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DIANA SHIPPING INC.
Form 6-K
October 28, 2005

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 October 2005

DIANA SHIPPING INC.
(Translation of registrant's name into English)

Diana Shipping Inc.
Pendelis 16
175 64 Palaio Faliro
Athens, Greece

(Address of principal executive offices)

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

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the
information contained in this Form is also thereby furnishing the information to
the commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of
1934.

Yes No

INFORMATION CONTAINED IN THIS FORM 6-K REPORT

Attached to this Report on Form 6-K as Exhibit 1 is a copy of the
press release issued by Diana Shipping Inc. (the "Company") today, October 28,
2005, announcing its earnings for the third quarter of 2005 and a dividend
declaration.

Exhibit 1

Corporate Contact:
Ioannis Zafirakis
Director and Vice-President
Telephone: + 30-210-9470100

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For Immediate Release

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DIANA SHIPPING INC. REPORTS FINANCIAL RESULTS
FOR THE THIRD QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2005

DECLARES CASH DIVIDEND OF \$0.465 PER SHARE FOR THE THIRD QUARTER

CONFERENCE CALL AND WEBCAST TO BE HELD NOVEMBER 3, 2005

ATHENS, GREECE, October 28, 2005 - Diana Shipping Inc. (NYSE: DSX), a global shipping transportation company specializing in dry bulk cargoes, today reported net income of \$16.4 million for the third quarter of 2005, compared to net income of \$8.9 million recorded in the third quarter of 2004, representing an increase of \$7.5 million or 84%. Voyage and time charter revenues were \$25.8 million for the third quarter of 2005, an increase of 70% from the \$15.2 million reported in the same period of 2004.

Net income for the nine months ended September 30, 2005 increased by \$22.6 million or 79% to \$51.1 million, compared to \$28.5 million for the equivalent period in 2004. Voyage and time charter revenues were \$79.1 million for the first nine months of 2005, compared to \$45.4 million for the same period of 2004, representing an increase of 74%.

Dividend Declaration

The Company has declared a cash dividend on its common stock of \$0.465 per share, based on the Company's results of operations during the third quarter ended September 30, 2005. The cash dividend will be payable on or about November 22, 2005 to all shareholders of record as of November 7, 2005. The Company has 40 million shares of common stock outstanding.

Operating Results

During the third quarter of 2005, there were 10 vessels on average operating in the Company's fleet.

Fleet Employment Profile

Currently Diana's fleet is employed as follows:

| Name | Year Built | Age | DWT | Employment |
|------|------------|-----|-----|------------|
| ---- | ----- | --- | --- | ----- |

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| | | | | |
|------------------|------|--------|---------|-----------|
| *Nirefs | 2001 | 4.7 | 75,311 | \$17,400 |
| *Alcyon | 2001 | 4.6 | 75,247 | \$ 22,582 |
| *Triton | 2001 | 4.5 | 75,336 | \$ 37,300 |
| *Oceanis | 2001 | 4.3 | 75,211 | \$ 28,500 |
| *Dione | 2001 | 4.7 | 75,172 | \$ 32,500 |
| *Danae | 2001 | 4.7 | 75,106 | \$ 30,000 |
| **Protefs | 2004 | 1.1 | 73,630 | \$ 18,000 |
| **Calipso | 2005 | 0.7 | 73,691 | \$ 17,250 |
| **Clio | 2005 | 0.4 | 73,691 | \$ 17,500 |
| **Bolina | 2004 | 1.1 | 73,583 | \$ 25,000 |
| (tbr Thetis) (4) | | | | |
| Pantelis SP | 1999 | 6.6 | 169,883 | \$ 47,500 |
| | | | ----- | |
| | | Total: | 915,851 | |

-
- 1 Gross Time Charter Rate per day.
 - 2 Estimated dates assuming earliest redelivery by charterers.
 - 3 Based on latest information.
 - 4 Based on latest information received from sellers, the expected delivery to owners is November 25, 2005. *,** Each denotes a fleet of sister ships.

