

BULK CARRIERS (USA) LLC
Form F-3
June 11, 2007

As filed with the Securities Exchange Commission on June 11, 2007

Registration Statement No. 333 -

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM F-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

DIANA SHIPPING INC.

(Exact name of registrant as specified in its charter)

**Republic of the Marshall
Islands**
(State or other jurisdiction of
incorporation or organization)

N/A
(I.R.S. Employer
Identification No.)

Diana Shipping Inc.
Pendelis 16
175 64 Palaio Faliro
Athens, Greece
(30) 210 947-0100
(Address and telephone
number of Registrant's
principal executive offices)

Seward & Kissel LLP
Attention: Gary J. Wolfe,
Esq.
One Battery Park Plaza
New York, New York 10004
(212) 574-1200
(Name, address and telephone
number of agent for service)

Copies to:

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Pendelis 16
175 64 Palaio Faliro
Athens, Greece
(30) 210 947-0100

Gary J. Wolfe, Esq.
Seward & Kissel LLP
One Battery Park Plaza
New York, New York 10004
(212) 574-1200

Approximate date of commencement of proposed sale to the public: From time to time after this registration statement becomes effective as determined by market conditions and other factors.

If only securities being registered on the Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

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If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective Registration Statement for the same offering

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered (1)(4)	Proposed Maximum Aggregate Price Per Unit (2)	Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee
Primary Offering				
Common Shares, par value \$ 0.01 per share (3)				
Preferred Shares, par value \$ 0.01 per share (3)				
Debt Securities (3)(4)				
Guarantees (5)				
Warrants (6)				
Purchase Contracts (7)				
Units (8)				
Primary Offering Total			\$ 500,000,000	\$ 15,350(9)
Secondary Offering				
Common Shares, par value \$ 0.01 per share to be offered by certain selling shareholders	8,000,000	\$21.67 (10)	\$ 173,360,000(10)	\$ 5,322.15(10)
Total			\$ 6,373,360	\$ 20,672.15

- (1) Such amount in U.S. dollars or the equivalent thereof in foreign currencies as shall result in an aggregate initial public offering price for all securities of \$500,000,000.
- (2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o). Any securities registered hereunder may be sold separately or as units with other securities registered hereunder. In no event will the aggregate offering price of all securities sold by Diana Shipping Inc. pursuant to this registration statement exceed \$500,000,000.
- (3) Also includes such indeterminate amount of debt securities and number of preferred shares and common shares as may be issued upon conversion of or in exchange for any other debt securities or preferred shares that provide for conversion or exchange into other securities.
- (4) If any debt securities are issued at an original issue discount, then the offering may be in such greater principal amount as shall result in a maximum aggregate offering price not to exceed \$500,000,000.
- (5) The debt securities may be guaranteed pursuant to guarantees by the subsidiaries of Diana Shipping Inc. No separate compensation will be received for the guarantees. Pursuant to Rule 457(n), no separate fees for the guarantees are payable.
- (6) There is being registered hereunder an indeterminate number of warrants as may from time to time be sold at indeterminate prices.
- (7) There is being registered hereunder an indeterminate number of purchase contracts as may from time to time be sold at indeterminate prices.
- (8) There is being registered hereunder an indeterminate number of units as may from time to time be sold at indeterminate prices. Units may consist of any combination of the securities registered hereunder.
- (9) This amount, \$20,672.15 has been previously paid in connection with the Registrant's Registration Statement No. 333-139306 covering \$423,525,000 aggregate initial offering price of securities, which was filed on December 13, 2006 and is being applied to this registration statement pursuant to Rule 457(p) of the Securities Act. The Registrant completed an offering of \$167,025,000 (including over-allotment) of its common shares on April 2, 2007, that were registered under the Registration Statement No. 333-139306, which will be withdrawn upon the

declaration of effectiveness of this Registration Statement.

- (10) Pursuant to Rule 457(c), the offering price and registration fee are computed on the average of the high and low prices for the common stock on the New York Stock Exchange on June 7, 2007.

The Registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrants shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

TABLE OF ADDITIONAL REGISTRANTS

Exact Name of Registrant as Specified in its Charter	Country of Incorporation	Primary Standard Industrial Classification Code No.
Ailuk Shipping Company Inc.	Marshall Islands	4412
Bikini Shipping Company Inc.	Marshall Islands	4412
Buenos Aires Compania Armadora S.A.	Panama	4412
Cerada International S.A.	Panama	4412
Changame Compania Armadora S.A.	Panama	4412
Chorrera Compania Armadora S.A.	Panama	4412
Cypres Enterprises Corp.	Panama	4412
Darien Compania Armadora S.A.	Panama	4412
Diana Shipping Services S.A.	Panama	---
Eaton Marine S.A.	Panama	4412
Eniwetok Shipping Company Inc.	Marshall Islands	4412
Husky Trading, S.A.	Panama	4412
Jaluit Shipping Company Inc.	Marshall Islands	4412
Panama Compania Armadora S.A.	Panama	4412
Skyvan Shipping Company S.A.	Panama	4412
Texford Maritime S.A.	Panama	4412
Urbina Bay Trading, S.A.	Panama	4412
Vesta Commercial, S.A.	Panama	4412
Kili Shipping Company Inc.	Marshall Islands	4412
Knox Shipping Company Inc.	Marshall Islands	4412
Lib Shipping Company Inc.	Marshall Islands	4412
Majuro Shipping Company Inc.	Marshall Islands	4412
Taka Shipping Company Inc.	Marshall Islands	4412
Bulk Carriers (USA) LLC	United States (Delaware)	----

Subject to completion dated June 11, 2007

The information in this prospectus is not complete and may be changed. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy or sell these securities in any jurisdiction where the offer or sale is not permitted. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. permitted.

\$500,000,000

and

8,000,000 of our Common Shares
Offered by Selling Shareholders

Diana Shipping Inc.

Through this prospectus, we may periodically offer:

- (1) our common shares,
- (2) our preferred shares,
- (3) our debt securities, which may be guaranteed by one or more of our subsidiaries,
- (4) our warrants,
- (5) our purchase contracts, and
- (6) our units

In addition, the selling shareholders named in the section "Selling Shareholders" may sell in one or more offerings pursuant to this registration statement up to 8,000,000 of our common shares that were previously acquired in private transactions. We will not receive any of the proceeds from the sale of our common shares by the selling shareholders.

The prices and other terms of the securities that we will offer will be determined at the time of their offering and will be described in a supplement to this prospectus.

Our common shares are currently listed on the New York Stock Exchange under the symbol "DSX".

The securities issued under this prospectus may be offered directly or through underwriters, agents or dealers. The names of any underwriters, agents or dealers will be included in a supplement to this prospectus.

An investment in these securities involves risks. See the section entitled "Risk Factors" on page 7.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this prospectus is _____, 2007.

THE INFORMATION IN THIS PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND IT IS NOT SOLICITING AN OFFER TO BUY OR SELL THESE SECURITIES IN ANY JURISDICTION WHERE THE OFFER OR SALE IS NOT PERMITTED. THESE SECURITIES MAY NOT BE SOLD UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE.

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Unless otherwise indicated, all dollar references in this prospectus are to U.S. dollars and financial information presented in this prospectus that is derived from financial statements incorporated by reference is prepared in accordance with the U.S. generally accepted accounting principles.

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission, or Commission, using a shelf registration process. Under the shelf registration process, we may sell the common shares, preferred shares, debt securities, warrants, purchase contracts and units described in this prospectus in one or more offerings up to a total dollar amount of \$500,000,000. In addition, the selling shareholders may sell in one or more offerings pursuant to this registration statement up to 8,000,000 of our common shares that were previously acquired in private transactions. This prospectus provides you with a general description of the securities we or the selling shareholders may offer. Each time we or the selling shareholders offers securities, we will provide you with a prospectus supplement that will describe the specific amounts, prices and terms of the offered securities. The prospectus supplement may also add, update or change the information contained in this prospectus. You should read carefully both this prospectus and any prospectus supplement, together with the additional information described below.

This prospectus does not contain all the information provided in the registration statement that we filed with the Commission. For further information about us or the securities offered hereby, you should refer to that registration statement, which you can obtain from the Commission as described below under “Where You Can Find More Information.”

PROSPECTUS SUMMARY

This section summarizes some of the information that is contained later in this prospectus or in other documents incorporated by reference into this prospectus. As an investor or prospective investor, you should review carefully the risk factors incorporated by reference to into this registration statement from the Company's Annual Report on Form 20-F filed on June 8, 2007 and the more detailed information that appears later in this prospectus or is contained in the documents that we incorporate by reference into this prospectus.

