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DIANA SHIPPING INC.

Form 6-K

May 18, 2007

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 6-K

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

For the month of May 2007

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.

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

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):  
82-\_\_\_\_\_.

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INFORMATION CONTAINED IN THIS FORM 6-K REPORT

Attached to this Report on Form 6-K as Exhibit 1 is a press release dated May 3, 2007 from Diana Shipping Inc. (the "Company") announcing its financial results for the first quarter ended March 31, 2007.

Exhibit 1

Corporate Contact:  
Ioannis Zafirakis  
Director and Vice-President  
Telephone: + 30-210-9470100  
Email: izafirakis@dianashippinginc.com

For Immediate Release  
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Investor and Media Relations:  
Edward Nebb  
Euro RSCG Magnet  
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DIANA SHIPPING INC. REPORTS FINANCIAL RESULTS  
FOR THE FIRST QUARTER ENDED MARCH 31, 2007  
AND  
DECLARES CASH DIVIDEND OF 50 CENTS PER SHARE  
FOR THE FIRST QUARTER OF 2007

ATHENS, GREECE, May 3, 2007 - Diana Shipping Inc. (NYSE: DSX), a global shipping transportation company specializing in dry bulk cargoes, today reported net income of \$21.4 million for the first quarter of 2007, compared to net income of \$11.7 million reported for the same period of 2006.

Voyage and time charter revenues were \$38.5 million for the first quarter of 2007, compared to \$24.2 million for the same period of 2006. This increase was due to the growth in the number of vessels in the Company's fleet and to increased time charter rates.

Dividend Declaration

The Company has declared a cash dividend on its common stock of \$0.50 per share, based on its cash from operations during the first quarter of 2007. The cash dividend will be payable on or about May 23, 2007 to shareholders of record as of May 16, 2007. The Company currently has approximately 62.9 million shares of common stock outstanding.

"I am pleased to report a significant increase in first quarter earnings as compared with the year-ago period, as well as an increase in our dividend payable to shareholders. This progress continues to reflect our

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strategy to expand our fleet through accretive vessel acquisitions, to build our relationships with top-quality charterers, and to maintain strong financial resources to support future growth," said Simeon Palios, Chairman and Chief Executive Officer of Diana Shipping Inc.

### Fleet Employment Profile

Currently Diana's fleet is employed as follows:

Name	Sister ships(3)	Year Built	DWT	Employment (1)	Charter Expirat
Nirefs	A	2001	75,311	4TCs Average(4) + 4.5%	Oct 23, 2007 - Jan
Alcyon	A	2001	75,247	\$22,582	Oct 15, 2007 - Feb
Triton	A	2001	75,336	\$24,400	Oct. 17, 2009 - Jan
Oceanis	A	2001	75,211	\$17,000	Apr 19, 2007 - Jun
Dione	A	2001	75,172	\$28,500	Nov 7, 2007 - Jan
Danae	A	2001	75,106	\$29,400	Feb 18, 2009 - May
Protefs	B	2004	73,630	\$31,650	Feb 3, 2008 - Apr
Calipso	B	2005	73,691	\$26,750	Dec 21, 2007 - Feb
Clio	B	2005	73,691	\$27,000	Jan 27, 2009 - Mar
Thetis	B	2004	73,583	\$25,000	Aug 3, 2007 - Oct
Naias	B	2006	73,546	\$21,000	Jun 28 , 2007 - Sep
Erato	C	2004	74,444	\$30,500	Nov 9, 2007 - Jan
Coronis	C	2006	74,381	\$27,500	Jan 18, 2009 - Apr
Pantelis SP(6)	-	1999	169,883	\$47,500	Jan 25, 2008 - Mar
Sideris GS	D	2006	174,186	\$41,000(7)	Oct 15, 2010 - Jan
Aliki	-	2005	180,235	\$48,500(9)	Mar 1, 2011 - Jun
Semirio	D	2007	175,000	\$41,000(10)	Apr 30, 2011 - Jul
Hull H1043(11)	D	2007	177,000	\$52,000	Oct 5, 2011 - Jan
Hull H1107(13)	D	2010	177,000	-	-
Hull H1108(13)	D	2010	177,000	-	-
-----					
Total: 2,198,653					

- (1) Gross time charter rate per day.
- (2) Charterers' optional period to redeliver the vessel to owners. (
- (3) Each vessel is a sister ship of the other vessels that have the same letter.
- (4) Adjustable every 15 days based on the average of four main pre-determined time charter routes, as published by the Baltic Exchange.
- (5) The charterer has the option to employ the vessel for a further 11-13 month period at a daily rate based on the average rate of four pre-determined time charter routes as published by the Baltic Exchange. The optional period, if exercised must be declared on or before the end of the 30th month of employment and can only commence at the end of the 36th month.
- (6) The vessel has been sold and is expected to be delivered to its new owners in July 2007.
- (7) The daily time charter rate will be \$46,000 during the first year; \$43,000 during the second year; \$39,000 during the third year and \$36,000 during the fourth year.

