d'Amico International Shipping S.A.
Half-Yearly / Second Quarter 2009 Financial Report

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d'Amico International Shipping S.A.

Registered office at 25C Boulevard Royal, Luxembourg
Share capital US$149,949,907 as at 30 June 2009

CONTENTS

BOARD OF DIRECTORS AND CONTROL BODIES

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
John Joseph Danilovich
Heinz Peter Barandun

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

INDEPENDENT AUDITORS

Moore Stephens S.à.r.l., Luxembourg

KEY FIGURES

FINANCIALS

Q2 2009	Q2 2008 (*)	*US$ Thousand*	H1 2009	H1 2008 (*)
44 282	63 155	Time charter equivalent (TCE) earnings	98 480	120 426
9 024	25 392	Gross operating profit / EBITDA	24 546	50 178
20.38%	*40.2%*	*as % of margin on TCE*	*24.93%*	*41.7%*
126	17 420	Operating profit / EBIT	6 919	33 554
2.9%	*27.6%*	*as % of margin on TCE*	*7.03%*	*27.9%*
(1 392)	14 104	Net profit	7 209	27 220
(3.14)%	*22.3%*	*as % of margin on TCE*	*7.32%*	*22.6%*
(0.0093)	0.2603	Earnings per share	0.0481	0.4960
7 038	24 437	Operating cash flow	28 530	40 151
(17 436)	8 768	Gross CAPEX	(30 384)	165 338

(*) For comparison purposes, the 2008 figures are shown excluding result on disposal of vessels respectively of US$ 24.9million in Q2 2008 and US$ 47.1 million in H1 2008

As at 30 June 2009	As at 31 December 2008	
714 424	724 154	Total assets
147 395	142 235	Net financial indebtedness
373 536	387 839	Shareholders' Equity

OTHER OPERATING MEASURES

Q2 2009	Q2 2008		H1 2009	H1 2008
16 504	21 271	**Daily operating measures** - TCE earnings per employment day (US$)[1]	17 943	20 747
37.4	36.2	**Fleet development** - Total vessel equivalent	37.2	35.7
15	17.0	- Owned	15	16.9
17.3	14.4	- Chartered	17.2	14.3
5.2	4.8	- Chartered thorough pools	5.1	4.6
4.1%	1.5%	Off-hire days/ available vessel days[2] (%)	3.3%	1.8%
60.15%	48.9%	Fixed rate contract/ available vessel days[3] (coverage %)	57.9%	49.8%

[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, net of commissions charged by external brokers and commercial managers. In order to make this comparable to the remaining vessels, calculations exclude vessels chartered through pools as the distributions is paid on the vessels net of charter expenses.

[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 period.

[3] Fixed rate contract days/available vessel days (coverage ratio): this figure represents the number of 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 period.

d'AMICO INTERNATIONAL SHIPPING GROUP

d'Amico International Shipping S.A. (DIS, the Group or d'Amico International Shipping) is an international marine transportation group which operates, through its fully owned subsidiary d'Amico Tankers Limited (Ireland), a fleet, with an average age of approximately 4.5 years, compared to an average in the product tanker industry of 9.73 years (source: Clarkson). All of the DIS's vessels are double-hulled, and are primarily engaged in the transportation of refined oil products, providing worldwide shipping services to major oil companies and trading houses, such as ExxonMobil, Total, Shell, Petrobras, PDVSA, ENOC, Cargil, Glencore and Vitol. All the vessels are compliant with IMO (International Maritime Organization) regulations, MARPOL (the International Convention for the Prevention of Pollution from Ships) requirements of major oil and energy-related companies and international standards. Based on MARPOL/IMO rules, cargos, such as palm oil, vegetable oil, and other chemicals can only be transported by vessels that meet the certain requirements (IMO Classed). 76.7% of DIS's fleet as at 30 June 2009 was IMO classed, allowing the Group to transport a large range of products.

FLEET

The following tables set forth information about DIS fleet as at 30 June 2009, which consists of **36.9 vessels**:

MR 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	48,700	2005	Imabari, Japan	-
High Priority	46,847	2005	Nakai Zosen, Japan	-
Time chartered with purchase option				
High Nefeli	45,976	2003	STX, South Korea	IMO III
High Prosperity	48,711	2006	Imabari, Japan	-
High Century	48,676	2006	Imabari, Japan	-
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 Mercury	51,149	2008	STX, South Korea	IMO III
High Jupiter	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	-
High Enterprise	45,800	2009	Shin Kurushima, Japan	IMO III

Handysize 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 Roma	40,081	2003	Shina, South Korea	IMO III
Cielo di Milano	40,096	2003	Shina, South Korea	IMO III
Cielo di Napoli	40,083	2002	Shina, South Korea	IMO III

Handysize chartered through pools fleet

Name of vessel	Dwt	Year built	Builder, Country	Interest	IMO classed
Time chartered without purchase option					
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	38,877	2008	Guangzhou, China	25%	IMO III
Malbec	38,499	2008	Guangzhou, China	100%	IMO III
Handytankers Magic	38,603	2009	Guangzhou, China	25%	IMO II

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

Fleet Employment and Partnership

	DIS' No. of Vessels	*Total Pool Vessels*
Direct employment	11	n/a
Handytankers pool	8.9	96
High pool (MR vessels)	5	8
Glenda Int'l (MR vessels)	12	34
Total	**36.9**	**138**

As at 30 June 2009, d'Amico International Shipping directly employed eight MRs ('Medium Range') and three handysize vessels, through long-term time charter contracts with Exxon, Total and Glencore. The Group employs a significant portion of its controlled vessels through partnership arrangements, enabling it to deploy a fleet of vessels with significant scale and geographic coverage. Through these partnerships DIS provides a comprehensive service to its customers, enhancing the geographic exposure to advantageous business opportunities, resulting in greater flexibility in deploying the fleet.

Handytankers Pool – a pool together with A.P. Moller-Maersk, Seaarland Shipping Management and Motia Compagnia di Navigazione S.p.A. It operates 96 vessels as at 30 June 2009.

High Pool Tankers Limited – a pool with Nissho Shipping Co. Limited (Japan) and Mitsubishi Corporation. It operated eight MR product tankers as at 30 June 2009. d'Amico International Shipping, through d'Amico Tankers Limited is exclusively responsible for the pool's commercial management, in particular chartering, vessel operations and administration.

GLENDA International Management Limited – a commercial agreement with Glencore/ST Shipping to trade vessels under a single brand name, 'GLENDA'. As at 30 June 2009, GLENDA International Management Limited operated 34 MR product tankers.

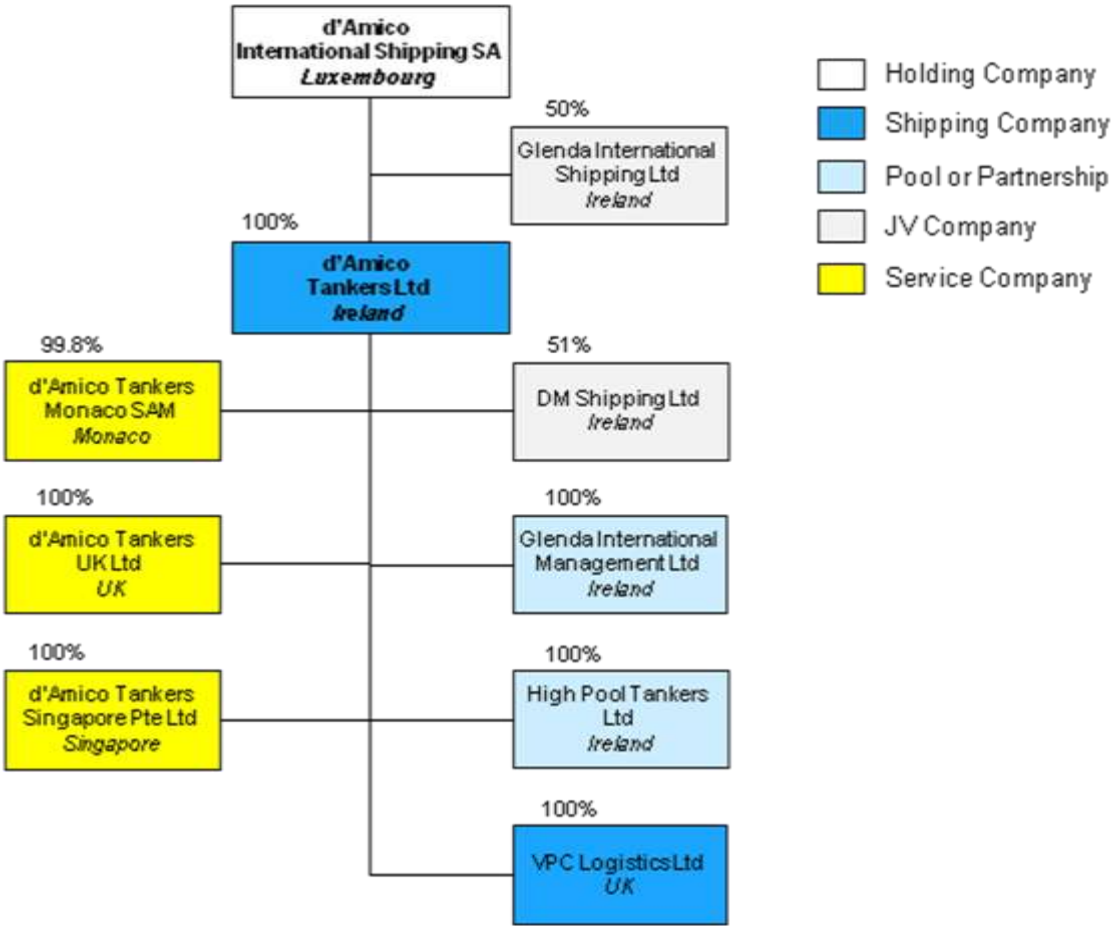
In addition to the pools and commercial agreements, DIS also established two joint ventures for the combined control of vessels, with key strategic partners. The first one, DM Shipping Ltd, allows d'Amico International Shipping to broaden the scope of its relationship with the Mitsubishi Group, and has a new building programme involving two MR vessels, whose delivery will occur during the second half of 2009. The second joint venture, GLENDA International Shipping, reinforces the commercial partnership with the Glencore Group. The joint venture has an order book for the purchase of 13 new MR product / chemical tankers to be delivered between August 2009 and October 2011.

