d'Amico International Shipping S.A.
Half-Yearly / Second Quarter 2010 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 2010

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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 2010	Q2 2009	*US$ Thousand*	H1 2010	H1 2009
48 127	44 282	Time charter equivalent (TCE) earnings	99 240	98 480
9 366	9 024	Gross operating profit / EBITDA	16 550	24 546
19.46%	*20.38%*	*as % of margin on TCE*	*16.68%*	*24.93%*
1 330	126	Operating profit / EBIT	495	6 919
2.76%	*2.9%*	*as % of margin on TCE*	*0.50%*	*7.03%*
(5 484)	(1 392)	Net profit / (loss)	(8 936)	7 209
(11.39%)	*(3.14)%*	*as % of margin on TCE*	*(9.00%)*	*7.32%*
(0.0366)	(0.0093)	Earnings / (loss) per share	(0.0596)	0.0481
2 467	7 038	Operating cash flow	4 473	28 530
(6 030)	(17 436)	Gross CAPEX	(13 893)	(30 384)
			As at 30 June 2010	**As at 31 December 2009**
		Total assets	676 260	725 140
		Net financial indebtedness	182 717	171 360
		Shareholders' Equity	343 000	353 499

OTHER OPERATING MEASURES

Q2 2010	Q2 2009		H1 2010	H1 2009
15 260	16 504	**Daily operating measures** - TCE earnings per employment day (US$)[1]	15 582	17 943
39.1	37.4	**Fleet development** - Total vessel equivalent	40.3	37.2
17	15	- Owned	16.9	15
18.9	17.3	- Chartered	19.5	17.2
3.2	5.2	- Chartered thorough pools	3.9	5.1
2.3%	4.1%	Off-hire days/ available vessel days[2] (%)	2.3%	3.3%
47.4%	60.15%	Fixed rate contract/ available vessel days[3] (coverage %)	47.4%	57.9%

[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, net of commissions charged by external brokers and commercial managers. Calculations exclude vessels chartered through the pools, since distributions paid on these vessels are net of charter expenses, and would therefore require pro-forma adjustments to make it comparable to the remaining vessels.

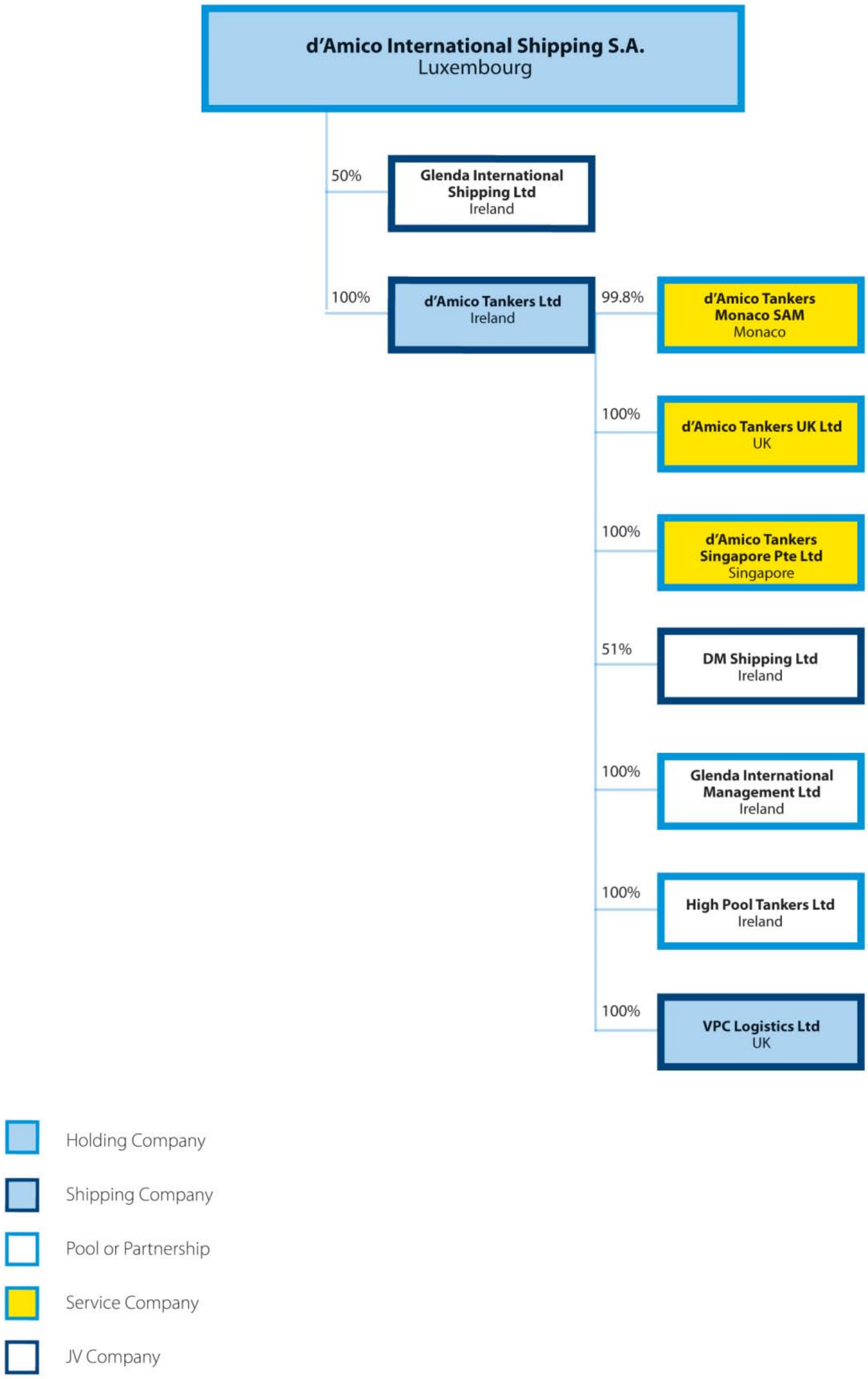
[2] This figure is equal to the ratio of the total off-hire days, inclusive of dry-docks, and the total number of available vessel days, which is defined as the number of vessel days between delivery and redelivery for the period being considered.

[3] Fixed rate contract days/available vessel days (coverage ratio): this figure represents how many vessel days were employed on time charter contracts, 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 being considered.

d’AMICO INTERNATIONAL SHIPPING GROUP

GROUP STRUCTURE

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



d'Amico International Shipping S.A. (DIS, 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. d'Amico International Shipping operates, mainly through its fully owned subsidiary d'Amico Tankers Limited (Ireland), a fleet with an average age of approximately 4.9 years, compared to an average in the product tankers industry of 8.9 years (source: Clarkson). All DIS 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, Glencore and Vitol. All the vessels are compliant with IMO (International Maritime Organization) regulations, including MARPOL (the International Convention for the Prevention of Pollution from Ships), the requirements of major oil and energy-related companies and other relevant international standards. Based on MARPOL/IMO rules, cargoes, such as palm oil, vegetable oil, and other chemicals can only be transported by vessels that meet certain requirements (IMO Classed); 67.5% of the DIS fleet as at 30 June 2010 was IMO Classed, allowing the Group to transport a large range of products.

FLEET

The following tables set forth information about the DIS fleet as at 30 June 2010, which consists of **38.5 vessels**:

MR fleet

Name of vessel	Dwt	Year built	Builder, Country	IMO classed
Owned				
GLENDA Meredith[1]	47,147	2010	Hyundai Mipo, South Korea	IMO III
High Strength[2]	46,800	2009	Nakai Zosen, Japan	-
GLENDA Megan[1]	47,147	2009	Hyundai Mipo, South Korea	IMO III
High Efficiency[2]	46,547	2009	Nakai Zosen, Japan	-
High Venture	51,087	2006	STX, South Korea	IMO III
High Presence	48,700	2005	Imabari, Japan	-
High Priority	46,847	2005	Nakai Zosen, Japan	-
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
Time chartered with purchase option				
High Enterprise	45,800	2009	Shin Kurushima, Japan	IMO III
High Pearl	48,023	2009	Imabari, Japan	-
High Prosperity	48,711	2006	Imabari, Japan	-
High Century	48,676	2006	Imabari, Japan	-
High Nefeli	45,976	2003	STX, South Korea	IMO III

[1] GLENDA Megan and GLENDA Meredith are owned by GLENDA International Shipping, in which DIS has a 50% interest.
[2] High Efficiency and High Strength are owned by DM Shipping (in which DIS has a 51% interest) and are time chartered to d'Amico Tankers Limited.

