d'Amico International Shipping S.A.
Interim Management Statements – First Quarter 2016

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d'Amico International Shipping S.A.
Registered office at 25C Boulevard Royal, Luxembourg
Share capital US$ 42,851,035.60 as at 31 March 2016

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BOARD OF DIRECTORS AND CONTROL BODIES

BOARD OF DIRECTORS

Chairman
Paolo d'Amico

Chief Executive Officer
Marco Fiori

Directors
Cesare d'Amico
Massimo Castrogiovanni[1]
Stas Andrzej Jozwiak[2]
Giovanni Battista Nunziante
John Joseph Danilovich[1]
Heinz Peter Barandun[1]
Giovanni Barberis *Chief Financial Officer*

(1) Independent Director
(2) Lead Independent Director

INDEPENDENT AUDITORS

PricewaterhouseCoopers, societé coopérative

KEY FIGURES

FINANCIALS

US$ Thousand	**Q1 2016**	**Q1 2015**
Time charter equivalent (TCE) earnings	75 080	76 968
EBITDA	21 586	21 649
as % of margin on TCE	*28.75%*	*28.13%*
EBIT	12 723	12 021
as % of margin on TCE	*16.95%*	*15.62%*
Net profit/(loss)	7 191	11 360
as % of margin on TCE	*9.58%*	*14.76%*
Earnings/ (loss) per share	US$ 0.017	US$ 0.027
Operating cash flow	25 502	11 081
Gross CAPEX	(38 588)	(28 021)
	As at 31 March 2016	**As at 31 December 2015**
Total assets	921 571	909 964
Net financial indebtedness	437 874	422 547
Shareholders' equity	386 652	384 713

OTHER OPERATING MEASURES

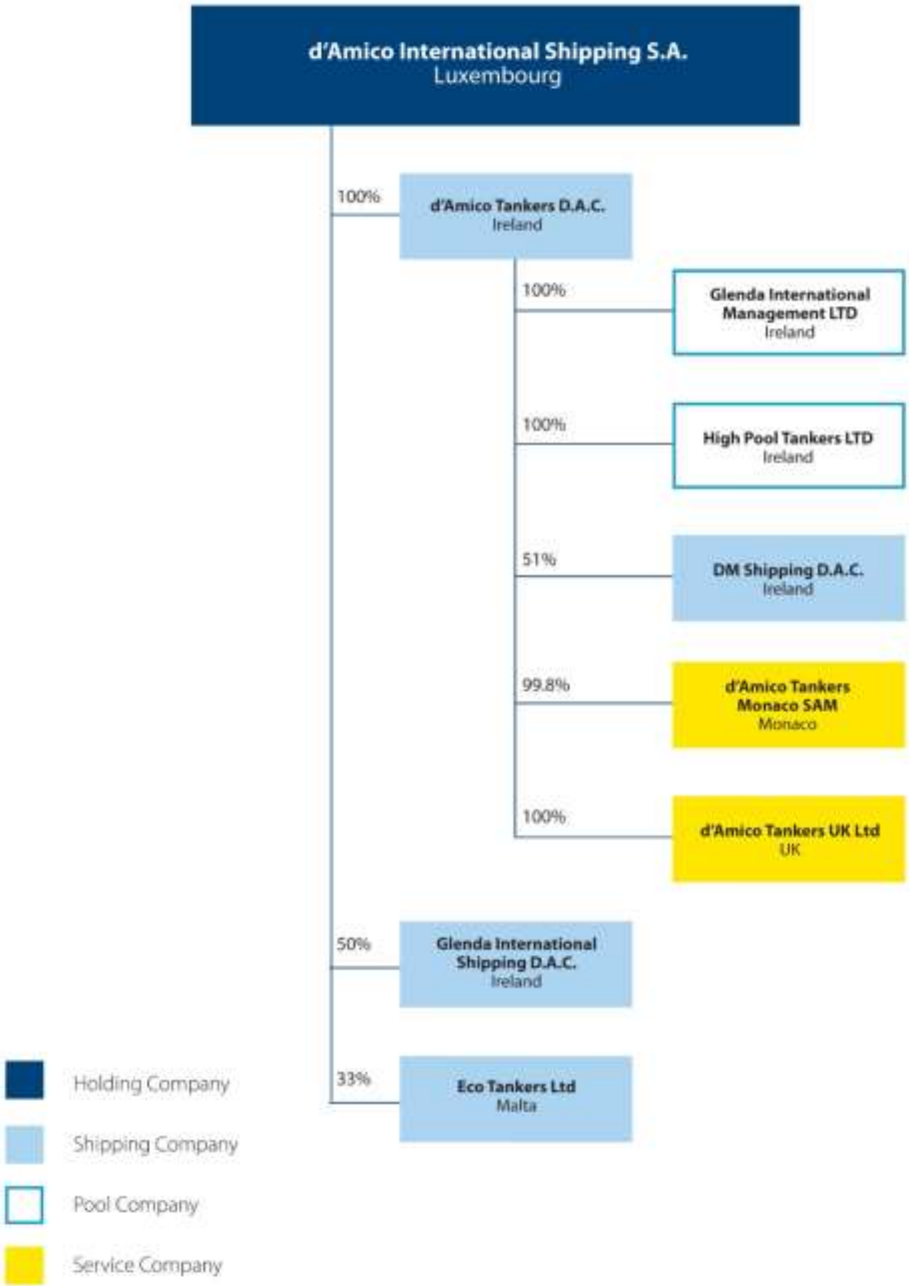
US$ Thousand	**Q1 2016**	**Q1 2015**
Daily operating measures - TCE earnings per employment day (US$)[1]	16 970	16 939
Fleet development - Total vessel equivalent	49.5	52.1
- Owned	25.7	22.6
- Chartered	23.8	29.5
Off-hire days/ available vessel days[2] (%)	1.8%	3.1%
Fixed rate contract/ available vessel days[3] (coverage %)	46.7%	44.8%

