d'AMICO INTERNATIONAL SHIPPING S.A.
2008 HALF-YEARLY FINANCIAL REPORT

SECOND QUARTER 2008

Date of issue: 29th July 2008

This document is available on www.damicointernationalshipping.com

d'Amico International Shipping S.A.

Registered Office in Luxemburg 25C Bd Royal

Share capital US$149.949.907 as at 30th June 2008

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BOARD OF DIRECTORS AND AUDITORS

BOARD OF DIRECTORS

Chairman
Paolo d'Amico[1]

Chief Executive Officer
Marco Fiori[1]

Directors
Cesare d'Amico[1]
Massimo Castrogiovanni[2]
Stas Andrzej Jozwiak[3]
Gianni Nunziante

(1) Member of the Executive Committee
(2) Independent Director
(3) Lead Independent Director

STATUTORY AUDITORS/COMMISSAIRE AUX COMPTES

Lux-Fiduciaire S.à.r.l., Luxembourg

EXTERNAL AUDITORS

Moore Stephens S.à.r.l., Luxembourg

HIGHLIGHTS

KEY FINANCIALS

2nd Quarter 2008	2nd Quarter 2007	US$ Thousand	1st half 2008	1st half 2007
63 155	71 071	Time charter equivalent (TCE) earnings	120 426	139 759
50 317	30 132	Gross operating profit / EBITDA	97 332	63 841
42 345	22 820	Operating profit / EBIT	80 708	49 102
39 030	29 041	Net profit	74 374	49 034
		Excluding gain from vessels disposals		
25 392	30 132	Gross operating profit / EBITDA	50 178	63 841
40.2%	*42.4%*	*as % of margin on TCE*	*41.7%*	*45.7%*
17 420	22 820	Operating profit / EBIT	33 554	49 102
27.6%	*32.1%*	*as % of margin on TCE*	*27.9%*	*35.1%*
14,104	29 041	Net profit	27 220	49 034
22.3%	*40.9%*	*as % of margin on TCE*	*22.6%*	*35.1%*
24 437	20 799	Operating cash flow	40 151	46 175
8 768	1 247	Gross CAPEX	165 338	1 947

As at 30 June 2008	As at 31 December 2007	
612 334	500 699	Total assets
211 830	157 911	Net financial indebtedness
322 474	282 689	Shareholders' Equity

OTHER OPERATING MEASURES

2nd Quarter 2008	2nd Quarter 2007		1st half 2008	1st half 2007
		Daily operating measures		
21 271	23 543	TCE earnings per employment day (US$)[1]	20 747	23 061
		Fleet development		
36.2	36.2	Total vessel equivalent	35.7	36.1
17.0	13.0	-Owned	16.9	13.0
14.4	20.2	-Chartered	14.3	20.3
4.8	2.9	-Indirectly chartered	4.6	2.8
		Vessel equivalent %:		
47.1%	35.9%	-Owned	47.3%	36.0%
39.7%	56.0%	-Chartered	39.9%	56.1%
13.2%	8.1%	-Indirectly chartered	12.8%	7.9%
1.5%	2.1%	Off-hire days/ available vessel days[2] (%)	1.8%	2.2%
48.9%	47.7%	Fixed rate contract/ available vessel days[3] (coverage %)	49.8%	44.9%

[1] This figure represents time charter ("TC") equivalent earnings for vessels employed on the spot market and time charter contracts, divided by the number of on-hire days, less commissions charged by external brokers and commercial managers. Calculations exclude chartered vessels in which the Group has an indirect interest, since distributions paid by the pool on these vessels are net of charter expenses, and would therefore require pro-forma adjustments to make it comparable to the remaining vessels. Calculations also exclude earnings from VPC Logistics Ltd, the company in which the Group manages back to back contracts between vessel operators and customers for the purposes of transporting vegetable and palm oil cargos.

[2] This figure is equal to the ratio of the total off-hire days, inclusive of dry-docks, and the total number of available vessel days, which is defined as the number of vessel days between delivery and redelivery for the fiscal period being considered.

[3] Fixed rate contract days/available vessel days (coverage ratio). This figure represents how many vessel days were employed on time charter contracts and COAs, inclusive of off-hire days, divided by the number of available vessel days, defined as the number of days between delivery and redelivery for all of our vessels, for the fiscal period being considered. To calculate TC days for vessels employed within the High Pool, we first had to calculate the ratio of TC days/available vessel days (the pool coverage ratio) for all vessels employed within the pool, from each of our vessels' pool entry dates. The number of TC days for a vessel was then determined as the product of the pool's coverage ratio since that vessel's pool entry and the number of days that vessel was operated within the pool. For vessels employed within Glenda International Management, the results from vessels are not pooled; we therefore used contractual commitments of each individual vessel to determine its coverage ratio. For vessels employed within the Handytankers Pool, we are not responsible for administrative functions and therefore have access to less detailed operating data, compared to the High Pool. TC days for these vessels was therefore determined using the average pool coverage ratio for the fiscal year being considered, rather than the ratio from the entry date of each of our vessels.

INTERIM MANAGEMENT REPORT

d'AMICO INTERNATIONAL SHIPPING GROUP

GROUP OVERVIEW

d'Amico International Shipping S.A. (the Group or d'Amico International Shipping) is an international marine transportation group, part of the d'Amico Group that traces its origins to 1936. As at 30 June 2008, d'Amico International Shipping controlled, through its operating subsidiary d'Amico Tankers Limited (IRL), either through ownership or charter arrangements, a modern fleet of 35.9 product tanker vessels, aggregating approximately 1.60 million deadweight tons (dwt). The product tanker vessels of d'Amico International Shipping range from approximately 35,000 to 51,000 dwt. As at the end of the second quarter 2008, the fleet included fourteen owned[1] and ten chartered in medium range product tankers (MRs), ranging from approximately 46,000 to 51,000 dwt, and three owned and four chartered in handysize product tankers, ranging from approximately 36,000 to 40,000 dwt. d'Amico International Shipping employs most of its controlled fleet through three commercial partnership arrangements. Through one of these arrangements the Group has partial interests in eleven additional chartered in handysize product tankers, corresponding to 4.9 vessels equivalent. As at 30 June 2008, 13 of the 14 chartered in vessels had either a vessel purchase option, a charter in extension option or both, during or at the end of the contract term. The average remaining charter in contract term for these 14 chartered in vessels was 5.9 years at the end of June, with the longest charter in contract spanning until 2018. All of the Group's vessels are double-hulled, and are primarily engaged in the transportation of refined petroleum products, providing worldwide shipping services to major oil companies and trading houses, such as ExxonMobil, Total, Shell, Glencore and Vitol.

d'Amico International Shipping operates, through d'Amico Tankers Limited, a young fleet, with an average age of approximately 3.9 years (4.9 years for the owned vessels), compared to an average in the product tanker industry of 10.6 years, according to Clarkson.

All the vessels are built in accordance with international industry standards and are compliant with IMO (International Maritime Organization) regulations and MARPOL (the International Convention for the Prevention of Pollution from Ships, 1973 as modified by the Protocol of 1978) as well as other international standards. In addition, d'Amico International Shipping is in compliance with the stringent requirements of major oil and energy-related companies, such as ExxonMobil, Shell, Total, Glencore, Petrobras, Vitol and Vela, which are some of its established customers. Based on recent revisions to Annexes I and II to MARPOL, adopted by the IMO and effective as of 1 January 2007, cargos, such as palm oil, vegetable oil, and a range of other chemicals can only be transported by vessels that meet the requirements stated in these revised annexes (hereinafter referred to as IMO Classed). Approximately 71% of d'Amico International Shipping's fleet as at 30 June 2008, calculated by number of vessels, was IMO Classed, expanding the range of products the Group can transport.

The Group operates and employs a significant portion of its controlled vessels through three partnership arrangements, two of which are pool arrangements and one of which is a commercial arrangement. These commercial partnerships enable the Group to deploy, collectively with the partners, a fleet of vessels with significant scale and geographic coverage. As a result, these partnerships allow d'Amico International Shipping to provide a comprehensive service to its customers and to enhance the geographic exposure to advantageous business opportunities, which in turn results in greater flexibility in deploying the Group's fleet.

Since 2001, d'Amico International Shipping, through its operating subsidiary d'Amico Tankers Limited, has been a member of the Handytankers Pool, together with A.P. Moller-Maersk, Seaarland Shipping Management and Motia Compagnia di Navigazione S.p.A. This is currently the largest handysize product tanker pool in the world,

[1] Includes High Presence, which was purchased by d'Amico International Shipping on 10 June 2008. This vessel was previously time chartered in by d'Amico Tankers Ltd, and the purchase option was exercised in advance of its original exercise period, which started in 2010. The delivery of this vessel will occur in August 2008.

operating approximately 90 vessels as at 30 June 2008. For the first six months of 2008, this pool included an average of 6.2 handysize product tankers from our fleet, and 11 indirectly chartered-in handysize product tankers in which we had a partial interest amounting to 4.6 vessel equivalents.

In 2003, the Group established High Pool Tankers Limited with Nissho Shipping Co. Limited (Japan). This pool operated seven MR product tankers as at 30 June 2008, including six of our controlled MRs. Under the pool arrangements d'Amico International Shipping is exclusively responsible for the pool's commercial management, in particular chartering, vessel operations and administration. In May 2005, the Group entered into a commercial arrangement with Glencore - ST Shipping, to jointly manage eight MR product tankers. d'Amico International Shipping and Glencore - ST Shipping each contributed four MRs. In August 2006, d'Amico International Shipping incorporated the commercial arrangement as Glenda International Management Limited to allow the Group to trade the vessels under a single brand name, Glenda International Management. As at 30 June 2008, Glenda International Management Limited operated 20 MR product tankers, including six of our owned MRs, and four of our chartered in MRs. As at 30 June 2008, d'Amico International Shipping employed all of its vessels through its partnerships, except for eight MRs and two handysize vessels, which are primarily operated directly through long-term time charter contracts with Exxon, Total and Glencore.

In addition to the pool and commercial agreements, d'Amico International Shipping has also established two joint ventures for the combined control of vessels, with key strategic partners. The first such venture, DM Shipping Ltd, allows d'Amico International Shipping to broaden the scope of its relationship with the Mitsubishi Group, and has a new building programme involving two MR vessels to be delivered in 2009. The second joint-venture, Glenda International Shipping, reinforces the commercial partnership with the Glencore Group. The joint venture company has a large order book, which includes the contracts for the purchase of ten new MR product / chemical tankers to be delivered between February 2009 and March 2011.

d'Amico International Shipping is a subsidiary of the d'Amico Group, one of the world's leading privately-owned marine transportation companies with over 70 years of experience in the shipping business, whose ultimate parent company is d'Amico Società di Navigazione S.p.A. (d'Amico Società di Navigazione) (Italy). Today, the d'Amico Group manages and controls about 73 owned and chartered in vessels, of which 36.9 are vessels of our fleet, operating in the oil product tanker market, while the remaining 36 include 34 dry-bulk vessels controlled by d'Amico Dry Limited and d'Amico Shipping Italia S.p.A., and 2 container vessels controlled by d'Amico Shipping Italia S.p.A. d'Amico International Shipping benefits from a strong brand name and an established reputation in the international market due to the long operating history of the d'Amico Group. In addition, the Group benefits from the expertise of the d'Amico Group, which provides support for technical management services, as well as all safety, quality and technical products and services to d'Amico International Shipping' vessels, including crewing and insurance arrangements.

d'Amico International Shipping has offices in Luxembourg, Dublin, London, Monaco and Singapore. In addition, it is also represented through the offices of our partnerships in New York, Copenhagen, Venice and Tokyo. As at 30 June 2008, the Group employed 399 seagoing personnel and 50 onshore personnel.

Fleet

The following tables set forth information about our fleet as at 30 June 2008:

MR current fleet

Name of vessel	Dwt	Year built	Builder, country	IMO classed
Owned				
High Venture	51,087	2006	STX, South Korea	IMO III
High Progress	51,303	2005	STX, South Korea	IMO III
High Performance	51,303	2005	STX, South Korea	IMO III
High Valor	46,975	2005	STX, South Korea	IMO III
High Courage	46,975	2005	STX, South Korea	IMO III
High Endurance	46,992	2004	STX, South Korea	IMO III
High Endeavour	46,992	2004	STX, South Korea	IMO III
High Challenge	46,475	1999	STX, South Korea	IMO III
High Spirit	46,473	1999	STX, South Korea	IMO III
High Wind	46,471	1999	STX, South Korea	IMO III
High Presence[1]	48,700	2005	Imbari, Japan	-
High Priority	46,847	2005	Nakai Zosen, Japan	-
High Harmony	45,913	2005	Shin Kurushima, Japan	-
High Consensus	45,896	2005	Shin Kurushima, Japan	-
Time chartered with purchase option				
High Century	48,676	2006	Imabari, Japan	-
High Prosperity	48,711	2006	Imabari, Japan	-
High Nefeli	45,976	2003	STX, South Korea	IMO III
Time chartered without purchase option				
High Saturn	51,149	2008	STX, South Korea	IMO III
High Mars	51,149	2008	STX, South Korea	IMO III
High Glory	45,700	2006	Minami Nippon, Japan	-
High Glow	46,846	2006	Nakai Zosen, Japan	-
High Trader	45,879	2004	Shin Kurushima, Japan	-
High Energy	46,874	2004	Nakai Zosen, Japan	-
High Power	46,874	2004	Nakai Zosen, Japan	-

[1] High Presence was purchased by d'Amico International Shipping on 10 June 2008. This vessel was previously time chartered in by d'Amico Tankers Ltd, and the purchase option was exercised in advance of its original exercise period, which started in 2010. The delivery of this vessel will occur in August 2008.