d'Amico International Shipping is part 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. (Italy). Today, the entire d'Amico Group controls about 74 owned and chartered-in vessels, of which 36.9 are vessels part of the DIS fleet, operating in the product tanker market, while the remaining 37 are dry-bulk vessels controlled by d'Amico Dry Limited and 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, it 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 DIS' 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 the partnerships in New York, Copenhagen, Venice and Tokyo. As at 30 June 2009, the group employed 359 seagoing personnel and 53 onshore personnel.

GROUP STRUCTURE

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



FINANCIAL REVIEW

SUMMARY OF THE RESULTS IN FIRST HALF AND SECOND QUARTER OF 2009

The first six months of 2009 have been characterized by the continued decline in Product Tanker rates, which affected the results mainly during the second quarter of the current year. Taking into consideration this weak environment, d'Amico International Shipping (DIS) performance in the first half of 2009 was good.

The group's net profit for the first half of 2009 was US$ 7.2 million (net loss of US$ 1.4 million in the second quarter), while the gross operating profit (EBITDA) was US$ 24.5 million (US$ 9.0 million in Q2). The H1 2009 net profit margin was 7.3% and the Group's average Time Charter Earnings (TCE) rate per employment day was of US$ 17,943 (US$ 16,504 in the second quarter). The decrease with respect to the previous year, when DIS's net profit was US$ 27.2 million (excluding the gains on disposal of vessels), is due to the completely different market trend, clearly explained by the H1 2008 Time Charter Earnings (TCE) rate per employment day, which was US$ 20,747. The higher percentage of fixed contracts coverage, together with significant efficiency in general and administrative costs and the solid financial position allowed DIS to realize a net profit, but lower compared to the previous 2007 and 2008 years, which represented the peak of the last shipping cycle.

As already disclosed also in the 2009 Q1 report, January maintained relatively good returns on the back of contracts concluded in 2008. The Product tanker demand, as a consequence of the economic slow-down, has then started to decrease throughout February and to a larger degree in March and in the following months. The market came off from the short lived improvement in May, also considering the increase in cost of bunker since the beginning of the year. Refinery utilization rates have also slumped in 2009 on the back of weak demand for most clean petroleum products and existing healthy stocks. On the other side, both the products dislocation demand and long haul arbitrage business have not materialized as in previous years. The steady supply of ships, driven by the large influx of new buildings into the market, has resulted in significant pressure on the spot rate.

OPERATING PERFORMANCE

Q2 2009	Q2 2008	*US$ Thousand*	H1 2009	H1 2008
57 065	84 274	Revenue	128 497	157 232
(12 783)	(21 119)	Voyage costs	(30 017)	(36 806)
44 282	**63 155**	**Time charter equivalent earnings**	**98 480**	**120 426**
(20 853)	(19 664)	Time charter hire costs	(44 151)	(38 050)
(10 965)	(12 729)	Other direct operating costs	(22 249)	(23 573)
(4 852)	(6 453)	General and administrative costs	(9 812)	(12 099)
1 412	1 083	Other operating Income	2 278	3 474
-	24 925	Result on disposal of vessels	-	47 154
9 024	**50 317**	**Gross operating profit / EBITDA**	**24 546**	**97 332**
(8 898)	(7 972)	Depreciation	(17 627)	(16 624)
126	**42 345**	**Operating profit / EBIT**	**6 919**	**80 708**
(1 411)	(3 036)	Net financial income (charges)	553	(5 879)
(1 285)	**39 309**	**Profit before tax**	**7 472**	**74 829**
(107)	(280)	Income taxes	(263)	(455)
(1 392)	**39 029**	**Net profit**	**7 209**	**74 374**

Revenue for H1 2009 amounted to US$ 128.5 million (US$ 157.2 million in H1 2008). The weak products tanker demand significantly affected the DIS turnover. The average number of the vessels operated by d'Amico International Shipping in H1 2009 (DIS fleet) was of 37.2, excluding some short term chartered in vessels, compared to 35.7 in the same period of the previous year. Due to the dry-docks plan timing-effect, the percentage of off-hire to available days was of 3.3% in the first six months of the year, higher compared to the same period last year (H1 2008: 1.8%).
In Q2 2009 revenue was US$ 57.1 million (US$ 84.3 million in Q2 2008). The amount reflects the softer market trend during the second quarter of the current year compared to the first quarter and, generally, the down-turn in the product tanker business with respect to the 2008.

Voyage costs in H1 2009 totalled US$ 30.0 million (US$ 36.8 million in H1 2008). The Q2 2009 balance was US$ 12.8 million (US$ 21.1 million in Q2 2008). The decrease is mainly due to revenue performances and, partially, to the different average number of vessels employed during the periods. The H1 2009 figure also includes an amount US$ 4.6 million of short term charter-in costs associated with some vessels operated during the period by DIS, however not considered part of its fleet.

The significant pressure on the spot rates, particularly strong starting from the end of the first quarter this year, significantly affected the first half and second quarter performance. The ***Time charter equivalent earnings*** for H1 2009 were US$ 98.5 million, resulting in a decrease of 18.2% with respect to the same period of the previous year (US$ 120.4 million). In Q2 2009 Time charter earnings amounted to US$ 44.3 million (US$ 63.2 million in Q2 2008) with a relevant decrease of 29.9%.

The increase in the fleet in 2009 (37.2 vessels in H1 2009 compared to the 36 vessels employed during the first half of the previous year), only partially mitigated the market decline, which followed the lack of oil products demand. In H1 2009 DIS average TCE daily rate, decreased to US$ 17,943 (from US$ 20,747 in H1 2008). The H1 average daily TCE rate resulted from the fall in TCE from US$ 19,375 in Q1 2009 to US$ 16,504 in Q2 this year.
Taking into consideration the current scenario, DIS has increased the fixed contracts coverage to about 58% for the first half of 2009 (from 56% relating to the first 3 months of 2009 and compared to 49.8% realized in H1 2008). This increase, already planned at the end of the previous year, aims at securing revenues at acceptable level of profitability.

The ***Time charter hire costs,*** relating to the DIS chartered in vessels, amounted to US$ 44.2 million in the first half of 2009 (US$ 38.1 in H1 2008). The increase is due to the higher number of chartered-in ships (22.3 in H1 2009 compared to 18.9 in H1 2008 on average) and to the slightly higher cost on average for these vessels, following the delivery of some new modern vessels during the previous year and the four purchase options exercised in 2008. In the second quarter of 2009, the time charter hire cost trend (US$ 20.9 million, compared to US$ 19.7 million in Q2 2008 and to US$ 23.3 million in Q1 2009) has improved, as a result, among other conditions, of the decrease in the spot employment rates and, consequently, in the profit share to be recognized for certain charter in contracts.

Other direct operating costs, which comprise crew, technical, luboil and insurance expenses, amounted to US$ 22.2 million, compared to US$ 23.6 million in H1 2008. These costs essentially relate to the operation of owned vessels. The first half 2009 figures decreased compared to the same period last year as a consequence of the lower number on average of the owned vessels (from 16.9), In Q2 2009 these operating costs amounted to US$ 10.9 million (US$ 12.7 million in Q2 2008). The variance, other than the change in the number of the owned vessels operated during the periods, was due to the recovery of the negative timing effects for technical costs/running maintenance occurred in Q1 2009. On a daily basis, following the trend in insurance costs noted last year, due to a general increase in premiums across the sector, no relevant increase in operating costs has been noted compared to the previous year.

The first half of 2009 has been positively influenced by the significant decrease of the ***General and administrative expenses***, whose balance for H1 2009 totalled US$ 9.8 million (US$ 12.0 million in H1 2008). Excluding the effect arising from the lower stock option fair value pertaining to the current year (no-cash item), shown under personnel costs, the improvement was of about 15%. The result is due to cost savings realized for the item, mainly in consultancy, travel and entertainment costs. The US dollar average exchange rate level during the quarter also helped DIS to keep the balance at the lower level.