[1] This figure represents time charter ("TC") equivalent earnings for vessels employed on the spot market and time charter contracts net of commissions. Calculations exclude vessels chartered through the pools.
[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.
[3] Fixed rate contract days/available vessel days (coverage ratio): this figure represents how many vessel days were employed on time charter contracts, inclusive of off-hire days.

REPORT ON OPERATIONS

GROUP STRUCTURE

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



D'AMICO INTERNATIONAL SHIPPING GROUP

d'Amico International Shipping S.A. (DIS, the Group or d'Amico International Shipping) is an international marine transportation company, part of the d'Amico Group that traces its origins to 1936. d'Amico International Shipping operates, mainly through its fully owned subsidiary d'Amico Tankers Designated Activity Company (D.A.C.) (Ireland), a fleet with an average age of approximately 7.6 years, compared to an average in the product tankers industry of 9.8 years (source: Clarkson). All DIS vessels are double-hulled and are primarily engaged in the transportation of refined oil products, providing worldwide shipping services to major oil companies and trading houses. All the vessels are compliant with IMO (International Maritime Organization) regulations, including MARPOL (the International Convention for the Prevention of Pollution from Ships), with the requirements of oil-majors and energy-related companies and other relevant international standards. Based on MARPOL/IMO rules, cargoes such as palm oil, vegetable oil and other chemicals can only be transported by vessels that meet certain requirements (IMO Classed). As at March 31st, 2016, 67% of the DIS fleet was IMO Classed, allowing the Group to transport a large range of products.