Handysize current fleet

Name of vessel	Dwt	Year built	Builder, country	IMO classed
Owned				
Cielo di Salerno	36,032	2002	STX, South Korea	IMO III
Cielo di Parigi	36,032	2001	STX, South Korea	IMO III
Cielo di Londra	35,985	2001	STX, South Korea	IMO III
Bare Boat without purchase option				
Cielo di Guangzhou	38,877	2006	Guangzhou, China	-
Time chartered without purchase option				
Cielo di Milano	40,083	2003	Shina, South Korea	IMO III
Cielo di Roma	40,096	2003	Shina, South Korea	IMO III
Cielo di Napoli	40,081	2002	Shina, South Korea	IMO III

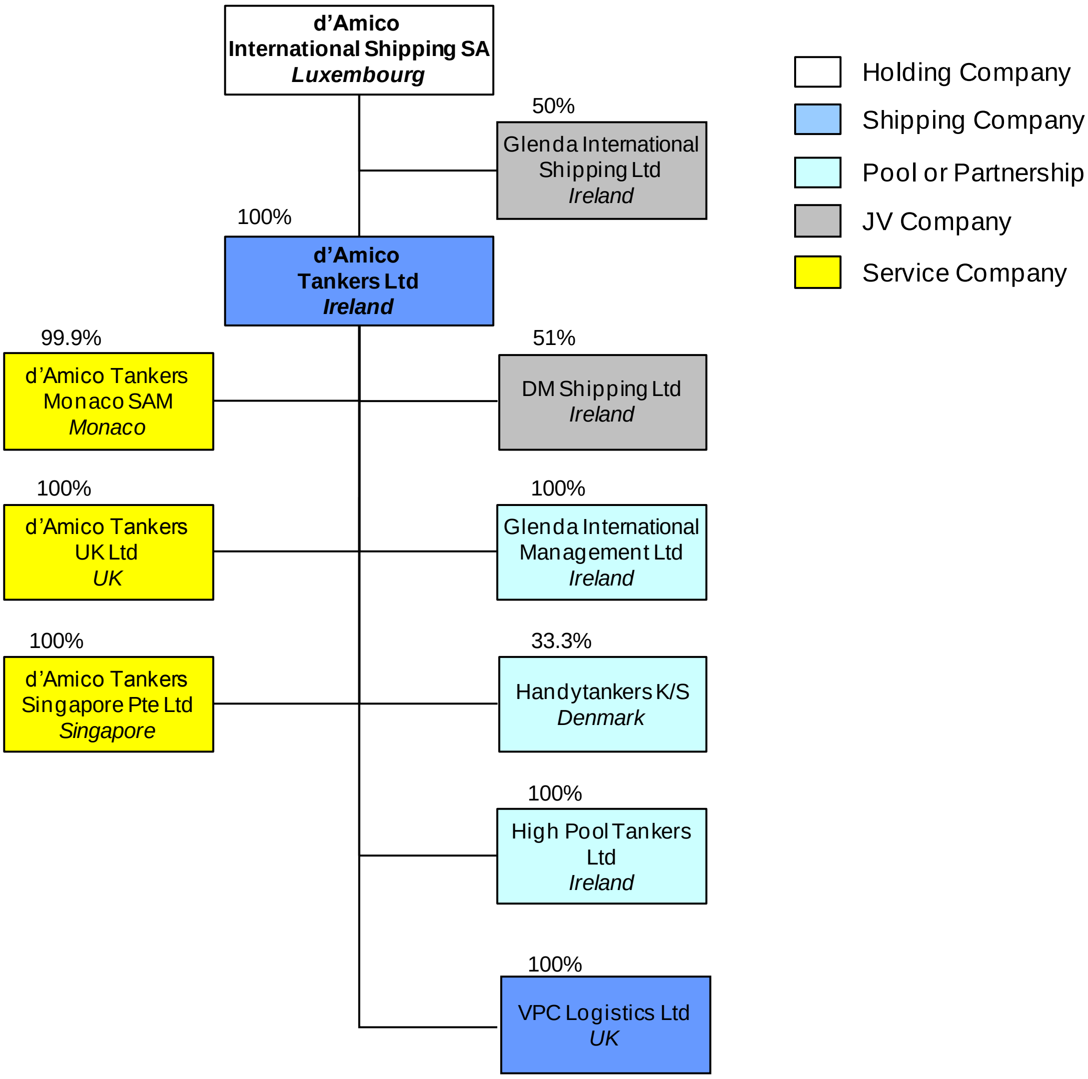
Handysize indirectly chartered current fleet

Name of vessel	Dwt	Year built	Builder, country	Partial interest	IMO classed
Handytanker Spirit	34,671	2006	Dalian, China	50%	IMO III
Handytanker Unity	34,620	2006	Dalian, China	33%	IMO III
Handytanker Liberty	34,620	2006	Dalian, China	33%	IMO III
Tevere	37,178	2005	Hyundai, South Korea	50%	IMO III
Fox	37,025	2005	Hyundai, South Korea	50%	IMO III
Ocean Quest	34,999	2005	Dalian, China	25%	IMO III
Elbtank Denmark[1]	37,274	2002	Hyundai, South Korea	50%	IMO III
Torm Ohio[1]	37,999	2001	Hyundai, South Korea	50%	IMO III
Time chartered with purchase option					
Handytankers Miracle	38,877	2008	Guangzhou, China	25%	IMO III
Melody	38,500	2008	Guangzhou, China	25%	IMO III
Malbec	38,499	2008	Guangzhou, China	100%	IMO III

[1] Elbtank Denmark was previously named Orontes, and Torm Ohio was previously named Ohio.

GROUP STRUCTURE

Set out below is d'Amico International Shipping Group's structure:



THE PRODUCT TANKERS INDUSTRY

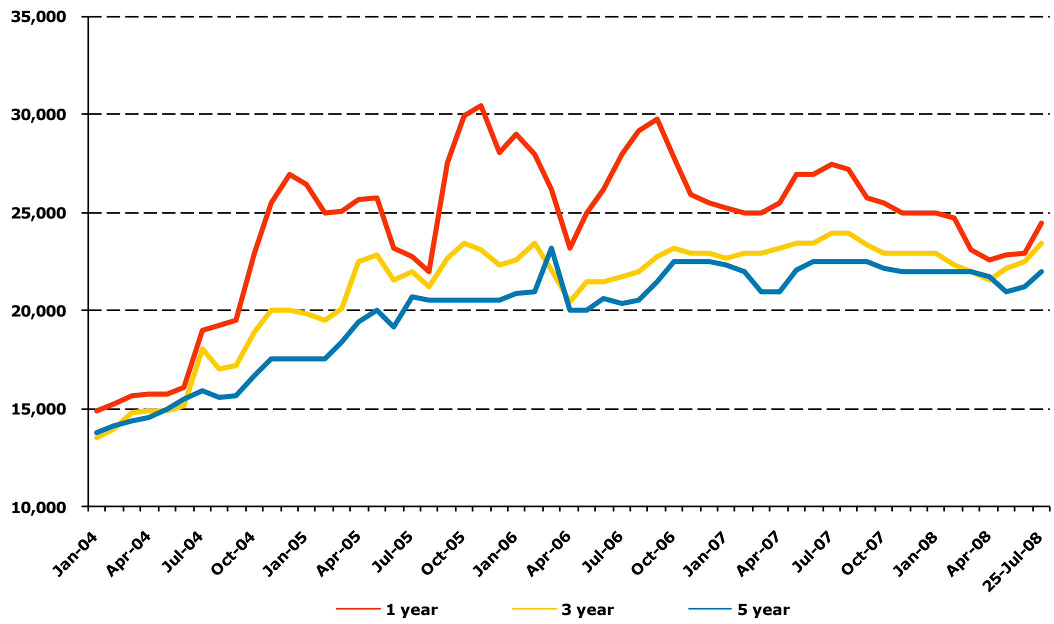
Product tankers normally move refined petroleum products, typically gasoline, jet fuel, kerosene, fuel oil, naphtha and other soft chemicals and edible oils.

The seaborne movement of refined petroleum products between regions addresses demand and supply imbalances for such products caused by the lack of resources or refining capacity in consuming countries.
Within the product tanker industry, d'Amico International Shipping operates in the MR segment, which comprises vessels ranging from 25,000 dwt to 55,000 dwt. MR vessels account for the largest portion[1] of product tankers; these size vessels permit the greatest flexibility in trade routes and access to ports which may have restrictions on vessel displacement size, or vessel length-overall.

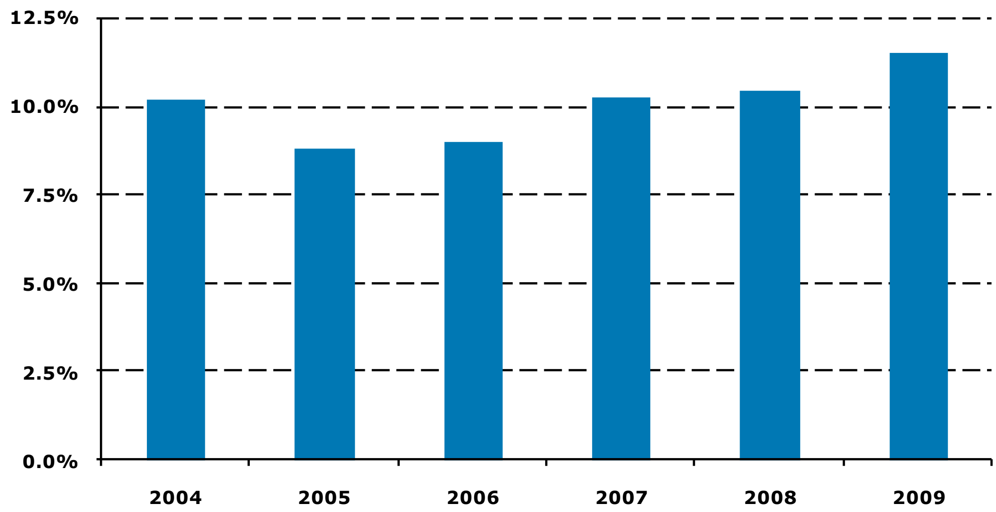
Product tanker class (dwt)	**Short range (SR) 10,000 – 25,000**	**Medium range (MR) 25,000 – 55,000**	**Long range (LR) 55,000 – 120,000**
Characteristics	Trades in specialised market regionally Focused primarily on the distribution side	Access to more ports than larger vessels Better economies of scale over medium and longer distances versus small vessels	Better economies of scale over longer haul voyages
Voyages	Only short	Short and long	Only long
Flexibility	Low	High	Low
Arbitrage Voyages	No	Yes	No
% world fleet [1]	21%	46%	33%

[1] Source: Clarksons Research Services Limited, as of 1 July 2008. Percentage of total product tankers (3,367 vessels). Excludes stainless steel vessels.

Time charter rates for MR product tankers from January 2004 to July 2008 (US$/day)[1]



Medium Range product tanker fleet growth (%) from 2004 to 2009[2]



[1] Source: Clarkson Research Services. MR product tankers from 45,000 to 47,000 dwt.

[2] Source: Clarkson Research Services. MR product tankers from 25,000 to 55,000 dwt. As at 1 July 2008.

SHAREHOLDERS

INVESTOR RELATIONS

d'Amico International Shipping's Investor Relations team works continuously on communicating effectively with the financial market through a structured program of communication that satisfies the goal of providing shareholders, investors and analysts with a regular flow of information.