Our Company

We are Diana Shipping Inc., a Marshall Islands company that owns and operates dry bulk carriers that transport iron ore, coal, grain and other dry cargoes along worldwide shipping routes.

Our fleet consists of dry bulk carriers that transport iron ore, coal, grain and other dry cargoes along worldwide shipping routes. As of December 31, 2006, our operating fleet consisted of thirteen modern Panamax dry bulk carriers and two Capesize dry bulk carriers that had a combined carrying capacity of approximately 1.1 million dwt and a weighted average age of 3.7 years. During 2006, 2005 and 2004, we had a fleet utilization of 99.9%, 99.7% and 99.8%, respectively, our vessels achieved daily time charter equivalent rates of \$22,661, \$27,838 and \$25,661, respectively, and we generated revenues of \$116.1 million, \$103.1 million and \$63.8 million, respectively.

Our objective is to expand our presence in the dry bulk shipping industry. In furtherance of this objective, during 2006 we took delivery of two newly built Panamax dry bulk carriers and one newly built Capesize dry bulk carrier and in April 2007 we took delivery of an additional secondhand Capesize dry bulk carrier. We have also entered into agreements to acquire two further newly built Capesize dry bulk carriers that we expect to take delivery of in June and November 2007, respectively, and have assumed shipbuilding contracts for two Capesize dry bulk carriers currently under construction that we expect to take delivery of during the second quarter of 2010. In addition, we have agreed to sell one of our existing Capesize dry bulk carriers, the *Pantelis SP*, which we expect to deliver to the buyer in July 2007. In November 2007, after the expected delivery of all of our new vessels and the sale of the *Pantelis SP*, our fleet will consist of 13 Panamax dry bulk carriers and six Capesize dry bulk carriers, having a combined carrying capacity of 2.2 million dwt and an average age (excluding the vessels under construction) of 3.1 years.

Our Fleet

The following table presents certain information concerning the dry bulk carriers in our fleet, including the vessels that we have agreed to purchase but have not yet taken delivery of.

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Vessel	Operating Status	Dwt	Age (1)	Time Charter Expiration Date (2)	Daily Time Charter Hire Rate	Sister Ships (3)
<i>Nirefs</i>	Delivered Jan 2001	75,311	6.3 years	10/2007 to 01/2008	4tcs Average + 4.5% (4)	A
<i>Alcyon</i>	Delivered Feb 2001	75,247	6.3 years	10/2007 to 02/2008	\$22,582	A
<i>Triton</i>	Delivered Mar 2001	75,336	6.2 years	10/2009 to 01/2010	\$24,400 (5)	A
<i>Oceanis</i>	Delivered May 2001	75,211	6.0 years	06/2007	\$17,000	A
<i>Dione</i>	Acquired May 2003	75,172	6.4 years	11/2007 to 01/2008	\$28,500	A
<i>Danae</i>	Acquired July 2003	75,106	6.4 years	02/2009 to 05/2009	\$29,400	A
<i>Protefs</i>	Delivered Aug 2004	73,630	2.8 years	02/2008 to 04/2008	\$31,650	B
<i>Calipso</i>	Delivered Feb 2005	73,691	2.3 years	12/2007 to 02/2008	\$26,750	B
<i>Pantelis SP(6)</i>	Acquired Feb 2005	169,883	8.3 years	01/2008 to 03/2008	\$47,500	-
<i>Clio</i>	Delivered May 2005	73,691	2.1 years	01/2009 to 03/2009	\$27,000	B
<i>Erato</i>	Acquired Nov 2005	74,444	2.8 years	11/2007 to 01/2008	\$30,500	C
<i>Thetis</i>	Acquired Nov 2005	73,583	2.8 years	08/2007 to 10/2007	\$25,000	B
<i>Coronis</i>	Delivered Jan 2006	74,381	1.3 years	01/2009 to 04/2009	\$27,500	C
<i>Naias</i>	Delivered Aug 2006	73,546	1.0 years	06/2007 to 09/2007	\$21,000	B
<i>Sideris GS</i>	Delivered Nov 2006	174,186	0.5 years	10/2010 to 01/2011	\$41,000 (7)	D
<i>Aliki</i>	Acquired Apr 2007	180,235	2.2 years	03/2011 to 06/2011	\$48,500 (8)	-
<i>Semirio</i>	Expected Jun 2007	175,000	-	04/2011 to 07/2011	\$41,000 (9)	D
<i>Boston</i>	Expected Nov 2007	177,000	-	10/2011 to 01/2012	\$52,000 (10)	D
<i>Hull H1107</i>	Expected 2010	177,000	-	-	-	D
<i>Hull H1108</i>	Expected 2010	177,000	-	-	-	D

(1) As of May 31, 2007.