Other operating income amounted to US$ 2.3 million in H1 2009 (US$ 3.5 million in H1 2008). In Q2 2009 the balance was US$ 1.4 million (US$ 1.0 million in Q2 2008). The item, other than the chartering commissions from third parties vessels operated through pools, includes compensations relating to a claim for an amount of US$ 0.3 million.

In H1 2009 no vessels have been sold, therefore no ***Result on disposal of vessels*** has been accounted for. In H1 2008 the gain of US$ 47.2 million was realized as a result of the sale of 2 vessels.

Gross operating profit (EBITDA) for the H1 2009 amounted to US$ 24.5 million, compared to US$ 50.1 in H1 2008 (US$ 97.3 million including the gain on disposal). The EBITDA margin was of 24.9% compared to 41.7% % of H1 2008 (excluding the gain on disposal). The Gross operating profit in Q2 2009 was US$ 9.0 million (20.4%) compared to US$ 25.4 million (40.2%) realized in the same quarter of the previous year. The negative variance, partially mitigated by the significant general and administrative cost saving, has been driven by the shipping and product tanker sector downturn, following the global recession causing the freight rates decrease. Considering the characteristics of the shipping company cost structure, the level of profitability is normally largely and directly influenced by the freight rates level. The 2009 Gross operating margin is still allowing DIS to generate an acceptable level of operating cash flow.

Depreciation charges for the first six months of 2009 (US$ 17.6 million) relates to the 15 owned vessels. Compared to H1 2008 (US$ 16.6 million), the decrease in the average number of owned vessels (from 16.9 on H1 2008 to 15 this year) has been off-set by the significant reduction in scrap steel prices, increasing depreciable amount for vessels. The Q2 2009 depreciation charges amounted to US$ 8.9 million (US$ 8.0 million in Q2 2008).

Operating profit (EBIT) for the six months period ended 30 June 2009 amounted to US$ 6.9 million, representing a margin of 7.0% on Time charter earnings, compared to US$ 33.6 million in H1 2008 (27.9% of margin) and to US$ 80.7 million for the same period last year (including the gain on vessels disposal). In Q2 2009 the Operating profit was close to nil (US$ 0.1 million) while in the Q2 2008 the result was of US$ 17.4 million (US$ 42.3 million including the gain on vessels disposals). The decrease, as per Gross operating profit, is due to the time charter earnings results, negatively and largely affected by the weak cycle in the product tanker market.

On the positive side, a solid financial position sustained DIS's results. In the H1 2009 the Group realized ***Net financial income*** of US$ 0.6 million with respect to Net financial charges of US$ 5.9 million in H1 2008. The H1 2009 balance is made up of financial charges (interest) on the outstanding debts for US$ 4.7 million, the non-cash item gain of US$ 3.1 million arising from the retranslation of the Mizuho loan denominated in Japanese Yen, together with the bareboat fee cashed-in in connection with the M/T High Harmony and M/T High Consensus sale of US$ 2.2 million. The Q2 Net financial charges were of US$ 1.4 million (US$ 3.0 million in Q2 2008).

Profit before tax for the first half of 2009 amounted to US$ 7.5 million (US$ 27.7 million in H1 2008 – US$ 74.9 million including the gain from disposal of vessels). In Q2 DIS had a loss before tax of US$ 1.3 million compared to the profit before tax of US$ 14.4 million for Q2 2008 (US$ 39.3 million including gain from disposal of vessels).

The ***Income taxes*** item essentially arises from the Irish Tonnage Tax regime applicable to the key operating subsidiary d'Amico Tankers Limited. The charge was of US$ 0.3 million for the period ended 30 June 2009 (US$ 0.1 million in Q2 2009). The tonnage tax essentially relates to the notional income of vessels, which is dependent on the size of the vessel, rather than on the company's profit. The US$ 0.5 million accounted for in H1 2008 also included other Group companies' taxes.

Net profit for the first six months of 2009 amounted to US$ 7.2 million. The decrease compared to the net profit realized in the same period of last year (US$ 74.4 million, of which US$ 27.2 million on a consistent basis, excluding the 2008 gain on vessels' disposal) clearly reflects the worsening of the product tanker market environment, mainly affecting Q2 of the current year, during which DIS had a Net loss of US$ 1.4 million, despite the solid core business, the level of time charter earnings coming from fixed contracts and the low net debt.

FINANCIAL POSITION

US$ Thousand	**As at 30 June 2009**	**As at 31 December 2008**
ASSETS		
Non current assets	528 833	531 275
Current assets	185 591	192 879
Total assets	**714 424**	**724 154**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity	373 536	387 839
Non current liabilities	269 090	271 666
Current liabilities	71 798	64 649
Total liabilities and shareholders' equity	**714 424**	**724 154**

Non current assets are comprised almost entirely of the fleet (owned vessels), whose book value (cost less depreciation) was of US$ 520.4 million. Since October 2008, following the worldwide economic turmoil, a significant decrease in the product tankers market value has been noted. In the same period, the shipping industry has also experienced a relevant decline in the number of transactions, involving both second-hand vessel than new orders, affecting the estimation of the vessels market value. As a consequence, the positive difference between DIS fleet estimated market value and the related book value has been then reduced. According to the valuation reports provided by primary brokers in July 2009, the market value of the DIS owned vessels, including the portions relating to the new buildings under construction, is of US$541 million.

During the first half of the year *Capital expenditure* was US$ 30.4 million (US$ 17.4 million in Q2). These expenditures relate to the instalments paid to the shipyards for the vessels under construction at GLENDA International Shipping Ltd and DM Shipping (joint venture companies). Also included in capitalised costs are dry-docks relating to the owned vessels. As a result of the cancellation of one of the SLS shipyard product tanker under construction (ordered by the joint controlled company GLENDA International Shipping), an amount of US$ 15.2 million already paid relating to the instalments for this vessel (Hull S510) has been reclassified as at 30 June 2009 under Current financial receivables.

Current assets*,* excluding cash and cash equivalents (US$ 129.1 million as at 30 June 2009 and US$ 41.5 million as at 31 December 2008), and the short term financial receivables of US$ 15.2 million due in connection with the SLS vessel cancellation (the balance of US$ 110.3 million as at 31 December 2008 related to receivables cashed in during the Q2 2009 arising from the M/T High Harmony and M/T High Consensus sale) refer to working capital items (trade receivables and inventories), for a total amount of US$ 41.2 million (US$ 41.1 million at 2008 year end).

Non current liabilities consist of the long-term portion of debt due to banks, disclosed under the Net Indebtedness section below, while ***Current liabilities*** - other than the financial items similarly disclosed under the following section - include working capital balances, trade payable and other liabilities, for total amount of US$ 49.5 million (US$ 42.3 million as at 31 December 2008)

The ***Shareholders' equity*** variance from US$ 387.8 million as at 31 December 2008, to US$ 373.6 million as at 30 June 2009, was due the distribution of US$ 20.0 million of dividends, which took place in April this year, and to the consolidated net profit for the 2009 first six months of US$ 7.2 million, which has been off-set by the prior year adjustments accounted for under Retained Earnings and arising from the M/T High Harmony and M/T High Consensus sale price reduction of about US$ 7 million agreed late in March this year. The price decrease was not made known to DIS either at the original agreement (October 2008) or during the further discussions held early in February 2009. If these facts had been known either in October or February, then management would have assessed the need for receivables write-down at the 31 December 2008 balance sheet date. Consequently, in accordance with IFRS applicable rules, the sale price adjustment has been shown in 2009 accounts directly under Net Equity (Retained Earnings).

NET INDEBTEDNESS

Net financial indebtedness, amounted to US$ 147.4 million as at 30 June 2009, which does not significantly differ from the amount of US$ 142.2 million as at 31 December 2008. The ratio of net debt to shareholder's equity as at the end of the first six month period of 2009 was 0.39 (0.37 as at 31 December 2008).

US$ Thousand	**As at 30 June 2009**	**As at 31 December 2008**
Liquidity		
Cash and cash equivalents	129 116	41 482
Current financial receivables		
From third parties	15 232	110 279
Total current financial assets	**144 348**	**151 761**
Bank loans – current	9 012	4 243
Other lenders	1 540	1 541
Other current financial liabilities		
Due to third parties (IRS fair value)	12 101	16 546
Total current financial debts	**22 653**	**22 330**
Net current financial indebtedness	**(121 695)**	**(129 431)**
Bank loans – non current	258 307	260 883
Other non current financial liabilities		
Due to third parties	10 783	10 783
Total non current financial debt	**269 090**	**271 666**
Net financial indebtedness	**147 395**	**142 235**

The total outstanding bank debts as at 30 June 2009 amounted to US$ 267.3 million, including the short term portion of US$ 9.0 million. The banks debts comprise the following loans: (i) Calyon revolving facility (syndicated by other banking institutions) of US$ 148.9 million; (ii) Mizuho syndicated loan facility of US$ 45.5 million; (iii) Commerzbank AG Global Shipping and Credit Suisse loans of US$ 72.9 million for the GLENDA International Shipping Ltd Joint Venture new-building vessels.