Summary of Selected Financials & Other Data

| | Three Months Ended September 30, | |
|---|-------------------------------------|-----------|
| | 2005 | 2004 |
| | ----- | ----- |
| | (unaudited) | |
| INCOME STATEMENT DATA (in thousands of US Dollars): | | |
| Voyage and time charter revenues | \$ 25,802 | \$ 15,221 |
| Voyage expenses | 1,551 | 1,056 |
| Vessel operating expenses | 4,045 | 2,717 |
| Net income | 16,444 | 8,908 |
| FLEET DATA | | |
| Average number of vessels | 10.0 | 6.3 |
| Number of vessels | 10.0 | 7.0 |
| Weighted average age of fleet (in years) | 4.0 | 3.3 |
| Ownership days | 920 | 582 |
| Available days | 892 | 582 |
| Operating days | 891 | 580 |
| Fleet utilization | 99.9% | 99.7% |
| AVERAGE DAILY RESULTS | | |
| Time charter equivalent (TCE) rate (1) | \$ 27,187 | \$ 24,338 |
| Daily vessel operating expenses (2) | \$ 4,397 | \$ 4,668 |

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- (1) Time charter equivalent rates, or TCE rates, are defined as our voyage and 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 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

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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 webcast at 10:30 A.M. Eastern Time on Thursday, November 3, 2005, to discuss these financial results. Investors may access the webcast on the Company's website at www.dianashippinginc.com by clicking on the webcast link. The webcast also is accessible at www.viaavid.net, by clicking on the Diana Shipping link under "Events". Listeners should allow extra time before the webcast begins to register for the webcast and download any necessary audio software. The conference call also may be accessed by telephone by dialing 1-888-858-4756 (for U.S.-based callers) or 1-973-935-2405 (for international callers).

A replay of the webcast will be available soon after the completion of the call and will be accessible on both www.dianashippinginc.com and www.viaavid.net. A telephone replay will be available by dialing 1-877-519-4471 (for U.S.-based callers) or 1-973-341-3080 (for international callers); callers must enter the code number 6657528.

About the Company

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. Diana Shipping Inc. priced its initial public offering of common stock on March 17, 2005.

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," "except," "anticipate," "intends," "estimate," "forecast," "project," "plan," "potential," "will," "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

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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.
CONSOLIDATED STATEMENTS OF INCOME (Unaudited)
Expressed in thousands of U.S. Dollars, except share, per day and fleet

| | Three Months Ended September 30, | |
|---|-------------------------------------|-----------|
| | 2005 | 2004 |
| | (unaudited) | |
| REVENUES: | | |
| Voyage and time charter revenues | \$ 25,802 | \$ 15,221 |
| EXPENSES: | | |
| Voyage expenses | 1,551 | 1,056 |
| Vessel operating expenses | 4,045 | 2,717 |
| Depreciation and amortization of deferred charges | 2,629 | 1,278 |
| Management fees | 450 | 228 |
| General and administrative expenses | 734 | 373 |
| Foreign currency losses/(gains) | (11) | 8 |
| | 16,404 | 9,561 |
| OTHER INCOME (EXPENSES): | | |
| Interest and finance costs | (257) | (689) |
| Interest Income | 297 | 36 |
| | 40 | (653) |
| Net Income | \$ 16,444 | \$ 8,908 |

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| | | |
|---|------------|------------|
| | ===== | ===== |
| Earnings per common share, basic and diluted | \$ 0.41 | \$ 0.32 |
| | ===== | ===== |
| Weighted average number of common shares, basic and diluted | 40,000,000 | 27,625,000 |
| | ===== | ===== |

BALANCE SHEET DATA

| | |
|--|-------|
| | Sept |
| | ----- |
| | (un |
| ASSETS | |
| Cash and cash equivalents | \$ |
| Other current assets | |
| Advances for vessels under construction and acquisitions and other vessel costs | |
| Vessels' net book value | |
| Other non-current assets | |
| Total assets | \$ |
| LIABILITIES AND STOCKHOLDERS' EQUITY | |
| Current liabilities, including current portion of long term debt | \$ |
| Long-term debt, net of current portion | |
| Other non-current liabilities | |
| Total stockholders' equity | |
| Total liabilities and stockholders' equity | \$ |

OTHER FINANCIAL DATA (unaudited)

| | | | |
|--|--------------------|-----------|-------|
| | Three Months Ended | | Ni |
| | September 30, | | |
| | 2005 | 2004 | 20 |
| | ----- | ----- | ----- |
| | (unaudited) | | |
| Net cash from operating activities | \$ 17,381 | \$ 10,647 | \$ 5 |
| Net cash used in investing activities | (4,470) | (16,921) | (9 |
| Net cash from/(used in) financing activities | (21,600) | (3,257) | 6 |

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SIGNATURES

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: October 28, 2005

By: /s/ Anastassis Margaronis

Anastassis Margaronis
President

23159.0003 #612756