(2) The date range provided represents the earliest and latest date on which the charterer may redeliver the vessel to us upon the termination of the charter.

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- (3) Each dry bulk carrier is a sister ship of each other dry bulk carrier that has the same letter.
- (4) Adjustable every 15 days based on the average of four pre-determined time charter routes.
- (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. 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 to an unrelated third party and is expected to be delivered to its new owners in early July 2007.
- (7) The daily time charter rate is \$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. The charterer has the option to employ the vessel for a further 11-13 month period, counting from the end of the 48th month, at the daily time charter rate of \$48,500.
- (8) The daily time charter rate is \$52,000 for the first and second year and \$45,000 for the third and fourth year. The charterer has the option to employ the vessel for a further 11-13 month period, counting from the end of the 48th month, at the daily time charter rate of \$48,500.
- (9) The daily time charter rate is \$51,000 for the first and second year and \$31,000 for the third and fourth year. The charterer has the option to employ the vessel for a further 11-13 month period, counting from the end of the 48th month, at the daily time charter rate of \$48,500.
- (10) The charterer has the option to employ the vessel for a further 11-13 month period counting from the end of the 48th month, at the daily rate of \$52,000. The vessel is expected to be delivered on or about November 20, 2007.

Each of our vessels is owned through a separate wholly-owned Panamanian and Marshall Islands subsidiary.

We charter our dry bulk carriers to customers primarily pursuant to time charters. A time charter involves the hiring of a vessel from its owner for a period of time pursuant to a contract under which the vessel owner places its ship (including its crew and equipment) at the disposal of the charterer. Under a time charter, the charterer periodically pays a fixed daily charter hire rate and bears all voyage expenses, including the cost of bunkers and port and canal charges. Subject to any restrictions in the contract, the charterer determines the type and quantity of cargo to be carried and the ports of loading and discharging. The technical operation and navigation of the vessel at all times remains the responsibility of the vessel owner, which is generally responsible for the vessel's operating expenses, including the cost of crewing, insuring, repairing and maintaining the vessel, costs of spares and consumable stores, tonnage taxes and other miscellaneous expenses. In connection with the charter of each of our vessels, we pay commissions ranging from 0% to 6.25% of the total daily charter hire rate of each charter to unaffiliated ship brokers and to in-house ship brokers associated with the charterers, depending on the number of brokers involved with arranging the relevant charter. We also pay a commission equal to 2% of the total daily charter hire rate of each vessel charter to our fleet manager. However, after our acquisition of DSS effective April 1, 2006, this amount is being eliminated from the consolidated financial statements as an intercompany transaction.

We strategically monitor developments in the dry bulk shipping industry on a regular basis and adjust the charter hire periods for our vessels according to market conditions. Historically, we have primarily employed short-term time charters that have ranged in duration from a few days to 13 months, which we believe have provided us with flexibility in responding to market developments and have assisted us in enhancing the amount of charter hire that we are paid. As part of our business strategy, 13 of our vessels, including the Capesize dry bulk carriers that we expect to take delivery of in June and November 2007, respectively, are currently employed on longer-term time charters ranging in duration from 18 months to 48 months.

Our vessels operate worldwide within the trading limits imposed by our insurance terms and do not operate in areas where United States, European Union or United Nations sanctions have been imposed.

Our Competitive Strengths

We believe that we possess a number of strengths that provide us with a competitive advantage in the dry bulk shipping industry:

•We own a modern, high quality fleet of dry bulk carriers. We believe that owning a modern, high quality fleet reduces operating costs, improves safety and provides us with a competitive advantage in securing favorable time charters. We maintain the quality of our vessels by carrying out regular inspections, both while in port and at sea, and adopting a comprehensive maintenance program for each vessel.