Following the cash-in of the receivables of US$ 103.7 million relates to the proceeds from the sale of M/T High Harmony and M/T High Consensus, the current financial receivables relate to the amount due from SLS shipyard arising from the cancellation of one of the vessels ordered by GLENDA International Shipping, the joint venture between DIS and Glencore Group. The Net debt also includes, under Other current financial liabilities, the US$ 12.1 million negative fair value of the derivatives hedging instruments (interests swaps agreements - IRS), together with the total amount of US$ 12.3 million representing a debt due from GLENDA International Shipping to ST Shipping (repayment of vessel instalments).

CASH FLOW

Net cash flow for the First half of 2009 amounted to US$ 87.6 million, increasing cash and cash equivalents from US$ 41.5 million at the end of December 2008 to US$ 129.1 million.

Q2 2009	Q2 2008	*US$ Thousand*	H1 2009	H1 2008
7 038	24 436	Cash flow from operating activities	28 530	40 151
(2 233)	42 802	Cash flow from investing activities	(15 181)	(59 481)
73 177	(59 653)	Cash flow from financing activities	74 285	28 982
77 982	**7 585**	**Change in cash balance**	**87 634**	**9 652**
77 982	**7 585**	**Net increase/(decrease) in cash & cash equivalents**	**87 634**	**9 652**
51 134	26 993	Cash & cash equivalents at the beginning of the period	41 482	24 926
129 116	**34 578**	**Cash & cash equivalents at the end of the period**	**129 116**	**34 578**

Cash flow from operating activities for H1 2009 amounted to US$ 28.5 million, compared to US$ 40.2 million for the same period of 2008. The decrease is essentially explained by the current year lower operating performances compared to the previous year. In the Q2 2009, a period significantly affected by the product tanker rate declining, the operating cash flow was of US$ 7.0 million.

The capital expenditures occurring during the first half of the year related to yard payments on vessels under construction, as part of the Group's joint venture GLENDA International Shipping, amounting to US$ 15.9 million, and d'Amico Mitsubishi Shipping, amounting to US$ 10.0 million. The **Cash *flow from investing activities***, also included dry-docks and is net of the amount of the SLS shipyard instalments paid for the vessel, which has been cancelled in June this year, amounted to US$ 15.2 million reclassified under Current financial receivables.

The ***Cash flow from financing activities*** for the first six months of 2009 was US$ 74.3 million (US$ 73.2 million in Q2). The increase mainly arose from the cash-in of the M/T High Harmony and M/T High Consensus which occurred in Q2. The net change is also the consequence of the dividends paid during Q2 for the amount of US$ 20.0 million and of the drawdown from the Commerzbank and Credit Suisse loans in connection with the above mentioned shipyard payments.

SIGNIFICANT EVENTS OF THE PERIOD

Controlled fleet – Chartered-in vessels

During the first quarter of 2009 the following vessels have been delivered to d'Amico Tankers Limited:

- March 2009 – *M/T High Enterprise*, a medium range chartered in vessel, was delivered for a period of 8 years. The vessel has options to increase the charter-in period for a maximum of two additional years, at the discretion of the Company. The time charter-in agreement for this vessel also includes a purchase option at the expiration of the eight year period.
- March 2009 – *M/T Handytankers Magic*, a handysize chartered-in vessel in which d'Amico Tankers Limited has a 25% interest, was delivered for a period of 6 years. The time charter-in agreement for this vessel also includes a purchase option at the contract expiration date.

High Harmony and High Consensus sale

On 23 March 2009 d'Amico Tankers Limited agreed to amend the contract relating to the sale of M/T High Harmony (45.913 dwt) and the M/T High Consensus (45,896 dwt), two medium range double-hull product tankers built in 2005 by Shin Kurushima shipyard in Japan, to United Arab Chemical Carriers Limited of Dubai, UAE (the 'Buyer'), providing a sale price for each of the vessel of US$ 53.0 million compared to the original sale price of US$ 56.5 million agreed on 27 August 2008. At the end of October 2008 the vessels were delivered to the Buyer under bareboat charter until the sale price cash payment. The reduction of the sale price was agreed considering the current credit crunch scenario and the fact that it could have been no longer feasible the conclusion of that deal at the initially agreed sales price level, representing the product tankers market peak. The sale proceeds for High Harmony and High Consensus sale have been respectively received in at the end of April and in May 2009.

Buy Back Programme

On 27 January 2009 the extraordinary shareholders' meeting of d'Amico International Shipping authorized the buyback of the Company's ordinary own shares as proposed and explained by the Board of Directors in its report to the shareholders duly approved in its meeting held on 5 November 2008. The buy-back, up to a maximum of number 14,994,991 of ordinary shares including the Company's own shares already repurchased (corresponding to 10% of the subscribed capital of the Company), may be carried out in one or more tranches, for a maximum period of 18 months at the minimum price of Euro 0.50 per share and a maximum price of Euro 5 per share for a total consideration in the range of about Euro 7.5 million to about Euro 75 million.

GLENDA International Shipping – The Joint Venture with Glencore

Cancellation of one SLS newbuilding contract

On 16 June 2009 GLENDA International Shipping Ltd ("GLENDA"), the joint venture company between d'Amico International Shipping S.A. and Glencore Group, gave notice to SLS Shipbuilding Co. Ltd Tongyeong Korea shipyard to terminate and rescind the new building contract related to the 51,000 DWT product /chemical tanker vessel bearing the Hull n° S510.

The notice has been given as a result of excessive delays incurred in the final expected vessel's delivery. In accordance with the relevant contract and availing itself of the rights arising from it, GLENDA demanded firstly to the shipyard and then to Kookmin Bank – Korea in its capacity of Refund Guarantor, to refund the full amount of all advances settled on account of the vessel (US$ 29.2 million) together with accrued interest thereon. In July 2009, GLENDA was notified by the shipyard about the commencement of arbitration in accordance with the terms of the above new building contract. As a consequence, the shipyard requested the extension of the validity period of the issued Refund Guarantee until 30 days after the issuance of the final award by arbitrators delaying any payment under the Refund Guarantee until such award will be issued.

SUBSEQUENT EVENTS AND BUSINESS OUTLOOK

Excluding the notification by SLS Shipbuilding Co. Ltd. to GLENDA about the commencement of arbitration in accordance with the terms of the new building contract relating to Hull S510, already disclosed in the previous section, no other relevant events have been occurred since the half year closing date.

Controlled Fleet

There have been no changes to the Group's controlled fleet.

Business Outlook

The Outlook is still significantly influenced by the current weak product tanker market demand and uncertain worldwide economy scenario. As a consequence the DIS management maintains a very cautious approach regarding it. Product tanker rates have declined since the beginning of the current year and even if any substantial further large reduction is not expected going into the second half of the current year, the rates will remain under pressure and a stabilisation or an improvement, also considering the relevant net fleet growth, would not occur until Economies start improve generating a demand support.

The oil product forward demand forecast has been revised consistently downward from the beginning of the year. The revisions have got smaller as news of the recession is slowing and there are some "green shoots" of a recovery towards the end of the year and going into 2010.

The key drivers that should affect the product tanker freight markets in the remaining part of 2009 and d'Amico International Shipping performances are (i) Global down turn and the present short term negative outlook about Oil demand and worldwide GDP growth and (ii) The large influx of new buildings still influencing the current year 2009. Moving forward into 2010 the phase-out of a large percentage of the single hull vessels due to the IMO mandate in 2010 and the weak market, should allow the product tanker rates to recover and the longer view is positive. The demand trend is in any case and generally expected as the most important factor affecting the business performances over the following months. As disclosed in the International Energy Agency (IEA) Medium-term oil market report (June 2009), 'the shape and extent of the economy recovery will remain the primary driver of oil market balances for the foreseeable future'.

The factors that could mitigate and partially off-set the current scenario for the Product Tanker demand and supply in the longer term are disclosed in more details below:

Product Tanker Demand

- Despite the volatility in the price of Oil there are still planned significant investments in Refinery Capacity in the coming years primarily within the Asian region, which should result in increased tonne mile demand; According to the IEA, refinery capacity is expected to increase by 7.6 Million barrels per day by 2014. Of which about 50% is in Asia. Many new refining projects have been deferred, but leaving overall additions at relatively high levels;
- The IEA have once again revised downwards 2009 Oil Product demand for the OECD (Organisation for Economic Cooperation and Development) Nations, but this is partially countered by expected increase in demand outside these Countries, once economies start to improve;
- Refinery closures and reduced output in the Western hemisphere have already occurred and could possibly continue in the coming year(s) as they become less viable compared to the more efficient capacity within the Eastern hemisphere which will increase the tonne mile demand for Product Tankers;
- There is expected further trade growth in other Commodities such as Palm oil and Vegetable oil. The exports of Palm and Vegetable Oil tend to also be long haul trades to large consuming Countries such as China and the United States. These Products also can only be carried on IMO Classified vessels which should increase demand for these type of vessels;
- 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.

Product Tanker supply

With respect to a view, under which there are ' too many ships for too few cargoes', it should be considered a realistic scenario, which foresees a potential reduction in net fleet growth over next couple of years, and possible reduction of deliveries within 2009/10 due to following reasons:

- a large number of Owners are now trying to re-negotiate contracts; either delaying deliveries into 2010/2011, reducing orders or not taking up additional options;
- Ship Yards are facing continued delays which could become cancellations; and some smaller shipyard have now ceased operation and it's understood that almost certainly most green-field yard projects appear to have been shelved;
- Financing has not been secured for a significant number of vessels;
- 2010 April is the deadline for IMO phase out of the remaining single hull vessels from International trade and in the current economic climate Owners should scrap ships before incurring further operational cost/repair;
- as per Clarkson research department, the new building market is showing a buyer decision-making focusing on quality and reliability and, consequent reluctance to order new buildings, despite a number of Chinese and second tier Korean yards now quoting aggressive price.