Name of vessel	Dwt	Year built	Builder, Country	IMO classed
Time chartered without purchase option				
High Force	53,603	2009	Shin Kurushima, Japan	-
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 Energy	46,874	2004	Nakai Zosen, Japan	-
High Power	46,874	2004	Nakai Zosen, Japan	-
Dauntless[1]	46,168	1999	Hyundai Heavy Industries	-

Handysize fleet

Name of vessel	Dwt	Year built	Builder, Country	Interest	IMO classed
Owned					
Cielo di Salerno	36,032	2002	STX, South Korea	100%	IMO III
Cielo di Parigi	36,032	2001	STX, South Korea	100%	IMO III
Cielo di Londra	35,985	2001	STX, South Korea	100%	IMO III
Time chartered with purchase option					
Malbec[2]	38,499	2008	Guangzhou, China	100%	IMO III
Marvel[2]	38,603	2008	Guangzhou, China	100%	IMO III
Time chartered without purchase option					
Cielo di Guangzhou[3]	38,877	2006	Guangzhou, China	100%	-
Handytanker Liberty[2]	34,620	2006	Dalian, China	100%	IMO III
Cielo di Milano	40,096	2003	Shina, South Korea	100%	IMO III
Cielo di Napoli	40,083	2002	Shina, South Korea	100%	IMO III

[1] Dauntless is TC-IN by GLENDA International Shipping, in which DIS has 50% interest

[2] Vessels chartered through Pools

[3] Bare Boat contract

Fleet Employment and Partnership

	DIS' No. of Vessels	*Total Pool Vessels*
Direct employment	13.0	n/a
GLENDA Int. Shipping - Direct TC[1]	0.5	n/a
Handytankers Pool	3.0	92.0
High Pool (MR vessels)[2]	8.0	11.0
GLENDA Int. Mgmt (MR vessels)[3]	14.0	40.0
Total	**38.5**	**143.0**

As at 30 June 2010, d'Amico International Shipping directly employed 13 Vessels. 7 MRs ('Medium Range') are fixed on long-term time charter contracts with Total, Exxon and Glencore and 6 Handysize vessels, previously employed through Handytankers pool, are currently employed on the spot market. The Group employs a significant portion of its controlled vessels through partnership arrangements, enabling it to deploy a fleet of vessels with large scale and geographic coverage. Through these partnerships, DIS provides a comprehensive service to its customers, enhancing the geographic exposure to business opportunities, resulting in greater flexibility in deploying the fleet.

Handytankers Pool – a pool together with A.P. Moller-Maersk, Chemicalien Seetransport, Seaarland Shipping Management and Motia Compagnia di Navigazione S.p.A, as at 30 June 2010, it operated 92 vessels. Following the fleet deployment strategy streamlining, the current exposure of the DIS fleet in Handytankers has been recently reduced to 3 vessels at the end of the first Half of 2010.

High Pool Tankers Limited – a pool with Nissho Shipping Co. Limited (Japan) and Mitsubishi Corporation. It operated 11 MR product tankers as at 30 June 2010. 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 2010, GLENDA International Management Limited operated 40 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. The two MR vessels were delivered in 2009. The DM Shipping vessels are chartered to d'Amico Tankers Ltd and employed in High Pool Tankers. The other joint venture, GLENDA International Shipping Ltd, with the Glencore Group, currently owns two vessels, delivered respectively in August 2009 and February 2010. The joint venture order book includes an additional 4 new MR product / chemical tankers to be delivered between November 2010 and February 2011. These vessels will be operated through GLENDA International Management Ltd.

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 73.5 owned and chartered-in vessels, of which 38.5 are vessels part of the DIS fleet, operating in the product tanker market, while the remaining 35 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.

[1] GIS Vessels traded Spot are included in GLENDA International Management Spot Pool.
[2] Including 2 DM Shipping Vessels
[3] Total number of Vessels in GLENDA International Management includes 4 High Pool Vessels traded Spot and commercially managed by GLENDA

FINANCIAL REVIEW

SUMMARY OF THE RESULTS IN THE SECOND QUARTER AND FIRST HALF OF 2010

The first half of 2010 has produced acceptable returns for d'Amico International Shipping (DIS) considering the collapse in Oil Product demand in the last nine months of 2009 mainly as a result of the Global Economic downturn. The Spot market for Q1 performed relatively well generating average returns higher than the last quarter of 2009. Fundamentally this was the result of improving economic news coupled with very cold winter conditions across the Northern Hemisphere creating an increase in demand for Oil products. The Spot market in Q2 started off as expected, with poor returns, which increased towards the end as a result of improving demand in the United States and historically high demand from utility companies within the Mediterranean region due to very high temperatures. Stocks of petroleum products grew in the second quarter in contrast to the first quarter where stocks were drawn down.

The steady freight rates and market conditions experienced since February this year, resulted in 2010 Time charter equivalent (TCE) earnings of US$ 48.1 million in Q2 and US$ 99.2 million in H1. The daily average TCE Earnings for Q2 and H1 2010 were respectively of US$ 15,260 and US$ 15,582, reflecting a products tanker market environment, which left the lows of Q3 and Q4 2009 behind, but still characterized by a level of demand that, apart from the cold winter season, cannot yet support strong spot rates yet. The Q2 and H1 2010 EBITDA were respectively of US$ 9.4 million and US$ 16.6 million, while the Net Loss for the Q2 was of US$ 5.5 million and of US$ 8.9 million in the first Half of 2010, both significantly influenced by the unrealised exchange rate losses on Japanese Yen. The 2010 market is, in any case, showing signs of recovery compared to the previous year, but it is still challenging. Over the first half of the current year DIS, thanks to its strong market positioning and the well balanced business model, focused on maintaining the significant percentage of fixed contract coverage, to minimize the loss during the 'recovery phase' of the product tanker industry, generating a positive operating cash flow and maintaining a solid financial position.

Operating Performance

Q2 2010	Q2 2009	*US$ Thousand*	H1 2010	H1 2009
71 369	57 065	Revenue	143 605	128 497
(23 242)	(12 783)	Voyage costs	(44 365)	(30 017)
48 127	**44 282**	**Time charter equivalent earnings**	**99 240**	**98 480**
(23 552)	(20 853)	Time charter hire costs	(49 058)	(44 151)
(12 307)	(10 965)	Other direct operating costs	(26 376)	(22 249)
(4 690)	(4 852)	General and administrative costs	(9 270)	(9 812)
1 788	1 412	Other operating Income	2 014	2 278
9 366	**9 024**	**Gross operating profit / EBITDA**	**16 550**	**24 546**
(8 036)	(8 898)	Depreciation	(16 055)	(17 627)
1 330	**126**	**Operating profit / EBIT**	**495**	**6 919**
(5 976)	(1 411)	Net financial income (charges)	(8 256)	553
(4 646)	**(1 285)**	**Profit / (loss) before tax**	**(7 761)**	**7 472**
(838)	(107)	Income taxes	(1 175)	(263)
(5 484)	**(1 392)**	**Net profit / (loss)**	**(8 936)**	**7 209**

Revenue in Q2 2010 was of US$ 71.4 million (US$ 57.1 million in Q1 2009), while the 2010 H1 figures were of US$ 143.6 million (128.5 million last year). The increase in gross revenue was driven by the following factors (i) fleet increase, together with the higher spot exposure in 2010 compared to the same period of 2009. The turnover related to an average of 40.3 vessels operated (37.2 vessels in H1 2009); (ii) the percentage of off-hire to available days both in Q2 than in H1 2010 was 2.3%, lower compared to the previous year (4.1% in Q2 and 3.3% in H1). The difference is simply due to the timing of dry-docks; (iii) Higher percentage of the spot voyages in 2010 versus 2009.

As a result of the above variance in revenue, driven by the fleet evolution and the deployment of vessels, the ***Voyage costs*** in Q2 and H1 2010 were respectively of US$ 23.2 million and US$ 44.4 million (US$ 12.8 million and US$ 30.0 million in Q2 and H1 2009).

Time charter equivalent earnings amounted to US$ 48.1 million in Q2 2010 (US$ 44.3 million in Q2 2009), while the amount in H1 this year was of US$ 99.2 million (US$ 98.5 million in H1 2009). The 2010 'year to date' balance is in line with the previous year, but the small variance (0.7% for the six months period) has been the outcome of the combination of different aspects: the fleet increase which occurred in 2010 on one side and, on the other side, the softer product tanker demand in H1 2010 compared to the strong beginning (Q1) of the previous year.

The first half of 2010, has been characterized by the broader economic recovery. The generally improved economic scenario resulted in the following positive DIS freight rates trend with respect to 2009:

	2009				*2010*		
DIS TCE daily rates (US Dollars)	*Q1*	*Q2*	*Q3*	*Q4*	*Q1*	*Q2*	*H1*
Spot	20,358	14,422	10,248	9,343	12,961	11,960	12,467
Fixed	18,632	18,405	17,978	18,868	19,023	18,416	18,719
Average	19,375	16,504	13,879	14,279	15,901	15,260	15,582

Following the relatively strong beginning of the current year (January), due to the cold winter season, the DIS spot freight rates have remained stable, in the range of US$ 12,000 per day for all the following months. Further confirming its strong market positioning and strategic partnerships, DIS out-performed the spot market rates trend in the same period.

The portion of revenue arising from fixed contracts, as per the d'Amico policy, has remained significant over the current year (47.4% average in the first six months of 2010 compared to 60.15% in the same period last year) at the profitable level of US$ 18,719 over H1.