Fleet

The following tables set forth information about the DIS fleet as at March 31st, 2016, which consists of **48.8** vessels (March 31st, 2015: 52.8)

MR fleet

Name of vessel	Dwt	Year built	Builder, Country	IMO classed
Owned				
High Trust	49,990	2016	Hyundai Mipo, South Korea	IMO II/III
High Trader	49,990	2015	Hyundai Mipo, South Korea	IMO II/III
High Loyalty	49,990	2015	Hyundai Mipo, South Korea	IMO II/III
High Voyager	45,999	2014	Hyundai Mipo, South Korea	IMO II/III
High Fidelity	49,990	2014	Hyundai Mipo, South Korea	IMO II/III
High Sun[1]	49,990	2014	Hyundai Mipo, South Korea	IMO II/III
High Discovery	50,036	2014	Hyundai Mipo, South Korea	IMO II/III
High Freedom	49,990	2014	Hyundai Mipo, South Korea	IMO II/III
High Tide	51,768	2012	Hyundai Mipo, South Korea	IMO II/III
High Seas	51,678	2012	Hyundai Mipo, South Korea	IMO II/III
GLENDA Melissa[2]	47,203	2011	Hyundai Mipo, South Korea	IMO II/III
GLENDA Meryl[3]	47,251	2011	Hyundai Mipo, South Korea	IMO II/III
GLENDA Melody[2]	47,238	2011	Hyundai Mipo, South Korea	IMO II/III
GLENDA Melanie[3]	47,162	2010	Hyundai Mipo, South Korea	IMO II/III
GLENDA Meredith[3]	46,147	2010	Hyundai Mipo, South Korea	IMO II/III
GLENDA Megan[2]	47,147	2009	Hyundai Mipo, South Korea	IMO II/III
High Prosperity	48,711	2006	Imabari, Japan	-
High Venture	51,087	2006	STX, South Korea	IMO II/III
High Presence	48,700	2005	Imabari, Japan	-
High Performance	51,303	2005	STX, South Korea	IMO II/III
High Progress	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 Priority	46,847	2005	Nakai Zosen, Japan	-
High Endeavour	46,992	2004	STX, South Korea	IMO II/III
High Endurance	46,992	2004	STX, South Korea	IMO II/III

[1] Vessel owned by Eco Tankers Limited (in which DIS has 33% interest)
[2] Vessels owned by GLENDA International Shipping Limited (in which DIS has 50% interest) and time chartered to d'Amico Tankers Limited
[3] Vessels owned by GLENDA International Shipping Limited (in which DIS has 50% interest)

Name of vessel	Dwt	Year built	Builder, Country	IMO classed
Time chartered with purchase option				
High Pearl	48,023	2009	Imabari, Japan	-
High Enterprise	45,800	2009	Shin Kurushima, Japan	-
Time chartered without purchase option				
Carina	47,962	2010	Iwagi Zosen, Japan	-
High Strength[1]	46,800	2009	Nakai Zosen, Japan	-
High Force	53,603	2009	Shin Kurushima, Japan	-
High Efficiency[1]	46,547	2009	Nakai Zosen, Japan	-
High Current	46,590	2009	Nakai Zosen, Japan	-
High Beam	46,646	2009	Nakai Zosen, Japan	-
Freja Baltic	47,548	2008	Onimichi Dockyard, Japan	-
High Glow	46,846	2006	Nakai Zosen, Japan	-
Citrus Express	53,688	2006	Shin Kurushima, Japan	-
Freja Hafnia	53,700	2006	Shin Kurushima, Japan	-
High Power	46,874	2004	Nakai Zosen, Japan	-
Baizo	44,997	2004	Onimichi Dockyard, Japan	-
Port Said	45,999	2003	STX, South Korea	IMO II/III
Port Stanley	45,996	2003	STX, South Korea	IMO II/III
Port Union	46,256	2003	STX, South Korea	IMO II/III
Port Moody	44,999	2002	STX, South Korea	IMO II/III

Handysize fleet

Name of vessel	Dwt	Year built	Builder, Country	IMO classed
Owned				
Cielo di Ulsan	39,060	2015	Hyundai Mipo, South Korea	IMO II/III
Cielo di New York	39,990	2014	Hyundai Mipo, South Korea	IMO II/III
Cielo di Gaeta	39,990	2014	Hyundai Mipo, South Korea	IMO II/III
Cielo di Guangzhou[2]	38,877	2006	Guangzhou, China	IMO II
Time chartered without purchase option				
Cielo di Milano	40,081	2003	Shina Shipbuilding Co., South Korea	IMO II/III
Port Stewart	38,877	2003	Guanzhou, China	-
Port Russel	37,808	2002	Guanzhou, China	IMO II/III
SW Cap Ferrat I[3]	36,032	2002	STX, South Korea	IMO II/III

