d'AMICO INTERNATIONAL SHIPPING S.A.
FIRST-HALF REPORT AT 30 JUNE 2007

SECOND QUARTER 2007

Date of issue: 1st August 2007
This document is available on www.damicointernationalshipping.com

d'Amico International Shipping S.A.
Registered office in Luxembourg 25C Bd Royal
Share capital US$ 149.949.907 as at 30 June 2007

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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

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

STATUTORY AUDITORS/COMMISSARIE AUX COMPTES

Lux-Fiduciaire S.à.r.l.

EXTERNAL AUDITORS

Moore Stephens S.à.r.l., Luxembourg

D'AMICO INTERNATIONAL SHIPPING GROUP

GROUP OVERVIEW

d'Amico International Shipping S.A. (the Group or d'Amico International Shipping) is an international marine transportation group, historically part of the d'Amico Group that traces its origins to 1936. As at 30 June 2007, d'Amico International Shipping controls, either through ownership or charter arrangements, a modern fleet of 32 product tanker vessels, aggregating approximately 1.45 million deadweight tons (dwt). The product tanker vessels of d'Amico International Shipping range from approximately 35,000 to 51,000 dwt. The fleet includes ten owned and fifteen chartered in medium range product tankers (MRs), ranging from 46,000 to 51,000 dwt, and three owned and four chartered in handysize product tankers, ranging from 35,000 to 40,000 dwt. d'Amico International Shipping employs most of its controlled fleet through three commercial partnership arrangements. Through one of these arrangements the Group has partial interests in seven additional chartered in handysize product tankers. As at 30 June 2007 the 19 chartered in vessels of our 32 controlled vessel fleet were under charter in contracts which have an average remaining contract term of 5.6 years, with the longest charter in contract spanning until 2015. Furthermore, 17 of these 19 chartered in vessels have either a vessel purchase option, a charter in extension option or a combination of both, during or at the end of the contract term. All of these vessels are double-hulled, except for one short-term chartered in double-sided MR, which left the fleet in July 2007. The fleet is primarily engaged in the transportation of refined petroleum products, providing worldwide shipping services to major oil companies and trading houses, such as ExxonMobil, Total, Shell, Glencore and Vitol.

d'Amico International Shipping operates a young fleet, with an average age of approximately 4.4 years, compared to an average in the product tanker industry of 11.2 years, according to Clarkson.

All the vessels are built in accordance with international industry standards and are compliant with IMO (International Maritime Organization) regulations and MARPOL (the International Convention for the Prevention of Pollution from Ships, 1973 as modified by the Protocol of 1978) as well as other international standards. In addition, d'Amico International Shipping is in compliance with the stringent requirements of major oil and energy-related companies, such as ExxonMobil, Shell, Total, Glencore, Petrobras, Vitol and Vela, which are some of its established customers. Based on recent revisions to Annexes I and II to MARPOL, adopted by the IMO and effective as of 1 January 2007, cargoes, such as palm oil, vegetable oil, and a range of other chemicals can only be transported by vessels that meet the requirements stated in these revised annexes (hereinafter referred to as IMO Classed). Approximately 64% of the current d'Amico International Shipping fleet, calculated by number of vessels, is IMO Classified and this, together with the access to clients, both direct and through our partnerships, provides d'Amico International Shipping with a competitive advantage for penetrating these markets and expanding the range of products the Group transports.

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

Since 2001, d'Amico International Shipping has been a member of the Handytankers Pool, together with A.P. Moller-Maersk, Seaarland Shipping Management and Motia Compagnia di Navigazione S.p.A. This is currently the largest handysize product tanker pool in the world, operating approximately 75 vessels as at 30 June 2007. This pool includes the seven handysize product tankers of our fleet and the seven indirectly chartered in handysize product tankers in which we have a partial interest. Under the service agreement the Group entered into with the pool manager, A.P. Moller–Maersk, d'Amico International Shipping is actively involved in the pool's commercial management, in particular chartering and vessel operations, but not administration.

In 2003, the Group established High Pool Tankers Limited with Nissho Shipping Co. Limited (Japan). This pool operated eight MR product tankers as at 30 June 2007, including seven of our chartered in MRs. Under the pool arrangements d'Amico International Shipping is exclusively responsible for the pool's commercial management, in particular chartering, vessel operations and administration. In May 2005, the Group entered into a commercial arrangement with Glencore - ST Shipping, to jointly manage eight MR product tankers. d'Amico International Shipping and Glencore - ST Shipping each contributed four MRs. In August 2006, d'Amico International Shipping incorporated the commercial arrangement as Glenda International Management Limited to allow the Group to trade the vessels under a single brand name, Glenda International Management. As of 30 June 2007, Glenda International Management Limited operated 19 MR product tankers, including five of our owned MRs, and five of our chartered in MRs. d'Amico International Shipping employs all its vessels through its partnerships, except for eight MRs, which are operated directly through long-term time charter contracts with Exxon, Total and Glencore.

d'Amico International Shipping is a subsidiary of the d'Amico Group, one of the world's leading privately-owned marine transportation companies with over 70 years of experience in the shipping business. Today, the d'Amico Group manages and controls over 65 owned and chartered in vessels, including the vessels of our fleet. d'Amico International Shipping benefits from a strong brand name and an established reputation in the international market due to the long operating history of the d'Amico Group. In addition, the Group benefits from the expertise of the d'Amico Group, which provides technical management services, as well as all safety, quality and technical products and services to the owned vessels, including crewing and insurance arrangements.

The Group has offices in Dublin, London, Monaco and Singapore. In addition, d'Amico International Shipping is also represented through the offices of our partnerships in New York, Copenhagen, Venice and Tokyo. As at 30 June 2007, the Group employed 332 seagoing personnel and 43 onshore personnel.

FLEET

The following tables set forth information about our current fleet as at 30 June 2007:

MR Current Fleet				
Name of vessel	**Dwt**	**Year built**	**Builder, Country**	**IMO Classified**
Owned				
High Venture	51,087	2006	STX, South Korea	IMO II / III
High Progress	51,303	2005	STX, South Korea	IMO II / III
High Performance	51,303	2005	STX, South Korea	IMO II / III
High Valor	46,975	2005	STX, South Korea	IMO II / III
High Courage	46,975	2005	STX, South Korea	IMO II / III
High Endurance	46,992	2004	STX, South Korea	IMO II / III
High Endeavour	46,992	2004	STX, South Korea	IMO II / III
High Challenge	46,475	1999	STX, South Korea	IMO II / III
High Spirit	46,473	1999	STX, South Korea	IMO II / III
High Wind	46,471	1999	STX, South Korea	IMO II / III
Time chartered with purchase option				
High Century	48,676	2006	Imabari, Japan	-
High Prosperity	48,711	2006	Imabari, Japan	-
High Presence	48,700	2005	Imabari, Japan	-
High Harmony	45,913	2005	Shin Kurushima, Japan	-
High Consensus	45,896	2005	Shin Kurushima, Japan	-
High Priority	46,847	2005	Nakai Zosen, Japan	-
High Trust[1]	45,937	2004	Shin Kurushima, Japan	-
High Peace	45,888	2004	Shin Kurushima, Japan	-
High Nefeli	45,976	2003	STX, South Korea	IMO III
Time chartered without purchase option				
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 Tide[2]	45,018	1989	Daewoo, South Korea	-

[1] The execution of the option is in due course

[2] High Tide was redelivered on 5 July 2007.

Handysize Current Fleet

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

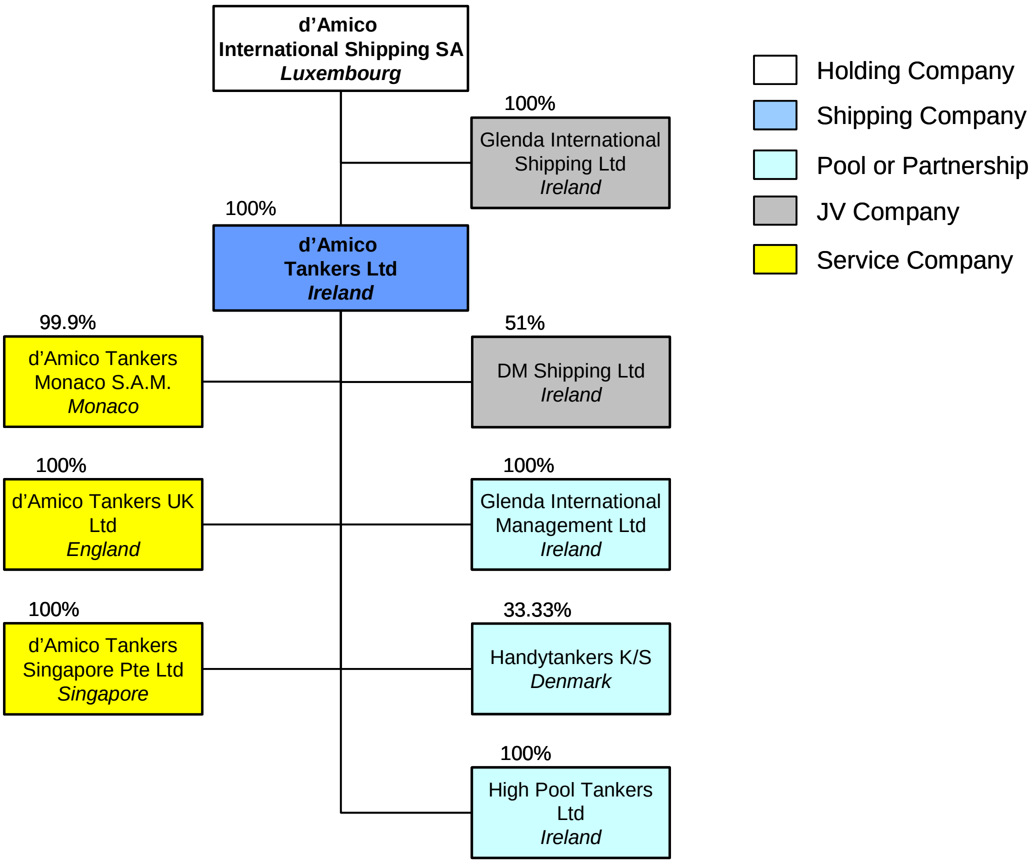
Handysize Partial Interests Current Fleet[1]

Name of vessel	Dwt	Year built	Builder, Country	Partial Interest	IMO Classified
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
Orontes	37,274	2002	Hyundai, South Korea	50%	IMO III
Ohio	37,999	2001	Hyundai, South Korea	50%	IMO III

[1] Handytankers Spirit, a vessel in which DIS has a 50% interest, is expected to be delivered in August 2007.