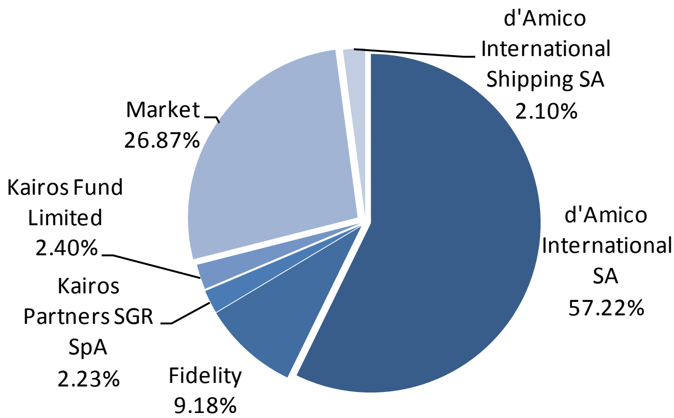
The financial results are presented on a quarterly basis through public conference calls which can be widely accessed, including through the Investor Relations website.
According to the Group's disclosure policy, d'Amico International Shipping edits a quarterly Investor News, seeking to keep all stakeholders updated about business developments, market opportunities, strategies and projects, operating performances, financial results and share trends.
The website is steadfastly updated in two languages and it represents a rapidly and detailed source of information widely available for the financial community.
In addition, the Investor Relations department organizes analyst days, calls and regular meetings with shareholders and investors in the major financial markets or at the company's head office, company visits and presentations at broker conferences.

d'Amico International Shipping shareholders may also contact:
ir@damicointernationalshipping.com
damicotankers@capitallink.com

SHAREHOLDERS

A total of 149,949,907 ordinary shares are outstanding. Based on the latest shareholdings communicated by investors, in accordance with applicable rules and Art.6 of our Articles of Association, the following individuals and institutions have holdings exceeding 2% of d'Amico International Shipping's total ordinary shares outstanding:

Shareholders whose holding exceeds 2% of d'Amico International Shipping's ordinary shares outstanding



SHARE PRICE PERFORMANCE

Given the unstable stock market conditions over the last number of months, d'Amico International Shipping's share price has generally outperformed the overall STAR Index, decreasing by 35%[1] since launching in May 2007, compared to a 39%[1] average for the Index. The average daily trading volume, excluding the first week of negotiation, has been about 258,000 shares.

[1] As at 28 July 2008.

FINANCIAL REVIEW OF THE GROUP

HIGHLIGHTS OF THE GROUP'S PERFORMANCE IN THE FIRST HALF OF 2008

During the six month period ended 30 June 2008, the Group achieved a net profit of US$74.4 million, and gross operating profit (EBITDA) of US$97.3 million. Excluding, for comparison purposes, the gain from the disposal of the two vessels M/T High Trust and M/T High Peace during the period, the Group's key financials were as expected considering the general market conditions, and somewhat lower than H1 2007. However key margins were still very strong, with an EBITDA margin of 41.7%, and a net profit margin of 22.6% (as a percentage of TCE, and excluding result on disposal of vessels).

The decrease in EBITDA with respect to H1 2007 was driven mainly by lower TCE rates (-10%), and by the lower average number of vessels operated in H1 2008 (-0.4 vessels). In comparison to H1 2007, DIS coverage stood at 50% for the first six months of 2008 (+9%), protecting the company's position, mainly over the first quarter of the year, against weaker markets. This percentage is within the range of Group policy (coverage between 40%-60%), which should avoid losing out on attractive spot market opportunities when they arise also. To this end, the Group average TCE rate showed an improvement in Q2 2008 compared to Q1 2008 (+10% to US$21,271), due to a steadily improving spot market during the second quarter. The Group result was also enhanced compared to the previous quarter by its expanding fleet (+1.0 vessel).

Following on from the purchase of three previously time chartered in vessels in Q1 2008, DIS exercised a purchase option on M/T High Presence in Q2, in advance with respect to its original exercise date and at a price (US$30 million) significantly below its market value. As the purchase and sale of vessels is an integral part of the business, the Group also sold for a very attractive price M/T High Peace in Q2, which realized a profit of almost US$25 million. Owned vessels accounted for over 47% of the DIS fleet at the end of the first half of the year.

The spot market started to show some improvement late in April, coming from a relatively low March level. This improvement picked up pace in May, and June was the strongest of the first six months of 2008. Despite a strong Q2 2008 performance, average spot market rates could not reach the record performance of Q2 2007, but the gap narrowed from what was experienced in Q1 2008 versus the same quarter the year before. Q2 2008 rates also exceeded returns for Q2 2006 and 2005.

The second quarter started in the same vain as the end of Q1 2008, with freight rates rather soft, and both the Western and Asian markets only experienced a significant upward trend from the middle of May, with healthy demand driving rates up, initially on the back of a strong Western market. Strengthening US gasoline prices aided the arbitrage in the European to United States runs. Distillate products continued to flow from the US to Europe and effectively increased tonne miles. This contributed to a reduction in vessel supply and thus aided positive spot market rate increases. Spot net returns (TCE equivalent) were, however, to a certain extent adversely affected by a steady increase in bunker fuel prices, curtailing larger increases in net returns.

Asian markets also improved, but did not reach the highs of the Western market. Refinery turnarounds and high commodity prices in Asia meant trading arbitrage business was limited there, especially on Asia to United States West Coast routes, but term cargos and a slight increase in Australian imports did add to healthy demand. There was healthy arbitrage from the Middle East to Europe for jet fuel runs, allowing medium range product tankers to reposition to the slightly stronger markets, and even towards the end of the quarter naphtha arbitrage allowed some to move back to the East from the Western hemisphere. The Middle East Gulf increased activity and the erratic supply of product tankers was able to put upward pressure on freight rates in this market.

Despite China putting up the price of domestic fuel, it was importing larger volumes of middle distillates (gasoil and jet fuel) during the period, thus activating more tonnage than usual in the short-sea North Asia, creating an upward pressure on freight rates.

Continued disputes in Argentina resulted in reduced exports of sunflower and soybean oil from here compared to the same period last year. Conversely, the palm oil market from Malaysia, Indonesia, and the Philippines showed strong demand for IMO product tanker tonnage towards the end of Q2 2008, with good volumes of palm oil being exported to Europe.

The time charter market was also positive during Q2 2008, with 1, 3 and 5 year rates being assessed at US$24,500, US$23,500 and US$22,000/day respectively.

OPERATING PERFORMANCE

2nd Quarter 2008	2nd Quarter 2007	*US$ Thousand*	1st half 2008	1st half 2007
84 274	88 680	Revenue	157 232	172 088
(21 119)	(17 609)	Voyage costs	(36 806)	(32 329)
63 155	**71 071**	**Time charter equivalent earnings**	**120 426**	**139 759**
(19 664)	(25 681)	Time charter hire costs	(38 050)	(50 059)
(12 729)	(8 286)	Other direct operating costs	(23 573)	(16 445)
(6 453)	(7 709)	General and administrative costs	(12 099)	(10 899)
1 083	737	Other operating Income	3 474	1 485
24 925	-	Result on disposal of vessels	47 154	-
50 317	**30 132**	**Gross operating profit / EBITDA**	**97 332**	**63 840**
(7 972)	(7 312)	Depreciation	(16 624)	(14 738)
42 345	**22 820**	**Operating profit / EBIT**	**80 708**	**49 102**
(3 036)	(5 683)	Net financial income (charges)	(5 878)	(9 830)
39 309	**17 137**	**Profit before tax**	**74 829**	**39 273**
(280)	11 903	Income taxes	(455)	9 761
39 029	**29 041**	**Net profit**	**74 374**	**49 034**

Revenue for the first half of 2008 amounted to US$157.2 million, compared to US$172.1 million for the same period in 2007. Revenue for Q2 2008 and Q2 2007 was US$84.3 million and US$88.7 million respectively. The decrease, primarily in the earlier part of the year, reflects lower freight rates in 2008, together with a slightly lower average number of vessels controlled during the first half of 2008. The percentage of off-hire to available days for the Group's fleet reduced from 2.2% in H1 2007 to 1.8% in H1 2008.

Voyage costs increased by 14% in H1 2008 compared to H1 2007, despite the higher coverage ratio in 2008, reflecting rising bunker prices.

Time charter equivalent earnings for the six months ended 30 June 2008 were US$120.4 million (2007: US$139.8 million). The gap between 2008 and 2007 narrowed in Q2, with TCE earnings of US$63.2 million in Q2 2008, compared to US$71.1 million in Q2 2007. The overall decrease is mainly attributable to the weaker product tanker market conditions, causing a decrease in TCE per employment day of 10.0% for the half year, to US$20,747 (H1 2007: US$23,061). As noted above also, the average number of available vessels in H1 2008 was lower than H1 2007. However, the gap between TCE earnings in 2008 and 2007 continued to narrow throughout the period, decreasing from 10.4% in Q1 to 9.6% in Q2, despite a record performance being recorded in Q2 2007.

Time charter hire costs for H1 2008 were US$38.1 million, 24% lower than those for H1 2007. The reduction in time charter hire costs is attributable mostly to a reduction in the average number of vessels on time charter-in following the exercise of several vessels purchase options since the last quarter of 2007. There was an average of 14.3 time chartered vessels for H1 2008, compared to 20.3 for H1 2007.

Other direct operating costs include crew, technical, luboil, and insurance expenses. These costs, which mainly arise from the operation of owned vessels, and to a lesser extent from the operation of vessels on time charter-in, amounted to US$23.6 million for the six month period ended 30 June 2008, compared to US$16.4 million for the six month period ended 30 June 2007. The crew cost for the first half 2008 was US$11.2 million (US$7.8 million in H1 2007), while technical costs amounted to US$6.3 million (US$3.4 million in H1 2007). The increase, consistent with the first quarter of the current year, is mainly attributable to the increase in the average number of owned vessels in H1 2008, together with an increase in the average daily cost for crews, due to the shortage of skilled seagoing personnel.

General and administrative expenses for the half year ended 30 June 2008 amounted to US$12.1 million, higher than those recorded for the half year ended 30 June 2007 (US$10.9 million). This variance was expected as the costs are not comparable with the previous year, with the company having floated in the middle of Q2 2007, and now incurring costs associated with being a listed company, together with significantly increasing the number of staff. H1 2008 staff costs, which also include Directors' fees, amounted to US$7.1 million (compared with US$3.7 million for H1 2007), of which US$0.8 million representing non-cash item relating to the portion of the fair value of share options granted to top management in September 2007. These costs were also negatively impacted by the unfavourable US dollar exchange rate during the period, with the majority of the managers and employees being paid in Euro.

Other operating income for the six months ended 30 June 2008 (US$3.5 million), includes chartering commission from the Handytankers pool, and also insurance compensation relating to the loss of earnings following certain damages and claims occurred.

Result on disposal of vessels (US$47.2 million) represents the significant profits on sale of M/T High Trust in Q1 (US$22.2 million) and M/T High Peace in Q2 (US$24.9 million). Demand for second hand vessels and related values remain strong in the current market.

Gross operating profit (EBITDA) for the six month period ended 30 June 2008 amounted to US$97.3 million (US$50.2 million excluding gain from disposal of vessels), compared to US$63.8 million for the period ended 30 June 2007. EBITDA for Q2 2008 was US$50.3 million (US$25.4 million excluding gain from disposal of vessel), compared to US$30.1 million for Q2 2007. As a percentage of time charter equivalent earnings, the gross operating profit margin in H1 2008 was 41.7% (excluding gain from disposals) compared to 45.7% in H1 2007 (Q2 2008: 40.2%; Q2 2007: 42.4%). The variance in margins is essentially attributable to the already disclosed decrease in TCE earnings driven by the weaker market conditions, mainly in the first quarter of the year. This effect has been mitigated by the improvement in the operating costs following the increase in the percentage of owned vessels (from 36.0% in H1 2007 to 47.3% in H1 2008).

Depreciation for H1 2008 amounted to US$16.6 million, rising compared to H1 2007 (US$14.7 million). The increase is attributable to the growth from 13 to 17 in the number of owned vessels in H1 2008, compared to H1 2007. This is partially offset by a rise in the scrap value of vessels (reducing depreciable amounts), attributable to higher steel prices.

Operating profit (EBIT) for the half year ended 30 June 2008 amounted to US$80.7 million, compared to US$49.1 million for H1 2007. Q2 2008 EBIT was US$42.3 million, compared to US$22.8 million in Q2 2007. A decrease in earnings as a result of a generally weaker market in 2008, when the product tanker market reached its last market cycle peak, was offset by gains on disposals of vessels during 2008.

Net financial charges for H1 2008 amounted to US$5.9 million, compared to US$9.8 million in H1 2007. The favourable variance is largely a consequence of the financial flexibility achieved through the revolving debt facility negotiated at the end of Q1 2007, allowing the Group to manage its financial leverage to optimise the debt level and, consequently, reduce the financial charges.

Profit before tax for the six months ended 30 June 2008 amounted to US$74.8 million (US$27.7 million excluding gain from disposal of vessels), compared to US$39.3 million for the six months ended 30 June 2007. Despite a weakened market, the Group maintained a robust profit margin for the first half of 2008 compared to H1 2007 (23.0% and 28.1% respectively on a comparable basis, excluding 2008 gain on vessels' disposal).

Income taxes mainly arise from the Group's key operating entity, d'Amico Tankers Ltd (Ireland). Entry into the Irish Tonnage Tax regime in 2007 led to the recognition of taxes for the period based on the notional income of vessels, which is dependent on the size of the vessel, rather than on the company's profit. This led to a tax credit of US$9.8 million being recognised in H1 2007, following a write back of tax liabilities in that period. This compares to a charge of US$0.5 million in H1 2008.