[1] Vessels owned by DM Shipping Limited (in which DIS has 51% interest) and time chartered to d'Amico Tankers Limited
[2] Vessel previously in bare-boat charter contract to d'Amico Tankers and then purchased in December 2015
[3] Ex-Cielo di Salerno sold by d'Amico Tankers in December 2015 and taken back in time charter

Fleet Employment and Partnership

As at March 31 2015, d'Amico International Shipping directly employed 48.8 Vessels: 19.8 MRs ('Medium Range') and 3 Handy-size vessels on fixed term contract, whilst 21 MRs and 5 Handy-size vessels are currently employed on the spot market. In addition to this, the Group employs a portion of its controlled vessels through some partnership arrangements.

GLENDA International Shipping Designated Activity Company (D.A.C.), a 50/50 jointly controlled entity with the Glencore Group. The JV Company owns 6 MR vessels built between August 2009 and February 2011. Glenda International Shipping has currently three vessels time-chartered to d'Amico Tankers and three vessels to the Glencore Group.

DM Shipping Designated Activity Company (D.A.C.), a 51/49 jointly controlled entity with the Mitsubishi Group. The JV Company owns 2 MR vessels, built respectively in July and October 2009.

Eco Tankers Limited, a joint venture with Venice Shipping Logistics S.p.A., in which d'Amico International Shipping S.A. has 33% shareholding. The JV Company owns an eco-design MR product tanker of 50,000 dwt built at Hyundai-Vinashin Shipyard Co., Ltd and delivered in May 2014. The d'Amico Group is responsible for the commercial, technical and administrative management of the vessel.

d'Amico International Shipping is part of the d'Amico Group (d'Amico), one of the world's leading privately-owned marine transportation companies with over 70 years of experience in the shipping business, whose ultimate parent company is d'Amico Società di Navigazione S.p.A. (Italy). At the closing of the period, the entire d'Amico Group controls 93.5 owned and chartered-in vessels, of which 48.8 are part of the DIS fleet, operating in the product tanker market, while the remaining 44.7 vessels are mainly dry-bulk carriers controlled by other companies of the d'Amico Group. d'Amico International Shipping benefits from a strong brand name and a well-established reputation in the international markets due to the long operating history of the d'Amico Group. In addition, it benefits from the expertise of the d'Amico Group, which provides support for technical management services, as well as safety, quality and technical products and services to DIS' vessels, including crewing and insurance arrangements.

d'Amico International Shipping operates from Luxembourg, Ireland, UK, Monaco, Singapore and the USA. As at March 31 2016, the Group employed 628 seagoing personnel and 34 onshore personnel.

FINANCIAL REVIEW OF THE GROUP

Summary of the results in the first quarter of 2016

IMF recently reported in their World Economic Outlook update (WEO): Global growth is currently estimated at 3.2% in 2016, and it is projected at 3.5% in 2017. This is represents a downgrade by 0.2% and 0.1% respectively from their January outlook. They have stated that 'Global growth continues, but at a sluggish pace that leaves the world economy more exposed to risks'. Growth in advanced economies is projected to remain modest and flat at 2.4% in the United States. Emerging and developing economies will still account for the biggest share of the growth.

The International Energy Agency (IEA) recently reported that growth in global oil demand will ease to around 1.2 million b/d in 2016, below 2015 1.8 million b/d expansion, as notable decelerations take hold across China, the US and much of Europe. Preliminary Q1 2016 data reveal this is already occurring, with year-on-year growth down to 1.2 million b/d, after gains of 1.4 million b/d in Q4 2015 and 2.3 million b/d in Q3 2015.

Crude oil prices rallied to a four-month high approaching US$ 45 per barrel in mid-April but declined again after the talks between producers in Doha ran into difficulties.