GROUP STRUCTURE

Set out below is d'Amico International Shipping Group's[1] structure:



[1] Glenda International Shipping Limited, is the legal entity which is expected to act as vehicle for the joint-venture with St Shipping PTE Limited, a Glencore International AG Group subsidiary.

THE PRODUCT TANKERS INDUSTRY

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

The seaborne movement of refined petroleum products between regions addresses demand and supply imbalances for such products caused by the lack of resources or refining capacity in consuming countries. An additional “arbitrage” trade also occurs, taking advantage of differences in price between refining centres and dislocation of specific product specifications. Owners of product tankers seek to utilise trade patterns to optimise the revenue and profit-generating potential of their product tanker fleets by maximizing vessel laden days (freight carrying) and minimizing waiting time and ballast days.

Within the product tanker industry, d’Amico International Shipping operates in the MR segment, which comprises vessels ranging from 25,000 dwt to 55,000 dwt. The majority of refined petroleum products transported at sea is carried in MR vessels. Usually, their size permits the greatest flexibility in trade routes and access to ports which may have restrictions on vessel displacement size, or vessel length-overall. The most common cargo size for refined petroleum products is 30,000 – 40,000 tonnes, which usually represent full cargoes, since products transported have a specific gravity which varies between 0.66 and 0.82.

Product Tanker Class (dwt)	**Short range (SR) 10,000 – 25,000**	**Medium Range (MR) 25,000 – 55,000**	**Long Range (LR) 55,000 – 120,000**
Characteristics	Trades in specialised market regionally Focused primarily on the distribution side	Access to more ports than larger vessels Better economies of scale over medium and longer distances versus small vessels	Better economies of scale over longer haul voyages
Voyages	Only short	Short and long	Only long
Flexibility	Low	High	Low
Arbitrage Voyages	No	Yes	No
% world fleet[1]	26%	44%	30%

The market for shipping refined petroleum products is generally highly cyclical and volatile, and this affects the supply and demand for product tanker capacity. However, during the past three years, the product tanker shipping market has experienced overall increasing freight rates resulting in improved earnings and market growth.

[1] Source: Clarksons Research Services Limited. As at 1 July 2007. % of total product tankers (3,552 vessels).

SHAREHOLDERS

INVESTOR RELATIONS

d'Amico International Shipping has a constant dialogue with its shareholders and Investors, pursuing a policy of fair communication with them through its Investor Relations Team. Since the listing date the Investor Relations function has organised conference calls after the delivering of Group results. Moreover, the annual IR programme includes several Analysts meetings, an Investors Day and the attendance to all the events that the Italian Stock Exchange (STAR Segment) will organize in London, New York, Tokyo and Milan.

According to the Group's disclosure policy, d'Amico International Shipping edits a quarterly Investor News, seeking to keep all stakeholders updated about business developments, market opportunities, strategies and projects, operating performance, financial results and share trends.

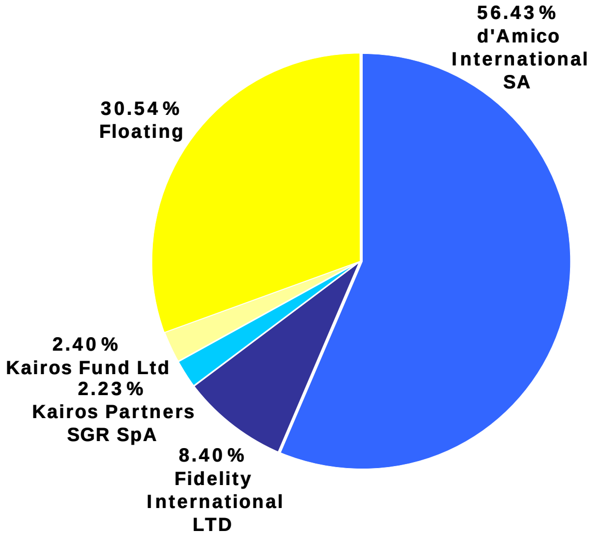
More information is available on the Group's institutional website www.damicointernationalshipping.com. The Investor Relations section provides historical financial data, institutional presentations, analyst coverage, press releases, periodic publications, and share information.

D'Amico International Shipping shareholders may also contact:
ir@damicointernationalshipping.com

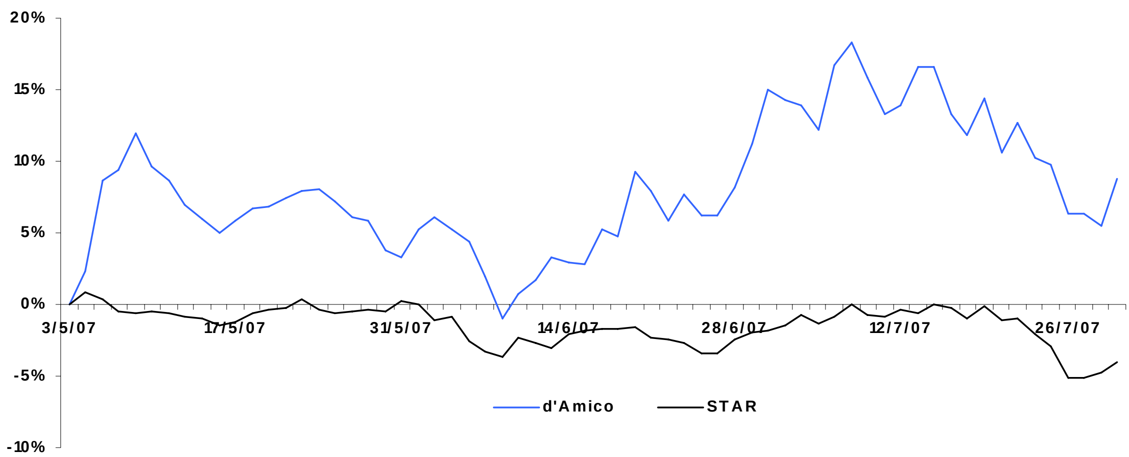
SHAREHOLDERS

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

Shareholders whose holding exceeds 2% of d'Amico International Shipping's ordinary shares outstanding (as at 30 June2007)



PERFORMANCE OF D'AMICO INTERNATIONAL SHIPPING'S SHARES



The IPO price was of Euro 3.5; since the IPO d'Amico International Shipping's share price has increased by 7.8%[1], constantly outperforming the STAR Index. The average daily trading volume, excluding the first week of negotiation, has been of about 400,000 shares.

[1] As at market close on 31 July 2007.

HIGHLIGHTS

KEY FINANCIALS

1st Half 2007	1st Half 2006	US$ Thousand	2nd Quarter 2007	2nd Quarter 2006
139 759	123 017	Time charter equivalent (TCE) earnings	71 071	55 165
63 841	82 655	Gross operating profit / EBITDA	30 132	20 543
49 102	71 558	Operating profit / EBIT	22 820	14 790
49 034	57 757	Net profit	29 041	8 881
		Excluding gain from vessels disposals		
63 841	52 677	Gross operating profit / EBITDA	30 132	20 543
45.7%	*42.8%*	*as % of margin on TCE*	*42.4%*	*37.2%*
49 102	41 580	Operating profit / EBIT	22 820	14 790
35.1%	*33.8%*	*as % of margin on TCE*	*32.1%*	*26.8%*
49 034	28 579	Net profit	29 041	8 881
35.1%	*23.2%*	*as % of margin on TCE*	*40.9%*	*16.1%*
46 175	32 507	Operating cash flow	20 799	10 960
1 947	35 810	Gross CAPEX	1 247	35 718
As at 30 June 2007	**As at 31 December 2006**			
467 260	435 915	Total assets		
111 257	226 288	Net financial indebtedness		
272 492	153 990	Shareholders' Equity		

OTHER OPERATING MEASURES

1st Half 2007	1st Half 2006		2nd Quarter 2007	2nd Quarter 2006
		Daily operating measures		
23 061	21 632	TCE earnings per employment day (US$)[1]	23 543	19 651
		Fleet development		
36.1	34.3	Total vessel equivalent	36.2	34.0
13.0	10.4	-Owned	13.0	10.6
20.3	21.6	-Chartered	20.2	21.0
2.8	2.4	-Partial Chartered	2.9	2.5
		Vessel equivalent %:		
36.0%	30.2%	-Owned	35.9%	31.1%
56.1%	62.9%	-Chartered	56.0%	61.6%
7.9%	6.9%	-Partial Chartered	8.1%	7.4%
2.2%	2.5%	Off-hire days / available vessel days[2] (%)	2.1%	3.5%
44.9%	44.4%	Fixed rate contract/Available vessel days[3] (coverage %)	47.7%	43.7%

[1] This figure represents time charter ("TC") equivalent earnings for vessels employed on the spot market and time charter contracts, divided by the number of on-hire days, less commissions charged by external brokers and commercial managers. Calculations also exclude chartered vessels in which the Group has a partial interest, since distributions paid by the pool on these vessels are net of charter expenses, and would therefore require pro-forma adjustments to make it comparable to the remaining vessels.

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

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

REPORT ON OPERATIONS

HIGHLIGHTS OF THE GROUP'S PERFORMANCE IN THE SECOND QUARTER OF 2007

During the second quarter, the Group achieved a net profit of US$29.0 million, and gross operating profit (EBITDA) of US$30.1 million. In addition, the Group's key financials and margins have improved with respect to the same period last year, with time charter equivalent earnings, EBITDA and net profits, rising by 28.8%, 46.7% and 227.0%, respectively.

The significant improvement in performance compared to the second quarter of 2006, was driven mainly by an increase in average daily TCE earnings of 19.8%, to US$23,543 (US$ 19,651 in the second quarter of 2006), and by a 6.2% growth in the average number of vessels managed to 36.2 (34.0 in the same period of 2006).

Earnings achieved during the second quarter of 2007, were positively influenced by the performance of vessels exposed to the Spot market, which represented 52.3% of our available vessel days for the period.

As was the case in the first quarter of the current year, also in the second one the Western Hemisphere outperformed the Eastern markets for most of the period. Despite a steady influx of new buildings during the quarter, freight markets have remained at historically high levels in most areas and Time charter fixtures have remained strong.