The above factors are those which could affect the future development and performances. The previous section 'Financial review' already discloses the financial position of the Group, its cash flows, net debt. d'Amico International Shipping, other than the relevant 'cash cushion' on hands, has significant financial resources available through its credit lines. In addition, a significant portion of the revenue has been already secured and the expected fixed contract coverage percentage for 2009 should be close to 55-60% on average. This coverage comes from time charter out contracts and COAs (contract of affreightment). These resources and the balanced business development model, consequently allow the Company directors to believe that, despite the current uncertain worldwide economic outlook, DIS is well positioned to appropriately manage its business risks.

d' AMICO INTERNATIONAL SHIPPING GROUP
CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2009

CONSOLIDATED INCOME STATEMENT

Q2 2009	Q2 2008	*US$ Thousand*	Note	H1 2009	H1 2008
57 065	84 274	Revenue	2	128 497	157 232
(12 783)	(21 119)	Voyage costs	3	(30 017)	(36 806)
44 282	**63 155**	**Time charter equivalent earnings**	4	**98 480**	**120 426**
(20 853)	(19 664)	Time charter hire costs	5	(44 151)	(38 050)
(10 965)	(12 729)	Other direct operating costs	6	(22 249)	(23 573)
(4 852)	(6 452)	General and administrative costs	7	(9 812)	(12 099)
1 412	1 082	Other operating income	8	2 278	3 474
-	24 925	Result on disposal of vessels	9	-	47 154
9 024	**50 317**	**Gross operating profit**		**24 546**	**97 332**
(8 898)	(7 972)	Depreciation		(17 627)	(16 624)
126	**42 345**	**Operating profit**		**6 919**	**80 708**
(1 411)	(3 036)	Net financial income (charges)	10	553	(5 879)
(1 285)	**39 309**	**Profit before tax**		**7 472**	**74 829**
(107)	(280)	Income taxes	11	(263)	(455)
(1 392)	**39 029**	**Net profit / (loss)**		**7 209**	**74 374**

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

(0.0093)	**0.2603**	**Earnings /(loss) per share**	**0.0481**	**0.4960**
(0.0091)	**0.2558**	**Diluted earnings / (loss) per share**[1]	**0.0473**	**0.4874**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Q2 2009	Q2 2008	*US$ Thousand*	H1 2009	H1 2008
(1 392)	39 029	Profit / (loss) for the period	7 209	74 374
3 469	6 592	Cash flow hedges	4 445	735
2 077	45 621	Total comprehensive income for the period	11 654	75 109
0.0139	0.3042	Earnings / (loss) per share	0.0777	0.5009
0.0136	0.2990	Diluted / (loss) earnings per share[1]	0.0764	0.4923

[1] 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 STATEMENT OF FINANCIAL POSITION

US$ Thousand	Note	As at 30 June 2009	As at 31 December 2008
ASSETS			
Non current assets			
Tangible assets	12	528 833	531 271
Financial fixed assets	13	-	4
Total non current assets		**528 833**	**531 275**
Current assets			
Inventories	14	10 257	7 010
Receivables and other current assets	15	30 986	34 108
Current financial receivables	16	15 232	110 279
Cash and cash equivalents	17	129 116	41 482
Total current assets		**185 591**	**192 879**
Total assets		**714 424**	**724 154**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity attributable to the owners			
Share capital		149 950	149 950
Retained earnings		176 208	195 661
Other reserves		47 378	42 228
Total shareholders' equity	18	**373 536**	**387 839**
Non current liabilities			
Banks and other lenders	19	269 090	271 666
Total non current liabilities		**269 090**	**271 666**
Current liabilities			
Banks and other lenders	19	10 552	5 784
Other financial current liabilities	20	12 101	16 546
Payables and other current liabilities	21	48 764	41 959
Current tax liabilities	22	381	360
Total current liabilities		**71 798**	**64 649**
Total liabilities		**340 888**	**336 315**
Total liabilities and shareholders' equity		**714 424**	**724 154**

On behalf of the Board

Paolo d'Amico
Chairman

Marco Fiori
Chief Executive Officer

Consolidated Statement of Cash Flow

Q2 2009	Q2 2008	*US$ Thousand*	H1 2009	H1 2008
(1 392)	**39 029**	**Profit for the period**	**7 209**	**74 374**
8 898	7 972	Depreciation and amortisation	17 627	16 624
107	280	Current and deferred income tax	263	455
1 615	3 036	Financial charges	2 450	5 879
-	(24 925)	Result on disposal of fixed assets	-	(47 154)
(204)	-	Fair value gains on foreign currency retranslation	(3 003)	-
(16)	72	Other non-cash items	(4)	44
9 008	**25 464**	**Cash flow from operating activities before changes in working capital**	**24 542**	**50 222**
(467)	(1 933)	Movement in inventories	(3 246)	(3 739)
4 422	(4 072)	Movement in amounts receivable	3 122	(8 205)
(5 165)	7 093	Movement in amounts payable	5 973	7 097
(35)	-	Taxes paid	(210)	208
(725)	(2 116)	Interest paid	(1 651)	(5 432)
7 038	**24 436**	**Net cash flow from operating activities**	**28 530**	**40 151**
(17 436)	(8 768)	Acquisition of fixed assets	(30 383)	(165 338)
15 203	51 570	Disposal/cancellation of fixed assets (1)	15 202	105 857
(2 233)	**42 802**	**Net cash flow from investing activities**	**(15 181)**	**(59 481)**
6 844	373	Other changes in shareholders' equity (2)	277	633
81 704	-	Movement in other financial receivable (3)	88 215	-
-	(826)	Treasury Shares	-	(1 685)
(17 742)	(52 000)	Bank loan repayments	(21 464)	(112 000)
21 773	27 073	Bank loan draw-downs	26 659	176 307
(19 402)	(34 273)	Dividend paid	(19 402)	(34 273)
73 177	**(59 653)**	**Net cash flow from financing activities**	**74 285**	**28 982**
77 982	**7 585**	**Change in cash balance**	**87 634**	**9 652**
77 982	**7 585**	**Net increase/ (decrease) in cash and cash equivalents**	87 634	**9 652**
51 134	26 993	Cash and cash equivalents at the beginning of the period	41 482	24 926
129 116	**34 578**	**Cash and cash equivalents at the end of the period**	**129 116**	**34 578**

(1) The amount shown under H1 and Q2 2009 relates to the reclassification of fixed asses to financial receivables (SLS vessel cancellation).
(2) The amount shown under Q2reflects the reclassification to other financial receivables of a prior year adjustment in relation with the reduction of the sale price of the vessels High Harmony and High Consensus.
(3) The amount presented for 2009 periods relates to the decrease of the financial receivable following sale price payment of the vessels High Harmony and High Consensus and the increase resulting from the reclassification of a fixed asset (cancellation of SLS vessel).

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

US$ Thousand	Share capital	Retained earnings	Other reserves	Cash Flow hedge	Total
Balance as at 1 January 2009	**149 950**	**195 661**	**58 773**	**(16 545)**	**387 839**
Prior year adjustments (1)	-	(7 261)	-	-	(7 261)
Restated balance as at 1 January 2009	**149 950**	**188 400**	**58 773**	**(16 545)**	**380 578**
Changes in equity in first half 2009					
Dividend paid	-	(19 402)	-	-	(19 402)
Other changes	-	-	706		706
Treasury Shares	-	-	-	-	-
Total comprehensive income	-	7 209		4 445	11 654
Balance as at 30 June 2009	**149 950**	**176 208**	**59 478**	**(12 100)**	**373 536**

(1) The amount essentially relates to the write down of the financial receivable on the sale of the M/T High Harmony and M/T High Consensus

US$ Thousand	Share capital	Retained earnings	Other reserves	Cash Flow hedge	Total
Balance as at 1 January 2008	**149 950**	**75 081**	**62 013**	**(4 355)**	**282 689**
Dividend paid	-	(34 273)	-	-	(34 273)
Other changes	-	(159)	793	-	634
Treasury Shares	-	-	(1 685)	-	(1 685)
Total comprehensive income	-	74 374	-	735	75 109
Balance as at 30 June 2008	**149 950**	**115 023**	**61 121**	**(3 620)**	**322 474**

EXPLANATORY NOTES

The Interim report has been prepared in accordance with the relevant provisions of Art. 4 of the Luxembourg Law dated 11 January 2008, which transposed Directive 2004/109/EC of the European Parliament and the Council held on 15 December 2004 regarding the harmonization of transparency requirements in relation to information on issuers trading securities on a regulated market.

As provided by the relevant and applicable rules, 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'.

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 2008 with particular regard to material changes in respect of these statements.

The d'Amico International Shipping Group has adequate resources to continue in operational existence for the foreseeable future, accordingly, the financial statements have been prepared on a going concern basis. 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 2009. The accounting policies have been consistently applied.