In Q1 there was a very mixed picture for the Product tanker market. The Oil price declined markedly up to 11 February and then rose during the rest of the quarter. The decrease in average crude oil prices improved refinery margins. This resulted in trade picking up even without a healthy increase in demand. Stocks build unseasonably and by the end of the quarter were 12% high year on year. Throughout the quarter, United States exports averaged around 4 million b/d and imports volumes were around 1.7 million b/d. The volatility in Oil and Product prices led to arbitrage windows opening but also closing just as quickly. This did create some opportunities for the Market rates to improve from time to time. Refinery maintenance had little or no effect as stocks were high enough to meet any demand. The supply of tonnage was almost entirely kept in check by logistical problems with storage being full and ships not being able to turn around quickly enough. Positive demand for Naphtha and mixed aromatics supported long haul trades into the Far East.

The one year perceived Time charter rate is always the best indicator of spot market expectations. In Q1 2016 the one year rate for an MR remained flat at $17,000 / $17,500 per day.

On the back of a favourable product tanker market, **DIS recorded a Net Profit of US$ 7.2 million in Q1 2016** vs. US$ 11.4 million posted in the same period last year. The variance compared to the first quarter of 2015 is almost entirely due to the positive impact arising from the Company's risk management activity (mainly on Foreign Exchange, Bunker Costs and Interest Rates) which benefitted last year result. Excluding such 'non-recurring' result, Q1 2016 result is substantially in line with the previous year.

After three very strong quarters last year, product tanker spot rates eased in Q4 mainly due to seasonality and refinery maintenance in the US Gulf. However the market started firming up again in the last part of Q4 and going into 2016. In this scenario, **DIS daily spot rate was US$ 18,076 in Q1 2016**, a level which is slightly lower (-2.3%) than the same period last year (US$ 18,503) but 15% (or US$ 2,404/day) higher compared to the previous quarter (Q4 2015: US$ 15,673).

At the same time, 46.7% of DIS total employment days in Q1 2016, were covered through 'time charter' contracts at an average daily rate of US$ 15,706, improved both in terms of percentage and average rate compared to the same quarter last year (Q1 2015: 44.8% coverage at an average rate of US$ 15,010). Therefore, DIS' Q1 2016 total Daily Average Rate (which includes both the spot and the time charter activity) was US$ 16,970 and in line with the same quarter of 2015 (US$ 16,939).

Thanks to the positive TCE performance and to a cost efficient operating platform, DIS achieved an **EBITDA of US$ 21.6 million in Q1 2016** and an **'EBITDA margin' of 28.8%**, which are both in line with the levels achieved in Q1 2015.

Such strong level of EBITDA together with a good trend in working capital led to a **positive operating cash flow of US$ 25.5 million in Q1 2016**, more than two times higher than the US$ 11.1 million generated in the same period last year.

In Q1 2016, DIS had **US$ 38.6 million 'capital expenditures'**, mainly in relation to its newbuilding plan. Since 2012, DIS has ordered a total of **22 'Eco design' product tankers**[1] (10 MR, 6 Handysize and 6 LR1 vessels), of which 11[2] vessels have been already delivered as at the end of March 2016. This corresponds to an overall **investment plan** of approximately **US$ 755.0 million** and it is in line with the Company's strategy to modernize its fleet through newbuildings with eco-innovative design. Further, DIS has already fixed 14 of its newbuilding vessels on long-term Time Charter contracts with three Oil-majors and a leading refining company, all at profitable levels.