Western hemisphere had a very positive second quarter with product tanker rates remaining strong, due to a large demand for gasoline into the United States coupled with limited exports from Venezuela and long port delays in West Africa. In addition, during the quarter, a large portion of IMO classified vessels were absorbed into the vegetable oil trade in South America, contributing to a strong quarter in the Atlantic Basin market. In the Eastern hemisphere product tanker rates remained at first-quarter 2007 levels, although an improvement was recorded towards the end of the second quarter and moving into the third one. The slower markets in the East were attributable to continued Asia refinery maintenance, reducing product availability and opportunities for long haul arbitrage business.

HIGHLIGHTS OF THE GROUP'S PERFORMANCE IN THE FIRST HALF OF 2007

During the first half, the Group achieved a net profit of US$49.0 million, and gross operating profit (EBITDA) of US$63.8 million. Excluding, for comparison purposes, the non-recurring gains from the disposal of vessels, the Group's key financials and margins have strongly improved with respect to the same period last year, with time charter equivalent earnings, EBITDA and net profits, rising by 13.6%, 21.2% and 71.6%, respectively.

Over the first half of the year the product tankers' freight market has performed strongly, despite some fluctuation in rates in both the Eastern and Western hemisphere.

Trends contributing to the strong first-half performance have been similar in the two quarters, namely: port delays in West and East Africa, as well as demand for longer haul voyages and modern IMO tonnage for the Palm and Vegetable markets (as of 1 January 2007), outweighing the effects of continuous influx of new buildings.

Although markets were strong in most regions and throughout the first half, freight rates have on average been stronger in the second quarter, with the Eastern market, remaining at lower and more stable levels, improving only towards the end of the second quarter and into the third one.

The comparatively stronger performance in the Western hemisphere was driven mainly by the healthy demand for clean petroleum products into the United States, and to prolonged shutdowns for maintenance of Asian refineries reducing product availability for long haul arbitrage business.

OPERATING PERFORMANCE

1ST Half 2007	1st Half 2006	US$ Thousand	2nd Quarter 2007	2nd Quarter 2006
172 088	151 738	Revenue	88 680	69 881
(32 329)	(28 721)	Voyage costs	(17 609)	(14 717)
139 759	**123 017**	**Time charter equivalent earnings**	**71 071**	**55 165**
(50 059)	(54 347)	Time charter hire costs	(25 681)	(26 401)
(16 445)	(13 258)	Other direct operating costs	(8 286)	(6 720)
-	29 978	Result on disposal of vessels	-	-
(10 899)	(4 115)	General and administrative costs	(7 709)	(2 191)
1 485	1 380	Other operating Income	737	690
63 840	**82 655**	**Gross operating profit / EBITDA**	**30 132**	**20 543**
(14 738)	(11 097)	Depreciation	(7 312)	(5 752)
49 102	**71 558**	**Operating profit / EBIT**	**22 820**	**14 790**
(9 830)	(8 997)	Net financial income (charges)	(5 683)	(5 058)
9 761	(4 804)	Income taxes	11 903	(851)
49 034	**57 757**	**Net profit**	**29 041**	**8 881**

Operating Performance of d'Amico International Shipping in the Second Quarter of 2007

Revenue for the second quarter of 2007 amounted to US$88.7 million, compared to US$69.9 million for the second quarter of 2006. The increase of 26.9% reflects the expansion of our fleet to an average of 36.2 vessels for the second quarter of 2007, from an average of 34.0 vessels for the same period last year, and higher freight rates for the quarter ended 30 June 2007.

Voyage costs increased by 19.7% to US$17.6 million for the second quarter of 2007, from US$14.7 million for second quarter of 2006. The increase reflects the expansion of our fleet and an increase in the average daily cost of such voyages.

Time charter equivalent earnings for the second quarter of 2007 were of US$71.1 million, 28.8% higher than for the same period last year. The increase is mainly attributable to the increase in TCE earnings per employment day of 19.8%, to US$23,543 per day for the second quarter of 2007, from US$19,651 per day for the same period last year, and to a growth of 6.2% in the average number of available vessels to 36.2 for the quarter ended 30 June 2007. In addition, the increase in TCE earnings was also partially driven by the decrease in the number of off-hire days to 2.1% of available vessel days for the second quarter of 2007, from 3.5% for the same period last year.

Time charter hire costs for the second quarter of 2007 were of US$25.7 million, 2.7% lower than those for the same period last year, when these costs amounted to US$26.4 million. The reduction in Time charter hire costs is attributable mostly to a reduction of 3.4% in the average number of vessels on Time charter in, which amounted to 20.2 for the second quarter of 2007, compared to 21.0 for the second quarter of 2006.

Other direct operating costs arise mostly from the operation of owned vessels, and to a lesser extent from the operation of vessels on time charter in. These costs amounted to US$8.3 million in the second quarter of 2007, compared to US$6.7 million for the second quarter of 2006. The 23.3% increase is attributable mostly to the growth of 22.9% in the average number of owned vessels from 10.6 in the second quarter of 2006 to 13.0 in the second quarter of 2007.

General and administrative expenses for the second quarter of 2007, of US$7.7 million, were 251.9% higher than those recorded for the same period last year of US$2.2 million. The increase in these expenses is essentially due to non-recurring costs recorded in the second quarter of 2007, amounting to US$4.0 million, arising from the Initial Public Offering of (IPO) our shares.

Gross operating profit (EBITDA) for the second quarter of 2007 amounted to US$30.1 million, compared to US$20.5 million for the same period last year. As a percentage of Time charter equivalent earnings, the gross operating profit margin rose to 42.4% for the second quarter of 2007, from 37.2% for the second quarter of 2006. This improvement in margins is attributable mainly to an increase in average daily TCE earnings, and to a larger proportion of owned vessels, which more than compensated for the effect of the IPO costs on general and administrative expenses.

Depreciation for the second quarter of 2007 amounted to US$7.3 million, rising by 27.1% compared to the same quarter last year. The increase in this item is attributable mainly to a 22.9% growth in the average number of owned vessels for the second quarter of 2007, compared to the same period last year, but also to a higher average cost for vessels acquired during 2006 (two of which only in December), compared to those bought previously.

Operating profit for the second quarter of 2007 amounted to US$22.8 million, 54.3% higher than the result for the second quarter 2006, which amounted to US$14.8 million. The increase in operating profit of US$8.0 million compared to the second quarter of 2006, was lower than the US$9.6 million increase in EBITDA over the same two periods, due to an increase in the number of owned vessels and, therefore, depreciation, for the second quarter of 2007. The Operating profit margin increased, amounting to 32.1% for the second quarter of 2007, from 26.8% for the same quarter last year.

Net financial charges for the second quarter of 2007 amounted to US$5.7 million, an increase of 12.4% from US$5.1 million for the second quarter of 2006. The increase reflects losses on foreign exchange derivative instruments amounting to US$1.7

million in the second quarter of 2007 (there were no such instruments outstanding in 2006), as well as a slight increase in average US$ LIBOR rates.

Profit before tax for the second quarter of 2007 amounted to US$17.1 million (24.1% of TCE earnings), compared to US$9.7 million for the second quarter of 2006 (17.6% of TCE earnings).

Income taxes arise essentially from the Group's key operating entity, d'Amico Tankers Ltd (Ireland). Entry into the tonnage tax regime from January 2007, led to the recognition of taxes for the period based on the notional income of vessels, which is dependent on the size of the vessel, rather than on its profits. Entry into the tonnage tax program also led to the reversal of income taxes, amounting to US$2.0 million (of which US$0.8 million in deferred taxes), which were recognised in the first quarter of 2007 at the standard Irish corporate income tax rate of 12.5%. The qualification for tonnage tax also led to the elimination of the Group's deferred tax liabilities (arising under the previous corporate income tax regime), outstanding as at 31 December 2006, resulting in an additional income of US$10.1 million, for the second quarter of 2007.

Net profit for the second quarter of 2007 amounted to US$29.0 million, compared to US$8.9 million for the second quarter of 2006. The Net profit margin for the second quarter of 2007, of approximately 40.9%, was also substantially higher than that for the second quarter of 2006, when it amounted to 16.1%.

Operating Performance of d'Amico International Shipping in the First Half of 2007

Revenue for the first half of 2007 amounted to US$172.1 million, compared to US$151.7 million for the first half of 2006. The 13.4% increase was driven by the expansion of our fleet to an average of 36.1 vessels for the second half of 2007, from an average of 34.3 vessels for the same period last year, and an increase in freight rates for the semester ended 30 June 2007.

Voyage costs amounted to US$32.3 million for the second half of 2007, compared to US$28.7 million for second half of 2006. The 12.6% increase reflects the expansion of our fleet and an increase in the average daily cost of such voyages.

Time charter equivalent earnings for the first half of 2007 were of US$139.8 million, compared to US$123.0 million for the first half of 2006. The increase of 13.6% is attributable mainly to higher TCE earnings per employment day, which rose by 6.6%, to US$23,061 per day for the first half of 2007, from US$21,632 per day for the same period last year, and to a growth of 5.1% in the average number of available vessels to 36.1 for the semester ended 30 June 2007. The improvement in performance for the first half of 2007, is attributable mainly to a very strong second quarter, which was significantly higher for the same period last year.

Time charter hire costs for the first half of 2007 were of US$50.1 million, a 7.9% decrease compared to the same period last year, when these costs amounted to US$54.3 million. The reduction in Time charter hire costs is attributable mostly to a reduction of 6.2% in the average number of vessels on Time charter in, which amounted to 20.3 for the first half of 2007, compared to 21.6 for the first half of 2006.

Other direct operating costs arise mostly from the operation of owned vessels, and to a lesser extent from the operation of vessels on time charter in. These costs amounted to US$16.4 million for the first half of 2007, compared to US$13.3 million for the first half of 2006. The 24.0% increase is attributable mostly to the growth of 25.4% in the average number of owned vessels from 10.4 in the first half of 2006, to 13.0 in the first half of 2007.

General and administrative expenses for the first half of 2007, amounted to US$10.9 million, and were 164.8% higher than those recorded for the same period last year, of US$4.1 million. The increase in these expenses is to a large extent attributable to non-recurring costs, amounting to US$4.6 million, arising from the Initial Public Offering (IPO) of our shares, and from the group's reorganisation prior to such offering.