The Company - according to the provisions of article 36, paragraph 1, 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 2008, no changes in the scope of consolidation took place during the first half of 2009.

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.

SEGMENT INFORMATION

d'Amico International Shipping only operates in one business segment: Product Tankers. The Group has one geographical segment, which considers the global market as a whole; in addition, as the deployment of individual vessels is not limited to a specific area of the world, no segment information is needed.

ACCOUNTING PRINCIPLES

There are no new International Financial Reporting Standards or IFRICs applicable to this Half-Yearly financial report with respect to those applied for 31 December 2008 year end.

The revised version of *IAS 1 - Presentation of Financial Statements* is effective for periods commencing on or after January 1, 2009 and these quarterly statements reflect the required changes. The revision is aimed at improving users' ability to analyse and compare the information given in financial statements. The changes require information in financial statements to be aggregated on the basis of shared characteristics and introduce a new statement of comprehensive income. This will enable readers to analyse changes in a company's equity resulting from transactions with owners in their capacity as owners (such as dividends and share repurchases) separate from 'non-owner' changes (such as transactions with third parties). Comprehensive income includes the profit or loss for the period plus other comprehensive income recognised including gains and losses on hedging instruments, gains and losses on the revaluation of available for sale financial assets and changes in revaluation surplus.

2. REVENUE

US$ Thousand	**Q2 09**	**Q2 08**	**H1 09**	**H1 08**
Revenue	57 065	84 274	128 497	157 232

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

3. VOYAGE COSTS

US$ Thousand	**Q2 09**	**Q2 08**	**H1 09**	**H1 08**
Bunkers (fuel)	(6 973)	(11 950)	(15 264)	(23 567)
Commissions	(1 968)	(1 521)	(4 327)	(2 834)
Port charges	(3 784)	(5 043)	(10 114)	(7 756)
Other	(58)	(2 605)	(312)	(2 649)
Total	(12 783)	(21 119)	(30 017)	(36 806)

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	**Q2 09**	**Q2 08**	**H1 09**	**H1 08**
Time charter equivalent earnings	44 282	63 155	98 480	120 426

Time charter equivalent earnings represent revenue less voyage costs. In the first half of 2009 about 58% of the Time Charter Equivalent earnings came from fixed contracts (contracts longer than 12 months) (HY1 2008: 49.8%).

5. TIME CHARTER HIRE COSTS

US$ Thousand	**Q2 09**	**Q2 08**	**H1 09**	**H1 08**
Time charter hire costs	(20 853)	(19 664)	(44 151)	(38 050)

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

6. Other direct operating costs

US$ Thousand	**Q2 09**	**Q2 08**	**H1 09**	**H1 08**
Crew costs	(5 070)	(5 753)	(10 269)	(11 154)
Technical expenses	(2 470)	(3 843)	(5 280)	(6 281)
Technical and quality management	(891)	(972)	(1 798)	(1 903)
Other costs	(2 534)	(2 161)	(4 902)	(4 235)
Total	(10 965)	(12 729)	(22 249)	(23 573)

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 2009, d'Amico International Shipping SA and its subsidiaries had 412 employees, of which 359 seagoing personnel and 53 on-shore. On-shore personnel costs are included under General and administrative costs.

7. General and administrative costs

US$ Thousand	**Q2 09**	**Q2 08**	**H1 09**	**H1 08**
Personnel	(2 993)	(3 435)	(6 365)	(7 095)
Other general and administrative costs	(1 859)	(3 018)	(3 447)	(5 004)
Total	(4 852)	(6 453)	(9 812)	(12 099)

Personnel costs relate to on-shore personnel salaries, including the amount of US$ 0.3 million (H1 2008: US$ 0.8 million), representing the notional cost for 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.

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. They also include intra-group management fees on the brand, trademark and IT services for US$ 0.5 million.

8. Other operating income

US$ Thousand	**Q2 09**	**Q2 08**	**H1 09**	**H1 08**
Other operating income	1 412	1 082	2 278	3 474

Other operating income represents chartering commissions earned for services provided by group personnel to the pools partners and for third party vessels. This also includes compensation relating to a claim for an amount of US$ 0.3 million.

9. Result on disposal of vessels

US$ Thousand	**Q2 09**	**Q2 08**	**H1 09**	**H1 08**
Profit on disposal of vessels	-	24 925	-	47 154

There were no vessel disposals during 2009. During the first half of 2008, the amount related to the sales of the M/T High Trust and of the M/T High Peace.

10. NET FINANCIAL INCOME (CHARGES)

US$ Thousand	**Q2 09**	**Q2 08**	**H1 09**	**H1 08**
Income				
Loans and receivables:				
Interest Income – Banks	66	69	82	440
Financial income on the Bareboat agreement	663	-	2 194	-
Other financial income	328	-	3 101	-
Total Financial Income	1 057	69	5 377	440
Charges				
Financial liabilities measured at amortised cost:				
Interest expense	(2 468)	(3 105)	(4 823)	(6 319)
Total financial charges	(2 468)	(3 105)	(4 824)	(6 319)
Net Financial Charges	(1 411)	(3 036)	553	(5 879)

Financial income comprises, other than interest income, the 2009 bareboat earnings relating to the two vessels (M/T High Harmony and M/T High Consensus) delivered in October 2008. The bareboat income has been recognised until the sale price cash payment, occurred in Q2 2009. Other financial income essentially relates to the conversion at the end of the period of the existing loan in Japanese Yen.

Financial charges comprise interest expense on bank loans, fees paid to banks relating to bank loans and swap arrangement expenses.

11. INCOME TAXES

US$ Thousand	**Q2 09**	**Q2 08**	**H1 09**	**H1 08**
Current income taxes	(107)	(280)	(263)	(455)

Income taxes for the d'Amico International Shipping Group are attributable almost entirely to the main operating subsidiary, d'Amico Tankers Limited, incorporated in Ireland. 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. The 2009 half-year income taxes mainly relate to d'Amico Tankers Limited tonnage tax provision.

12. TANGIBLE ASSETS

US$ Thousand	Fleet	Dry-dock	Other assets	Total
Cost				
At 1 January 2009	620 744	7 696	1 942	630 382
Additions	25 913	4 526	(56)	30 383
Impairment provision	-	-	-	-
Disposal	(15 202)	(1 123)	-	(16 325)
Exchange Differences	-	-	3	3
At 30 June 2009	631 455	11 099	1 889	644 443
Depreciation				
At 1 January 2009	95 540	3 159	412	99 111
Charge for the period	15 530	1 885	212	17 627
Disposal	-	(1 123)	-	(1 123)
Exchange Differences	-	-	(5)	(5)
At 30 June 2009	111 070	3 921	619	115 610
Net book value				
At 30 June 2009	520 385	7 178	1 270	528 833

US$ Thousand	Fleet	Dry-dock	Other assets	Total
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

Tangible fixed assets are comprised of the following:

FLEET

Fleet includes the purchase costs for owned vessels, and payments to yards for vessels under construction. Additions in 2009 principally relate to the instalments paid on new-buildings. Mortgages are secured on 15 of the vessels owned by the Group. The disposal of fixed assets refers to the cancellation of one of the SLS vessels; the related amount was reclassified under Other financial receivables.

DRY-DOCK

Dry-docks include expenditure for the fleet's dry docking programme; a total of seven vessels dry-docked in the period.

OTHER ASSETS

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

In view of the current weak economic environment, which is affecting the assessment of the vessel values, the carrying amount of the vessels has been reviewed to ensure they are not impaired. The recoverable amount is defined as the higher of an asset's fair value less costs to sell and its value in use represented by the net present value of the cash flow from its remaining useful life. In assessing value in use, the estimated future cash flows from its remaining useful life are discounted to their present value.

For impairment test purposes, the management estimates, take into consideration the market information available, including reported sales of similar vessels, as well as future expectations, and have been based on the following key assumptions: (i) Earnings: under contracts recently concluded and the Clarkson estimate of future rates; (ii) Useful economic life of 25 years; (iii) scrap value at end of life based on current rates (iv) Costs reflect the current d'Amico structure; (v) The figures have been discounted based at a rate of 3.25%, which represents the current and expected profile of the Group's required weighted average cost of capital based on the current cost of financing and required rate of return on equity. An increase in the level of discount rate to 1% or a variance in daily income of up to 25% per year would not have significantly affected the outcome of the impairment test. No impairment loss was recognized as the values in use are higher than the estimated fair value of the vessels. The total market value of the d'Amico International Shipping SA fleet, according to the July valuation report provided by SSY and Clarkson, is of US$ 541million, including the share of vessels under construction.

13. FINANCIAL FIXED ASSETS

In June 2009, DIS sold its 33.3% investment in Handytankers K/S (US$ 4 thousand to the other pool partners for an amount in line with book value.). The company operates the Handytankers pool, and agrees the Handy size vessels employment with the other pool partners A.P. Moller Maersk, Motia, Seaarland has been sold

14. INVENTORIES

US$ Thousand	**As at 30 June 2009**	**As at 31 December 2008**
Inventories	10 257	7 010

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 2009	As at 31 December 2008
Trade receivables	22 501	25 299
Other debtors	3 965	557
Prepayments and accrued income	4 520	8 252
Total	30 986	34 108

Receivables, as at 30 June 2009, include trade receivables amounting to US$ 22.5 million, net of the write down provision of US$ 0.5 million.