The operating costs relating to the chartered-in vessels (***Time charter hire costs)*** amounted to US$ 23.5 million in Q2 and US$ 49.1 million in H1 2010 (US$ 20.9 million in Q1 and US$ 44.2 million in H1 2009). The increase was due to the growth of the chartered-in fleet (19.5 vessels on average in the first half this year with respect to 17.2 vessels in the same period last year). No significant variances occurred with reference to the daily cost for the chartered-in vessels. In accordance with the pool distribution rules, the costs for the 3.9 vessels chartered through the pools and operated on average in H1 2010, are shown under Time charter equivalents earnings.

Other direct operating costs relate to crew, technical, luboil and insurance expenses mainly incurred for the operation of owned vessels, amounted to US$ 12.3 million in Q2 2010 (US$ 11.0 million in Q2 2009) and to US$ 26.4 million in H1 2010 (US$ 22.2 million in H1 last year). The increase is essentially explained by the fleet growth. Despite the fact that there could be some 'timing' fluctuations in the daily costs over the periods, these costs did not show, on a daily basis by vessel, significant variances compared to the previous year. It should be always highlighted that the quality of the fleet is a crucial part of the d'Amico mission and strategy. In order to maintain the highest quality of the vessels, operating costs are constantly monitored, focusing on crew with appropriate skills, SQE standards (Safety, Quality & Environment) and by remaining in compliance with stringent market regulations.

General and administrative costs mainly comprise on-shore personnel costs, together with premises costs, consultancies, travel, and other. These costs were of US$ 4.7 million in Q2, while the year to date balance at the end of June was of US$ 9.3 million, showing a decrease compared to the previous year (US$ 4.9 million in Q2 and US$ 9.9 million in H1 last year). Following the significant saving attained over 2009, further efficiencies were achieved in the first six month of the current year also helped by the favourable trend of the US$ / Euro exchange rate.

Other operating income amounted to US$ 1.8 million in Q2 2010 (US$ 1.4 million same period last year) and to US$ 2.0 million in the first half of 2010 (US$ 2.3 million in H1 2009). The balance includes, other than chartering commissions from third parties vessels operated through pools, also compensations relating to claims.

The ***Gross operating profit (EBITDA)*** for Q2 2010 was of US$ 9.4 million, slightly better than the amount of US$ 9.0 million realized in Q2 2009. The positive variance represented a turnaround compared with the last quarters. The result has been driven by the steady if not yet strong, freight rates and by the DIS positive performance on operating and other costs controlling. The EBITDA margin in Q2 2010 returned to the acceptable level of 19.5% (20.4% in Q2 2009). In the first half of the current year the EBITDA was of US$ 16.6 million (16.7% of margin in TC Earnings), lower than last year H1 performance (US$ 24.5 million, 24.5% of margin), when the still favourable operating environment was supporting the rates.

Following a review of the estimated useful life of vessels, it was decided to increase the life from 17 to 20 years. This change has been applied prospectively and has impacted the 2010 results. As part of the review management considered the d'Amico fleet characteristics, current trading conditions, employment and benchmarking with the other shipping companies in the same market segment, the ***Depreciation*** charge amounted to US$ 8.0 million in Q2 2010 (US$ 8.9 million in 2009) and to US$ 16.0 million in the entire semester (US$ 17.6 million same period last year). The decrease, is driven by the revised estimated useful life, this was partially off-set by the increase in the number of the owned vessels.

The ***Operating result (EBIT)*** for Q2 2010 resulted in the positive amount of US$ 1.3 million (US$ 0.1 million in Q2 2009). The H1 2010 EBIT was of US$ 0.5 million (US$ 6.9 million in H1 2009). The reduced pressure on the freight rates thanks to the better market conditions and the effective costs monitoring, allowed DIS to return to the EBIT level higher that the 'water level'.

Net financial charges totalled US$ 6.0 million in Q2 2010 (US$ 1.4 million in Q2 2009) while the H1 2010 balance was of US$ 8.3 million (net income of US$ 0.5 million in H1 2009). The current year balance is significantly and negatively affected by the exchange rate effect arising on the conversion of the loans denominated in JPY (loss of US$ 3.1 million in Q2 and of US$ 2.6 million in H1). Excluding this non-cash effect, the item relates to interest on loans for an amount of US$ 2.9 million in Q2 and of US$ 5.6 million in the first half of 2010. It should be highlighted that net financial income realized in 2009 comprised bareboat fees on vessels subsequently sold and exchange rate gains.

The Company's ***Loss before tax*** for Q2 2010 was of US$ 4.6 million (loss of US$ 1.3million in Q2 2009) and of US$ 7.8 million in H1 2010 (profit of US$ 7.5 million in H1 2009).

Income taxes amounted to US$ 0.8 million in Q2 2010 (US$ 0.1 million in Q2 2009). The income tax balance for the first half of this year is of US$ 1.2 million. Other than the tonnage tax applicable to the key operating subsidiary d'Amico Tankers Limited, the balance is made up of certain items and compensations not eligible for tonnage tax.

The ***Net loss*** of Q2 2010 was of US$ 5.5 million, compared to a net loss of US$ 1.4 million in Q2 last year 2009. In the first six months of 2010 the net loss was of US$ 8.9 million (net profit of US$ 7.3 million). Due to the significant effect of exchange rate translation and the higher charge for income taxes, the turnaround realized in 2010 performances at Operating results level has not yet reached the bottom line.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

(US$ Thousand)	**As at 30 June 2010**	**As at 31 December 2009**
ASSETS		
Non current assets	518 028	522 717
Current assets	158 232	202 423
Total assets	**676 260**	**725 140**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity	343 000	353 499
Non current liabilities	250 206	261 220
Current liabilities	83 054	110 421
Total liabilities and shareholders' equity	**676 260**	**725 140**

Non current assets almost entirely relate to the DIS product tanker fleet, shown at cost less depreciation. Between the end of 2008 and the beginning of 2010 the product tanker industry experienced a significant decrease in the vessels estimated market value. In the same period, due to the worldwide economic recession, the segment was also characterized by the relevant decline in the number of transactions, involving both second-hand vessels and new orders. During the first six months of 2010, together with the increase in 'sale & purchase' activity and the reduced pressure and volatility of the freight rates, the vessels market value has generally improved. The DIS fleet market value increased by 12% with respect to December 2009. According to the valuation report provided by a primary broker at the beginning of July 2010, the estimated market value of the DIS owned fleet, including the portions relating to the new buildings under construction, is of US$ 486.7 million, compared to a net book value for the fleet of US$ 510.3 million. As previously, due to the indication of impairment given by the valuation of the vessels, management performed a review for impairment based on current operational and market information as well as future expectations. As a result of the review, management conclude that the recoverable amount of the vessels is higher than their book cost and no impairment provision is deemed necessary.

Gross *Capital expenditure* for the first six months of 2010 year was US$ 13.9 million, it relates to instalments paid to the shipyards for vessels under construction for GLENDA International Shipping Ltd (joint venture company). Also included in capitalised costs are dry-dock costs relating to owned vessels.

Current assets as at 30 June 2010 of US$ 158.2 million include cash on hand (US$ 90.3 million) and working capital items (trade receivables and inventories), for a total amount of US$ 67.9 million (US$ 53.8 million at the end of the previous year). The increase with respect to December 2009 has been driven by the increase in the number of vessels operated by the fully consolidated pool companies (Glenda International Management Ltd and High Pool Tankers Ltd) and to the increase of spot voyages. The current financial receivables of US$ 56.3 million shown at the end of 2009 and related to the instalments to be paid back in connection with the cancellation of the four SLS shipyard product tankers, were entirely cashed in during the first half of 2010.

Non current liabilities consist of the long-term portion of debt due to banks, disclosed under the following section (Net Indebtedness).

The balance of ***Current liabilities,*** other than the debt due to banks and other lenders (see the following section), includes working capital items (trade payable and other liabilities), for a total amount of US$ 60.2 million (US$ 51.7 million as at 31 December 2009). Similarly to current assets, the increase of trade payables has been essentially driven, other than the timing of payments, by the increase of vessels managed by the pool companies and the consequent increase of payable due to third parties pool partners.

The ***Shareholders' equity*** balance at 30 June 2010 was of US$ 343.0 million (US$ 353.5 million as at 31 December 2009). The variance with the previous year was primarily due to the net loss incurred in the first half of the current year.

NET INDEBTEDNESS

Net debt as at 30 June 2010 amounted to US$ 182.7 million. The minor increase, compared with the balance of US$ 171.4 million at the end of the previous year, was mainly due to the vessels under construction instalment payments. The ratio of net debt to shareholder's equity was of 0.53, in line with the ratio of 0.48 at 31 December 2009.