Net profit for the half year ended 30 June 2008 amounted to US$74.4 million, compared to US$49.0 million for the half year ended 30 June 2007. Net profit for Q2 2008 was US$39.0 million, compared to US$29.0 million for Q2 2007.

CONSOLIDATED BALANCE SHEET

US$ Thousand	**As at 30 June 2008**	**As at 31 March 2008**	**As at 31 December 2007**
ASSETS			
Non current assets	520 648	547 485	430 609
Current assets	91 686	78 095	70 090
Total assets	**612 334**	**625 580**	**500 699**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity	322 474	311 577	282 689
Non current liabilities	242 788	267 717	178 482
Current liabilities	47 072	46 286	39 528
Total liabilities and shareholders' equity	**612 334**	**625 580**	**500 699**

Non current assets are comprised almost entirely of the fleet (owned vessels), whose book value (cost less depreciation) is significantly lower than its market value of US$972.6[1] million as at 30 June 2008, according to a valuation report provided by Clarkson, as at 10 July 2008.

During the first half of the year *gross capital expenditures* was US$165.3 million, while in Q2 2008 the amount was US$8.8 million, relating mainly to progress payments made for ten MR vessels under construction as part of the Glenda International Shipping joint venture. Also included in capitalised costs are dry-docks relating to the d'Amico International Shipping's owned vessels.

Current assets*,* excluding cash and cash equivalents (US$34.6 million as at 30 June 2008), mainly refer to working capital items (trade receivables and inventories).

[1] Includes d'Amico International Shipping's share of yard payments for ten vessels under construction which are part of the Glenda International Shipping joint venture, amounting to US$94.9 million, and for two vessels under construction which are part of the d'Amico Mitsubishi Shipping joint venture, amounting to US$4.2 million. The market value figure also includes High Presence, which was purchased on 10 June 2008, but has not yet been delivered to the Group. The purchase price for this vessel is approximately US$30.0 million, which is not included in the book value of the Group as at 30 June 2008.

Non current liabilities consist of the long-term portion of debt due to banks, disclosed under the Financial Position section below, while current liabilities include working capital items (trade payable and other liabilities).

The increase in ***shareholders' equity*** from US$282.7 million as at 31 December 2007, to US$322.5 million as at 30 June 2008, is attributable primarily to the consolidated net profit for the six months of US$74.4 million, and to the dividend payment of US$34.3 million during the second quarter of the year.

FINANCIAL POSITION

In H1 2008 the Group incurred net capital expenditures amounting to US$59.5 million, aimed at sustaining the owned fleet growth. During the period, US$81.1 million was paid for three purchase options exercised in advance, together with progress payments amounting to US$78.7 million being made on ten MR vessels under construction as part of the Glenda International Shipping joint venture. Two MR vessels were also sold during the period, generating proceeds of US$105.9 million. As a result, net financial indebtedness amounted to US$211.8 million as at 30 June 2008, compared to US$157.9 million as at 31 December 2007. The ratio of net debt to shareholder's equity was 0.66 at 30 June 2008.

US$ Thousand	**As at 30 June 2008**	**As at 31 March 2008**	**As at 31 December 2007**
Liquidity			
Cash and cash equivalents	34 578	26 993	24 926
Securities held for trading	-	-	-
Current financial receivables			
From related parties	-	-	-
From third parties	-	-	-
Other current financial assets	-	-	-
Total current financial assets	**34 578**	**26 993**	**24 926**
Bank loans – current	-	-	-
Other current financial liabilities			
Due to related parties	-	-	-
Due to third parties (swap fair value)	3 620	10 212	4 355
Total current financial debts	**3 620**	**10 212**	**4 355**
Net current financial indebtedness	**(30 958)**	**(16 781)**	**(20 571)**
Bank loans – non current	242 788	267 717	178 482
Other non current financial liabilities			
Due to related parties	-	-	-
Due to third parties	-	-	-
Total non current financial debt	**242 788**	**267 717**	**178 482**
Net financial indebtedness	**211 830**	**250 936**	**157 911**

US$213.6 million of the bank loans outstanding as at 30 June 2008 is attributable to the 10 year revolving facility between d'Amico Tankers Ltd (Ireland) and Caylon, arranged in March 2007 (which is syndicated by other primary banking institutions, namely Intesa Sanpaolo S.p.A., Fortis Bank (Nederland) N.V., The Governor and the Company of the Bank of Ireland, Norddeutsche Landesbank Girozentrale, and Scotiabank (Limited).

The remaining US$29.2 million relates to the facility granted by Commerzbank AG Global Shipping, for the Glenda International Shipping Ltd Joint Venture four new-building 47,000 dwt MR Product Tankers, under construction at SLS Shipping Co, Korea.

CASH FLOW

Net cash flow for the six months ended 30 June 2008 amounted to US$9.7 million, increasing cash and cash equivalents to US$34.6 million as at 30 June 2008, from US$24.9 million at the end of December 2007. Of this, net cash increased by US$7.6 million in Q2 2008.

2nd Quarter 2008	2nd Quarter 2007	US$ Thousand	1st Half 2008	1st Half 2007
24 436	20 799	Cash flow from operating activities	40 151	46 175
42 802	(1 210)	Cash flow from investing activities	(59 481)	(32)
(59 653)	12 319	Cash flow from financing activities	28 982	(3 004)
7 585	**31 908**	**Change in cash balance**	**9 652**	**43 138**
7 585	**31 908**	**Net increase/(decrease) in cash & cash equivalents**	**9 652**	**43 138**
26 993	25 162	Cash & cash equivalents at the beginning of the period	24 926	13 932
34 578	**57 070**	**Cash & cash equivalents at the end of the period**	**34 578**	**57 070**

Cash flow from operating activities for the six months ended 30 June 2008 amounted to US$40.2 million, compared to US$46.2 million for H1 2007. The decrease was mainly driven by lower TCE earnings in 2008, partially offset by lower interest payments in that period also.

Cash *flow from investing activities* amounted to a net outflow of US$59.5 million for the first six months of 2008, compared to a US$32,000 net outflow in H1 2007, when little activity occurred. Additions to fixed assets in H1 2008 included the exercise of purchase options on M/T High Harmony, M/T High Consensus and M/T High Peace, amounting to US$81.1 million, and d'Amico International Shipping's share of yard payments on vessels under construction as part of the Group's joint venture with Glencore, Glenda International Shipping Ltd, amounting to US$78.7 million. The disposal of M/T High Trust in Q1 2008 and M/T High Peace in Q2 2008 generated a cash inflow of US$105.9 million in the period.

Cash flow from financing activities for the half year ended 30 June 2008 includes a net drawdown of US$35.1 million from the Caylon revolving facility and a drawdown of US$29.2 million from the Commerzbank facility. A shareholders dividend of US$34.3 million was paid in Q2 2008, and other financing activity movements relate to changes in forex balances and other movements in shareholder's equity.

SIGNIFICANT EVENTS OF THE PERIOD

GLENDA INTERNATIONAL SHIPPING – THE JOINT-VENTURE WITH GLENCORE GROUP

The joint venture agreement with Glencore Group, one of the world's largest suppliers of a wide range of commodities and raw materials to industrial consumers, originally involved the acquisition of four new 47,000 dwt product/chemical tankers (the SLS vessels), to be delivered in the first half of 2009, and was amended on 19 December 2007 to include three additional product tankers. Following a further transaction on 1 February 2008, Glenda International Shipping's fleet expanded from seven to a total of ten MR double-hull product/chemical tankers under construction, with deliveries now scheduled between February 2009 and March 2011. In December 2007, Glenda International Shipping signed an agreement with Commerzbank AG - Global Shipping to finance yard payments for the first four SLS vessels.

In June 2008, the company signed with Commerzbank AG - Global Shipping and Credit Suisse a term sheet to finance yard payments for the next six Hyundai product tankers vessels. This agreement involves single-vessel loans with a ten-year maturity from vessel delivery, for a total amount of up to US$195.0 million (67% of the total consideration to be paid for the vessels), and an interest cost referenced to the US dollar LIBOR plus a spread varying from 90 to 110 basis points, depending on the financed vessels' loan-to-assets' value ratio. Collaterals mainly refer to first-priority mortgages on the vessels. The agreements also provide a covenant relating to the financed vessels' aggregate value-to-loan ratio, which should at all times be at least 130%.

EXPANSION OF CONTROLLED FLEET

On 15 January 2008, M/T Malbec, a handysize chartered-in vessel in which the Group has a 100% indirect interest, was delivered to d'Amico Tankers Limited for a period of 6 years. The time charter-in contract also includes a purchase option at the contract expiration date. On 28 February 2008 and 15 May 2008 respectively, M/T Handytankers Miracle and M/T Melody, two handysize chartered-in vessels in which the Group has a 25% indirect interest, were delivered to the same operating company for a period of 6 years each. The time charter-in agreements for these vessels also include purchase options at their contract expiration dates. The time charter-in contract for M/T High Nefeli, which was due to expire in March 2008, was extended for another three years to March 2011.

On 11 April 2008, M/T High Saturn, a medium range chartered-in vessel in which the Group has a 100% interest, was delivered to d'Amico Tankers Limited for a period of 7 years. On 25 April 2008, M/T High Mars, a medium range chartered-in vessel in which the Group has a 100% interest, was delivered to d'Amico Tankers Limited for a period of 7 years also. Both of these vessels have options to increase the charter-in periods for a maximum of three additional years each, at the discretion of the Group.

VESSEL OPTIONS EXERCISE

On 8 January 2008, the Group, through d'Amico Tankers Ltd, acquired the M/T High Harmony, by exercising the vessel's purchase option in advance with respect to the original exercise period commencing in 2010. High Harmony, which before its acquisition was on time-charter to the Group, is a double-hulled MR product tanker vessel (45,913 dwt), built in 2005 by the Shin Kurushima shipyard in Japan. The purchase price of the vessel was US$26.5 million, significantly lower than its current market value, which is higher than US$50.0 million.

On 17 January 2008, d'Amico Tankers Ltd acquired the M/T High Consensus, a double-hulled MR product tanker vessel (45,896 dwt). The purchase price of US$26.5 million is significantly lower than the current market value of the vessel, which is higher than US$50.0 million. The vessel was originally chartered-in by d'Amico Tankers Limited in 2005, and was purchased in advance with respect to its original exercise period, starting in 2010.

d'Amico Tankers also acquired the MR product tanker the M/T High Peace during H1, on 29 February 2008. This vessel was originally chartered-in by d'Amico Tankers Limited in 2004, and the Group negotiated with the owners an early exercise of its purchase option. The vessel was subsequently sold, realising a profit of approximately US$25 million (see next section for further details).

On 10 June 2008, the Group announced that d'Amico Tankers Ltd exercised a purchase option on the double-hull MR product tanker M/T High Presence, a 48,700 dwt vessel built in 2005, in Imbari Shipbuilding Co Ltd Japan. The agreed purchase price for the vessel is Yen 3.15 billion (about US$30 million), significantly lower than the current market value of the vessel, which is in excess of US$50 million. The vessel was originally chartered in by d'Amico Tankers Ltd in 2005, and the charter agreement provided for a purchase option exercisable in 2010. Delivery of the vessel is expected in August 2008.

Sale of Vessels

On 1 February 2008, d'Amico Tankers sold to a third party the M/T High Trust, a medium range double-hull product tanker built in 2004 by the Shin Kurushima Shipyard in Japan. A net gain of US$22.2 million was realised on the sale of this vessel. Prior to its sale, the vessel had been time chartered-in, and then owned by d'Amico Tankers Limited, which had exercised its purchase option last year.

On 8 May 2008, d'Amico Tankers sold to a third party the M/T High Peace. As described in the previous section of this report, this vessel was previously time chartered in by the Group, before it was acquired in Q1 2008. The sale price for the vessel was US$55.0 million, realising a gain on disposal of US$24.9 million.

Buy Back Programme

In pursuance of the share buy-back program approved by the Board of Directors on 1 August 2007, d'Amico International Shipping SA between March and April 2008, has repurchased, on the regulated market managed by Borsa Italiana S.p.A., a further 532,080 shares (0.355% of the share capital), at the average price of Euro 2.016, for a total consideration of Euro 1,072,783. As at 30 June 2008, d'Amico International Shipping SA held 3,114,008 of its own shares, corresponding to 2.077% of the outstanding share capital.

Repurchases of d'Amico International Shipping shares were approved to:

- Enable d'Amico International Shipping to use its own shares for sale and/or swaps which might be pursued in the ordinary course of business;
- To pursue transactions in line with d'Amico International Shipping's strategy, involving an exchange, transfer, contribution, pledge, allocation, or assignment, of own shares.
- To allocate own shares for the implementation of stock option plans.