16. CURRENT FINANCIAL RECEIVABLES

US$ Thousand	As at 30 June 2009	As at 31 December 2008
Current financial receivable	15 232	110 279

The amount of US$ 15.2 million relates to the instalments previously paid to SLS Shipbuilding Co. Ltd Tongyeong Korea shipyard for the building contract related to the 51,000 DWT product /chemical tanker vessel bearing the Hull n° S510. Following the notice of cancellation given on 16 June 2009 by GLENDA International Shipping Limited, (“GLENDA”), the joint venture company between d’Amico International Shipping S.A. and Glencore Group, these amounts (the d’Amico International Shipping interests of 50%) have been reclassified under current financial receivables as to be refunded by the shipyard or by the guarantor bank, together with accrued interest thereon.

17. CASH AND CASH EQUIVALENTS

US$ Thousand	As at 30 June 2009	As at 31 December 2008
Cash and cash equivalents	129 116	41 482

The cash balance as at 30 June 2009 has been impacted by the cash-in of the sale price relating to the two vessels (High Consensus and High Harmony) occurred in Q2 2009.

The remaining cash and cash equivalents is mainly relates to short term deposits and includes approximately US$ 12.0 million of cash held by Pool companies (High Pool Tankers Ltd and Glenda International Management Ltd) which will be distributed to other pool participants.

18. Shareholders’ equity

Changes in first half 2009 shareholders’ equity items are detailed in the relevant table.

Share capital

At 30 June 2009 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 previous and current year profits, together with prior year adjustments accounted for under Retained Earnings and largely arising from the M/T High Harmony and M/T High Consensus sale price reduction of about US$ 7 million agreed late in March this year. The price decrease was not made known to DIS either at the original agreement time (October 2008) or during the further discussions early in February 2009. If these facts had been known either in October or February, then management would have assessed the need for a receivables write-down at the 31 December 2008 balance sheet date. Consequently, in accordance with IFRS applicable rules, the sale price adjustment has been shown in 2009 accounts directly under Net Equity (Retained Earnings).

Other reserves

The other reserves include the following items:

US$ Thousand	**As at 30 June 2009**	**As at 31 December 2008**
Share premium reserve	71 389	71 389
Treasury shares	(15 680)	(15 680)
Share option reserve	4 034	3 755
Other	(265)	(689)
Total	59 478	58 774

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. Certain costs and charges connected with the share capital increase and the listing process (mainly bank commissions and related advisory fees and charges) were offset at that time.

Treasury shares

Treasury shares consist of 4 390 495 ordinary shares for an amount of US$ 15.7 million, corresponding to 2.93% of the outstanding share capital at the balance sheet date. These shares were acquired during the second half of 2007 and in the course of 2008, following the approval of the Buy-back program.

Share option reserve

On 6 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, as detailed below. In all cases the options will be issued at the 'strike' price of Euro 3.50. At the balance sheet date no options were exercised.

The portion of the fair value in respect of the share option plan recognized under General and Administrative costs (Personnel) in HY1 2009 was US$ 0.3 million (H1 2008 US$0.8 million).

Fair value reserve

The fair value reserve arose as a result of the valuation of the Interest Rate Swap agreements connected to the Calyon facility to their fair value of US$ 12.1 million (liability). Details of the fair value of the derivative financial instruments are set out in note 23.

19. BANKS AND OTHER LENDERS

US$ Thousand	As at 30 June 2009	As at 31 December 2008
Non current liabilities		
Banks and other lenders	269 090	271 666
Current liabilities		
Banks and other lenders	10 552	5 784
	279 642	277 450

The balance comprises the following debts:

US$ Thousand	As at 30 June 2009			As at 31 December 2008		
	Non current	Current	Total	Non current	Current	Total
Calyon	148 900	-	148 900	153 769	-	153 769
Mizuho	36 517	9 011	45 528	48 854	4 243	53 097
Commerzbank	34 020	-	34 020	29 160	-	29 160
Commerzbank-Credit Suisse	38 870	-	38 870	29 100	-	29 100
ST Shipping	10 783	1 541	12 324	10 783	1 541	12 324
	269 090	10 552	279 642	271 666	5 784	277 450

Calyon facility

The debt due to banks and other lenders as at 30 June 2009 relates, to an outstanding amount of US$ 150 million (less the unamortized portion of the arrangement fees paid at draw-down, amounting to US$ 1.1million), to the US$ 350.0 million ten year revolving loan facility (of which US$ 288.0 million is available for draw-down as at 30 June 2009) negotiated by d'Amico Tankers Limited (Ireland) with Calyon and other banks (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 facility interest cost is payable at a US dollar LIBOR plus a spread varying from 65 to 95 basis points, depending on the financed vessels' value to loan' ratio. Collaterals mainly refer to first-priority mortgages on the vessels. The agreements also provide that the ratio between the amount outstanding at any given time and the fair market value of the thirteen vessels (the 'asset cover ratio') owned by d'Amico Tankers Limited (the 'borrower'), which are currently subject to mortgages pursuant to the facility, must not be higher than 66.6%. According to SSY, as at 2 June 2009, the valuation of these vessels is US$ 358.4 million, resulting in an asset cover ratio of 41.9%.

Mizuho facility

On 30 September 2008 d'Amico Tankers Limited (Ireland) signed an agreement for a secured term loan facility of up to a maximum of 10 (ten) billion Yen. This deal has been arranged by the Mizuho Corporate Bank Ltd., and has been syndicated by a pool of Japanese primary banks and leading financial institutions. The Loan Facility purpose is to finance the acquisition of Japanese product tanker vessels for which d'Amico Tankers Limited has purchase options and/or the acquisition of other product tanker vessels.

At 30 June 2009 the facility has been draw down for an amount of JPY 5.0 billion, The contract, over a period of ten years, provides the repayment of quarterly instalments corresponding to 1/52 of the outstanding debt and an interest cost corresponding to the three month London Interbank Offer Rate (LIBOR) for Japanese Yen, plus a margin of between 100 and 125 basis points depending on the financed vessels' advance ratio'.

As for the Calyon facility, collaterals mainly refer to first-priority mortgages on the vessels. The agreements also provide that the ratio between the amount outstanding at any given time and the fair market value of the thirteen vessels (the 'asset cover ratio') owned by d'Amico Tankers Limited (the 'borrower'), which are currently subject to mortgages pursuant to the facility, must not be higher than 66.6%. According to SSY and Clarkson , the current valuation of each of the 2 vessels is, on average, of US$ 30 million. It is possible that, in order to maintain an appropriate level for the asset cover ratio and considering the significant amount of cash on hands, DIS would repay an amount of about US$ 5 million at the end of September 2009.

Glenda International Shipping / Commerzbank loan

The balance of US$ 34.0million refers to the consolidated part of the facility granted by Commerzbank AG Global Shipping – totalling US$ 136 million - for the Glenda International Shipping Ltd, the company jointly controlled by d'Amico International Shipping SA and Glencore Group, originally four new-buildings 51,000 dwt MR Product Tankers (SLS Shipping Co - Korea).
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 contract price 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' value to loan' 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. The outstanding amount at 30 June 2009 include US$ 15.2 million relating to the Hull S510, which has been cancelled in June 2009 and which will be repaid to the bank as soon as the shipyard will refund the instalments paid.

Glenda International Shipping Limited / Commerzbank – Credit Suisse loan

A further amount of US$ 38.9 million refers to the facility granted by Commerzbank AG Global Shipping – and Credit Suisse totalling US$ 195 million - for the Glenda International Shipping Ltd six new-buildings 47.000 dwt MR Product Tankers (Hyundai Mipo Dockyard Co. Ltd – Korea).
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 contract price 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' value to loan' 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%.

20. OTHER FINANCIAL CURRENT LIABILITIES

US$ Thousand	**As at 30 June 2009**	**As at 31 December 2008**
Fair value of derivative instruments	12 101	16 546

The balance at the period end represents the fair value of the Interest Rate Swap derivatives hedging instruments. The derivative instrument fair values are shown in note 23.

21. PAYABLES AND OTHER CURRENT LIABILITIES

US$ Thousand	**As at 30 June 2009**	**As at 31 December 2008**
Trade payables	45 491	39 582
Other creditors	2 667	417
Accruals & deferred income	606	1 960
Total	48 764	41 959

Payables and other current liabilities as at 30 June 2009, mainly include trade payables, of which an amount of US$ 3.2 million relates to the related party, Rudder SAM (bunker).

22. CURRENT TAX LIABILITIES

US$ Thousand	As at 30 June 2009	As at 31 December 2008
Current tax liabilities	381	360

The balances at the end of the periods reflect the Net Wealth Tax payable of the holding company and the tonnage tax of the key operating subsidiary, d'Amico Tankers Limited.