Gross operating profit (EBITDA) for the first half of 2007 amounted to US$63.8 million, compared to US$82.7 million for the same period last year. Excluding, for comparison purposes, the gain on the disposal of vessels in 2006, however, EBITDA for the first half of 2007 was 21.2% higher than for the first half of 2006, when it amounted to US$52.7 million. As a percentage of Time charter equivalent earnings, and excluding gains on the disposal of vessels, the gross profit margin rose to 45.7% for the first half of 2007, from 42.8% for the same period last year. This improvement in margins is attributable mainly to an increase in average daily TCE earnings, and to a larger proportion of owned vessels, which more than compensated the effect of the IPO costs on general and administrative expenses.

Depreciation for the first half of 2007 amounted to US$14.7 million, rising by 32.8% compared to the same period last year. The increase in this item is attributable mainly to a growth of 25.4% in the average number of owned vessels for the first half of 2007, compared to the same period last year, but also to a higher average cost for vessels acquired during 2006 (two of which only in December), compared to those bought previously.

Operating profit for the first half of 2007 amounted to US$49.1 million, 18.1% higher than the result of the first half of 2006 (US$41.6 million excluding the gain on disposal of vessels). The increase of US$7.5 million compared to the first half last year, was lower than the US$11.2 million increase in EBITDA over the same two periods, due to an increase in the number of owned vessels and, therefore, depreciation for the first half of 2007. The Operating profit margin, excluding gains on the disposal of vessels, also increased, amounting to 35.1% for the first half of 2007, compared to 33.8% for the first half of 2006.

Net financial charges for the first half of 2007 amounted to US$9.8 million, an increase of 9.3% from US$9.0 million for the first half of 2006. The increase reflects losses on foreign exchange derivative instruments amounting to US$1.8 million for the first half of 2007 (there were no such instruments outstanding in 2006), as well as a slight increase in average US$ LIBOR rates.

Profit before tax for the first half of 2007 amounted to US$39.3 million (28.1% of TCE earnings), a 20.5% increase compared to the result of US$32.6 million for the first half of 2006 (26.5% of TCE earnings).

Income taxes arise essentially from the Group's key-operating entity, d'Amico Tankers Ltd (Ireland). Entry into the tonnage tax regime from January 2007, led to the recognition of taxes for the period based on the notional income of vessels, which is dependent on the ship's size, rather than on its profits. In addition, our entry into the program also led to the elimination of the Group's deferred tax liabilities, resulting in an income of US$10.2 million, for the first half of 2007.

Net profit for the first half of 2007 amounted to US$49.0 million, compared to US$57.8 million for the first half of 2006. Excluding the tax gain on the disposal of vessels, however, net profits for the first half of 2007, were 71.6% higher than those for the first half of 2006, which amounted to US$28.6 million. The Net profit margin for the first half of 2007, of approximately 35.1%, was also substantially higher that for the first half of 2006, when it amounted to 23.2%.

BALANCE SHEET

US$ Thousand	As at 30 June 2007	As at 31 March 2007	As at 31 December 2006
ASSETS			
Non current assets	362 864	368 949	377 621
Current assets	104 396	69 376	58 294
Total assets	**467 260**	**438 324**	**435 915**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity	272 492	148 942	153 990
Non current liabilities	168 327	259 263	197 893
Current liabilities	26 441	30 119	84 032
Total liabilities & shareholders' equity	**467 260**	**438 324**	**435 915**

Non current assets are comprised almost entirely of the fleet (owned vessels), whose book value (cost less depreciation) is significantly lower than its market value of US$ 673.8 million, according to valuation report provided by Clarkson, as at 13 July 2007. During the first half of 2007 there were no significant capital expenditures, since no vessels were acquired.

Current assets, excluding cash and cash equivalents (US$ 57.1 million as at 30 June 2007), mainly refer to working capital items (trade receivables).

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

The increase in ***shareholders' equity*** from US$154.0 million as at 31 December 2006, to US$272.5 million as at 30 June 2007, is attributable to pre-IPO dividends of US$25.0 million, to a capital increase of US$94.5 million (net of offering costs and commissions amounting to US$5.4 million charged directly to shareholders' equity) arising from the IPO, and to d'Amico International Shipping's consolidated net profits for the period, amounting to US$49.0 million.

FINANCIAL POSITION

Net financial indebtedness, amounted to US$ 111.3 million as at 30 June 2007, compared to US$ 226.3 million as at the end of 2006. The ratio of net debt to shareholder's equity was of only 0.4, at the end of the first half 2007.

US$ Thousand	As at 30 June 2007	As at 31 March 2007	As at 31 December 2006
Liquidity			
Cash and cash equivalents	57 070	25 162	13 932
Securities held for trading	-	-	-
Current financial receivables			
From related parties	-	-	-
From third parties	-	-	-
Other current financial assets	-	-	-
Total current financial assets	**57 070**	**25 162**	**13 932**
Bank loans – current	-	-	16 000
Other current financial liabilities			
Due to related parties	-	2 316	36 496
Due to third parties	-	-	-
Total current financial debts	**-**	**2 316**	**52 496**
Net current financial indebtedness	**(57 070)**	**(22 846)**	**38 564**
Bank loans – non current	168 327	248 250	185 400
Other non current financial liabilities			
Due to related parties	-	-	2 324
Due to third parties	-	-	-
Total non current financial debt	**168 327**	**248 250**	**187 724**
Net financial indebtedness	**111 257**	**225 404**	**226 288**

The financial indebtedness has been fully refinanced in March 2007, following the long term (10 years) revolving facility agreement of US$350.0 million arranged between the operating subsidiary, d'Amico Tankers Ltd (Ireland) and Calyon, and which has been syndicated by other primary banking institutions (Intesa Sanpaolo S.p.A., Fortis Bank (Nederland) N.V., The Governor and the Company of the Bank of Ireland, Norddeutsche Landesbank Girozentrale, and Scotiabank (Ireland) Limited).

The initial draw-down under the facility, of US$250.0 million, occurred on 30 March 2007 and was used to fully repay the previous debt, including all the financial debt due to related parties (d'Amico Group). In addition on 30 May 2007, using the proceeds from the Initial Public Offering, US$80.0 million of the facility was reimbursed. As at 30 June 2007, the drawn-down amount on this facility, net of arrangement fees accounted for under the amortized cost method, was of US$ 168.3 million.

The principal amount available through the facility at any given time is reduced by $15.5 million every six months down to a final payment of $40.0 million at maturity. The Group may draw down on a revolving basis such that the aggregate outstanding amount due does not exceed the maximum available amount at any given time, subject to the requirements relating to facility reductions. However, the ratio between the amount outstanding at any given time and the fair market value of the vessels (the "asset cover ratio") owned by d'Amico Tankers Limited (the "borrower"), which are subject to mortgages pursuant to the facility, must not be higher than 66.6%. According to Clarksons, the valuation as at 13 July 2007, of the borrower's vessels on the water as at that date, is of approximately US$ 673.8 million, resulting in an asset cover ratio of around 25.2%.

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

In addition, the maximum amount that the borrower will be able to draw-down is also limited by its EBITDA to financial costs ratio. This ratio is calculated on the estimated total amount of d'Amico Tankers Limited's interest payable in the six months following any draw down date, and may not be lower than 1.65:1. The ratio, for the first six months of 2007 was significantly higher than that.

The facility provides certain covenants, calculated on the basis of d'Amico International Shipping's (the "Guarantor") consolidated financial statements, which can be summarised as follows: (i) cash available, including under undrawn credit lines of more than 12 months, must be at least US$40.0 million (ii) net worth, which is defined as book equity plus subordinated shareholder loans, as recorded in the balance sheet, must not be less than US$100.0 million and (iii) equity to asset ratio, calculated by dividing the book equity by total assets, must not be lower than 35.0%. As at 30 June 2007, according to the facility's definitions, cash available amounted to US$237.1 million, net worth amounted to US$272.5 million, and the equity to asset ratio was of 58.3%.

The facility is secured through a guarantee by the parent Company, d'Amico International Shipping, and provides (i) mortgages on each of the vessels owned by the Group; (ii) an assignment in favour of the lenders of the time-charter agreements entered into by the Group; and (iii) a pledge over an account opened with Calyon S.A. into which the Group undertakes to pay the proceeds of its operating activities.

CASH FLOW

Net cash flow for the first half amounted to US$43.1 million, increasing cash & cash equivalents to US$57.1 million as at 30 June 2007, from US$13.9 million at the end of December 2006.

1st Half 2007	1st Half 2006	US$ Thousand	2nd Quarter 2007	2nd Quarter 2006
46 175	37 721	Cash flow from operating activities	20 799	10 960
(32)	34 194	Cash flow from investing activities	(1 210)	(35 718)
(3 004)	(73 372)	Cash flow from financing activities	12 319	23 397
43 138	**(1 456)**	**Change in cash balance**	**31 908**	**(1 361)**
43 138	**(1 456)**	**Net increase / (decrease) in cash & cash equivalents**	**31 908**	**(1 361)**
13 932	10 494	Cash & cash equivalents at the beginning of the period	25 162	10 399
57 070	**9 038**	**Cash & cash equivalents at the end of the period**	**57 070**	**9 038**

Cash flow from operating activities, for the first half of 2007, amounted to US$46.2 million, a 22.4% increase compared to US$37.7 million for the same period last year. The improvement reflects mainly higher average daily TCE earnings and the Group's fleet growth for the first semester of 2007, compared to the same period last year.

Cash *flow from investing activities* of the first half of 2006 includes both the disposal of certain vessels, generating proceeds of around US$70.0 million, and investments of US$35.8 million, most of which for the acquisition of High Venture. In the first semester of 2007, the only investments relate to dry-dock expenditures, and the only proceeds are attributable to the sale of d'Amico Tanker Limited's share in an airplane.

Cash flow from financing activities, for the first half of 2007 includes the refinancing of all previous loans, amounting to US$240.2 million, through a US$248.3 million draw-down of the new revolving facility, the payment of a US$25.0 million dividend, proceeds from the Initial Public Offering of US$94.5 million and the use of these proceeds to repay US$80.0 million of the new revolving facility. In the first half of 2006, the Group experienced a substantial cash outflow from financing activities, arising mainly from the repayment of loans with related parties, amounting to US$67.5 million.