SIGNIFICANT EVENTS SINCE THE END OF THE PERIOD AND BUSINESS OUTLOOK

Expansion of the Controlled Fleet

On 18 July 2008, the M/T High Mercury, a medium range chartered in vessel in which the Group has a 100% interest, was delivered to d'Amico Tankers Limited for a period of 7 years. This is a modern double-hull IMO classed vessel of 51,000 DWT.

On 18 July 2008 also, it was announced that the operating subsidiary d'Amico Tankers Limited (Ireland), entered into contracts for the construction of two additional new product/chemical tanker vessels (being medium range 46,000 DWT) with Hyundai Mipo Dockyard Co Ltd, Korea, for expected delivery in January and October 2011, for a consideration of US$50.5 million each. These double-hulled vessels are modern, flexible, IMO classed vessels.

DIS total fleet comprised of 36.9 vessels as at 29 July 2008. This is expected to grow to 44.9 vessels by the end of 2009 based on the Group's new building and chartering programme.

Furthermore, DIS still has purchase options over several vessels with significant value compared to current market prices. Overall, DIS holds purchase options on 6.1 vessels exercisable by the end of 2017. Of these, options on 2.3 vessels are exercisable by the end of 2011, with an estimated excess of market price over exercise price as of today of US$55.6 million.

BUY BACK PROGRAMME

In pursuance of the share buy-back program approved by the Board of Directors on 1 August 2007, d'Amico International Shipping SA during the period between 18 July until 29 July 2008, repurchased, on the regulated market managed by Borsa Italiana S.p.A., a further 38,750 shares (0.026% of the share capital), at the average price of Euro 2.202, for a total consideration of Euro 85,311. As at the 29 July 2008, d'Amico International Shipping SA holds 3,152,758 of its own shares, corresponding to 2.103% of the outstanding share capital.

BUSINESS OUTLOOK

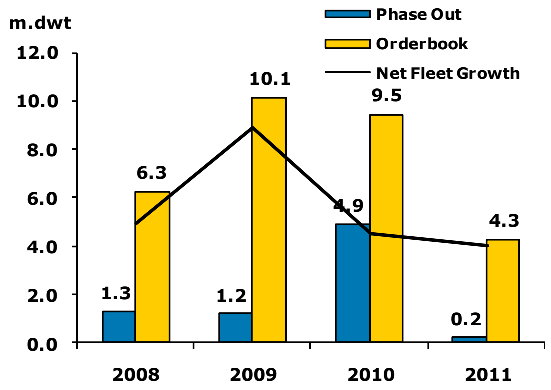
Over the last two years, despite the substantial number of vessels delivered (9% fleet expansion in 2006 and just over 10% in 2007; source: Clarkson Research Services), strong growth in demand has sustained freight rates at historically high levels, with average rates for 3 and 5 years time charters, which give an indication of future market expectations, remaining stable at high levels.

For the full year 2008, we still expect an even larger influx of new buildings (over 10.4% fleet expansion; source: Clarkson Research Services), and a slow-down in economic and oil demand growth as a result of the difficulties being experienced by the worldwide economy and high oil prices. Nevertheless, a number of mitigating factors, some of which were present over the last two years, as well as some new ones, should sustain freight markets, namely:

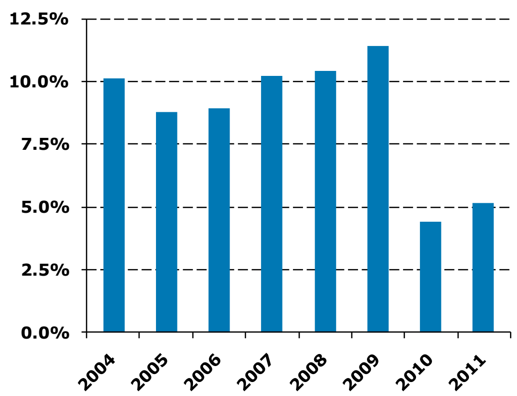
- An increase in requests for long-haul voyages, driven by a growing dislocation between refining capacity and demand – the majority of new refining capacity is being added in South East Asia and the Middle East, far away from the key consuming areas of Europe and North America.
- Continued tight availability of yards for dry dock and repairs resulting in delays.
- Rising demand for IMO classed vessels to cover the strong and growing market for the carriage of vegetable, palm oil and chemical products.
- Multidirectional refined products trade, driven by arbitrage opportunities.
- A further tightening of vetting and screening procedures from oil companies, favouring modern, double-hull vessels, operated by owners with full in-house ship-management and crewing. In this respect, some large Asian refineries are reducing the use of single-hull tankers before their complete ban in 2010.
- An additional acceleration of scrapping of older single-hull vessels. According to Clarkson's research, there is 7.42 million tons of deadweight expected to be scrapped in the 25-55,000 metric ton deadweight segment between 2008 and the 2010 IMO phase out.
- A substantial increase in forecasted product refining capacity, of 2.2 million barrels per day (bpd) in 2008 (source: International Energy Agency July 2008 medium-term oil market report).
- Ability of modern refineries, often located far from the consuming regions to:
    - Meet increasing demand for specialised products arising from new US and European environmental regulations.
    - Process sour crude, which should represent most of the future growth in crude production (smaller capacity to scale-up production of sweet crude).
- Low petroleum product inventories in the United States, Japan and China, among the largest importers of such products.

Q3 2008 has started with good demand for product tankers, with well balanced tonnage supply also. However, the influx of new buildings for the remainder of 2008 and 2009 continues to be a cause for some concern. On the upside, near term low global refined product inventories could stimulate a continued steady market in the short term. In the longer term, the increase in supply of ships should be offset to some extent by forecast growth in refinery capacity in the Asian regions, and the phase out of single hull tonnage between 2010 – 2012, helping to increase demand for product tankers.

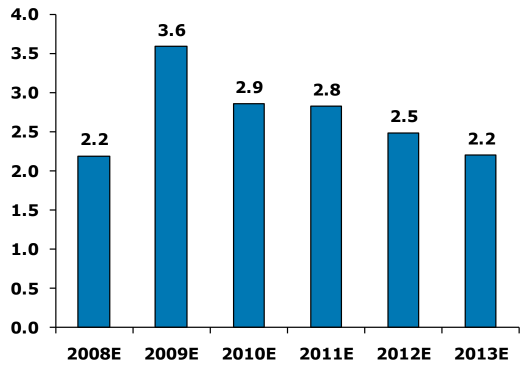
Medium Range deliveries/scrapping[1] (millions of dwt)



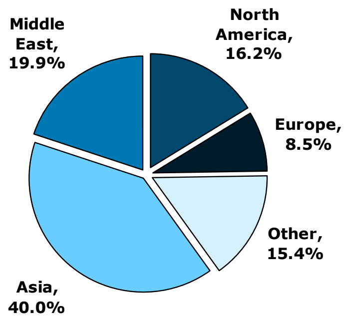
Medium Range product tanker fleet growth[1]



Global refinery capacity additions[2] (millions of bpd)



Breakdown of capacity additions by region[2] 2008 – 2012



[1] MR Product Tankers ranging from 25,000 to 55,000 dwt. Source: Clarkson Research Services as of 1 July 2008.

[2] Source: International Energy Agency Medium-Term Oil Market Report, July 2008.

d' AMICO INTERNATIONAL SHIPPING GROUP CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2008

CONSOLIDATED INCOME STATEMENT

2nd Quarter 2008	2nd Quarter 2007	*US$ Thousand*	Note	1st Half 2008	1st Half 2007
84 274	88 680	Revenue	2	157 232	172 088
(21 119)	(17 609)	Voyage costs	3	(36 806)	(32 329)
63 155	**71 071**	**Time charter equivalent earnings**	4	**120 426**	**139 759**
(19 664)	(25 681)	Time charter hire costs	5	(38 050)	(50 059)
(12 729)	(8 286)	Other direct operating costs	6	(23 573)	(16 445)
(6 452)	(7 709)	General and administrative costs	7	(12 099)	(10 899)
1 082	737	Other operating income	8	3 474	1 485
24 925	-	Result on disposal of vessels	9	47 154	-
50 317	**30 132**	**Gross operating profit**		**97 332**	**63 840**
(7 972)	(7 312)	Depreciation		(16 624)	(14 738)
42 345	**22 820**	**Operating profit**		**80 708**	**49 102**
(3 036)	(5 683)	Net financial income (charges)	10	(5 879)	(9 830)
39 309	**17 137**	**Profit before tax**		**74 829**	**39 272**
(280)	11 903	Income taxes	11	(455)	9 761
39 029	**29 041**	**Net profit**		**74 374**	**49 034**

The net profit is entirely attributable to the equity holders of the Company

0.2603	**0.1936**	**Earnings per share**	**0.4960**	**0.3270**
0.2558		**Diluted earnings per share**[1]	**0.4874**	

[1] HY1 2008 diluted earnings per share have been calculated assuming the issue of the total number of new shares provided by the share option plan (2,631,774)

CONSOLIDATED BALANCE SHEET

US$ Thousand	Note	As at 30 June 2008	As at 31 December 2007
ASSETS			
Non current assets			
Tangible assets	12	520 644	430 605
Financial fixed assets	13	4	4
Total non current assets		**520 648**	**430 609**
Current assets			
Inventories	14	13 039	9 300
Receivables and other current assets	15	44 069	35 863
Cash and cash equivalents	16	34 578	24 926
Total current assets		**91 686**	**70 090**
Total assets		**612 334**	**500 699**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity			
Share capital		149 950	149 950
Retained earnings		115 023	75 081
Other reserves		57 501	57 658
Total shareholders' equity	17	**322 474**	**282 689**
Non current liabilities			
Banks and other lenders	18	242 788	178 482
Total non current liabilities		**242 788**	**178 482**
Current liabilities			
Other financial current liabilities	19	3 620	4 355
Payables and other current liabilities	20	42 746	35 100
Current taxes payable	21	706	73
Total current liabilities		**47 072**	**39 528**
Total liabilities and shareholders' equity		**612 334**	**500 699**

On behalf of the Board

Paolo d'Amico
Chairman

Marco Fiori
Chief Executive Officer

CONSOLIDATED CASH FLOW STATEMENT

2nd Quarter 2008	2nd Quarter 2007	*US$ Thousand*	1st Half 2008	1st Half 2007
39 029	**29 041**	**Net profit**	**74 374**	49 034
7 972	7 311	Depreciation and amortisation	16 624	14 738
280	(9 761)	Current and deferred income tax	455	(9 761)
3 036	5 683	Financial charges	5 879	9 830
(24 925)	-	Result on disposal of fixed assets	(47 154)	-
72	-	Other non-cash items	44	-
25 464	**32 274**	**Cash flow from operating activities before changes in working capital**	**50 222**	**63 841**
(1 933)	(923)	Movement in stocks	(3 739)	(2 010)
(4 072)	(2 189)	Movement in amounts receivable	(8 205)	(954)
7 093	(3 994)	Movement in amounts payable	7 097	(2 363)
-	(4 539)	Taxes paid	208	(4 539)
(2 116)	(3 283)	Interest paid	(5 432)	(7 800)
24 436	**20 799**	**Net cash flow from operating activities**	**40 151**	**46 175**
(8 768)	(1 912)	Acquisition of fixed assets	(165 338)	(1 943)
51 570	752	Proceeds from the disposal of fixed assets	105 857	1 914
-	(50)	Acquisition of investments	-	(4)
42 802	**(1 210)**	**Net cash flow from investing activities**	**(59 481)**	**(32)**
-	(4 734)	Movement in amounts due from parent company	-	(38 914)
-	95 057	Share capital increase	-	94 556
373	(574)	Other changes in shareholders' equity	633	(574)
(826)	-	Treasury Shares	(1 685)	-
(52 000)	(281 400)	Bank loan repayments	(112 000)	(281 400)
27 073	203 970	Bank loan draw-downs	176 307	248 327
(34 273)	-	Dividend paid	(34 273)	(25 000)
(59 653)	**12 319**	**Net cash flow from financing activities**	**28 982**	**(3 004)**
7 585	**31 908**	**Change in cash balance**	**9 652**	**43 138**
7 585	**31 908**	**Net increase/ (decrease) in cash and cash equivalents**	**9 652**	**43 138**
26 993	13 932	Cash and cash equivalents at the beginning of the period	24 926	13 932
34 578	**45 840**	**Cash and cash equivalents at the end of the period**	**34 578**	**57 070**

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

US$ Thousand	Share capital	Retained earnings	Other reserves	Total
Balance as at 1 January 2008	**149 950**	**75 081**	**57 658**	**282 689**
Dividend paid	-	(34 273)	-	(34 273)
Other changes	-	(159)	1 528	1 369
Treasury Shares	-	-	(1 685)	(1 685)
Profit for the period	-	74 374	-	74 374
Balance as at 30 June 2008	**149 950**	**115 023**	**57 501**	**322 474**

US$ Thousand	Share capital	Retained earnings	Other reserves	Total
Balance as at 1 January 2007	**159**	**154 367**	**(536)**	**153 990**
Initial paid in capital	35	-	-	35
Dividend paid	-	(25 000)	-	(25 000)
Share capital increase	149 807	(128 814)	73 528	94 521
Other changes	(51)	(553)	516	(88)
Treasury Shares	-	-	-	-
Profit for the period	-	49 034	-	49 034
Balance as at 30 June 2007	**149 950**	**49 034**	**73 508**	**272 492**

EXPLANATORY NOTES

The First-Half financial report has been prepared in accordance with provisions of Art. 4 of the Luxembourg Law dated 11 January 2008, which transposed Directive 2004/109/EC of the European Parliament and of Council of 15 December 2004 in the harmonization of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market.