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- (8) 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 in that case commences at the end of the 48th month, at the daily time charter rate of \$48,500.
- (9) The daily time charter rate will be \$52,000 for the first and second year and \$45,000 for the third and fourth year.
- (10) The daily time charter rate will be \$51,000 for the first and second year and \$31,000 for the third and fourth year. The vessel is expected to be delivered to the Company / charterers on or about June 15, 2007.
- (11) Expected to be delivered on or about November 20, 2007.
- (12) 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 in that case commences at the end of the 48th month, at the daily rate of \$52,000.
- (13) Expected to be delivered in the second quarter of 2010.

### Summary of Selected Financials & Other Data

	Three months ended March 31,	
	2007	2006
	-----	-----
	(unaudited)	(unaudited)
<b>INCOME STATEMENT DATA (in thousands of US Dollars):</b>		
Voyage and time charter revenues.....	\$ 38,508	\$ 24,179
Voyage expenses.....	1,676	1,755
Vessel operating expenses.....	6,521	4,927
Net income .....	21,446	11,716
<b>FLEET DATA</b>		
Average number of vessels.....	15.0	12.7
Number of vessels.....	15.0	13.0
Weighted average age of fleet (in years).....	4.0	3.8
Ownership days.....	1,350	1,146
Available days.....	1,350	1,112
Operating days.....	1,323	1,108
Fleet utilization.....	98.0%	99.6%
<b>AVERAGE DAILY RESULTS</b>		
Time charter equivalent (TCE) rate (1).....	\$ 27,283	\$ 20,165
Daily vessel operating expenses (2).....	\$ 4,830	\$ 4,299

- (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 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.

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### Conference Call and Webcast Information

Diana Shipping Inc. will conduct a conference call and simultaneous Internet webcast to review these results at 10:00 A.M. (Eastern Time) on Thursday, May 3, 2007. 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 webcast also is accessible at [www.viaavid.net](http://www.viaavid.net), by clicking on the Diana Shipping link under "Events". The conference call also may be accessed by telephone by dialing 1-866-406-5369 (for U.S.-based callers) or 1-973-582-2847 (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](http://www.dianashippinginc.com) and [www.viaavid.net](http://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 use the PIN number 8740128.

### 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.

### 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," "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 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

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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, per day and fleet data

#### CONSOLIDATED STATEMENTS OF INCOME

	Three months 2007	ended March 31, 2006
	----- (unaudited)	----- (unaudited)
<b>REVENUES:</b>		
Voyage and time charter revenues .....	\$ 38,508	\$ 24,179
<b>EXPENSES:</b>		
Voyage expenses .....	1,676	1,755
Vessel operating expenses .....	6,521	4,927
Depreciation and amortization of deferred charges .....	4,800	3,757
Management fees .....	-	572
Executive management services and rent .....	-	76
General and administrative expenses .....	2,154	824
Foreign currency losses (gains) .....	(70)	10
Operating income .....	----- 23,427	----- 12,258
<b>OTHER INCOME (EXPENSES):</b>		
Interest and finance costs .....	(2,128)	(785)
Interest income .....	147	243
Total other income (expenses), net .....	----- (1,981)	----- (542)
Net Income .....	\$ 21,446 =====	\$ 11,716 =====
Earnings/(losses) per common share, basic and diluted .....	\$ 0.40 =====	\$ 0.26 =====
Weighted average number of common shares, basic and diluted .....	53,325,000 =====	45,000,000 =====
<b>BALANCE SHEET DATA</b>		
	March 31, 2007	December 31, 2006
<b>ASSETS</b>	----- (unaudited)	-----

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Cash and cash equivalents .....	9,065	14,511
Other current assets.....	5,027	4,551
Assets held for sale.....	57,353	-
Advances for vessels under construction and acquisitions and other vessel costs.....	55,420	24,347
Vessels' net book value .....	402,529	464,439
Other fixed assets, net.....	969	897
Other non-current assets.....	1,619	1,930
	-----	-----
Total assets .....	531,982	510,675
	=====	=====

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities.....	9,585	7,636
Long-term debt.....	160,166	138,239
Other non-current liabilities.....	2,085	1,697
Total stockholders' equity.....	360,146	363,103
	-----	-----
Total liabilities and stockholders' equity ...	531,982	510,675
	=====	=====

OTHER FINANCIAL DATA

	Three months ended March 31, 2007	2006
	----- (unaudited)	----- (unaudited)
Net cash from operating activities.....	28,030	\$ 15,605
Net cash used in investing activities.....	(31,073)	(37,917)
Net cash from / (used in) financing activities...	(2,403)	20,500

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: May 18, 2007

By: /s/ Anastassis Margaronis  
-----  
Anastassis Margaronis  
President

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