•Our fleet includes four groups of sister ships. We believe that maintaining a fleet that includes sister ships enhances the revenue generating potential of our fleet by providing us with operational and scheduling flexibility. The uniform nature of sister ships also improves our operating efficiency by allowing our fleet manager to apply the technical knowledge of one vessel to all vessels of the same series, and creates economies of scale that enable us to realize cost savings when maintaining, supplying and crewing our vessels.

•We have an experienced management team. Our management team consists of experienced executives who have many years of operating experience in the shipping industry and have demonstrated ability in managing the commercial, technical and financial areas of our business.

Our management team is led by Mr. Simeon Palios, a qualified naval architect and engineer who has 40 years of experience in the shipping industry.

Internal management of vessel operations. Effective April 1, 2006, we acquired our fleet manager and now conduct all of the commercial and technical management of our vessels in-house. We believe that providing our own commercial and technical management provides us with a competitive advantage over many of our competitors by allowing us to more closely monitor our operations and offer a high quality of performance, reliability and efficiency.

We benefit from strong relationships with members of the shipping and financial industries. We have developed strong relationships with major international charterers, shipbuilders and financial institutions that we believe are the result of the quality of our operations, the strength of our management team and our reputation for dependability.

We have a strong balance sheet and a relatively low level of indebtedness. We believe that our strong balance sheet and relatively low level of indebtedness increase the amount of funds that we may draw under our credit facility in connection with future acquisitions and enable us to use cash flow that would otherwise be dedicated to debt service for other purposes, including funding operations and making dividend payments.

Our Business Strategy

Our main objective is to manage and expand our fleet in a manner that enables us to pay attractive dividends to our stockholders. To accomplish this objective, we intend to:

- *Continue to operate a high quality fleet.* We believe that our ability to maintain and increase our customer base will depend on the quality of our fleet. We intend to limit our acquisition of ships to vessels that meet rigorous industry standards and that are capable of meeting charterer certification requirements. At the same time, we intend to maintain the quality of our existing fleet by carrying out regular inspections of our vessels and implementing appropriate maintenance programs for each vessel.
- *Strategically expand the size of our fleet.* We intend to grow our fleet through timely and selective acquisitions of vessels in a manner that is accretive to dividends per share. We expect to focus our dry bulk carrier acquisitions primarily on Panamax and Capesize dry bulk carriers. We believe that Panamax dry bulk carriers are subject to relatively less volatility in charter hire rates and are able to access a greater number of ports and carry a broader range of cargo compared to larger vessels. Capesize dry bulk carriers offer economies of scale due to their increased cargo carrying capacity and provide relatively stable cash flows and high utilization rates due to their generally being employed on longer term time charters compared to smaller carriers. We intend to continue to monitor developments in market conditions regularly and may acquire other dry bulk carriers when those acquisitions would, in our view, present favorable investment opportunities. We may also consider acquisitions of other types of vessels but do not intend to acquire tankers. We intend to capitalize on the experience and expertise of our management team when making acquisition related decisions and expect to continue to place an emphasis on sister ships.
- *Pursue an appropriate balance of short-term and long-term time charters.* We historically have chartered our vessels to customers primarily pursuant to short-term time charters. While we expect to continue to pursue short-term time charter employment for our Panamax dry bulk carriers, we have also entered into time charters in excess 18 months for several of our vessels. We believe that employing short-term time charters generally increases our flexibility in responding to market developments and assists us in enhancing the amount of charter hire that we are paid, particularly during periods of increasing charter hire rates, while long-term time charters provide us the benefit of relatively stable cash flows. We will continue to strategically monitor developments in the dry bulk shipping industry on a regular basis and adjust our charter hire periods according to market conditions.

- *Maintain a strong balance sheet with low leverage.* We expect to draw funds under our credit facility to fund vessel acquisitions. We intend to repay our acquisition related debt in excess of 150 million from time to time with the net proceeds of equity issuances. While our leverage will vary according to our acquisition strategy and our ability to refinance acquisition related debt through equity offerings on terms acceptable to us, we intend to limit the amount of indebtedness that we have outstanding at any time to relatively conservative levels. We believe that maintaining a low level of leverage will allow us to maintain a strong balance sheet and will provide us with flexibility in pursuing acquisitions that are accretive to dividends per share. We also believe that maintaining a low level of indebtedness will allow us to remain competitive in adverse market conditions, particularly when compared to competitors who are burdened with significant levels of debt.
- *Maintain low cost, highly efficient operations.* We believe that we are a cost-efficient and reliable owner and operator of dry bulk carriers due to the strength of our management team and the quality of our vessels. We intend to actively monitor and control vessel operating expenses without compromising the quality of our vessel management by utilizing regular inspection and maintenance programs, employing and retaining qualified crew members and taking advantage of the economies of scale that result from operating a fleet of sister ships.
- *Capitalize on our established reputation.* We believe that we have an established reputation in the dry bulk shipping industry for maintaining high standards of performance, reliability and safety. We intend to capitalize on this reputation in establishing and maintaining relationships with major international charterers who consider the reputation of a vessel owner and operator when entering into time charters and with shipyards and financial institutions who consider reputation to be an indicator of creditworthiness.