US$ Thousand	**As at 30 June 2010**	**As at 31 December 2009**
Liquidity		
Cash and cash equivalents	90 298	92 243
Current financial receivables		
From third parties	-	56 332
Total current financial assets	**90 298**	**148 575**
Bank loans – current	9 211	44 984
Other lenders	-	1 541
Other current financial liabilities		
Due to third parties (IRS fair value)	13 598	12 191
Total current financial debt	**22 809**	**58 716**
Net current financial debt	**(67 489)**	**(89 859)**
Bank loans non-current	**250 206**	**250 436**
Other non-current financial liabilities		
Due to third parties	-	10 783
Total non current financial debt	**250 206**	**261 220**
Net financial indebtedness	**182 717**	**171 360**

The *Cash and cash equivalents* balance remained at the level of the end of 2009 (US$ 90.3 million). These cash resources give DIS the capacity to manage the still challenging market and the related uncertainty, also to fund the equity portion of the capital expenditure already committed relating to the new building plan over the following years.

Current financial receivables relating to the amount of the instalments paid to the SLS shipyard in connection with the last of the four vessels originally ordered by GLENDA International Shipping, the joint venture between DIS and Glencore Group have been fully recovered in 2010.

The total outstanding bank debt (*Bank loans*) as at 30 June 2010 amounted to US$ 259.4 million (US$ 295.4 million as at 31 December 2009), of which US$ 9.2 million is due short term. The DIS debt structure is based on the two facilities granted to d'Amico Tankers Limited (Ireland), the key operating company of the Group: (i) Calyon 10 years revolving facility (syndicated by other banking institutions) of US$ 149.0 million; (ii) Mizuho syndicated loan facility of US$ 31.0 million. DIS debts comprise as well the share of the loans existing at the two joint ventures level, GLENDA International Shipping Ltd and DM Shipping Ltd, proportionally consolidated in DIS accounts: (i) Commerzbank AG Global Shipping and Credit Suisse loans of US$ 49.6 million for the Glenda International Shipping Ltd Hyundai-Mipo new-building vessels, of which two have been already delivered (ii) Mitsubishi UFJ Lease loan of US$ 29.7 million in connection with the financing of the DM Shipping Ltd two vessels delivered in 2009; (iii) The former debt in respect of Commerzbank AG Global Shipping relating to the four SLS vessels, which have been cancelled by GLENDA International Shipping Ltd., were fully repaid in 2010 when the instalments originally paid to the shipyard by GLENDA International Shipping Limited were reimbursed as a result of the cancellation.

Net debt also includes, under *Other current financial liabilities*, US$ 13.6 million of negative valuation of derivatives hedging instruments (essentially interest rate swap agreements – IRS). The amount of US$ 12.3 million shown as at 31 December 2009 under other lenders and due from GLENDA International Shipping to ST Shipping (repayment of vessel instalments), has been settled as part of the agreement finalized in February 2010 and disclosed under Significant events of the period, relating to transfer to d'Amico Tankers Limited and to ST Shipping and Transport Pte. Limited – Singapore of, respectively, the 2 Hyundai class M/R Product/Chemical tanker vessels and the 2 Hyundai 74,000 dwt class Product/Oil tanker vessels.

CASH FLOW

The net cash flow for the six months ended on 30 June 2010 does not show relevant variance in the Company's strong and steady cash position. The negative net balance of US$ 1.8 million, slightly decreasing cash and cash equivalents to US$ 90.3 million as at 30 June 2010 from US$ 92.2 million as at 31 December 2009.

Q2 2010	Q2 2009	*US$ Thousand*	H1 2010	H1 2009
2 483	7 038	Cash flow from operating activities	4 473	28 530
(6 480)	(2 233)	Cash flow from investing activities	(11 371)	(15 181)
7 691	73 177	Cash flow from financing activities	5 072	74 285
3 694	**77 982**	**Change in cash balance**	**(1 826)**	**87 634**
3 694	**77 982**	**Net increase/(decrease) in cash & cash equivalents**	**(1 826)**	**87 634**
86 772	51 134	Cash & cash equivalents at the beginning of the period	92 243	41 482
(168)	-	Exchange gain (loss) on cash and cash equivalents	(119)	-
90 298	**129 116**	**Cash & cash equivalents at the end of the period**	**90 298**	**129 116**

Cash flow from operating activities for Q2 2010 was of US$ 2.5 million (US$ 7.0 million in Q2 2009), while the figure for the first half of 2010 was of US$ 4.5 million (US$ 28.5 million in H1 2009). Over the first half of 2010 DIS, in a more stabilized, but not fully recovered market environment, confirmed its capacity to generate a positive free cash flow (following the operating cash burn in the second half of 2009).

The net ***Cash flow from investing activities*** of US$ 6.5 million (outflow) in Q2 2010 and of US$ 11.4 in the first six months of the current year is made up of gross capital expenditures in connection with the instalments paid for the new building plan, as well as dry-docks expenses, for the total amount of US$ 13.9 million. The balance for the period is net of US$ 2.5 million arising from the transfer of the vessels from GLENDA International Shipping to the d'Amico Tankers Limited and ST Shipping and Transport Pte. Limited.

Cash flow from financing activities in Q2 2010 amounted to net inflow of US$ 7.7 million and to US$ 5.0 million in H1 2010. The cash flow from financing activities, other than bank debts reimbursements, comprises the effect of the cash-in of the refund guarantee relating to the instalments already paid to SLS shipyard in connection with the four new buildings cancellation (US$ 56.7 million), net of the repayment to the bank of the loan on those vessels (US$ 34.0 million).

SIGNIFICANT EVENTS OF THE PERIOD

CONTROLLED FLEET – d'AMICO TANKERS LIMITED

During H1 2010 the following changes occurred in the Fleet controlled by d'Amico Tankers Limited:

- In the first half of 2010 was carried out a reorganisation process of the Handytankers pool fleet mainly focused on the rationalisation of the partners interests into the vessel chartered through pool. In the meanwhile d'Amico Tankers decided to reduce its fleet exposure into the pool. As a result of such action, d'Amico Tankers Limited at the end of June 2010 employed only three vessels through Handytankers, which should be further reduced to only one in the course of Q3 this year. The vessels that d'Amico Tankers Limited withdrew from the pool are currently directly employed.

- In April 2010 the M/T Dauntless, a medium range vessel, was time chartered by GLENDA International Shipping Limited, in which DIS has a 50% interest, for a 2 years period.

- April 2010 - M/T Cielo di Roma, a handy-size chartered vessel, and - M/T High Trader, a medium range chartered vessel were delivered back to her Owners.

CONTROLLED FLEET – GLENDA INTERNATIONAL SHIPPING LIMITED

- February 2010 – *M/T GLENDA Meredith*, a medium range owned vessel, was delivered to GLENDA International Shipping Limited, in which DIS has a 50% interest.

GLENDA INTERNATIONAL SHIPPING LIMITED – THE PUBLICATION OF THREE ARBITRATION AWARDS IN THE DISPUTE BETWEEN GLENDA AND SLS SHIPBUILDING CO. LTD. AND RELATED CASH-IN OF THE REFUND GUARANTEE FOR ALL THE INSTALMENTS

On 2 February 2010 and on 27 April 2010 were respectively published the Tribunals' awards relating to the first three and to the fourth arbitrations between GLENDA International Shipping Ltd ("GLENDA"), the joint venture company between the Glencore Group and DIS, and SLS Shipbuilding Co. Ltd of Tongyeong, Korea ("SLS Shipyard") over the termination of the new building contracts relating to the 51,000 DWT product/chemical tanker vessels bearing hull nr. S510, nr. S511, nr.S512 and nr. S513, (the "Contracts"), duly executed on 7 December 2006 and novated to GLENDA on 19 November 2007. The Tribunals found that the four new building contracts were duly cancelled by GLENDA, and that GLENDA was entitled to obtain a refund of all installments paid under the respective shipbuilding contracts.

Kookmin Bank of South Korea, in its position as guarantor of SLS Shipbuilding Co. Ltd of Tongyeong Korea and following to the relevant published arbitration awards, refunded GLENDA all installments paid on GLENDA's behalf under those terminated new shipbuilding contracts on 3 March 2010 and on 27 May 2010.The total refund, including interest, amounted to US$ 113.4 million. Net of the repayment to the financing bank, the equity reimbursed to GLENDA was aproximatively US$ 45.3 million.