Operating Performance

US$ Thousand	**Q1 2016**	**Q1 2015**
Revenue	93 374	102 002
Voyage costs	(18 294)	(25 034)
Time charter equivalent earnings	**75 080**	**76 968**
Time charter hire costs	(31 435)	(34 779)
Other direct operating costs	(18 128)	(17 241)
General and administrative costs	(3 979)	(3 434)
Other operating Income	48	135
Gross operating result / EBITDA	**21 586**	**21 649**
Depreciation	(8 863)	(9 628)
Operating result / EBIT	**12 723**	**12,021**
Net financial income (charges)	(5 395)	(47)
Share of profit of associate	(20)	85
Profit / (loss) before tax	**7 308**	**12 059**
Income taxes	(117)	(699)
Net profit / (loss)	**7 191**	**11 360**

Revenue was US$ 93.4 million in Q1 2016 compared to US$ 102.0 million realized in Q1 2015. The decrease in gross revenues compared to the previous year was mainly a consequence of the lower number of vessels operated on average by DIS in the first three months of 2016 (Q1 2016: 49.5 vs. Q1 2015: 52.1). The off-hire days percentage in Q1 2016 (1.8%) was lower than the same period of the previous year (3.1%), mainly due to the timing of dry-docks.

Voyage costs reflected the vessel employment mix, in the form of spot and time charter contracts. These costs, which occur only for vessels employed on the spot market, amounted to US$ 18.3 million in Q1 2016 vs. US$ 25.0 million in Q1 2015.

Time charter equivalent earnings were US$ 75.1 million in Q1 2016 vs. US$ 77.0 million in the same period last year. The variance compared to the first quarter of last year is entirely due to the lower number of vessels operated in Q1 2016. In fact, DIS' Daily Average TCE in Q1 2016 is very much in line with the previous year.

In particular, DIS realized a **Daily Average Spot Rate of US$ 18,076 in Q1 2016** compared with US$ 18,503 achieved in the same quarter of 2015, and **US$ 15,673 per day in the fourth quarter of last year, representing an** improvement of 15.3% or US$ 2,404/day.

At the same time and according to its strategy, DIS maintained a **high level of 'coverage'** (fixed contracts) throughout the quarter, securing an average of **46.7%** (Q1 2015: 44.8%) of its revenue at a **Daily Average Fixed Rate of US$ 15,706** (Q1 2015: US$ 15,010). Other than securing revenue and supporting the operating cash flow generation, these contracts pursue the objective of strengthening DIS' historical relationships with the main oil majors, which is

[1] Including M/T High Sun, an MR vessel ordered at Hyundai Mipo Dockyard Co. Ltd. and owned by Eco Tankers Limited (in which DIS has 33% interest, in JV with Venice Shipping and Logistics S.p.A.)

one the pillars of its commercial strategy.

Therefore, **DIS' Total Daily Average TCE (Spot and Time Charter)** was **US$ 16,970 in Q1 2016 vs. US$ 16,939 in Q1 2015.**

DIS TCE daily rates	***Q1 2015***	*Q2 2015*	*Q3 2015*	*Q4 2015*	***Q1 2016***
(US Dollars)					
Spot	18 503	19 533	21 219	15 673	18 076
Fixed	15 010	15 153	15 220	15 461	15 706
Average	16 939	17 619	18 411	15 570	**16 970**

Time charter hire costs relate to the chartered-in vessels and amount to US$ 31.4 million in Q1 2016 vs. US$ 34.8 million in Q1 2015. The decrease compared to the same period last year is due to the lower average number of chartered-in vessels operated in the first quarter of 2016 (Q1 2016: 23.8 vs. Q1 2015: 29.5).

Other direct operating costs mainly consist of crew, technical and luboil relating to the operation of owned vessels together with insurance expenses for both owned and chartered-in vessels. These costs were US$ 18.1 million in Q1 2016 compared to US$ 17.2 million registered in the same period last year. The increase in absolute values compared to the previous year, is mainly due to the larger number of owned vessels in Q1 2016, following the delivery of 10[1] 'eco-design' newbuilding tankers in the last two years. The operating costs are constantly monitored, while focusing on crew with appropriate skills, high SQE (Safety, Quality & Environment) standards and remaining in full compliance with very stringent market regulations. Maintaining a 'high quality' fleet represents an essential part of the d'Amico vision and strategy.

The ***General and administrative costs*** were US$ 4.0 million in Q1 2016 vs. US$ 3.4 million in Q1 2015. These costs mainly relate to onshore personnel, together with office costs, consultancies, travel expenses and others. The increase compared to the first quarter of last year is mainly due to a higher level of commercial and promotion activity and partially to a timing effect.