23. DERIVATIVE INSTRUMENTS

As at 30 June 2009, other than the share options, the following derivative instruments were in place:

US$ Thousand	**Fair value at 30 June 2009**	***Income statement* financial income/(charges)**	***Equity* hedging reserves**
Hedge accounting			
Interest rate swaps	(12 101)	-	(12 101)
Total	(12 101)	-	(12 101)

US$ Thousand	**Fair value at 31 December 2008**	***Income statement* financial income/(charges)**	***Equity* hedging reserves**
Hedge accounting			
Interest rate swaps	(16 546)	-	(16 546)
Total	(16 546)	-	(16 546)

The negative outstanding derivative instruments fair value at the end of the semester is shown under Other Current financial liabilities.

Interest rate swaps

In the last quarter of 2007 d'Amico Tankers Ltd (IRL) signed three interest swap contracts (IRS), for a total notional amount of US$ 150 million for a period of 5 years. The IRS contracts purpose is to hedge the risks relating to interest rates on the existing Calyon revolving facility.

Forward currency contracts

There were no open Forward currency contracts at 30 June 2009.

24. RELATED PARTY TRANSACTIONS

During the first half of 2009 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 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 and IT 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$ 2.1 million, in first half 2009. 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$ 7.3 million. The related party transactions also include purchase of Intermediate Fuel Oil and Marine Diesel Oil, from Rudder SAM, a d'Amico Group controlled company, amounting to US$ 27.2 million, included in the bunker cost of the year.

The effects of related party transactions on the Group's consolidated income statement for the half of the years 2009 and 2008 are the following:

	H1 2009		**H1 2008**	
US$ Thousand	**Total**	**Of which related parties**	**Total**	**Of which related parties**
Revenue	128 497	-	157 232	-
Voyage costs	(30 017)	(27 495)	(36 807)	(23 567)
Time charter hire costs	(44 151)	(7 310)	(38 050)	(9 828)
Other direct operating costs	(22 249)	(1 892)	(23 573)	(2 568)
General and administrative costs	(9 812)	(91)	(12 099)	(373)
Other operating income	2 278	-	3 475	-
Result on disposal of vessels	-	-	47 154	(570)
Net financial income (charges)	553	-	(5 878)	-

The effects of related party transactions on the Group's consolidated balance sheets as at 30 June 2009 and 30 June 2008 are the following:

	As at 30 June 2009		**As at 30 June 2008**	
US$ Thousand	**Total**	**Of which related parties**	**Total**	**Of which related parties**
ASSETS				
Non current assets				
Tangible assets	528 833	-	520 644	-
Financial fixed assets	-	-	4	-
Current assets				
Inventories	10 257	-	13 039	-
Receivables and other current assets	30 986	147	44 069	233
Current financial receivable	15 232	--	-	-
Cash and cash equivalents	129 116	-	34 578	-
LIABILITIES				
Non current liabilities				
Banks and other lenders	269 090	-	242 788	-
Current liabilities				
Banks and other lenders	10 552	-	-	-
Other financial current liabilities	12 101	-	3 620	-
Payables and other current liabilities	48 764	5 134	42 746	8 355

The effects, by legal entity, of related party transactions on the Group's consolidated income statement for the first half of 2009 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	Ishima Pte Ltd	Compagnia Generale Telemar
	(consolidated)						
Voyage costs	**(30 017)**	**-**	**-**	**-**	**-**	**-**	**-**
of which							
Port charges	(294)	-	-	-	-	(294)	-
Bunker	(27 201)	(27 201)					
Time charter In costs	**(44 151)**						
of which							
Vessel charter agreement	(7 310)	-	(7 310)	-	-	-	-
Other direct operating costs	**(22 249)**						
of which							
Management agreements	(2 052)	-	-	(2 052)	-	-	-
Technical expenses	160	-	-	-	-	-	160
Generale and administrative costs	**(9 812)**						
of which							
Services agreement	(50)	-	-	-	(50)	-	-
Consultancy	(41)	-	-	-	(41)	-	-
Total		**(27 201)**	**(7 310)**	**(2 052)**	**(91)**	**(294)**	**160**

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

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 effect, by legal entity, of related party transactions on the Group's consolidated Statement of financial position as at 30 June 2009 are as follows:

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 Dry	Compagnia Generale Telemar	Ishima Pte Ltd
	(consolidated)							
Receivables and other current assets	**30 986**							
of which related party	147	-	-	-	-	-	-	147
Payables and other current liabilities	**48 764**							
of which related party	5 134	3 163	1 199	263	39	23	206	241
Total		**(3 163)**	**(1 199)**	**(263)**	**(39)**	**(23)**	**(206)**	**(94)**

The effect, by legal entity, of related party transactions on the Group's consolidated Statement of financial position as at 30 June 2008 were the following:

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)**

25 COMMITMENTS AND CONTINGENCIES

CAPITAL COMMITMENTS

As at 30 June 2009, the Group's total capital commitments amounted to US$ 204.8 million, of which payments over the next 12 months amounted to US$ 91.9 million.

US$ Million	As at 30 June 2009	As at 31 December 2008
Within one year	88.2	124.6
Between 1 – 3 years	116.6	132.2
Between 3 – 5 years	-	-
More than 5 years	-	-
Total	204.8	256.8

Capital commitments for d'Amico International Shipping are comprised of:

- Payments 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 2.7 billion (US$ 28.5 million). This is fully payable during the second half of 2009, when the two vessels will be delivered.
- Payments for 13 vessels bought by GLENDA International Shipping Ltd. The DIS 50% share of these commitments amounts to US$ 180.0 million, of which commitments over the next 12 months amount to US$ 63.4 million;

Operating leases – chartered in vessels[1]

As at 30 June 2009, the Group's minimum operating lease rental commitments amounted to US$ 560.3 million, of which payments over the next 12 months amounted to US$ 126.5 million.

US$ Million	As at 30 June 2009	As at 31 December 2008
Within one year	126.5	112.1
Between 1 – 3 years	182.9	203.6
Between 3 – 5 years	133.0	140.4
More than 5 years	117.9	141.4
	560.3	597.5

The amounts include the 49% of the commitment between DM Shipping Limited (in which DIS has 51% of interests) and d'Amico Tankers Limited for the two DM vessels.

As at 30 June 2009, d'Amico Tankers Limited operated 22.2 vessel equivalents on time charter-in contracts as lessee. These had an average remaining contract period of 3.9 years at that time (5.3 years including optional periods). In addition, the Company had time charter-in contracts on 2 vessel equivalents not yet delivered at 30 June 2009. These have an average contract period of 8 years (10 years including optional periods). Some of the charter-in contracts include options to purchase vessels in the future, details of which are included below.

[1] Does not include optional periods. Includes our proportion of charter expenses of vessels time chartered by the Handytankers Pool.

Purchase options

d'Amico Tankers Ltd. currently has 9 vessel purchase options on time chartered vessels (for 6.8 vessel equivalents, since some of the options are on partially controlled vessels), 5.8 of which on vessels it currently controls, and the remaining on vessels to be delivered (1 vessel equivalent). Exercise of these options is at the discretion of the Company based on the conditions prevailing at the date of the option.

The following tables provide details of our purchase options. JPY exercise prices were converted to US$ at the 30 June 2009 closing exchange rate.

Acquisition options on MR vessels

Vessel	First exercise date	Exercise price (in millions)(1)	Age at First exercise date(1)	Exercise period
MR 1(1)	March 2011	30.3	8.0	N/A
MR 2	July 2011	27.9	5.0	4 years
MR 3	October 2011	27.9	5.0	4 years
MR 4	August 2014	38.6	5.0	6 years
MR 5	March 2017	31.3	8.0	N/A
Total		**155.9**		N/A

(1) 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)(1)	Age at First exercise date(2)	Exercise period
Handy 1	January 2014	38.5	6.0	N/A
Handy 2(2)	February 2014	42.5	6.0	N/A
Handy 3(2)	March 2015	42.5	6.0	N/A
Handy 4(2)	April 2016	40.5	8.0	N/A
		164.0		N/A

(2) The company has a 25% interest on the acquisition options on these vessels.

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 and fully owned subsidiary d'Amico Tankers Limited (Ireland) entered the tonnage tax regime. The regime includes provision whereby a proportion of capital allowances previously claimed by the company may be subject to tax in the event that vessels are sold and not replaced within the specified time limit or the company fails to comply with the ongoing requirements to remain within the regime. The theoretical contingent tax liability as at 30 June 2009 has been estimated at US$ 381,758assuming 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.

26. 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.

	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	100 001	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	202	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

The consolidation area in 2009 does not differ with respect to the 2008 consolidated accounts.

On behalf of the Board

Paolo d'Amico
Chairman

Marco Fiori
Chief Executive Officer

The manager responsible for preparing the company's financial reports, Mr. Alberto Mussini, in his capacity of Chief Financial Officer of d'Amico International Shipping SA (the "Company") declares to the best of his knowledge, that the consolidated and statutory financial statements prepared in accordance with the applicable set of accounting standards as published in this report, give a true and fair view of the assets, liabilities, financial position and income statement of the Company and its consolidated subsidiaries and that interim management report includes a fair review of the development and performance of the business and the position of the Company and its consolidated subsidiaries, together with a description of the principal risks and uncertainties that they face.

Alberto Mussini
Chief Financial Officer

MOORE STEPHENS
SOCIETE A RESPONSABILITE LIMITEE

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, 2009 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

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30 July 2009