GLENDA INTERNATIONAL SHIPPING LIMITED - THE TRANSFER OF 2 HYUNDAI MR PRODUCT / CHEMICAL VESSELS OWNED BY GLENDA TO D'AMICO TANKERS LIMITED AND 2 HYUNDAI LR1 PRODUCT / OIL TANKERS VESSELS ALSO OWNED BY GLENDA TO ST SHIPPING TRANSPORT PTE. LTD

On 3 March 2010 d'Amico International Shipping S.A. announced that GLENDA International Shipping Limited ("GLENDA"), the joint venture company between the Glencore Group and DIS, transfers: (i) all of its rights and obligations in respect of the 2 Hyundai class M/R Product/Chemical tanker vessels bearing hull n° 2164 and hull n°2188 (the "Tanker Vessels") to d'Amico Tankers Limited - Ireland, the DIS fully owned operating subsidiary and; (ii) all of its rights and obligations in respect of the 2 Hyundai 74,000 dwt class Product/Oil tanker vessels bearing hull n°2292 and hull n° 2293 to ST Shipping and Transport Pte. Limited - Singapore. The cost for the Tanker Vessels transferred to d'Amico Tankers Limited were reduced from US$ 50.5 million to an average of US$ 45.7million per Tanker Vessel with a total, still outstanding, capital commitment amounting to US$ 56.2 million. It was further agreed with Hyundai Mipo Dockyard Co. Limited – Korea to increase the deadweight of the Tanker Vessels from 46,000 to 52,000 and, at the same time, it has also been agreed the postponement, at no extra costs, of their respective delivery date from March 2011 to the first quarter of 2012.

d'Amico Tankers Limited – The conclusion of three time charter deals with an oil major

On 14 April 2010 d'Amico International Shipping S.A. announced that its operating subsidiary d'Amico Tankers Limited (Ireland), signed Time Charter agreements on three of its vessels (of which two were contract renewals) with Exxon Mobil, one of the main Oil Majors. The three vessels were fixed for one year, plus option to extend. These Time Charters were fixed at levels which will generate a positive operating cash flow, increasing at the same time DIS coverage (revenue generated by fixed contracts).

SIGNIFICANT EVENTS SINCE THE END OF THE PERIOD AND BUSINESS OUTLOOK

Controlled fleet – d'Amico Tankers Limited

- M/T Uzava, a medium range product tanker vessel, was time chartered by d'Amico Tankers Limited for a 1 year period.

- M/T High Glory, M/T High Enterprise, M/T High Force, and M/T High Pearl, four medium range product tanker vessels originally chartered IN by d'Amico Tankers Limited, have been sub- chartered OUT by that company to the pool company GLENDA International Management. As a result of it, DIS has now a 50% of interests in each of those vessels.

The profile of d'Amico International Shipping's vessels on the water is summarized as follows:

	As at 30 June 2010			As at 29 July 2010		
	MR	Handysize	Total	MR	Handysize	Total
Owned	14.0	3.0	17.0	14.0	3.0	17.0
Time chartered	15.5	3.0	18.5	14.5	3.0	17.5
Chartered through pools	-	3.0	3.0	-	3.0	3.0
Total	29.5	9.0	38.5	28.5	9.0	37.5

During the first part of Q3, following the reorganization process carried relating to the Handytankers pool, the M/T Marvel and M/T Malbec, two handy-size vessels, will be withdrawn from the Pool and redelivered to d'Amico Tankers Limited.

Organisation Structure

On 8 July 2010 d'Amico International Shipping S.A. announced that Michael Valentin, Chief Operating Officer (COO), left the Group in order to pursue other personal and professional interests. The CEO of the Company, Marco Fiori, is temporarily covering the position of Michael Valentin.

DIS is implementing a re-organisation plan relating to the operating functions, whose purpose is the streamlining and rationalization of its activities. This plan provides an organization structure which, apart from the holding company based in Luxembourg (DIS), will be focused on the following main locations:

- Dublin as head office of the key operating company d'Amico Tankers Limited, the pool companies and of the Joint Ventures;
- London and Singapore will be the two offices where the chartering and operations team would be consolidated, respectively covering the West and Eastern hemisphere, supporting the Dublin office in its strategic and commercial management of the fleet. All the activities currently based in Monaco office will be moved to London.

BUSINESS OUTLOOK

The IEA have revised their forecast for forward oil product demand primarily on the back of improving GDP estimates from the likes of the IMF. Forward expectations of world GDP growth are being tempered by the frequent changes in Economic news. However, despite concerns in the Euro zone about high sovereign debt issues forward Global GDP is positive especially with the contribution of the expected growth in India and China. Q3 has started on a positive note with the emergence of 'the driving season' in the United States and this could allow an improvement in the product tanker performance. However this being said, the market remains challenging in the near term and d'Amico International Shipping maintains a cautious approach going into the next quarter.

The key drivers that should affect the product tanker freight markets and d'Amico International Shipping performances are (i) Global oil demand and worldwide GDP growth and (ii) the influx of new buildings scheduled to come in 2010. 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

- The IEA have revised upwards global oil demand by 1.9 million barrels per day for 2010 versus the previous year. They also have revised expected increase in demand for 2011 but below the increase for 2010, but still positive.
- United States Oil Product demand is now forecast to come close to 20 million barrels per day for 2010, which is an 8% increase year on year. This is a significant increase over early prediction of just 3% in the last quarter.
- Significant events have always had an impact on Product Tanker demand. The Hurricane season has started with a higher expectation of number of storms than the past two years. The main impact would be on crude supply into the southern states refineries which then supports an increase in products imports into the Eastern Seaboard.
- Refinery closures and reduced output are still occurring, predominately within the OECD. Refinery margins have been improving throughout the year albeit from significantly low levels last year. China, other Asian Countries and the Middle East are predicted to add a further 1 million barrels per day of new refinery capacity on top of the 1.6 million they added last year.
- Additional Refinery capacity will increase by a staggering 9 million barrels per day between 2010 and 2015, predominately in emerging Economies. This new low-cost capacity in Asia will increasingly force a rationalisation of old high-cost capacity in the west, structurally favouring more long haul products trade. So as tonne mile demand increases this should have a positive effect on product tanker demand.
- Product dislocation has re-emerged as a significant factor within the Product Tanker market. The export of middle distillates from the United States to Europe has reappeared extending the round voyages in the Atlantic basin and effectively reducing the tonnage supply. India is now the largest exporter of Jet fuel to Europe, whereas before it would have been supplied from closer refineries.
- A good indication of Product Tanker demand is in the number of Time Charter contracts concluded. In the 25-55,000 deadweight segment a total of 46 contracts (for one year or more) were concluded in the first half of this year compared to only 34 concluded in the whole of 2009.
- There is still positive growth in other commodities such as palm oil and vegetable oil. The demand for these products is intrinsically linked to increase in GDP growth and as such as standards of living improve in the developing countries so does the demand for vegetable oil and their products.

Product Tanker supply

- At the beginning of the year the expected deliveries of Product Tankers, in the 25-55,000 deadweight segment, in 2010 was very large. After six months it has become apparent that the expected number is significantly less. It translates to about 25% less than what was estimated. The forward delivery curve is flattening out: the number of ships in this segment delivered in January of this year was 20 ships compared to just 6 ships in June. This 25% reduction in supply can be contributed to slippage, some cancellations / renegotiated contracts and conversions. The consensus is that if this figure is maintained the additional 75 ships that were due to be delivered this year will not be.

- This year is the deadline for IMO phase out of the remaining single hull vessels from international trade. Close to 2 million deadweight of tonnage within the 25-55,000 deadweight segment has been removed from trading in the first half of 2010.
- Scrapping has been predominately for single hull ships. However it has become apparent that some ships previously converted to double hull to comply with the new regulations for carrying vegetable oils in 2007 have also been crapped as they were becoming uncompetitive in these tough markets.
- The Slippage factor coupled with scrapping is eroding the forward net growth in supply of tonnage.
- Supply has also been affected this year due to the high oil price which has translated into higher bunker costs which in turn has prompted Owners to slow steam to conserve costs.

The above factors are those which could affect the future development and performances. The previous section 'Financial review' discloses the financial position of the Group, its cash flows and net debt. d'Amico, other than the relevant 'cash on hands' balance, has significant financial resources available through its credit lines. In addition, a significant portion of the revenue has been secured and the expected fixed contract coverage percentage for 2010 should be in the range of 45% on average. This coverage mainly comes from time charter out contracts. 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 2010

CONSOLIDATED INCOME STATEMENT

Q2 2010	Q2 2009	*US$ Thousand*	Note	H1 2010	H1 2009
71 369	57 065	Revenue	(2)	143 605	128 497
(23 242)	(12 783)	Voyage costs	(3)	(44 365)	(30 017)
48 127	**44 282**	**Time charter equivalent earnings**	(4)	**99 240**	**98 480**
(23 552)	(20 853)	Time charter hire costs	(5)	(49 058)	(44 151)
(12 307)	(10 965)	Other direct operating costs	(6)	(26 376)	(22 249)
(4 690)	(4 852)	General and administrative costs	(7)	(9 270)	(9 812)
1 788	1 412	Other operating income	(8)	2 014	2 278
9 366	**9 024**	**Gross operating profit**		**16 550**	**24 546**
(8 036)	(8 898)	Depreciation		(16 055)	(17 627)
1 330	**126**	**Operating profit**		**495**	**6 919**
(5 976)	(1 411)	Net financial income (charges)	(9)	(8 256)	553
(4 646)	**(1 285)**	**Profit / (loss) before tax**		**(7 761)**	**7 472**
(838)	(107)	Income taxes	(10)	(1 175)	(263)
(5 484)	**(1 392)**	**Net profit / (loss)**		**(8 936)**	**7 209**