Corporate Structure

Diana Shipping Inc. is a holding company existing under the laws of the Marshall Islands. We maintain our principal executive offices at Pendelis 16, 175 64 Palaio Faliro, Athens, Greece. Our telephone number at that address is +30 (210) 947-0100. Our website address is www.dianashippinginc.com. The information on our website is not a part of this prospectus.

The Securities

We may use this prospectus to offer up to \$500,000,000 of:

- common shares;
 - preferred shares;
 - debt securities, which may be guaranteed by one or more of our subsidiaries;
 - warrants;
 - purchase contracts; and
 - units.
-

- We may also offer securities of the types listed above that are convertible or exchangeable into one or more of the securities listed above.

In addition, the selling shareholders may sell in one or more offerings pursuant to this registration statement up to 8,000,000 of our common shares that were previously acquired in private transactions. We will not receive any of the proceeds from the sale of our common shares sold by the selling shareholders.

A prospectus supplement will describe the specific types, amounts, prices, and detailed terms of any of these securities that we or the selling shareholders may offer and may describe certain risks associated with an investment in the securities. Terms used in the prospectus supplement will have the meanings described in this prospectus, unless otherwise specified.

RISK FACTORS

We have identified a number of risk factors which you should consider before buying shares of our common stock. These risk factors are incorporated by reference into this registration statement from the Company's Annual Report on Form 20-F filed on June 8, 2007. Please see "Incorporation of Certain Documents by Reference". In addition, you should also consider carefully the risks set forth under the heading "Risk Factors" in any prospectus supplement before investing in the shares of common stock offered by this prospectus. The occurrence of one or more of those risk factors could adversely impact our results of operations or financial condition.

USE OF PROCEEDS

Unless we specify otherwise in any prospectus supplement, we intend to use the net proceeds from the sale of securities by us offered by this prospectus to make vessel acquisitions and for capital expenditures, repayment of indebtedness, working capital, and general corporate purposes. We will not receive any of the proceeds from the sale of our common shares by the selling shareholders.

FORWARD LOOKING STATEMENTS

Matters discussed in this document 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.

We desire to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and are including this cautionary statement in connection with this safe harbor legislation. This document and any other written or oral statements made by us or on our behalf may include forward-looking statements which reflect our current views with respect to future events and financial performance. The words "believe", "anticipate", "intend", "estimate", "forecast", "project", "plan", "potential", "will", "may", "should", "expect" and similar expressions identify forward-looking statements.

The forward-looking statements in this document are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, 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 and matters discussed elsewhere in this prospectus, and in the documents incorporated by reference in this prospectus, 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 charterhire rates and vessel values, changes in demand in the dry bulk vessel market, changes in the company's operating expenses, including bunker prices, drydocking and insurance costs, changes in governmental rules and regulations or actions taken by regulatory authorities including those that may limit the commercial useful lives of dry bulk vessels, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, and other important factors described from time to time in the reports we file with the Commission and the New York Stock Exchange. We caution readers of this prospectus and any prospectus supplement not to place undue reliance on these forward-looking statements, which speak only as of their dates. We undertake no obligation to update or revise any forward-looking statements.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our unaudited ratio of earnings to fixed charges for each of the preceding five fiscal years and the three months ended March 31, 2007 ⁽¹⁾

	3 Months Ended March 31		For the years ended December 31,			
	2007	2006	2005	2004	2003	2002
Earnings						
Net income	\$ 21,446	\$ 61,063	\$ 64,990	\$ 60,083	\$ 9,489	\$ 76
Add: Fixed charges	2,310	3,316	2,093	2,470	1,848	2,001
	23,756	64,379				