SIGNIFICANT EVENTS OF THE FIRST HALF OF THE YEAR

INITIAL PUBLIC OFFERING (IPO)

At the beginning of May 2007 d'Amico International Shipping was successfully listed on the Milan (Italy) Stock Exchange. The price for d'Amico International Shipping S.A.'s 68,976,957 shares offered (including 8,996,994 Greenshoe shares) was fixed at 3.5 Euros. The Italian Retail Offering, representing 5,998,500 shares, was five times oversubscribed, and at the offer price, the Institutional Placement, representing the remaining 62,978,457 shares, was over two times oversubscribed. The Retail Offering was reserved for the Italian public and the Institutional Offer, distributed to Institutional Investors in Italy and abroad, including a placement in the US to 144A investors. Dealings on the Mercato Telematico Azionario (MTA) – Star segment – organized and managed by Borsa Italiana S.p.A. started on 3 May 2007.

The strong level of interest expressed by Institutional Investors worldwide confirms the market's appreciation of the Group and of its history of growth. Joint Global Coordinators of the offering were JPMorgan and Capitalia. JPMorgan acted as sole bookrunner of the institutional offering. Capitalia acted as Lead Manager, Sponsor and Specialist of the offering. Tamburi Investment Partners S.p.A. acted as financial advisor. Bain & Company Italy acted as industrial advisor.

JOINT-VENTURE WITH GLENCORE

d'Amico International Shipping signed on 9 June 2007 a Letter of Intent with St Shipping PTE Limited ("St Shipping", a Glencore International AG Group Company) to establish a Joint Venture company, to be named Glenda International Shipping Ltd ("JV"), to be owned 50% by each participant. The function of the JV will be to own, charter and operate vessels.

Glencore International AG (Switzerland), with a consolidated turnover for the 2006 fiscal year of US$116.5 billion, is one of the world's largest suppliers of a wide range of commodities and raw materials to industrial consumers. Glencore is one of the largest non-integrated oil suppliers by volume and handles the physical supply of some 3% of the world's daily oil consumption of Crude Oil and Refined Products.

The JV, which is currently being finalized, will acquire from St Shipping the contracts for the purchase of four new 51,000 DWT product / chemical tankers currently under construction with SLS Shipbuilding Co., Ltd. – Tongyeong Korea, to be delivered between the end of 2008 and the beginning of 2009.

The relevance of this deal is significant considering:

- it reinforces d'Amico International Shipping Group's new building program and growth strategy;

- that the contract price obtained for the ships – US$48.6 million each – is very interesting compared with the current market value of comparable vessels that today is estimated at around US$ 56 million[1];
- the early delivery date of the vessels;
- the interesting specifications of the vessels, which have modern deep well pumps and are IMO III classified.

TONNAGE TAX

d'Amico International Shipping's Irish operating subsidiary, d'Amico Tankers Limited, successfully entered the Irish Tonnage Tax regime, effective from 1 January 2007 (i.e. accounting period 1 January 2007 to 31 December 2007), for a period of 10 years. In the tonnage tax regime, tax is charged on income calculated on a notional basis rather than on the accounting profit. This notional income is calculated by reference to the ship's size. Activities, which do not fall within the tonnage tax regime, are taxed at 12.5%.

CHANGES TO CONTROLLED FLEET

As planned and disclosed in the IPO prospectus, the single hull MR vessel, High Seas, which was time chartered by d'Amico Tankers Limited, was redelivered to owners on 22 June 2007.

SIGNIFICANT EVENTS SINCE THE END OF THE FIRST HALF AND BUSINESS OUTLOOK

SHARE BUY-BACK AUTHORIZATION

On 3 July 2007, the extraordinary shareholders' general meeting of d'Amico International Shipping, duly convened and regularly held pursuant to applicable provisions, approved a resolution authorizing the Board of Directors of d'Amico International Shipping to effect on one or several occasions repurchases of d'Amico International Shipping's shares on the regulated market on which its shares are admitted for trading during a period of eighteen (18) months from the date of the shareholder's meeting, for a maximum of 14,994,990 ordinary shares, corresponding to 10% of the subscribed capital of d'Amico International Shipping, within a price ranging from one euro (€1) per share to five euros per share (€5). The maximum potential outlay on purchases for the operation is therefore equal to €75 million. As of today, d'Amico International Shipping has made no repurchases.

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

- enable d'Amico International Shipping to use its own shares for sale and/or swaps which might be pursued in the ordinary course of business;

[1] Approximate valuation as at 24 July 2007.

- to pursue transactions in line with d'Amico International Shipping's strategy, involving an exchange, transfer, contribution, pledge, allocation, or assignment, of own shares.
- to allocate own shares for the implementation of stock option plans.

CHANGES TO CONTROLLED FLEET

As planned and disclosed in the IPO prospectus, the single hull MR vessel, High Tide, which was time chartered by d'Amico Tankers Limited, was redelivered to owners on 5 July 2007. Following this further redelivery, d'Amico International Shipping's fleet comprises only double hull vessels.

VESSEL OPTION EXERCISE

In accordance with the Group's fleet expansion strategy, d'Amico Tankers Ltd. has declared the purchase option on High Trust. Delivery of the vessel is estimated to occur around September 2007.

On 24 July 2007, the Group paid to High Trust's owners an advance of Yen 368.5 million (US$3.1 million[1]), or approximately 10% of the vessel's exercise price. The vessel's total exercise price of Yen 3.7 billion (US$ 30.8 million[1]) is significantly lower than its market value, estimated by Clarkson (13 July 2007 report) as US$54.0 million.

BUSINESS OUTLOOK

The key drivers that have, and should continue to affect the product tanker freight markets in third quarter are:

For the Western hemisphere:

- Strong demand for petroleum products imports into the United States.
- Reduced exports of petroleum products from Venezuela, creating longer haul trades.
- Discharge port delays in West Africa, absorbing available tonnage.
- Strong demand for IMO classified vessels for Vegetable export from South America.

For the Eastern hemisphere:

- Arbitrage for long haul trade of petroleum products to US West Coast and Western hemisphere via Suez, opening up again.
- Continued discharge port delays in East Africa, absorbing available tonnage.
- Renewed strong demand for IMO classed vessels for Palm Oil export from South East Asia to Europe.

[1] Converted at the Yen/$ exchange rate as at 24 July 2007, of Yen 120.95 per $1.

Looking beyond Q3 we expect one of the key drivers of freight rates will be the healthy order book, which however, is to a large degree expected to be offset by:

- Continued increase in ton/miles carriage of petroleum products.
- Mismatch between output mix of refineries and demand for these products, in geographic region where they are produced.
- Demand for modern IMO classed vessels for the growing vegetable and palm oil trade.
- Accelerated scrapping of older single hull vessels, witnessed so far in 2007, continuing during the remainder of the year.
- Continued strong inquiries from oil majors and high-quality traders, for Time charters of modern Medium range vessels meeting strict screening criteria.

d'AMICO INTERNATIONAL SHIPPING GROUP INTERIM CONSOLIDATED FINANCIAL STATEMENTS AND EXPLANATORY NOTES AS AT 30 JUNE 2007

CONSOLIDATED INCOME STATEMENT

US$ Thousand	Note	2nd Quarter 2007	2nd Quarter 2006	1st Half 2007	1st Half 2006
Revenue	2	88 680	69 881	172 088	151 738
Voyage costs	3	(17 609)	(14 717)	(32 329)	(28 721)
Time charter equivalent earnings	4	**71 071**	**55 165**	**139 759**	**123 017**
Time charter hire costs	5	(25 681)	(26 401)	(50 059)	(54 347)
Other direct operating costs	5	(8 286)	(6 720)	(16 445)	(13 258)
Result on disposal of vessels	6	-	-	-	29 978
General and administrative costs	5	(7 709)	(2 191)	(10 899)	(4 115)
Other operating income	5	737	690	1 485	1 380
Gross Operating Profit		**30 132**	**20 543**	**63 840**	**82 655**
Depreciation	7	(7 312)	(5 752)	(14 738)	(11 097)
Operating Profit		**22 820**	**14 790**	**49 102**	**71 558**
Net financial income (charges)	8	(5 683)	(5 058)	(9 830)	(8 997)
Income taxes	9	11 903	(851)	9 761	(4 804)
Net profit		**29 041**	**8 881**	**49 034**	**57 757**
Attributable to:					
Equity holders of the parent		**29 041**	**8 881**	**49 034**	**57 757**
Minority interests		-	-	-	-
Earnings per share[1]		**0.194**	**0.059**	**0.327**	**0.385**

[1] Since d'Amico International Shipping was only incorporated in 2007, to enable comparability, earnings per share for Q2 and H1 2006 were calculated by dividing the profit for the period by d'Amico International Shipping's shares outstanding as at 30 June 2007 (149,949,907 shares).

CONSOLIDATED BALANCE SHEET

US$ Thousand	Note	As at 30 June 2007	As at 31 March 2007	As at 31 December 2006
ASSETS				
Non current assets				
Intangible assets	10	15	13	-
Tangible assets	11	362 845	368 931	377 571
Financial fixed assets	12	4	4	50
Total non current assets		**362 864**	**368 948**	**377 621**
Current assets	13			
Inventories		7 223	6 300	5 213
Receivables and other current assets		40 103	37 914	39 149
Cash and cash equivalents		57 070	25 162	13 932
Total current assets		**104 396**	**69 376**	**58 294**
Total assets		**467 260**	**438 324**	**435 915**
LIABILITIES AND SHAREHOLDERS' EQUITY				
Shareholders' equity				
Share capital		149 950	128 957	159
Retained earnings		49 034	19 993	154 367
Other reserves		73 508	(8)	(536)
Total shareholders' equity		**272 492**	**148 942**	**153 990**
Non current liabilities	14			
Banks and other lenders		168 327	248 250	187 724
Other non current liabilities		-	11 013	10 169
Total non current liabilities		**168 327**	**259 263**	**197 893**
Current liabilities	15			
Banks and other lenders		-	-	16 000
Other financial current liabilities		-	2 316	36 496
Payables and other current liabilities		26 441	27 803	31 536
Total current liabilities		**26 441**	**30 119**	**84 032**
Total liabilities & shareholders' equity		**467 260**	**438 324**	**435 915**

CONSOLIDATED CASH FLOW STATEMENT

US$ Thousand	1st Half 2007	1st Half 2006
Net Profit	**49 034**	**57 757**
Depreciation and amortisation	14 738	11 097
Current and deferred income tax	(9 761)	4 804
Financial charges	9 830	8 997
Profit on disposal of fixed assets	-	(29 978)
Other non-cash items	-	-
Cash flow from operating activities before changes in WC	**63 841**	**52 677**
Movement in stocks	(2 010)	(733)
Movement in amounts receivables	(954)	(4 633)
Movement in amounts payable	(2 363)	(3 410)
Taxes paid	(4 539)	-
Interest paid	(7 800)	(6 180)
Net cash flow from operating activities	**46 175**	**37 721**
Acquisition of fixed assets	(1 943)	(35 810)
Proceeds from the disposal of fixed assets	1 914	70 004
Acquisition of investments	(4)	-
Net cash flow from investing activities	**(32)**	**34 194**
Movement in amounts due from parent company	(38 914)	(67 545)
Share capital increase	94 556	-
Other changes in shareholders' equity	(574)	-
Bank loan repayments	(281 400)	(177 827)
Bank loan draw-downs	248 327	172 000
Dividend paid	(25 000)	-
Net cash flow from financing activities	**(3 004)**	**(73 372)**
Change in cash balance	**43 138**	**(1 456)**
Net increase / (decrease) in cash & cash equivalents	**43 138**	**(1 456)**
Cash & cash equivalents at the beginning of the period	13 932	10 494
Cash & cash equivalents at the end of the period	**57 070**	**9 038**

STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY

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

EXPLANATORY NOTES

The 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 valid International Accounting Standards ('IAS'), as well as all interpretations of the International Financial Reporting Interpretations Committee ('IFRIC'), formerly the Standing Interpretations Committee ('SIC').