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

(0.0366)	**(0.0093)**	**Earnings /(loss) per share**	**(0.0596)**	**0.0481**
(0.0359)	**(0.0091)**	**Diluted earnings / (loss) per share**[1]	**(0.0586)**	**0.0473**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Q2 2010	Q2 2009	*US$ Thousand*	H1 2010	H1 2009
(5 484)	(1 392)	Profit / (loss) for the period	(8 936)	7 209
(840)	3 469	Cash flow hedges	(1 245)	4 445
(6 324)	2 077	Total comprehensive income for the period	(10 181)	11 654
(0.0422)	0.0139	Earnings / (loss) per share	(0.0679)	0.0777
(0.0414)	0.0136	Diluted / (loss) earnings per share[1]	(0.0667)	0.0764

[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		As at 30 June 2010	As at 31 December 2009
ASSETS			
Non current assets			
Tangible assets	(11)	518 028	522 717
Total non current assets		**518 028**	**522 717**
Current assets			
Inventories	(12)	19 287	15 118
Receivables and other current assets	(13)	48 647	38 730
Current financial receivables	(14)	-	56 332
Cash and cash equivalents	(15)	90 298	92 243
Total current assets		**158 232**	**202 423**
Total assets		**676 260**	**725 140**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital		149 950	149 950
Retained earnings		146 653	155 589
Other reserves		46 397	47 960
Total shareholders' equity	(16)	**343 000**	**353 499**
Non current liabilities			
Banks and other lenders	(17)	250 206	261 220
Total non current liabilities		**250 206**	**261 220**
Current liabilities			
Banks and other lenders	(17)	9 211	46 524
Payables and other current liabilities	(18)	57 862	50 172
Other current financial liabilities	(19)	13 598	12 191
Current taxes payable	(20)	2 383	1 534
Total current liabilities		**83 054**	**110 421**
Total shareholders' equity and liabilities		**676 260**	**725 140**

29 July 2010
On behalf of the Board

Paolo d'Amico
Chairman

Marco Fiori
Chief Executive Officer

CONSOLIDATED STATEMENT OF CASH FLOW

Q2 2010	Q2 2009	*US$ Thousand*	H1 2010	H1 2009
(5 484)	**(1 392)**	**Profit for the period**	**(8 936)**	**7 209**
8 036	8 898	Depreciation and amortisation	16 055	17 627
838	107	Current and deferred income tax	1 175	263
2 733	1 615	Financial charges	5 577	2 450
3 237	(204)	Fair value gains on foreign currency retranslation	2 673	(3 003)
33	(16)	Other non-cash items	6	(4)
9 393	**9 008**	**Cash flow from operating activities before changes in working capital**	**16 550**	**24 542**
(1 949)	(467)	Movement in inventories	(4 169)	(3 246)
(271)	4 422	Movement in amounts receivable	(9 917)	3 122
(2 222)	(5 165)	Movement in amounts payable	7 738	5 973
(215)	(35)	Taxes paid	(521)	(210)
(2 253)	(725)	Interest paid	(5 208)	(1 651)
2 483	**7 038**	**Net cash flow from operating activities**	**4 473**	**28 530**
(6 480)	(17 436)	Acquisition of fixed assets	(13 893)	(30 383)
-	15 203	Disposal/cancellation of fixed assets	2 522	15 202
(6 480)	**(2 233)**	**Net cash flow from investing activities**	**(11 371)**	**(15 181)**
(370)	6 844	Other changes in shareholders' equity	(156)	277
12 886	81 704	Movement in other financial receivable	56 332	88 215
-	-	Movement in other financial payable	(12 324)	-
-	-	Treasury Shares	-	-
(9 605)	(17 742)	Bank loan repayments	(43 560)	(21 464)
4 780	21 773	Bank loan draw-downs	4 780	26 659
-	(19 402)	Dividend paid	-	(19 402)
7 691	**73 177**	**Net cash flow from financing activities**	**5 072**	**74 285**
3 694	**77 982**	**Change in cash balance**	**(1 826)**	**87 634**
3 694	**77 982**	**Net increase/ (decrease) in cash and cash equivalents**	(1 826)	87 634
86 772	51 134	Cash and cash equivalents at the beginning of the period	92 243	41 482
(168)	-	Exchange gain (loss) on cash and cash equivalents	(119)	-
90 298	**129 116**	**Cash and cash equivalents at the end of the period**	**90 298**	**129 116**

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

US$ Thousand	Share capital	Retained earnings	Other Reserves Other	Cash-Flow hedge	Total
Balance as at 1 January 2010	**149 950**	**155 589**	**60 150**	**(12 190)**	**353 499**
Dividend paid	-	-	-	-	-
Other changes	-	-	(156)	(162)	(318)
Total comprehensive income	-	(8 936)	-	(1 245)	(10 181)
Balance as at 30 June 2010	**149 950**	**146 653**	**59 994**	**(13 597)**	**343 000**

US$ Thousand	Share capital	Retained earnings	Other Reserves Other	Cash-Flow hedge	Total
Balance as at 1 January 2009	**149 950**	**195 661**	**58 773**	**(16 545)**	**387 839**
Prior year adjustment	-	(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**

Notes

The financial statements have 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 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 2009 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 Company and its principal subsidiaries.

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 2010. The accounting policies have been consistently applied.

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.

Basis of Consolidation

The financial statements present the consolidated results of the parent company, d'Amico International Shipping SA, and its subsidiaries for the period ended 30 June 2010.

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. 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 geographical segment information is presented.

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 2009 year end.

2. REVENUE

US$ Thousand	**Q2 10**	**Q2 09**	**H1 10**	**H1 09**
Revenue	71 369	57 065	143 605	128 497

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

3. VOYAGE COSTS

US$ Thousand	**Q2 10**	**Q2 09**	**H1 10**	**H1 09**
Bunkers (fuel)	(15 328)	(6 973)	(29 950)	(15 264)
Commissions	(1 550)	(1 968)	(3 510)	(4 327)
Port charges	(4 901)	(3 784)	(8 769)	(10 114)
Other	(1 463)	(58)	(2 136)	(312)
Total	(23 242)	(12 783)	(44 365)	(30 017)

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

4. TIME CHARTER EQUIVALENT EARNINGS

US$ Thousand	**Q2 10**	**Q2 09**	**H1 10**	**H1 09**
Time charter equivalent earnings	48 127	44 282	99 240	98 480

Time charter equivalent earnings represent revenue less voyage costs. In the first half of 2010 about 47.4% of the Time Charter Equivalent earnings came from fixed contracts (contracts longer than 12 months) (HY1 2009: 58%).

5. TIME CHARTER HIRE COSTS

US$ Thousand	**Q2 10**	**Q2 09**	**H1 10**	**H1 09**
Time charter hire costs	(23 552)	(20 853)	(49 058)	(44 151)

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

6. OTHER DIRECT OPERATING COSTS

US$ Thousand	Q2 10	Q2 09	H1 10	H1 09
Crew costs	(5 854)	(5 070)	(11 652)	(10 269)
Technical expenses	(2 558)	(2 470)	(6 506)	(5 280)
Technical and quality management	(943)	(891)	(1 890)	(1 798)
Other costs	(2 952)	(2 534)	(6 328)	(4 902)
Total	(12 307)	(10 965)	(26 376)	(22 249)

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 2010, d'Amico International Shipping SA and its subsidiaries had 402 employees, of which 359 seagoing personnel and 43 on-shore. Onshore personnel costs are included under general and administrative costs. The Group has no liabilities with regard to pensions and other post retirement benefits.

7. GENERAL AND ADMINISTRATIVE COSTS

US$ Thousand	Q2 10	Q2 09	H1 10	H1 09
Personnel	(2 961)	(2 993)	(5 658)	(6 365)
Other general and administrative costs	(1 729)	(1 859)	(3 612)	(3 447)
Total	(4 690)	(4 852)	(9 270)	(9 812)

Personnel costs relate to on-shore personnel salaries.

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 include infra-group management fees on brand and trademark, IT, Legal and Internal Audit services for US$ 0.6 million.

8. OTHER OPERATING INCOME

US$ Thousand	Q2 10	Q2 09	H1 10	H1 09
Other operating income	1 788	1 412	2 014	2 278

Other operating income represents chartering commissions earned for services provided by group personnel to non-related external clients. The item also includes insurance receipts relating to claims and estimated costs recoverable from the SLS hull number 513, as per arbitration result.

9. NET FINANCIAL INCOME (CHARGES)

US$ Thousand	**Q2 10**	**Q2 09**	**H1 10**	**H1 09**
Income				
Loans and receivables:				
Interest Income – Banks	36	66	59	82
Financial income on the Bareboat agreement	-	663	-	2 194
At fair value through income account:				
Other financial income		328		3 101
Total Financial Income	36	1 057	59	5 377
Charges				
Financial liabilities measured at amortised cost:				
Interest expense	(2 969)	(2 468)	(5 676)	(4 823)
At fair value through income account:				
Other financial charges	(3 043)		(2 639)	
Total financial charges	(6 012)	(2 468)	(8 315)	(4 824)
Net Financial Charges	(5 976)	(1 411)	(8 256)	553

Financial charges comprise mainly foreign exchange differences on the loans in Japanese Yen, interest expense on bank loans, fees paid to banks relating to bank loans and swap arrangement expenses.

