking from November 11, 2010 to November 23, 2010.

2 Augustea Oceanbulk Maritime Limitada, Madeira is a guaranteed nominee of Augustea Atlantica Srl, Naples.

3 Vessel off-hire for drydocking from November 18, 2010 to December 8, 2010.

4 Vessel off-hire for drydocking from November 20, 2010 to December 11, 2010.

5 Resource Marine Pte., Ltd, Singapore is a guaranteed nominee of Macquarie Bank Limited.

6 Based on latest information received from charterers.

7 The charterer has the option to employ the vessel for a further 11-13 month period. The optional period, if exercised, must be declared on or before the end of the 42nd month of employment and can only commence at the end of the 48th month, at the daily time charter rate of \$52,000.

8 Shagang Shipping Co. is a guaranteed nominee of the Jiangsu Shagang Shipping Group Co.

9 Year of delivery and dwt based on shipbuilding contracts.

10 Hull H1234

11 Hull H1235

‡ Fleet employment data excludes employment information with respect to vessels owned by Diana Containerships Inc., a majority-owned subsidiary as of December 31, 2010.



## Summary of Selected Financial &amp; Other Data

	Three Months Ended December 31,		Years Ended December 31,	
	2010 (unaudited)	2009 (unaudited)	2010	2009
<b>INCOME STATEMENT DATA (in thousands of US Dollars):</b>				
Time charter revenues	\$ 72,976	\$ 58,640	\$ 275,448	\$ 239,342
Voyage expenses	3,514	2,896	12,392	11,965
Vessel operating expenses	14,927	11,310	52,585	41,369
Net income attributed to Diana Shipping Inc.	32,321	27,589	128,779	121,498
<b>FLEET DATA</b>				
Average number of vessels	24.5	19.7	22.9	19.2
Number of vessels	25.0	20.0	25.0	20.0
Weighted average age of drybulk fleet (in years)	5.4	4.9	5.4	4.9
Weighted average age of containerships (in years)	0.6	-	0.6	-
Ownership days	2,251	1,813	8,348	7,000
Available days	2,198	1,798	8,208	6,930
Operating days	2,188	1,779	8,180	6,857
Fleet utilization	99.5 %	98.9 %	99.7 %	98.9 %
<b>AVERAGE DAILY RESULTS</b>				
Time charter equivalent (TCE) rate (1)	\$ 31,602	\$ 31,003	\$ 32,049	\$ 32,811
Daily vessel operating expenses (2)	\$ 6,631	\$ 6,238	\$ 6,299	\$ 5,910

(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

Diana Shipping Inc. will conduct a conference call and simultaneous Internet webcast to review these results at 9:00 A.M. (Eastern Time) on Tuesday, February 22, 2011.

Investors may access the webcast by visiting the Company's website at [www.dianashippinginc.com](http://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

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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 on [www.dianashippinginc.com](http://www.dianashippinginc.com). A telephone replay will be available by dialing 1-877-660-6853 (for U.S.-based callers) or 1-201-612-7415 (for international callers), and providing the Account number 362 and Replay ID number 365940.

### About the Company

Diana Shipping Inc. (NYSE: DSX) 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.

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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 words 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, vessels 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

CONSOLIDATED STATEMENTS OF INCOME

	For the three months ended December 31,		For the years ended December 31,	
	2010 (unaudited)	2009 (unaudited)	2010	2009
<b>REVENUES:</b>				
Time charter revenues	\$72,976	\$58,640	\$275,448	\$239,342
<b>EXPENSES:</b>				
Voyage expenses	3,514	2,896	12,392	11,965
Vessel operating expenses	14,927	11,310	52,585	41,369
Depreciation and amortization of deferred charges	14,254	11,655	53,083	44,686
General and administrative expenses	7,136	4,781	25,347	17,464
Foreign currency gains	(94 )	(92 )	(1,598 )	(478 )
Operating income	33,239	28,090	133,639	124,336
<b>OTHER INCOME / (EXPENSES):</b>				
Interest and finance costs	(1,452 )	(856 )	(5,213 )	(3,284 )
Interest Income	218	240	920	951
Gain / (loss) from derivative instruments	308	115	(1,477 )	(505 )
Total other expenses, net	(926 )	(501 )	(5,770 )	(2,838 )
Net Income	\$32,313	\$27,589	\$127,869	\$121,498
Loss assumed by non-controlling interests	8	-	910	-
Net income attributed to Diana Shipping Inc.	32,321	27,589	128,779	121,498
Earnings per common share, basic	\$0.40	\$0.34	\$1.60	\$1.55
Earnings per common share, diluted	\$0.40	\$0.34	\$1.59	\$1.55
Weighted average number of common shares, basic	80,767,241	80,516,863	80,682,770	78,282,775
Weighted average number of common shares, diluted	80,984,846	80,695,378	80,808,232	78,385,464

CONDENSED CONSOLIDATED BALANCE SHEET DATA  
(in thousands of US Dollars)

	December 31,	
	2010	2009
<b>ASSETS</b>		
Cash and cash equivalents	\$345,414	\$282,438
Other current assets	9,235	14,718
Advances for vessels under construction and acquisitions and other vessel costs	35,280	29,630
Vessels' net book value	1,160,850	979,343
Other fixed assets, net	21,842	200
Other non-current assets	12,768	14,096
<b>Total assets</b>	<b>\$1,585,389</b>	<b>\$1,320,425</b>

**LIABILITIES AND STOCKHOLDERS' EQUITY**

Current liabilities, including current portion of long-term debt	\$32,510	\$32,386
Long-term debt, net of current portion	376,303	276,081
Other non-current liabilities	6,646	12,633
Total stockholders' equity	1,169,930	999,325
<b>Total liabilities and stockholders' equity</b>	<b>\$1,585,389</b>	<b>\$1,320,425</b>

**OTHER FINANCIAL DATA**

	Three Months Ended		Years Ended	
	December 31,		December 31	
	2010	2009	2010	2009
	(unaudited)	(unaudited)		
Net Cash provided by Operating Activities	\$50,351	\$40,473	\$178,292	\$151,903
Net Cash used in Investing Activities	(54,595 )	(22,645 )	(252,313 )	(73,081 )
Net Cash provided by Financing Activities	38,463	12,972	136,997	141,583