The Half-Year and Quarterly Report have been prepared in compliance with IAS 34 - *Interim financial reporting*. The Quarterly Report is expressed in U.S. Dollars being the functional currency of the Group.

1. ACCOUNTING POLICIES

This interim report has been prepared applying the same accounting principles adopted for d'Amico Tankers Limited's (Ireland) previous years' financial statements and for the combined financial statements as at 31 December 2006 included in the Prospectus, dated 26 April 2007, prepared for the listing of the shares (Initial Public Offering). It should be noted that the adjustment of US$12.1 million, relating to the accumulated depreciation, made in the combined financial statements, shown in the Prospectus for the listing process, has been eliminated in these interim accounts, as this combining adjustment was only included for comparison purposes with respect to prior years results.

The principal accounting policies, which have been consistently applied, are set out below.

BASIS OF CONSOLIDATION

This interim report presents the results of the parent company, d'Amico International Shipping SA, and its subsidiaries for the second quarter of 2007, and for the half year ended 30 June 2007. d'Amico International Shipping was incorporated under Luxembourg law on 9 February 2007 and, following a reorganisation of the entities under d'Amico Group control, it acquired the shares of d'Amico Tankers Limited, comprising the tanker activities of the d'Amico Group. The results for the quarter therefore include those of the entities part of the d'Amico International Shipping Group following the reorganisation and starting from January 2007, which represents the date when control was effectively transferred. The 2006 comparative data is presented on a consistent and combined basis, making reference to the entities in place at that time.

The assets and liabilities of the parent and subsidiary companies are consolidated on a line-by-line basis and the carrying value of the investments held by the parent company and other consolidated subsidiaries is eliminated against shareholders' equity. Intra-group balances and transactions, and gains arising from intra-group transactions, are eliminated in preparing the consolidated financial statements, as well as unrealised gains and losses from intra-group operations.

REVENUE

All freight revenues and voyage expenses are recognised on a percentage of completion basis. The discharge to discharge basis is used in determining percentage of completion for all spot voyages and voyages servicing COAs. Under this method, the freight revenue is recognised evenly over the period from the departure of a vessel from its original discharge port to departure from the next discharge port. Revenues from time charters accounted for as operating leases are recognised on pro rata tempora basis over the rental periods of such charters, as service is performed.

Revenue received from the partnership arrangements is based on the participation of the Group's vessels in the pools, calculated by using the number of employment vessel days as adjusted by share of pool points, where applicable. Revenue received from the participation in the Handytankers Pool is accounted for on a time charter equivalent basis and is net of voyage costs and fees associated with the pool.

Revenue received from demurrage is recognised at the completion of the voyage. It represents the compensation estimated as a result of exceeding the permitted time for discharging a vessel. These revenues are accounted for net of the provision made in respect of demurrage claims where full recovery is not anticipated.

VOYAGE COSTS AND OTHER DIRECT OPERATING COSTS

Voyage costs are incurred in connection with the employment of the fleet in the spot market and under COAs (contracts of affreightments).

Hire rates paid for chartering in vessels are charged to the income statement on an accrual basis. Vessel operating costs such as crew, repairs, spares, stores, insurance, commercial fees and technical fees are charged to the income statement as incurred. The cost of lubricants is based on the consumption in the period.

FIXED ASSETS, DEPRECIATION AND IMPAIRMENT

The value of the owned vessels is shown on the balance sheet at cost less accumulated depreciation and any impairment loss. Cost represents the acquisition cost of the vessels as well as other costs which are directly attributable to the acquisition or construction of the vessel. When a vessel is acquired, the cost is analysed between its various components being vessel cost, tank coatings and estimated dry dock element.

Depreciation is provided on the vessels on a straight line basis over their expected useful economic life from the date the vessels were constructed, after allowing for a residual value based on current prevailing market scrap rates. The vessel tank coatings are depreciated over ten years and the estimated dry dock element is depreciated over the period to the expected first dry dock. Write down is made for any impairment of vessels. The remaining useful economic life is estimated at the date of acquisition or delivery from the shipyard and is reassessed yearly. The new vessels contracted are estimated to have a useful economic life of 17 years.

Vessels in the course of construction (Newbuildings) are shown at cost less any identified impairment losses. Costs relating to newbuildings include installment payments made to date, and other vessel costs incurred during the construction period. Depreciation commences upon vessel delivery.

To comply with industry certification or governmental requirements, the vessels are required to undergo planned major inspections or classification (dry-docking) for major repairs and maintenance, which cannot be carried out while the vessels are operating. The costs of dry-docking are capitalised and amortised over the period to the next dry-docking, estimated at 30 months. If the next dry-docking of a vessel is performed in less than 30 months from the last dry-docking date, the balance on the original dry-dock is written off.

IMPAIRMENT CHARGES

At each reporting date, it is assessed whether there is any indication that an asset may be impaired. Impairment charges are recognised whenever the carrying amount of an asset or equipment exceeds its recoverable amount. Recoverable amount is normally defined as the higher of an asset's fair value less costs to sell and its value in use, that is, the net present value of the cash flow from its remaining useful life. In assessing value in use the estimated future cash flow from its remaining useful life are discounted to their present value. An impairment loss recognised in prior years is reversed if the current estimated value in use is higher than at the time the impairment loss was recognised.

Management judgment is critical in assessing whether events have occurred that may impact the carrying value of our vessels, and in developing estimates of the future cash flow, future charter rates, ship-operating expenses, and the estimated remaining useful lives and residual values of the vessels. These estimates are based on historical trends as well as future expectations.

DISPOSAL OF VESSELS

The profits or losses incurred on the disposal of vessels are recognized when the significant risks and rewards of ownership of the vessel have been transferred to the buyer, and these are measured as the sale price net of costs relating to the disposal and the carrying amount of the vessel.

INVENTORIES

Inventories relate to Intermediate Fuel Oil (IFO), Marine Diesel Oil (MDO) and Luboil on board ships. IFO and MDO inventories of fuel on board the vessels are shown at cost calculated using the first in first out method, while Luboil inventories represent their estimated replacement cost.

TAXATION

The company and its subsidiaries have elected to be taxed under the Irish Tonnage Tax regime in respect of all eligible activities. Certain minor activities will not fall within the tonnage tax regime and will continue to be subject to standard rates of corporation tax. These activities will also give rise to deferred tax assets and liabilities. The tonnage tax charge arising, is included within the income tax charge in the Consolidated Income Statement. For all of the activities which fall outside tonnage tax, income tax expense represents the tax charge based on the result for the year adjusted for items, which are non-assessable or disallowed. It is calculated using tax rates enacted or substantially enacted as at the balance sheet date.

Deferred tax represents the tax it is expected to pay or recover on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the calculation of taxable profit. It is accounted for using the balance sheet liability method. Liabilities relating to deferred tax are generally recognised for all taxable temporary differences. Assets relating to deferred tax are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. The carrying amounts of deferred tax assets are reviewed at each balance sheet date and reduced in the event that it is not considered probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. Deferred tax is calculated at the applicable tax rates during the period when liability is settled or the asset realised. It is charged or credited in the combined income statement, unless it relates to items charged or credited directly to equity, in which case the deferred tax is also accounted for in equity.

Deferred tax assets and liabilities are offset if they relate to income taxes levied by the same tax authority and we intend to settle our current tax assets and liabilities on a net basis.

Income taxes are recognised in the interim report based upon the best estimate of the weighted average income tax rate expected for the full financial year.

FOREIGN EXCHANGE RATES

Most of the Groups' revenues and costs are denominated in U.S. dollars. Transactions during the year in currencies other than U.S. dollars have been translated at the appropriate rate ruling at the time of the transactions. Assets and liabilities denominated in currencies other than the U.S. dollar have been translated into U.S. dollars at the rate ruling at the balance sheet date. All exchange differences have been accounted for in the retained earnings account.

In the consolidated financial statements, the results of some minor subsidiaries undertakings which do not report in United States Dollars are translated at the average rate and the balances of these undertakings are translated at the period end exchange rates. Exchange differences arising on the re-translation of opening net assets and results for the period are dealt with directly in equity.

DERIVATIVES INSTRUMENTS

Derivative financial instruments are used to hedge our exposure to interest rate risks and currency fluctuations. They are initially recognized at cost and subsequently stated at fair value.

Interest rate swaps representing cash flow hedges are stated at fair value. Unrealised gains or losses on the effective part of the hedge are accounted for directly in equity. The unrealised gain or loss on any ineffective parts of the hedge or any other interest rate swaps not qualifying for hedge accounting are dealt with in the income statement as part of the net finance costs.

Forward currency contracts used to partially hedge exposure on the vessel purchase options denominated in Japanese yen are recorded in the balance sheet at fair value. The gains or losses are dealt with in the income statement as part of net finance costs.

CRITICAL ACCOUNTING JUDGMENTS AND KEY ESTIMATES

The preparation of interim 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 our business. The key areas where this applies are listed below.

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

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

SEGMENT INFORMATION

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

2. REVENUE

US$ Thousand	2nd Quarter 2007	2nd Quarter 2006	1st Half 2007	1st Half 2006
	88 680	69 881	172 088	151 738

Vessel income, representing revenues received for hire, freight, demurrage and our participation in pools.