Financial income in the same period of 2009 included the bareboat earnings relating to the two vessels (M/T High Harmony and M/T High Consensus) delivered in October 2008.

10. INCOME TAXES

US$ Thousand	**Q2 10**	**Q2 09**	**H1 10**	**H1 09**
Current income taxes	(838)	(107)	(1 175)	(263)

Effective from 1 January 2007, d'Amico Tankers Limited qualified to be taxed under the Tonnage Tax regime in Ireland; Glenda International Shipping Ltd and DM Shipping Limited will be considered eligible for the same Tax regime starting from 1 January 2009.

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 first half of the year tonnage tax provision for d'Amico Tankers Limited, Glenda International Shipping Ltd and DM Shipping Limited amounted to US$ 0.1 million. The income tax charges relate to activities, which are not eligible for tonnage tax and are taxed at 25%.

The income tax charges mainly relate to tax provided on the Glenda International Shipping Ltd awards under the successful arbitration of the cancelled vessels. It is currently not clear whether such income and gains fall to be included under the tonnage tax regime and tax has therefore been provisionally provided at the rate of 25% on the compensation, received in the form of interest, and the exchange gain on the Euro / US$ translation of the instalments based on the dates of payments to the shipyard and the refunds from the Guarantee Bank.

11. TANGIBLE ASSETS

US$ Thousand	Fleet	Dry-dock	Other assets	Total
Cost				
At 1 January 2010	643 899	11 640	2 336	657 875
Additions	36 269	3 022	49	39 340
Impairment provision	-	-	-	-
Disposal	(27 888)	(2 599)	(5)	(30 492)
Exchange Differences	-	-	(59)	(59)
At 30 June 2010	652 280	12 063	2 321	666 664
Depreciation				
At 1 January 2010	128 189	6 116	853	135 158
Charge for the period	13 811	2 066	178	16 055
Disposal	-	(2 570)	(4)	(2 574)
Exchange Differences	-	-	(3)	(3)
At 30 June 2010	142 000	5 612	1 024	148 636
Net book value				
At 30 June 2010	510 280	6 451	1 297	518 028

The table below shows, for comparison purposes, the changes in the fixed assets in the first half of 2009.

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

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 H1 2010 principally relate to the instalments paid on new-buildings; capitalised instalments at Group level for the period is US$ 36.2 million (2008: US$ 25.9 million). Mortgages are secured on 15 of the vessels owned by the Group – for further details see note 17.

In the period management reassessed their estimate of the useful economic life of the Group's fleet from 17 years to 20 years, with effect from 1 January 2010. The change in estimate has resulted in a reduction of the depreciation charge of US$ 4.4 million for the 6 month period to 30 June 2010.

Impairment tests

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, 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 estimate of future rates; (ii) Useful economic life of 20 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 6.5%, which represents the current and expected profile of the company's required weighted average cost of capital based on the current cost of financing and required of return on equity. No impairment loss was recognized as the values in use are higher than the carrying amount of the vessels. Management note that the calculations are particularly sensitive to changes in the key assumptions of future hire rates and discount rate. The total market value of the Group fleet, according to a valuation report provided by SSY on 30 June 2010 is of US$ 486.7 million.

Dry-dock

Dry-docks include expenditure for the fleet's dry docking programme; a total of five vessels dry-docked in the first half of 2010.

Other assets

Other assets mainly include fixtures, fittings, office equipment.

12. Inventories

US$ Thousand	**As at 30 June 2010**	**As at 31 December 2009**
Inventories	19 287	15 118

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

13. RECEIVABLES AND OTHER CURRENT ASSETS

US$ Thousand	As at 30 June 2010	As at 31 December 2009
Trade receivables	38 059	28 340
Other debtors	740	269
Prepayments and accrued income	9 848	10 121
Total	48 647	38 730

Receivables, as at 30 June 2010, include trade receivables amounting to US$ 38.1 million, net of the allowance for credit losses of US$ 0.8 million. Other current assets mainly consist of prepayments and accrued income amounting to US$ 10.6 million.

14. CURRENT FINANCIAL RECEIVABLES

US$ Thousand	As at 30 June 2010	As at 31 December 2009
Current financial receivable	-	56 332

Following the successful arbitration on four of the hulls under construction at SLS Shipbuilding Co. Ltd., the total amount of current financial receivable shown on 31 December 2009 accounts was received during the first six months of 2010.

15. CASH AND CASH EQUIVALENTS

US$ Thousand	As at 30 June 2010	As at 31 December 2009
Cash and cash equivalents	90 298	92 243

Cash and cash equivalents is mainly represented by short term deposits and includes approximately US$ 8.2 million of cash held by Pool companies (High Pool Tankers Ltd and Glenda International Management Ltd) which will be distributed to other pool participants in July. The balance includes US$ 2.1 million secured in connection with the Mizuho facility.

16. SHAREHOLDERS' EQUITY

Changes in first half 2010 shareholders' equity items are detailed in the relevant table.

Share capital

At 30 June 20010 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

The item includes previous year and current net result and deductions for dividends distributed.

Other reserves

The other reserves include the following items:

US$ Thousand	As at 30 June 2010	As at 31 December 2009
Share premium reserve	71 389	71 389
Treasury shares	(15 680)	(15 680)
Share option reserve	4 288	4 388
Fair value reserve	(13 598)	(12 191)
Other	(2)	54
Total	46 397	47 960

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 programme.

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, expiring on 31 July 2010 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. At the balance sheet date no options were exercised.

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$ 13.4 million and to the valuation of the forward foreign exchange contracts of US$ 0.2 million (liability). Details of the fair value of the derivative financial instruments are set out in note 21.

17. BANKS AND OTHER LENDERS

US$ Thousand	As at 30 June 2010	As at 31 December 2009
Non current liabilities		
Banks and other lenders	250 206	261 220
Current liabilities		
Banks and other lenders	9 211	46 524
	259 417	307 744

The balance comprises the following debts:

US$ Thousand	**As at 30 June 2010**			**As at 31 December 2009**		
	Non current	Current	Total	Non current	Current	Total
Calyon	149 145	-	149 145	149 027	-	149 027
Mizuho	26 660	4 338	30 998	27 783	7 161	34 944
Commerzbank	-	-	-	-	34 020	34 020
Commerzbank-Credit Suisse	47 623	1 974	49 597	46 552	1 022	47 574
ST Shipping	-	-	-	10 783	1 541	12 324
Mitsubishi UFJ Lease	26 778	2 899	29 677	27 075	2 780	29 855
	250 206	9 211	259 417	261 220	46 524	307 744

Calyon facility

The debt due to banks and other lenders as at 30 June 2010 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 revolving loan facility (of which US$ 257.0 million is available for draw-down as at 30 June 2010) 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. Collateral mainly refers 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%. At 30 June 2010, the asset cover ratio was 49.1%.

Mizuho facility

The balance of US$ 31.0 million relates to the loan facility of up to a maximum of 10 (ten) billion Yen arranged by the Mizuho Corporate Bank Ltd., and 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 2010 the facility has been draw down for an amount of JPY 5.0 billion. The contract, over a period of ten years, provides for 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'.

Similar to the Calyon facility, the key terms and conditions of the Mizuho loan provide that the ratio between the amount outstanding at any given time and the fair market value of vessels (the 'advance ratio') owned by d'Amico Tankers Limited, which are subject to mortgages pursuant to the facility (currently two vessels), must not be higher than 66.6%. The current valuation reports a ratio of 58.5%.

Glenda International Shipping / Commerzbank loan

In connection with the receipt of the current financial receivable relating to the successful arbitration on the four cancelled vessels during the first half of 2010, the outstanding balance at 31 December 2009 of the facility granted by Commerzbank AG Global Shipping for Glenda International Shipping Ltd of US$ 56.3 million was fully reimbursed. This loan was transferred to current balances during the second half of 2009.

Glenda International Shipping Limited / Commerzbank – Credit Suisse loan

A further amount of US$ 49.6 million refers to the facility granted by Commerzbank AG Global Shipping and Credit Suisse to Glenda International Shipping Ltd for the construction of 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' loan-to-value' ratio. Collateral mainly refers to first-priority mortgages on the vessels. The agreements also provide a covenant relating to the financed vessels' aggregate loan-to-value- ratio, which should at all times be at least 130%.

18. PAYABLES AND OTHER CURRENT LIABILITIES

US$ Thousand	**As at 30 June 2010**	**As at 31 December 2009**
Trade payables	53 659	47 155
Other creditors	2 086	1 946
Accruals & deferred income	2 117	1 071
Total	57 862	50 172

Payables and other current liabilities as at 30 June 2010, mainly include trade payables, of which an amount of US$ 10.0 million relates to the related party, Rudder SAM (bunkers).