The d'Amico International Shipping S.A. group has adopted International Financial Reporting Standards (IFRS – International Financial Reporting Standards and IAS – International Accounting Standards) as issued by the 'IASB' (International Accounting Standards Board) and endorsed by the European Union. The designation 'IFRS' also includes all 'IAS', as well as all interpretations of the International Financial Reporting Interpretations Committee 'IFRIC', formerly the Standing Interpretations Committee 'SIC'.

The financial statements' are expressed in U.S. dollars, being the functional currency of the Group.

1. ACCOUNTING POLICIES

The financial statements present the results of the parent company, d'Amico International Shipping SA, and its subsidiaries for the period ended 30 June 2008. d'Amico International Shipping SA was incorporated under Luxembourg law on 9 February 2007 and, following a reorganisation of the entities under d'Amico Group control, it acquired the shares of d'Amico Tankers Limited, comprising the tanker activities of the d'Amico Group.

This report has been prepared in accordance with IAS 34 - *Interim Financial Reporting* applying the same accounting principles and policies used in the preparation of the consolidated financial statements at 31 December 2007.

The Company - according to the provisions of article 36, paragraph 1, letter b) and c) and paragraph 2, of the Consob Regulation in force implementing the provisions on Markets, although the above provisions are not applicable to the Company - obtained from its controlled subsidiaries established and regulated under the law of non-European Union countries and considered relevant as per the Consob Regulation in force implementing the provisions on Issuers both the relevant articles of association and the composition and powers of their controlling bodies. Moreover, the Company duly assessed that the above mentioned companies have adopted an internal audit system adequate for the regular submission to the management and to the auditors of the Company of the economic and financial data necessary for the compilation of the consolidated financial statements of the Company and so that the Company's auditor can perform its annual and interim audit of the accounts of the Company.

SCOPE OF CONSOLIDATION

With respect to the annual consolidated financial statements at 31 December 2007, no changes in the scope of consolidation took place during the first half of 2008.

CRITICAL ACCOUNTING JUDGMENTS AND KEY ESTIMATES

The preparation of the financial statements requires Management to make accounting estimates and in some cases assumptions in the application of accounting principles. The Directors' decisions are based on historical experience as well as on expectations associated with the realisation of future events, considered reasonable under the circumstances. Critical accounting estimates and judgments are exercised in all areas of the business. The key areas where this applies are listed below.

Vessel carrying values. The carrying value of vessels may significantly differ from their market value. It is affected by the management's assessment of the remaining useful lives of the vessels, their residual value and indicators of impairment. If the carrying value of vessels exceeds the recoverable amount then an impairment charge is recognised.

Tax liabilities. The tax liabilities are calculated based on our tax situation as affected by the regulatory frameworks of the jurisdiction in which we operate. The liability for tax may be affected by changes in the treatment or assessment of trading income, freight tax, tonnage tax and value added tax.

SEGMENT INFORMATION

d'Amico International Shipping only operates in one business segment: Product Tankers. With reference to geographical area, the Group only has one geographical segment, considering the global market as a whole, and the fact that individual vessels deployment is not limited to a specific area of the world. As a result, no segment information is needed.

ACCOUNTING PRINCIPLES

There are no new International Financial Reporting Standards or IFRICs from 1st January 2008 applicable to d'Amico International Shipping with respect to the ones used for the 2007 year end closing.

2. REVENUE

US$ Thousand	2nd Quarter 2008	2nd Quarter 2007	1st Half 2008	1st Half 2007
Revenue	84 274	88 680	157 232	172 088

Revenue represents vessel income comprising time charter hire, freight, demurrage and income from participation in vessel pools.

3. VOYAGE COSTS

US$ Thousand	2nd Quarter 2008	2nd Quarter 2007	1st Half 2008	1st Half 2007
Bunkers (fuel)	(11 950)	(10 752)	(23 567)	(18 666)
Commissions payable	(1 521)	(1 907)	(2 834)	(3 351)
Port charges	(5 043)	(4 955)	(7 756)	(10 207)
Other	(2 605)	5	(2 649)	(105)
Total	(21 119)	(17 609)	(36 806)	(32 329)

Voyage costs are operating costs resulting from the employment, direct or through our partnerships, of the vessels of our fleet, in voyages undertaken in the spot market and under Contracts of Affreightment (CoAs). Time charter contracts are net of voyage costs.

4. TIME CHARTER EQUIVALENT EARNINGS

US$ Thousand	2nd Quarter 2008	2nd Quarter 2007	1st Half 2008	1st Half 2007
Time charter equivalent earnings	63 155	71 071	120 426	139 759

Time charter equivalent earnings represent revenue less voyage costs. In the first half of 2008 about 49.8% of the Time Charter Equivalent earnings came from fixed contracts (contracts longer than 12 months) (HY1 2007: 44.9%).

5. TIME CHARTER HIRE COSTS

US$ Thousand	2nd Quarter 2008	2nd Quarter 2007	1st Half 2008	1st Half 2007
Time charter hire costs	(19 664)	(25 681)	(38 050)	(50 059)

Time charter hire costs represent the cost of chartering-in vessels from third parties.

6. OTHER DIRECT OPERATING COSTS

US$ Thousand	2nd Quarter 2008	2nd Quarter 2007	1st Half 2008	1st Half 2007
Crew costs	(5 753)	(4 011)	(11 154)	(7 761)
Technical expenses	(3 843)	(1 806)	(6 281)	(3 435)
Technical and quality management	(972)	(713)	(1 903)	(1 525)
Other costs	(2 161)	(1 756)	(4 235)	(3 724)
Total	(12 729)	(8 286)	(23 573)	(16 445)

Other direct operating costs include crew costs, technical expenses, technical and quality management fees, vessel depreciation and sundry expenses originating from the operation of the vessel, including insurance costs.

PERSONNEL

As at 30 June 2008, d'Amico International Shipping SA and its subsidiaries had 449 employees, of which 399 are seagoing personnel and 50 onshore. Onshore personnel costs are included under General and administrative costs.

7. GENERAL AND ADMINISTRATIVE COSTS

US$ Thousand	2nd Quarter 2008	2nd Quarter 2007	1st Half 2008	1st Half 2007
Personnel	(3 435)	(2 434)	(7 095)	(3 729)
Other general and administrative costs	(3 018)	(5 275)	(5 004)	(7 170)
Total	(6 453)	(7 709)	(12 099)	(10 899)

Personnel costs relate to on-shore personnel salaries, including the amount of US$0.8 million relating to the share based option plan granted to senior management. The fair value is charged to the income statement on a straight-line basis over the period from the grant date to the vesting date. Other than the share options, the personnel costs include an amount of US$ 0.8 million relating to director fees.

The other general and administrative costs comprise consultancy, office rental fees, and other sundry expenses originating from the operation of d'Amico International Shipping group companies.

8. OTHER OPERATING INCOME

US$ Thousand	2nd Quarter 2008	2nd Quarter 2007	1st Half 2008	1st Half 2007
Other operating income	1 082	737	3 474	1 485

Other operating income represents chartering commissions earned for services provided by group personnel to the Handytankers pool and insurance compensations relating to some damages and claims occurred.

9. RESULT ON DISPOSAL OF VESSELS

US$ Thousand	2nd Quarter 2008	2nd Quarter 2007	1st Half 2008	1st Half 2007
Profit on disposal of vessels	24 925	-	47 154	-

The amount relates to the sales of the M/T High Trust to a third party in March (US$22.2 million), and of the M/T High Peace (US$24.9 million) which occurred in June, the profit is net of the commissions on the sale. There were no vessel disposals during 2007.

10. NET FINANCIAL INCOME (CHARGES)

US$ Thousand	2nd Quarter 2008	2nd Quarter 2007	1st Half 2008	1st Half 2007
Income				
Loans and receivables:				
Interest Income – Banks	69	1 052	440	870
At fair value through income account:				
Forward contracts income	-	-	-	-
Total Financial Income	69	1 052	440	870
Charges				
Loans and receivables:				
Interest expense– Related parties	-	(1 178)	-	(1 178)
Financial liabilities measured at amortised cost.				
Interest expense	(3 105)	(5 553)	(6 319)	(9 494)
At fair value through income account:				
Forward contracts	-	-	-	-
Other financial charges	-	(4)	-	(28)
Total financial charges	(3 105)	(6 735)	(6 319)	(10 700)
Net Financial Charges	(3 036)	(5 683)	(5 879)	(9 830)

Financial income mainly comprises interest income on short term bank deposits.

Interest expense represents the interest paid on the credit facilities.

11. INCOME TAXES

US$ Thousand	2nd Quarter 2008	2nd Quarter 2007	1st Half 2008	1st Half 2007
Current income taxes	(280)	11 903	(455)	9 761

Effective from 1 January 2007, d'Amico Tankers Limited qualified to be taxed under the Tonnage Tax regime in Ireland. The tax liability under the tonnage tax regime is based on the controlled fleet's notional shipping income, which in turn depends on the total net tonnage of the controlled fleet.

Taxes on income of the d'Amico International Shipping Group are attributable almost entirely to profits generated by the main operating subsidiary, d'Amico Tankers Limited, incorporated in Ireland. The amount for the first half of 2008 represents the accrual of first-half 2008 tonnage tax and the equivalent amount of EUR 125 thousand accrued net wealth tax for the Luxembourg based parent company.

12. TANGIBLE ASSETS

US$ Thousand	Fleet	Dry-dock	Other assets	Total tangible
Cost				
At 1 January 2008	491 162	6 131	922	498 215
Additions	162 877	2 119	19	165 015
Impairment provision	-	-	-	-
Disposal	(59 866)	-	-	(59 866)
Exchange Differences	-	-	33	33
At 30 June 2008	594 173	8 250	974	603 397
Depreciation				
At 1 January 2008	65 577	1 898	135	67 610
Charge for the period	15 019	1 470	135	16 624
Disposal	(1 485)	-	-	(1 485)
Exchange Differences	-	-	4	4
At 30 June 2008	79 111	3 368	274	82 753
Net book value				
At 30 June 2008	515 062	4 882	700	520 644

US$ Thousand	Fleet	Dry-dock	Other assets	Total tangible
Cost				
At 1 January 2007	411 428	3 050	2 042	416 520
Additions	-	1 544	381	1 926
Impairment provision	-	-	2	2
Disposal	-	(717)	(2 044)	(2 761)
Exchange Differences	-	-	-	-
At 30 June 2007	411 428	3 877	381	415 686
Depreciation				
At 1 January 2007	37 949	871	129	38 949
Charge for the period	13 894	815	30	14 738
Disposal	-	(717)	(129)	(846)
Exchange Differences	-	-	-	-
At 30 June 2007	51 843	969	30	52 841
Net book value				
At 30 June 2007	359 585	2 909	351	362 845

Tangible fixed assets are comprised of the following:

FLEET

Fleet includes the acquisition costs for owned vessels, and payments to yards for vessels under construction. Additions for the first Half 2008 principally relate to the exercise of purchase options over three vessels (MT High Harmony, MT High Consensus and MT High Peace), previously chartered-in. The purchases were finalised over the first quarter of 2008 for US$26.5 million, US$26.5 million and US$28.1 million respectively. The first half 2008 capital expenditure also includes a total amount of US$78.5 million related to the instalments paid in connection with the Glenda International Shipping Ltd (50/50 Joint venture with Glencore) new building program.

Mortgages are secured on 13 of the vessels owned by the Group.

DRY-DOCK

Dry-docks include expenditure for the fleet’s dry docking programme incurred in first half 2008.

OTHER ASSETS

Other assets include fixtures, fittings, office equipment and our software licence.

13. FINANCIAL FIXED ASSETS

Financial fixed assets, as at 30 June 2008 (US$4 thousand), represent the book value of the investment in Handytankers K/S, (33.3%) the Danish partnership responsible for managing the Handytankers pool.

14. INVENTORIES

US$ Thousand	**As at 30 June 2008**	**As at 31 December 2007**
Inventories	13 039	9 300

Inventories represent stocks of Intermediate Fuel Oil (IFO), Marine Diesel Oil (MDO) and Luboil on board vessels.

15. RECEIVABLES AND OTHER CURRENT ASSETS

US$ Thousand	**As at 30 June 2008**	**As at 31 December 2007**
Trade receivables	34 506	30 479
Other debtors	426	453
Prepayments and accrued income	9 137	4 931
Total	44 069	35 863

Receivables, as at 30 June 2008, include trade receivables amounting to US$34.5 million, net of the write down provision of US$0.3 million on certain demurrage receivables.