3. VOYAGE COSTS

US$ Thousand	2nd Quarter 2007	2nd Quarter 2006	1st Half 2007	1st Half 2006
Bunkers (fuel)	10 751	7 795	18 666	14 683
Commissions payable	1 906	2 131	3 351	4 168
Port charges	4 956	4 797	10 207	9 874
Other	(4)	(6)	105	(4)
Total voyage costs	17 609	14 717	32 329	28 721

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. Time charter contracts are net of voyage costs.

4. TIME CHARTER EQUIVALENTS EARNINGS

US$ Thousand	2nd Quarter 2007	2nd Quarter 2006	1st Half 2007	1st Half 2006
	71 071	55 165	139 759	123 017

Time charter equivalents earnings represent revenue less voyage costs. It represents the standard industry measure, to be used also for comparative purposes.

5. TIME CHARTER IN COSTS, OTHER DIRECT OPERATING COSTS, GENERAL AND ADMINISTRATIVE COSTS, AND OTHER OPERATING INCOME

US$ Thousand	2nd Quarter 2007	2nd Quarter 2006	1st Half 2007	1st Half 2006
Time charter hire costs	(25 681)	(26 401)	(50 059)	(54 347)
Other direct operating costs	(8 286)	(6 720)	(16 445)	(13 258)
General and administrative costs	(7 709)	(2 191)	(10 899)	(4 115)
Other Operating Income	737	690	1 485	1 380

Time charter hire costs represent expenses we incur for chartering in vessels from a third party.

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

General and administrative costs include salaries paid to on-shore personnel, rent, foreign exchange gains and losses' arising from the company's operating activities, and other sundry expenses originating from the operation of d'Amico International Shipping's group companies.

Other operating income reflects management commissions earned for services provided to the Handytankers pool.

6. RESULT ON DISPOSAL OF VESSELS

US$ Thousand	2nd Quarter 2007	2nd Quarter 2006	1st Half 2007	1st Half 2006
	-	-	-	29 978

Result on disposal of vessels, is equal to the vessel's sale price net of costs relating to its disposal, less its accounting net book value at the time of sale. No sales of vessel occurred during the first quarter of 2007.

7. DEPRECIATION

US$ Thousand	2nd Quarter 2007	2nd Quarter 2006	1st Half 2007	1st Half 2006
	(7 312)	(5 752)	(14 738)	(11 097)

Depreciation charges essentially refer to the depreciation of the acquisition cost of owned vessels. In addition, it includes amortisation of owned vessels' dry-docks costs, as well as depreciation of furniture, fittings and equipment.

Dry-dock depreciation for the first half of 2007 and 2006 amounted to US$0.8 million and US$0.7 million, respectively, and for the second quarter of 2007 and 2006, to US$0.5 million and US$0.4 million, respectively.

8. NET FINANCIAL INCOME (CHARGES)

	2nd Quarter 2007	2nd Quarter 2006	1st Half 2007	1st Half 2006
Financial costs	(6 417)	(5 140)	(10 699)	(9 145)
Financial income	735	82	870	148
Net financial charges	(5 683)	(5 058)	(9 830)	(8 997)

Financing costs includes interest expense on bank loans, fees paid to banks relating to bank loans, expense relating to swap arrangements, and net losses on the mark to market of foreign exchange derivative instruments. Financial income includes interest income, and net gains on the mark to market of foreign exchange derivative instruments.

The net result on foreign exchange derivative instruments for the second quarter of 2007 amounts to US$(1.7) million, and for the first half of 2007 to US$(1.8) million. There were no foreign exchange derivative instruments outstanding during the first half of 2006.

Expenses relating to interest rate swap arrangements for the first half of 2007 and 2006 amounted to US$0.4 million and US$0.7 million, respectively, and for the second quarter of 2006 to US$0.3 million. There were no Swap arrangements in place during the second quarter of 2007.

9. INCOME TAXES

US$ Thousand	2nd Quarter 2007	2nd Quarter 2006	1st Half 2007	1st Half 2006
	11 903	(851)	9 761	(4 804)

Taxes for the d'Amico International Shipping Group are attributable almost entirely to profits generated by the d'Amico Tankers Limited subsidiary, incorporated in Ireland. Taxes for d'Amico Tankers Limited, in 2006 were calculated assuming the Irish Corporate income tax rate of 12.5% of the profit on ordinary activities (as that profit is adjusted for tax purposes). Capital gains were subject to a tax rate of 20%.

In June 2007, however, d'Amico Tankers Limited elected to be taxed under the Irish Tonnage Tax regime in Ireland, effective from 1 January 2007. 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.

Entry into the regime resulted in the complete reversal of the 2007 opening balance for deferred tax liabilities, amounting to US$10.1 million, which has now been fully credited to income. Income tax for the second quarter also includes the positive effect of the reversal of income tax, amounting to US$2.0 million (of which US$0.8 million in deferred taxes), accounted for in the first quarter, applying the previous income tax regime.

10. INTANGIBLE ASSETS

Intangible Fixed assets (US$15 thousand as at 30 June 2007) represent the acquisition cost less depreciation, of our software licenses.

11. TANGIBLE ASSETS

US$ Thousand	Fleet	Dry-Dock	Other Assets	Total Tangible
Cost				
At January 1, 2007	411 428	3 050	2 042	416 519
Additions	-	1 544	381	1 926
Impairment provision	-	-	2	2
Disposal	-	(717)	(2 044)	(2 761)
Exchange Differences	-	-	-	-
At June 30, 2007	411 428	3 877	381	415 686
Depreciation				
At January 1, 2007	37 949	871	129	38 949
Charge for the period	13 894	815	30	14 738
Disposal	-	(717)	(129)	(846)
Exchange Differences	-	-	-	-
At June 30, 2007	51 843	969	30	52 841
Net Book Value				
At June 30, 2007	359 585	2 909	351	362 845
At December 31, 2006	373 479	2 179	1 913	377 570

Tangible fixed assets are comprised of:

- The Fleet – includes the acquisition cost for owned vessels, and payments to yards for vessels under construction;
- Dry-Docks – includes expenditures for the fleet's dry docks;
- Other Assets – include fixtures, fittings and office equipment. As at 31 December 2006, it included also d'Amico Tankers Limited's share of an aircraft, which was, however, sold in the first quarter of 2007.

The facility currently in place provides mortgages on each of the vessels owned by the Group.

12. FINANCIAL FIXED ASSETS

Financial fixed assets, as at 30 June 2007 (US$ 4 thousand), represent the book value of our investment in Handytankers K/S.

13. CURRENT ASSETS

US$ Thousand	As at 30 June 2007	As at 31 March 2007	As at 31 December 2006
Inventories	7 223	6 300	5 213
Receivables and other current assets	40 103	37 914	39 149
Cash and Cash equivalents	57 070	25 162	13 932
Total	104 396	69 376	58 294

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

Receivables, as at 30 June 2007, include trade receivables amounting to US$33.5 million, and receivables from other debtors amounting to US$0.5 million. Other current assets, as at the end of the first half 2007, consist of prepayments and accrued income amounting to US$6.0 million.

Cash and Cash Equivalents relate to the Cash available at the end of the period, which is mainly represented by short term deposits. The amount also includes about US$5 million of cash held by Pool companies which will be distributed to other pool participants.

14. NON CURRENT LIABILITIES

US$ Thousand	As at 30 June 2007	As at 31 March 2007	As at 31 December 2006
Banks and other lenders	168 327	248 250	187 724
Other non current liabilities	-	11 013	10 169
Total	168 327	259 263	197 893

The debt balance due to banks and other lenders as at 30 June 2007 relates to the amount outstanding of US$170.0 million (less the unamortized portion of the arrangement fees paid at draw-down, amounting to US$1.7 million), under the new US$350.0 million revolving loan facility negotiated with Calyon and other banks. Key terms and conditions of the new facility have been disclosed in the Report on Operations section.

This facility allowed d'Amico International Shipping to fully refinance bank debt outstanding as at 31 December 2006, amounting to US$201.4 million, of which the non-current portion amounted to US$185.4 million, and to repay US$38.8 million in debt due to related parties (subsidiaries of the ultimate parent company d'Amico Società di Navigazione S.p.A.) as at 31 December 2006. Of the debt due to related parties as at 31 December 2006, US$36.5 million represented current liabilities, and US$2.3 million were classified as non current liabilities, within banks and other lenders, and represent shareholder loans from d'Amico International SA, d'Amico International Shipping's parent company, to d'Amico Mitsubishi Shipping, a subsidiary of the d'Amico International Shipping.

Other non current liabilities as at 31 December 2006 represent deferred taxes. d'Amico International Shipping's entry into tonnage tax, in June 2007, led to a reversal of this amount at 30 June 2007.

15. CURRENT LIABILITIES

US$ Thousand	As at 30 June 2007	As at 31 March 2007	As at 31 December 2006
Banks and other lenders	-	-	16 000
Other financial current liabilities	-	2 316	36 496
Payables and other current liabilities	26 441	27 803	31 536
Total	26 441	30 119	84 032

Banks and other lenders as at 31 December 2006, relates to the current portion of the bank loans outstanding at that time. The new loan facility has been shown as at 30 June 2007, entirely under long-term debt, since no amortization of the drawn-down amount is required and future facility reductions will not reduce availability over the next twelve months, below indebtedness outstanding as at 30 June 2007. Key terms and conditions of the new facility have been disclosed in the Report on Operations section.

As at 31 December 2006, other current financial liabilities included loans to d'Amico Finance Limited, a d'Amico Group company outside the consolidation perimeter, amounting to US$36.5 million.

Payables and other current liabilities as at 30 June 2007, include mainly Trade payables and accrued and deferred income amounting to US$23.9 million, and Taxes payable amounting to US$0.2 million.

16. RELATED PARTIES TRANSACTION

During the first half of 2007, d'Amico International Shipping had transactions with related parties, including its ultimate Italian parent company, d'Amico Società di Navigazione S.p.A (DSN) and certain of DSN's subsidiaries (d'Amico Group). These transactions have been carried out on the basis of arrangements negotiated on an arm's length basis on market terms and conditions.

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$1.7 million, in the first half of 2007. In addition, time charter hire costs for three Handy size vessels, chartered from d'Amico Shipping Italia, amounted to US$9.5 million during the first half of 2007. The related party transactions also include purchases of Intermediate Fuel Oil and Marine Diesel Oil, from Rudder SAM, a d'Amico Group controlled company, amounting to US$18.7 million. The Group's Income statement for the first half of 2007, also includes interest expense charged by d'Amico Finance, amounting to US$1.2 million on loans entirely repaid as at 30 June 2007.