19. OTHER CURRENT FINANCIAL LIABILITIES

US$ Thousand	**As at 30 June 2010**	**As at 31 December 2009**
Fair value of derivative instruments	13 598	12 191

The balance at the period end represents the fair value of the Interest Rate Swap and forward foreign exchange derivatives hedging instruments. The derivative instrument fair values are shown in note 21.

20. CURRENT TAX LIABILITIES

US$ Thousand	**As at 30 June 2010**	**As at 31 December 2009**
Current tax liabilities	2 383	1 534

The balance at 30 June 2010 reflects mainly the income taxes and tonnage taxes payable by the subsidiaries.

21. DERIVATIVE INSTRUMENTS

As at 30 June 2010, other than the share options, the following derivative instruments were in place:

US$ Thousand	**Fair value at 30 June 2010**	***Income statement* financial income/(charges)**	***Equity* hedging reserves**
Hedge accounting			
Interest rate swaps	(13 436)	-	(13 436)
Forward currency contracts	(162)	(162)	-
Total	(13 598)	(162)	(13 436)

US$ Thousand	**Fair value at 31 December 2009**	***Income statement* financial income/(charges)**	***Equity* hedging reserves**
Hedge accounting			
Interest rate swaps	(12 191)	-	(12 191)
Total	(12 191)	-	(12 191)

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.
The IRS contracts are considered level 2 instruments in that their fair value measurement is derived from inputs other than quoted prices. The maturity of the interest rate swaps is as follows: within 1 year US$ 4.6m, after 1 year US$ 8.8m.

Forward currency contracts

During the month of June d'Amico Tankers Limited entered two forward currency contracts maturing on 6 August 2010, to hedge the risk of cash deposits denominated in Euro.

22. RELATED PARTY TRANSACTIONS

During H1 2010, 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 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$ 2.3 million. 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$ 6.7 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$ 30.0 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 2010 and 2009 are the following:

	H1 2010		H1 2009	
US$ Thousand	**Total**	**Of which related parties**	**Total**	**Of which related parties**
Revenue	143 605	-	128 497	-
Voyage costs	(44 365)	(29 950)	(30 017)	(27 495)
Time charter hire costs	(49 058)	(6 690)	(44 151)	(7 310)
Other direct operating costs	(26 376)	(2 408)	(22 249)	(1 892)
General and administrative costs	(9 270)	(573)	(9 812)	(91)
Other operating income	2 014	-	2 278	-
Net financial income (charges)	(8 256)	-	553	-

The effects of related party transactions on the Group's consolidated balance sheets as at 30 June 2010 and 30 June 2009 are the following:

	As at 30 June 2010		As at 30 June 2009	
US$ Thousand	**Total**	**Of which related parties**	**Total**	**Of which related parties**
ASSETS				
Non current assets				
Tangible assets	518 028	-	528 833	-
Current assets				
Inventories	19 287	-	10 257	-
Receivables and other current assets	48 647	-	30 986	147
Current financial receivable	-	-	15 232	--
Cash and cash equivalents	90 298	-	129 116	-
LIABILITIES				
Non current liabilities				
Banks and other lenders	250 206	-	269 090	-
Current liabilities				
Banks and other lenders	9 211	-	10 552	-
Payables and other current liabilities	57 862	11 281	48 764	5 134
Other financial current liabilities	13 598	-	12 101	-

The effects, by legal entity, of related party transactions on the Group's consolidated income statement for the first half of 2010 are the following:

US$ Thousand	d'Amico Intern. Shipping SA (consolidated)	Rudder SAM	d'Amico. Shipping Italia SpA	d'Amico Società di Nav. SpA	d'Amico Ireland Ltd	Cogema SAM	Compagnia Generale Telemar
Voyage costs	**(44 365)**	**-**	**-**	**-**	**-**	**-**	**-**
of which							
Port charges		-	-	-	-		
Bunker	(29 950)	(29 950)					
Time charter In costs	**(49 058)**						
of which							
Vessel charter agreement	(6 690)	-	(6 690)	-	-	-	-
Other direct operating costs	**(26 376)**						
of which							
Management agreements	(1 769)	-	-	(1 769)	-	-	-
Technical expenses	(639)	-	-	-	-	-	(639)
Generale and administrative costs	**(9 270)**						
of which							
Services agreement	(573)	-	-	(486)	(26)	(61)	-
Total		**(29 950)**	**(6 690)**	**(2 255)**	**(26)**	**(61)**	**(639)**

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 2009:

US$ Thousand	d'Amico Intern. Shipping SA (consolidated)	Rudder SAM	d'Amico. Shipping Italia SpA	d'Amico Società di Nav. SpA	d'Amico Ireland Ltd	Ishima Pte Ltd	Compagnia Generale Telemar
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 effect, by legal entity, of related party transactions on the Group's consolidated Statement of financial position as at 30 June 2010 are as follows:

US$ Thousand	d'Amico Intern. Shipping SA	d'Amico Shipping Singapore	Rudder SAM	d'Amico Shipping Italia SpA	d'Amico Società di Nav. SpA	d'Amico Ireland Ltd	d'Amico Dry	Compagnia Generale Telemar	Cogema SAM
	(consolidated)								
Receivables and other current assets	**48 647**								
of which related party	-	-	-	-	-	-	-	-	-
Payables and other current liabilities	**57 862**								
of which related party	11 281	3	9 975	806	131	9	63	260	34
Total		**(3)**	**(9 975)**	**(806)**	**(131)**	**(9)**	**(63)**	**(260)**	**(34)**

The effect, by legal entity, of related party transactions on the Group's consolidated Statement of financial position as at 30 June 2009 were 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 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)**

23. COMMITMENTS AND CONTINGENCIES

CAPITAL COMMITMENTS

As at 30 June 2010, the Group's total capital commitments amounted to US$ 109.4 million, of which payments over the next 12 months amounted to US$ 53.2 million.

US$ Million	**As at 30 June 2010**	**As at 31 December 2009**
Within one year	53.2	79.1
Between 1 – 3 years	56.2	49.2
Between 3 – 5 years	-	-
More than 5 years	-	-
Total	109.4	128.3

Capital commitments relate to the payments of US$ 53.2 million, DIS share, for four Hyundai-Mipo dockyard 46,000 dwt Product/chemical tanker vessels bought by GLENDA International Shipping Ltd. And medium term payments of US$ 56.2 million relating to the two Hyundai-Mipo dockyard 52,000 dwt Product/chemical tanker vessels initially bought by GLENDA International Shipping and then transferred to d'Amico Tankers Limited in March this year.

Operating leases – chartered in vessels[1]

As at 30 June 2010, the Group's minimum operating lease rental commitments amounted to US$ 442.0 million, of which payments over the next 12 months amounted to US$ 110.1 million.

US$ Million	**As at 30 June 2010**	**As at 31 December 2009**
Within one year	110.1	116.6
Between 1 – 3 years	161.1	158.9
Between 3 – 5 years	103.8	118.3
More than 5 years	67.0	88.7
	442.0	482.5

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 2010, d'Amico Tankers Limited operated 21.48 vessel equivalents on time charter-in contracts as lessee. These had an average remaining contract period of 3.97 years at that time (5.37 years including optional periods). In addition, the Company had time charter-in contracts on 1 vessel equivalents not yet delivered at 30 June 2010. These have an average contract period of 0.98 years (0.98 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 6 vessel purchase options on time chartered vessels already on the water. 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 the purchase options. JPY exercise prices were converted to US$ at the 30 June 2010 closing exchange rate.

Acquisition options on MR vessels (1)				
Vessel	**First exercise date**	**Exercise price (in millions)(1)**	**Age at First exercise date(1)**	**Exercise period**
MR 1	March 2011	30.3	8.0	N/A
MR 2	July 2011	30.2	5.0	4 years
MR 3	October 2011	30.2	5.0	4 years
MR 4	August 2014	41.7	5.0	6 years
MR 5	March 2017	33.8	8.0	N/A
Total		**166.2**		

Acquisition options on Handysize Vessels				
Vessel	**First exercise date**	**Exercise price (in millions)(1)**	**Age at First exercise date(2)**	**Exercise period**
Handy (2)	January 2016	40.5	8.0	N/A
Total		**40.5**	8.0	N/A

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

100 *Currently time-chartered through Handytankers pool.*

Ongoing disputes

The Group is currently involved in a number of on-going commercial disputes concerning both our owned and chartered vessels. They relate mainly to cargo contamination claims and in collision disputes. The disputes are mostly covered by our P&I Club insurance and we expect no significant financial exposure.

Tonnage tax deferred taxation

Effective 1 January 2007 the Company entered the Irish 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.

No provision has been made for deferred taxation as no liability is reasonably expected to arise.

24. 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 H1 2010 does not differ with respect to the 2009 consolidated accounts.

29 July 2010
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 half yearly/second quarter 2010 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 the 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

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Luxembourg, 07/29/2010

Report of the Réviseur d'Entreprises Agréé

To the shareholders 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, 2010 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
Réviseur d'entreprises agréé

Moore Stephens S.à r.l.
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TVA LU 155 51 027

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