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

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For Immediate Release

Investor and Media Relations:  
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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

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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

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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
			915,851	
		Total:	915,851	

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- 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

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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](http://www.dianashippinginc.com) by 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". 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](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 enter the code number 6657528.

### About the Company

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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

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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)	
<b>REVENUES:</b>		
Voyage and time charter revenues	\$ 25,802	\$ 15,221
<b>EXPENSES:</b>		
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
Operating income	16,404	9,561
<b>OTHER INCOME (EXPENSES):</b>		
Interest and finance costs	(257)	(689)
Interest Income	297	36
Total other income (expenses), net	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  
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Anastassis Margaronis  
President

23159.0003 #612756