Other operating income amounted to US$ 0.05 million in Q1 2016 vs. US$ 0.1 million in Q1 2015. This amount refers to chartering commissions from third party vessels operated through pools until 2015. The small amount of Q1 2016 refers to a residual amount from the previous year.

EBITDA was **US$ 21.6 million in Q1 2016** and is perfectly in line with the same quarter of last year. Such result was mainly driven by the good level of TCE Earnings generated in the period on the back of the positive product tanker market. Consequently, DIS' **'EBITDA margin on TCE Earnings'** was **28.8% in Q1 2016** and in line with the previous year (Q1 2015: 28.1%).

Depreciation amounted to US$ 8.9 million in Q1 2016 vs. US$ 9.6 million in Q1 2015. The decrease compared to the previous year is mainly attributable to change in the Company's depreciation policy for its vessels, with an increase in their expected life from 20 to 25 years, in line with today's general industry practice. Such impact was partially offset by the higher number of owned vessels in Q1 2016, mainly due to the newbuilding tankers delivered during 2015.

EBIT for the first three months of the year was **positive, amounting to US$ 12.7 million** compared to US$ 12.0 million booked in the same period of last year.

Net financial charges were negative, amounting to US$ (5.4) million in Q1 2016 vs. US$ 0.05 million in Q1 2015. Last year's amount included US$ 0.1 million in positive 'commercial exchange difference' together with a US$3.6 million positive 'mark to market' result, mainly in relation to some Bunker and Interest Rate hedging.

DIS registered a ***Profit before tax*** of US$ 7.3 million in Q1 2016 vs. US$ 12.1 million in the same period last year.

[1] Excluding M/T High Sun, an MR vessel ordered at Hyundai Mipo Dockyard Co. Ltd. and owned by Eco Tankers Limited (in which DIS has 33% interest, in JV with Venice Shipping and Logistics S.p.A.)

Income taxes were US$ 0.1 million in Q1 2016 compare to US$ 0.7 million in the same quarter of last year. The high expenses for this item in Q1 2015 is attributable to the taxation of a part of DIS' financial income which is subject to the Irish standard corporate tax rate of 12.5%, since it is not included in the tonnage tax scheme.

DIS' ***Net Profit*** was **US$ 7.2 million** compared to US$ 11.4 million posted in the same period of 2015. The variance compared to the previous year is almost entirely due to the positive impact arising from the Company's risk management activity (mainly on Foreign Exchange, Bunker Costs and Interest Rates) which benefitted 2015 results, as mentioned in the above '*Net financial charges*'.

Consolidated Statement of Financial Position

(US$ Thousand)	**As at 31 March 2016**	**As at 31 December 2015**
ASSETS		
Non current assets	828 281	797 831
Current assets	93 290	112 133
Total assets	**921 571**	**909 964**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity	386 652	384 713
Non-current liabilities	433 745	396 337
Current liabilities	101 174	128 914
Total liabilities and shareholders' equity	**921 571**	**909 964**

Non-current assets mainly relate to the DIS' owned vessels net book value and it includes also the portion relating to the newbuildings under construction. The balance at the end of Q1 2016 is higher than the previous year, mainly due to the yard instalments paid on DIS' newbuilding program during the quarter (including the last instalment due in connection with the delivery of 1 newbuilding vessels in January 2016). According to the valuation report provided by a primary broker, the estimated market value of DIS' owned fleet as at March 31 2016 was of US$ 773.6 million.

Gross Capital expenditures were US$ 38.6 million in Q1 2016. This amount mainly comprises the instalments paid on the newbuiding vessels under construction at Hyundai-Mipo. Dry-dock costs pertaining to owned vessels are also included in capitalized costs.

Current assets as at March 31, 2016 were US$ 93.3 million. Other than the working capital items (inventories and trade receivables amounting to US$ 8.9 million and US$ 41.8 million respectively), current assets include 'Cash and cash equivalent' of US$ 41.7 million and current financial receivables of US$ 0.9 million.