With effect from 1 August 2007 the ship management agreement between d'Amico Tankers Ltd and d'Amico Ireland Limited was novated to d'Amico Società di

Navigazione SpA. All terms and conditions of the above agreement, including the remuneration, remain unchanged.

The effects of related party transactions on the Group's consolidated income statements for the first half of 2007 and 2006 are the following:

	1st Half 2007		1st Half2006	
US$ Thousand	Total	Of which related parties	Total	Of which related parties
Revenue	172 088		151 738	
Voyage costs	(32 329)	(18 666)	(28 721)	(10 367)
Time charter hire costs	(50 059)	(9 485)	(54 347)	(9 059)
Other direct operating costs	(16 445)	(1 717)	(13 258)	(2 273)
Result on disposal of vessels	-	-	29 978	-
General and administrative costs	(10 899)	-	(4 115)	(2 621)
Other operating income	1 485	-	1 380	-
Net financial income (charges)	(9 830)	(1 186)	(8 997)	(1 744)

The effects of related party transactions on the Group's consolidated balance sheets as at 30 June 2007 and 31 December 2006 are the following:

	As at 30 June 2007		As at 31 December 2006	
US$ Thousand	Total	Of which related parties	Total	Of which related parties
ASSETS				
Non current assets				
Intangible assets	15	-	-	-
Tangible assets	362 845	-	377 571	-
Financial fixed assets	4	-	50	-
Current assets				
Inventories	7 223	-	5 213	-
Receivables and other current assets	40 103	1 712	39 149	-
Cash and cash equivalents	57 070	-	13 932	-
LIABILITIES				
Non current liabilities				
Banks and other lenders	168 327	-	187 724	2 324
Other non current liabilities	-	-	10 169	-
Current liabilities				
Banks and other lenders	-	-	16 000	-
Other financial current liabilities	-	-	36 496	36 496
Payables and other current liabilities	26 441	5 613	31 536	5 312

The effects, by legal entity, of related party transactions on the Group's consolidated income statement for the first half of 2007 are the following:

US$ Thousand	d'Amico Intern. Shipping Sa	Rudder SAM	d'A. Shipping Italia SpA	d'A. Società di Nav. SpA	d'A. Finance Ltd	Ishima Pte Ltd	d'A. Ireland Ltd
	(consolidated)						
Voyage Costs	**(32,329)**						
of which							
Bunker	(18,666)	(18,666)					
Time charter In Costs	**(50,059)**						
of which							
Vessel Charter agreement	(9,485)		(9,485)				
Other Direct Operating Costs	**(16,445)**						
of which							
Management Agreements	(1,717)			(133)		(57)	(1,527)
Net Financial Costs	**(1,186)**				**(1,186)**		
Total		**(18,666)**	**(9,485)**	**(133)**	**(1,186)**	**(57)**	**(1,527)**

The effects, by legal entity, of related party transactions on the Group's consolidated Balance Sheet as at 30 June 2007 are the following:

US$ Thousand	d'Amico Intern. Shipping Sa	Rudder SAM	d'Amico Shipping Italia SpA	d'Amico Finance Ltd	d'Amico Intern. Sa	d'Amico Ireland Ltd
	(consolidated)					
Receivables and Other Current Assets	**40,103**					
of which related party	1,712				1,712	
Payables and Other Current Liabilities	**26,441**					
of which related party	5,613	3,109	1,607	523		373
Total		**3,109**	**1,607**	**523**	**1,712**	**373**

17. DERIVATIVES INSTRUMENTS

d'Amico International Shipping has hedged its Yen exposure to the High Trust purchase option, which it has decided to exercise, through the forward acquisition of Yen. These forward contracts, open as at 30 June 2007, had a total nominal value of ¥3,720.0 million and mature on 9 July 2007. d'Amico had no other exposure to derivative instruments as at 30 June 2007, having closed the interest rate swap contracts positions open as at 31 December 2006, at the end of March 2007.

18. COMMITMENTS AND CONTINGENCIES

CAPITAL AND OPERATING COMMITMENTS

As at 30 June 2007, the Group's total capital commitments amounted to US$163.7 million, of which payments over the next twelve months amount to US$83.7 million. Total capital commitments are comprised of:

- Payments for 51% of two vessels bought in joint-venture with Mitsubishi, through d'Amico Mitsubishi Shipping, amounting to Yen 4.32 billion (US$35.8 million[1]), of which commitments over the next twelve months amount to Yen 0.23 billion (US$1.9 million[1]);

- Payments for 50% of four vessels bought in joint-venture with St Shipping PTE Limited (a Glencore International AG Group Company), amounting to US$97.2 million, of which commitments over the next twelve months amount to US$51.0 million;

- Payments to exercise the acquisition option on High Trust amounting to Yen 3.7 billion (US$30.8 million[1]). High Trust ownership is expected to be transferred to d'Amico Tankers Limited around September 2007, but an advance payment of Yen 368.5 million (approximately 10% of purchase price) was already made on 26 July 2007.

As at 30 June 2007, the Group's minimum operating lease rental commitments amounted to US$1,032.4 million, of which commitments over the next twelve months total US$108.4 million.

PURCHASE OPTIONS

As previously disclosed, d'Amico Tankers Ltd. has exercised the purchase option on High Trust, a vessel it currently time charters. In addition to this option, d'Amico Tankers Ltd. has currently in place another 14 vessel purchase options on time chartered vessels, 8 of which on vessels it currently controls, and the remaining on vessels to be delivered. Exercise of these options is at the discretion of the Group based on the conditions prevailing at the date of the option. It should be noted that the agreed exercise prices of a number of these options are significantly lower than the current market value of the chartered vessels.

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.

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[1] Converted at Yen/$ exchange rate as at 24 July 2007, of Yen 120.95 per $1.

TONNAGE TAX DEFERRED TAXATION

Effective 1 January 2007 the group 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 group fails to comply with the ongoing requirements to remain within the regime. The theoretical contingent tax liability as at 30 June 2007 has been estimated at US$7.3 million assuming all vessels on which capital allowances had been formerly claimed were sold for their net book value at that date. This contingent liability decreases over the first five years following entry into tonnage tax to nil. No provision has been made as no liability is reasonably expected to arise.

19. 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.

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

d'AMICO INTERNATIONAL SHIPPING S.A.
INTERIM FINANCIAL STATEMENTS AS AT 30 JUNE 2007

INCOME STATEMENT

US$ Thousand	As at 30 June 2007	As at 30 June 2006
Dividend received	25 000	-
General and administrative costs	(2 164)	-
Other operating income/expenses	-	-
Gross Operating Profit	**22 836**	**-**
Depreciation	(1)	-
Net financial income (charges) from banks and other lenders	401	-
Net financial income (charges) from subsidiaries	567	-
Income taxes	-	-
Net profit	**23 803**	**-**

BALANCE SHEET

US$ Thousand	As at 30 June 2007	As at 31 December 2006
ASSETS		
Non current assets		
Intangible assets	-	-
Tangible assets	39	-
Investment in subsidiaries	128 922	-
Total non current assets	**128 961**	**-**
Current assets		
Inventories	-	-
Receivables and other current assets	2	-
Amount due from subsidiaries	104 682	-
Cash and cash equivalents	16 833	-
Total current assets	**121 517**	**-**
Total assets	**250 478**	**-**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity		
Share capital	149 950	-
Retained earnings	23 803	-
Other reserves	73 528	-
Total shareholders' equity	**247 281**	**-**
Non current liabilities		
Banks and other lenders	-	-
Other non current liabilities	-	-
Total non current liabilities	**-**	**-**
Current liabilities		
Banks and other lenders	-	-
Amount due to Parent company	553	-
Payables and other current liabilities	2 644	-
Total current liabilities	**3 197**	**-**
Total liabilities & shareholders' equity	**250 478**	**-**

Cash flow statement

US$ Thousand	As at 30 June 2007	As at 30 June 2006
Net Profit	**23 803**	
Depreciation and amortisation	1	-
Current and deferred income tax	-	-
Financial charges	(967)	-
Profit on disposal of fixed assets	-	-
Other non-cash items	-	-
Cash flow from operating activities before changes in WC	**22 837**	**-**
Movement in stocks	-	-
Movement in amounts receivables	(2)	-
Movement in amounts payable	3 213	-
Taxes paid	-	-
Interest paid	398	-
Net cash flow from operating activities	**26 446**	**-**
Acquisition of fixed assets	(40)	-
Proceeds from the disposal of fixed assets	-	-
Acquisition of investments	-	-
Net cash flow from investing activities	**(40)**	**-**
Movement in amounts due from parent company	553	-
Movement in amounts due from/to subsidiaries	(104 681)	-
Share capital increase	21 028	-
Other changes in shareholders' equity	73 528	-
Bank loan repayments	-	-
Bank loan draw-downs	-	-
Dividend paid	-	-
Net cash flow from financing activities	**9 572**	**-**
Change in cash balance	**16 833**	**-**
Net increase / (decrease) in cash & cash equivalents	**16 833**	**-**
Cash & cash equivalents at the beginning of the period	-	-
Cash & cash equivalents at the end of the period	**16 833**	**-**

STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY

US$ Thousand	Share Capital	Retained Earnings	Other Reserves	Total
Balance as at 1 January 2007	**-**	**-**	**-**	**-**
Initial paid in capital	35	-	-	35
Dividend paid	-	-	-	-
Share capital increase	149 915	-	73 528	223 443
Other changes	-	-	-	-
Profit for the period	-	23 803	-	23 803
Balance as at 30 June 2007	**149 950**	**23 803**	**73 528**	**247 281**

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, 2007 and the related interim consolidated statements of income, changes in equity and cash flows for the six moths 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.

Due to the fact that d'Amico International Shipping SA was incorporated in 2007, comparative information has been presented based on a combination of results and balances of the underlying entities forming the new group. We issued an unqualified audit report on the combined accounts for the year ended December 31, 2006 of the entities forming the new group. However we did not report on the interim 2006 comparative information which is disclosed in these interim consolidated financial statements.

MOORE STEPHENS S.à.r.l.

Allee Marconi, 16
L-2120 Luxembourg
7 August 2007

Capital social : 12.500,00 EUR
R.C.S. Luxembourg B 42 365