16. CASH AND CASH EQUIVALENTS

US$ Thousand	As at 30 June 2008	As at 31 December 2007
Cash and cash equivalents	34 578	24 926

Cash and cash equivalents is mainly represented by short term deposits and includes approximately US$5.6 million of cash held by Pool companies (High Pool Tankers Ltd and Glenda International Management Ltd) which will be distributed to other pool participants.

17. SHAREHOLDERS' EQUITY

Changes in first half 2008 shareholders' equity items are detailed in the relevant table.

SHARE CAPITAL

At 30 June 2008 the share capital of d'Amico International Shipping amounted to US$149 950 thousand, corresponding to 149 949 907 ordinary shares with no nominal value.

RETAINED EARNINGS

Include a prior year adjustment of GBP80 thousand of d'Amico Tankers UK taxes.

OTHER RESERVES

The other reserves include the following items:

US$ Thousand	As at 30 June 2008	As at 31 December 2007
Share premium reserve	71 389	71 389
Treasury shares	(12 884)	(11 199)
Share option reserve	2 624	1 824
Fair value reserve	(3 628)	(4 356)
Total	57 501	57 658

Share premium reserve
The share premium reserve arose as a result of the group's IPO and related increase of share capital which occurred at the beginning of May 2007, the amount is shown net of certain costs and charges connected with the share capital increase and the listing process.

Treasury shares
Treasury shares at 30 June 2008 consist of 3,114,008 ordinary shares for an amount of US$12.9 million, corresponding to 2.08% of the outstanding share capital at the balance sheet date. These shares were acquired following the approval of the Buy-back program (September 2007).

Share option reserve
In September 2007 the Company approved the grant of share options to senior management. The plan has a limited term of four years and may issue up to 2,631,775 shares in four tranches. In all cases the options will be issued at the 'strike' price of Euro 3.50 (the IPO share price). At the balance sheet date no options had been exercised yet.

The portion of the fair value in respect of the share option plan recognized under General and Administrative costs (Personnel) in HY1 2008 was US$0.8 million.

Fair value reserve

The fair value reserve arose as a result of the valuation of the derivative financial instruments (Interest rate swaps) to their fair value of US$3.6 million (liability). Details of the fair value of the derivative financial instruments are set out in note 20.

18. BANKS AND OTHER LENDERS

US$ Thousand	As at 30 June 2008	As at 31 December 2007
Non current liabilities		
Banks and other lenders	242 788	178 482
Current liabilities		
Banks and other lenders	-	-
Total	242 788	178 482

The debt due to banks and other lenders as at 30 June 2008 relates to the following:

- The amount of US$213.6 million (less the unamortized portion of the arrangement fees paid at draw-down, amounting to US$1.5 million) relates to the US$350.0 million revolving loan facility (of which US$319 million is available for draw-down as at 30 June 2008) negotiated with Calyon, which has been syndicated by other primary banking institutions (Intesa Sanpaolo S.p.A., Fortis Bank (Nederland) N.V., The Governor and the Company of the Bank of Ireland, Norddeutsche Landesbank Girozentrale, and Scotiabank (Ireland) Limited.

- The further amount of US$29.2 million refers to the consolidated part of the facility granted by Commerzbank AG Global Shipping – totalling US$58.4 million - for the Glenda International Shipping Ltd four new-buildings 47.000 dwt MR Product Tankers, to be built at SLS Shipping Co Korea.

Under the 'Calyon facility' the Group may draw down on a revolving basis such that the aggregate outstanding amount due does not exceed the maximum available amount at any given time, subject to the requirements relating to facility reductions. However, the ratio between the amount outstanding at any given time and the fair market value of the vessels (the "asset cover ratio") owned by d'Amico Tankers Limited (the "borrower"), which are subject to mortgages pursuant to the facility, must not be higher than 66.6%. According to Clarksons, the valuation, as at 10 July 2008, of the borrower's vessels on the water as at 30 June 2008, is approximately US$653.3 million, resulting in an asset cover ratio of around 32.9%.

Interest on any amount outstanding under the facility will be payable at a rate of LIBOR plus 0.65%, if the asset cover ratio of d'Amico Tankers Limited and its subsidiaries is below 50%, and LIBOR plus 0.95%, if such ratio is equal to or higher than 50%.

In addition, the maximum amount that the borrower will be able to draw-down is also limited by its EBITDA to financial costs ratio. This ratio is calculated on the estimated total amount of d'Amico Tankers Limited's interest payable in the six months following any draw down date, and may not be lower than 1.65:1. The ratio for the six months ended 30 June 2008 is significantly higher than that.

The facility provides certain covenants, calculated on the basis of d'Amico International Shipping's (the "Guarantor") consolidated financial statements, which can be summarised as follows: (i) cash available, including undrawn credit lines of more than 12 months, must be at least US$40.0 million (ii) net worth, which is defined as book equity plus subordinated shareholder loans, as recorded in the balance sheet, must not be less than US$100.0 million and (iii) equity to asset ratio, calculated by dividing the book equity by total assets, must not be lower than 35.0%.

As at 30 June 2008, according to the facility's definitions, cash available amounted to US$107.5million, net worth amounted to US$322.4 million, and the equity to asset ratio was 52.7%.

The facility is secured through a guarantee by d'Amico International Shipping, and provides (i) as at 30 June 2008 mortgages on thirteen of the Group's owned vessels. On the last three vessel acquired in Q1 2008 (purchase options exercised in advance) no mortgages were provided; (ii) an assignment in favour of the lenders of the time-charter agreements entered into by the Group; and (iii) a pledge over an account opened with Calyon S.A. into which the Group undertakes to pay the proceeds of its operating activities.

In December 2007, Glenda International Shipping signed with Commerzbank AG - Global Shipping an agreement to finance yard payments for the first four SLS vessels. The agreement involves single-vessel loans with a ten-year maturity from vessel delivery, for a total amount of up to US$136.0 million (70% of the total consideration to be paid for the vessels), and an interest cost referenced to the US dollar LIBOR plus a spread varying from 80 to 100 basis points, depending on the financed vessels' loan-to-assets' value ratio. Collaterals mainly refer to first-priority mortgages on the vessels. The agreements also provide a covenant relating to the financed vessels' aggregate value-to-loan ratio, which should at all times be at least 125% during the first three years after delivery of each vessel and 135% thereafter.

19. OTHER FINANCIAL CURRENT LIABILITIES

US$ Thousand	As at 30 June 2008	As at 31 December 2007
Fair value of derivative instruments	3 620	4 355
Total	3 620	4 355

The derivative instruments fair values are disclosed in note 22.

20. PAYABLES AND OTHER CURRENT LIABILITIES

US$ Thousand	As at 30 June 2008	As at 31 December 2007
Trade payables	40 241	32 572
Other creditors	1 210	1 593
Accruals & deferred income	1 295	935
Total	42 746	35 100

Payables and other current liabilities as at 30 June 2008, include mainly trade payables, of which an amount of US$10.1 million relates to the related party, Rudder SAM (bunker).

21. CURRENT TAX LIABILITIES

US$ Thousand	As at 30 June 2008	As at 31 December 2007
Current tax liabilities	706	73

The balance at the end of June 2008 reflects the amount of tonnage tax payable, including also the 2007 taxes.

22. Derivative instruments

As at 30 June 2008, other than the share options, the following derivative instruments were in place:

US$ Thousand	Fair value at 30 June 2008	*Income statement* financial income/(charges)	*Equity* hedging reserves
Hedge accounting			
Forward currency contracts	116		116
Interest rate swaps	(3 736)	-	(3 736)
Total	(3 620)	-	(3 620)

Interest rate swaps

In the last quarter of 2007 the Group, through the operating subsidiary d'Amico Tankers Limited signed three interests swap contracts (IRS), for a total notional amount of US$150 million, duration five years. The IRS contracts purpose is to hedge the risks relating to interest rates potential increase on the existing bank loans (revolving facility).

The negative outstanding IRS fair value at the end of the quarter is shown under other Current financial liabilities.

Forward currency contracts

In connection with the purchase option exercise process of one additional vessels (announced in June 2008), High Presence, the Group entered into forward currency contracts. At the balance sheet date the amount of the opened contracts notional amount was of ¥540 million, whose positive fair value at the end of the period corresponds to US$0.1 million.

The fair value of derivative financial instruments is determined by taking into consideration market parameters at the balance sheet date and using valuation techniques widely accepted in the financial business environment. In particular the fair value of forward contracts is determined by taking the prevailing exchange rate; the fair value of interest rate swaps is determined by using the discounted cash flow method.

23. Related party transactions

During the first half of 2008, d'Amico International Shipping had transactions with related parties, including its ultimate Italian parent company, d'Amico Società di Navigazione S.p.A (DSN) and certain of DSN's subsidiaries (d'Amico Group). These transactions have been carried out on the basis of arrangements negotiated on an arm's length basis on market terms and conditions. The immediate parent company of the group is d'Amico International S.A., a company incorporated in Luxembourg.

These transactions include a management service agreement (for technical, crewing, IT and legal services) with d'Amico Group companies, and a brand fee with d'Amico Società di Navigazione S.p.A., for a total cost amounting to US$1.8 million, in first half 2008. In addition, time charter hire costs for three Handy size vessels, chartered from d'Amico Shipping Italia, for which the ultimate parent company signed in the previous years a bare boat agreement from third parties, amounted to US$9.8 million. The related party transactions also include purchases of Intermediate Fuel Oil and Marine Diesel Oil, from Rudder SAM, a d'Amico Group controlled company, for a total of US$23.6million.
Between d'Amico Società di Navigazione S.p.A. and d'Amico International Shipping S.A is also in place a consulting agreement relating to the assistance in complying with Italian Stock Exchange rules and duties.

The effects of related party transactions on the Group's consolidated income statement for the half of the years 2008 and 2007 are the following:

US$ Thousand	1st Half 2008 Total	1st Half 2008 Of which related parties	1st Half 2007 Total	1st Half 2007 Of which related parties
Revenue	157 232	-	172 088	-
Voyage costs	(36 807)	(23 567)	(32 329)	(18 666)
Time charter hire costs	(38 050)	(9 828)	(50 059)	(9 485)
Other direct operating costs	(23 573)	(2 568)	(16 445)	(1 717)
General and administrative costs	(12 099)	(373)	-	-
Other operating income	3 475	-	(10 899)	-
Result on disposal of vessels	47 154	(570)	1 485	-
Net financial income (charges)	(5 878)	-	(9 830)	(1 186)

The effects of related party transactions on the Group's consolidated balance sheets as at 30 June 2008 and 30 June 2007 are the following:

US$ Thousand	As at 30 June 2008 Total	As at 30 June 2008 Of which related parties	As at 30 June 2007 Total	As at 30 June 2007 Of which related parties
ASSETS				
Non current assets				
Tangible assets	520 644	-	362 860	-
Financial fixed assets	4	-	4	-
Current assets				
Inventories	13 039		7 223	-
Receivables and other current assets	44 069	233	40 103	1 712
Cash and cash equivalents	34 578	-	57 070	-
LIABILITIES				
Non current liabilities				
Banks and other lenders	242 788	-	168 327	-
Current liabilities				
Other financial current liabilities	3 620	-	-	-
Payables and other current liabilities	42 746	8 355	26 441	5 613

The effects, by legal entity, of related party transactions on the Group's consolidated income statement for the first half of 2008 are the following:

US$ Thousand	d'Amico Intern. Shipping SA	Rudder SAM	d'Amico. Shipping Italia SpA	d'Amico Società di Nav. SpA	d'Amico Ireland Ltd	d'Amico Shipping UK	Compagnia Generale Telemar
	(consolidated)						
Voyage costs	**(36 807)**						
of which							
Bunker	(23 567)	(23 567)	-	-	-	-	-
Time charter In costs	**(38 050)**						
of which							
Vessel charter agreement	(9 828)	-	(9 828)	-	-	-	-
Other direct operating costs	**(23 573)**						
of which							
Management agreements	(1 840)	-	-	(1 840)	-	-	-
Technical expenses	(728)	-	-	-	-	-	(728)
Generale and administrative costs	**(12 099)**						
of which							
Services agreement	(157)	-	-	(157)	-	-	-
Consultancy	(216)			(157)	(59)		
Gain on disposal	**(47 154)**						
Gain on disposal	(570)	-	-	-	-	(570)	-
Total		**(23 567)**	**(9 828)**	**(2 154)**	**(59)**	**(570)**	**(728)**

The table below shows the effects, by legal entity, of related party transactions on the Group's combined income statement for the first half of 2007:

US$ Thousand	d'Amico Intern. Shipping	Rudder SAM	d'Amico Shipping Italia SpA	d'Amico Società di Nav. SpA	d'A. Finance Ltd	d'A. Ireland Ltd	Ishima Pte Ltd
	(consolidated)						
Voyage costs	**(32 329)**						
of which							
Bunker	(18 666)	(18 666)		-	-	-	-
Time charter In costs	**(50 059)**						
of which							
Vessel charter agreement	(9 485)	-	(9 485)	-	-	-	-
Other direct operating costs	**(16 445)**						
of which							
Management agreements	(1 717)	-		(133)	-	(1 527)	(57)
Net financial charges	**(1 186)**						
of which							
Interest expense	(1 186)	-		-	(1 186)	-	-
Total		**(18 666)**	**(9 485)**	**(133)**	**(1 186)**	**(1 527)**	**(57)**

The effect, by legal entity, of related party transactions on the Group's consolidated Balance Sheet as at 30 June 2008 are as follows:

US$ Thousand	d'Amico Intern. Shipping SA	Rudder SAM	d'Amico Shipping Italia SpA	Cogema SAM	d'Amico Società di Nav. SpA	d'Amico Ireland Ltd	d'Amico Shipping UK	Compagnia Generale Telemar	Ishima Pte Ltd
	(consolidated)								
Receivables and other current assets	**44 069**								
of which related party	233	-	-	3	-	-	-	-	230
Payables and other current liabilities	**42 746**								
of which related party	8 355	6 219	1 354	79	169	49	1	121	363
Total		**(6 219)**	**(1 354)**	**(76)**	**(169)**	**(49)**	**(1)**	**(121)**	**(133)**

The effect, by legal entity, of related party transactions on the Group's combined Balance Sheet as at 30 June 2007 were the following:

US$ Thousand	d'Amico Intern. Shipping Sa	Rudder SAM	d'Amico International SA	d'Amico Finance SA	d'Amico Shipping Italia SpA	d'Amico Ireland Ltd
	(consolidated)					
Receivables and other current assets	**40 103**					
of which related party	1 712	-	1 712	-	-	-
Payables and other current liabilities	**26 441**					
of which related party	5 613	3 109	-	523	1 607	373
Total		**(3 109)**	**1 712**	**(523)**	**(1 607)**	**(373)**

24. Commitments and Contingencies

Capital commitments

As at 30 June 2008, the Group's total capital commitments amounted to US$219.3 million, of which payments over the next 12 months amounted to US$115.9 million. The pro-forma figures include additional capital commitments currently in place, as disclosed below.

US$ Million	**As at 30 June 2008**	**As at 30 June 2008 Pro-forma**
Within one year	115.9	146.2
Between 1 – 3 years	103.4	158.9
Between 3 – 5 years	-	15.2
More than 5 years	-	-
Total	219.3	320.3

Capital commitments for d'Amico International Shipping as at 30 June 2008 are comprised of:

- Payments due for two vessels bought in joint-venture with Mitsubishi, through d'Amico Mitsubishi Shipping, of which our consolidated 51% share of payments amounts to Yen 4.09 billion (US$38.7 million[1]). Of this, our commitments over the next twelve months amount to Yen 1.36 billion (US$12.9 million[1]);
- Payments due for ten vessels bought by GLENDA International Shipping Ltd. Our 50% share of these commitments amounts to US$150.6 million, of which commitments over the next 12 months amount to US$73.0 million;
- Payment for M/T High Presence amounting to US$30.0 million, due in Q3 2008.

Following the period end, d'Amico International Shipping, through its subsidiary d'Amico Tankers Limited, entered into contracts for the construction of two additional new medium range product/chemical tanker vessels with Hyundai Mipo Dockyard Co Ltd, Korea, for expected delivery in January and October 2011, for a consideration of US$50.5 million each.

OPERATING LEASES – CHARTERED IN VESSELS[2]

As at 30 June 2008, the Group's minimum operating lease rental commitments amounted to US$704.4 million, of which payments over the next 12 months amounted to US$81.3 million.

US$ Million	**As at 30 June 2008**
Within one year	81.3
Between 1 – 3 years	256.3
Between 3 – 5 years	160.2
More than 5 years	206.6
Total	704.4

As at 30 June 2008, d'Amico Tankers Limited operated 14.0 vessel equivalents on time charter-in contracts as lessee. These had an average remaining contract period of 4.2 years at that time (5.9 years including optional periods). In addition, the Company had time charter-in contracts on 5.3 vessel equivalents not yet delivered at 30 June 2008. These have an average contract period of 7.5 years (9.8 years including optional periods). Some of the charter-in contracts include options to purchase vessels in the future, details of which are included below.

PURCHASE OPTIONS

Following the early exercise of purchase options of M/T High Harmony, M/T High Consensus, M/T High Peace and M/T High Presence, d'Amico Tankers Limited currently has 9 vessel purchase options in place on time chartered vessels (for 6.1 vessel equivalents, since some of the options are on partially controlled vessels), six of which on vessels currently on the water (3.8 vessel equivalents), and the remaining on vessels to be delivered (2.3 vessel equivalents). Exercise of these options is at the discretion of the Group based on the conditions prevailing at the date of the option. It should be noted that the agreed exercise prices of a number of these options are significantly lower than the current market value of the chartered vessels.

[1] Yen values were converted to US dollars at the 30 June 2008 closing exchange rate of Yen 105.58 to 1 US dollar

[2] Does not include optional periods. Includes our proportion of charter expenses of vessels time chartered by the Handytankers Pool. Includes 100% of time charter costs for vessels hired from DM Shipping.

The following tables provide details of our purchase options. Yen exercise prices were converted to US dollars at the 30 June 2008 closing exchange rate of Yen 105.58 to 1 US dollar.

Acquisition options on MR vessels

Vessel	First exercise date	Exercise price (in millions)[2]	Age at First exercise date[2]	Exercise period
MR 1[1]	March 2011	US$30.3	8.0	NA
MR 2	July 2011	US$25.3	5.0	4 years
MR 3	October 2011	US$25.3	5.0	4 years
MR 4	October 2014	US$35.0	5.0	6 years
MR 5	April 2017	US$28.4	8.0	NA

(1) Represents a 30% interest in the acquisition option of MR 1.

(2) Exercise price and vessel age at first exercise date. When option has an exercise period, exercise price falls throughout such period.

Acquisition options on Handysize Vessels

Vessel	First exercise date	Exercise price (in millions)[2]	Age at First exercise date[2]	Exercise period
Handy 1	January 2014	US$38.5	6.0	NA
Handy 2[1]	February 2014	US$42.5	6.0	NA
Handy 3[1]	April 2015	US$42.5	6.0	NA
Handy 4[1]	May2016	US$40.5	8.0	NA

(1) Represents a 25% interest on the acquisition options on these vessels

(2) Exercise price and vessel age at first exercise date. When option has an exercise period, exercise price falls throughout such period.

ONGOING DISPUTES

The Group is currently involved in a number of on-going commercial disputes concerning both our owned and chartered vessels. The majority of current disputes relate to cargo contamination claims. In addition, there is also a collision dispute and a repudiation of charter claim. The disputes are mostly covered by our P&I Club insurance and we expect that our financial exposure will be limited to the value of the appropriate insurance policy deductibles.

TONNAGE TAX DEFERRED TAXATION

Effective 1 January 2007 the key operating subsidiary of the group (d'Amico Tankers Limited) entered the Irish tonnage tax regime. The regime includes provision whereby a proportion of capital allowances previously claimed may be subject to tax in the event that vessels are sold and not replaced within the specified time limit or the group fails to comply with the ongoing requirements to remain within the regime. The theoretical contingent tax liability as at 30 June 2008 has been estimated at US$4 million assuming all vessels on which capital allowances had been formerly claimed were sold for their net book value at that date. This contingent liability decreases over the first five years following entry into tonnage tax to nil. No provision has been made as no liability is reasonably expected to arise.

25. D'AMICO INTERNATIONAL SHIPPING GROUP'S COMPANIES

The table below shows the complete list of Group companies, and for each of these companies d'Amico International Shipping's percentage ownership, its method of consolidation, registered office, share capital and currency. Consolidation area and principles do not differ from the ones used in 2007.

Name	Registered Office	Share Capital	Currency	Interest %	Conso. Method
d'Amico International Shipping S.A.	Luxembourg	149 949 907	USD		
d'Amico Tankers Limited	Dublin / Ireland	100 000	EUR	100.0%	Integral
High Pool Tankers Limited	Dublin / Ireland	2	EUR	100.0%	Integral
Glenda International Management Ltd	Dublin / Ireland	2	EUR	100.0%	Integral
Glenda International Shipping Ltd	Dublin / Ireland	200	USD	50.0%	Proportional
VPC Logistics Limited	London / UK	50,000	USD	100.0%	Integral
DM Shipping Ltd	Dublin / Ireland	100 000	USD	51.0%	Proportional
d'Amico Tankers Monaco SAM	Monaco	150 000	EUR	100.0%	Integral
d'Amico Tankers UK Ltd	London / UK	50 000	USD	100.0%	Integral
d'Amico Tankers Singapore Pte Ltd	Singapore	50 000	USD	100.0%	Integral

d' AMICO INTERNATIONAL SHIPPING SA INTERIM FINANCIAL STATEMENTS AS AT 30 JUNE 2008

PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

US$	30 June 2008	30 June 2007
CHARGES		
3. Staff costs		
a) Wages and benefits	1,065,793	-
b) Social security	49,216	-
4. a) Value adjustments in respect of fixed assets	6,803	736
5. Other operating charges	2,278,920	2,164,672
7. Interest payable and similar charges		
b) Other interest payable and charges	97,304	
10. Extraordinary charges	3,636	
12. Other taxes not shown under the above items	189,977	-
13. Profit for the financial period	**31,605,518**	**23,801,895**
Total charges	**35,297,167**	**25,967,303**

INCOME		
5. Income from participating interest		
a) derived from affiliated undertakings	35,000,000	25,000,000
7. Other interest receivable and similar income		
a) derived from affiliated undertakings	146,166	566,546
b) other interest receivable and similar income	148,629	400,757
9. Extraordinary income	2,372	-
Total income	**35,297,167**	**25,967,303**

The Company prepares its statutory interim financial statements in accordance with generally accepted accounting principles in Luxembourg. The Profit and Loss Accounts and Balance sheet are shown in accordance with the articles 34 and 46 of the law 19 December 2002.

BALANCE SHEET

US$	As at 30 June 2008	As at 31 December 2007
C. Fixed assets		
II. Tangible assets		
3. other fixtures and fittings, tools and equipment	26,789	32,655
III. Financial assets		
1. Shares in group undertakings	178,922,020	178 922 020
2. loans to affiliated undertakings	65 715 314	16,129,510
7. own shares	12,883,789	11,199,123
D. Current assets		
II. Debtors		
a) due and payable within one year	109,021	41,027,678
IV. cash at bank	5,511,545	512,934
E. Prepayments and accruals	99,535	40,879
Total assets	**263,268,013**	**247,864,799**
A. Capital and reserves		
I. Subscribed capital	149,949,907	149,949,907
II. Share premium account	47,699,187	67,734,509
IV. Reserves		
legal reserve	838,026	-
reserve for own shares	12,883,789	11,199,123
other reserves	2,600,000	1,800,000
VI. Profit for the financial period	31,605,518	16,760, 529
C. Creditors		
4. Trade creditors on purchase and provision of services		
a) due and payable within one year	895,710	304,417
7. Amounts owed to undertakings		
a) becoming due and payable within one year	16,450,766	-
D. Accruals and deferred income	345,110	116,314
Total liabilities and shareholders' equity	**263,268,013**	**247,864,799**

On behalf of the Board

Paolo d'Amico
Chairman

Marco Fiori
Chief Executive Officer

The undersigned Mr. Alberto Mussini, in his capacity of Chief Financial Officer of the Company, confirms that to the best of his knowledge that the condensed consolidated financial statements and the statutory interim financial statements as at 30 June 2008 have been prepared in accordance with the applicable set of accounting standards and give a true and fair view of the assets, liabilities, financial position and result of operations of the Company and its consolidated subsidiaries and that the interim management report includes a fair review of the evolution and performance of the d'Amico International Shipping Group, of the company's conditions and the description of the principal risks and uncertainties that it faces.

Alberto Mussini
Chief Financial Officer

Report of the Auditors to the Members of
d'Amico International Shipping S.A.

We have reviewed the accompanying interim consolidated balance sheet of d'Amico International Shipping S.A. as of June 30, 2008 and the related interim consolidated statements of income, changes in equity and cash flows for the six months then ended. Management is responsible for the preparation and presentation of these interim consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS"). Our responsibility is to express a conclusion on these interim consolidated financial statements based on our review.

This report is made to you in accordance with the terms of our engagement. Our work has been undertaken so that we might review the interim consolidated financial statements that we have been engaged to review, report to you that we have done so, and state those matters that we have agreed to state to you in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than d'Amico International Shipping S.A. for our work or for this report.

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements are not prepared, in all material respects, in accordance with International Financial Reporting Standards.

MOORE STEPHENS S.à.r.l.
Luc BRAUN

Allée Marconi, 16
L-2120 Luxembourg

29 July 2008