Non-current liabilities were US$ 433.7 million at the end of March 31, 2016 and mainly consist of the long-term portion of debt due to banks, disclosed under the following section (Net Indebtedness).

The balance of ***Current liabilities***, other than the debt due to banks and other lenders (see the following section), includes the working capital items amounting to US$ 30.5 million (essentially relating to trade and other payables) and US$ 8.4 million of financial liabilities.

The **Shareholders' equity** balance as at March 31, 2016 was of US$ 386.7 million (US$ 384.7 million as at December 31, 2015). The variance with the previous year is primarily due to the Net Profit generated in the current year, the valuation of cash-flow hedges and the capital increase in connection with the Third and Final Exercise Period of the 'd'Amico International Shipping Warrants 2012 – 2016', ended in January 2016.

Net Indebtedness

DIS' Net debt as at March 31, 2016 amounted to US$ 438.1 million vs. US$ 422.5 at the end of 2015. The increase compared to the previous year is mainly attributable to the implementation of DIS' **US$ 755.0 million newbuilding plan**, with total investments of US$ 38.6 million in Q1 2016.

US$ Thousand	As at 31 March 2016	As at 31 December 2015
Liquidity - *Cash and cash equivalents*	41 714	45 485
Current financial receivables	560	1 038
Total current financial assets	**42 274**	**46 523**
Bank loans – current	61 984	86 775
Other current financial liabilities – 3rd p.ties	8 364	8 547
Total current financial debt	**70 348**	**95 322**
Net current financial debt	**28 074**	**48 799**
Other non-current financial assets	23 731	22 589
Total non-current financial assets	**23 731**	**22 589**
Bank loans non-current	412 831	381 017
Other non-current financial liabilities – 3rd p.ties	20 914	15 320
Total non-current financial debt	**433 745**	**396 337**
Net non-current financial debt	**410 014**	**373 748**
Net financial indebtedness	**438 088**	**422 547**

The balance of *Total Current Financial Assets* (*Cash and cash equivalents* together with some short-term financial receivables) was of US$ 42.3 million at the end of Q1 2016.

Total Non-Current Financial Assets mainly shows DIS (through d'Amico Tankers D.A.C.) shareholder loan to DM Shipping Limited, a 51/49 joint venture company with the Mitsubishi Group. The Company owns 2 MR vessels, built and delivered respectively in July and October 2009.

The total outstanding bank debt (*Bank loans*) as at March 31, 2016 amounted to US$ 474.8 million, of which US$ 62 million are due within one year. Other than some short term credit lines, DIS' debt structure as at March 31, 2016 is mainly based on the following long-term facilities granted to d'Amico Tankers D.A.C. (Ireland), the key operating company of the Group: (i) US$ 250 million Term Loan facility granted by a pool of nine primary financial institutions (Crédit Agricole Corporate and Investment Bank, Nordea Bank, ING Bank, Banca IMI, Commonwealth Bank of Australia, Skandinaviska Enskilda Banken (SEB), The Governor and Company of the Bank of Ireland, Credit Industriel et Commercial, DnB), to refinance 7 existing vessels and provide financing for 6 newbuilding vessels, with an outstanding debt of US$ 86.8 million; (ii) Intesa loan facility of US$ 60.0 million outstanding debt; (iii) Crédit Agricole-CIB and DnB NOR Bank 7 years term loan facility to finance 2 MR vessels built and delivered in 2012 for a total of US$ 33.96 million outstanding debt; (iv) Danish Ship Finance 6 years term loan facility to finance the purchase of the second-hand vessel M/T High Prosperity in 2012 and for an MR vessel built and delivered in January 2016, for US$ 28.6 million outstanding debt; (v) ING Bank 6 years term loan facility to finance 2 MR vessels built in 2005 for a total of US$ 16.6 million outstanding debt; (vi) Crédit Agricole-CIB 6 years term loan facility to finance 2 MR vessels built in 2014 for total US$ 35.4 million outstanding debt; (vii) Danish Ship Finance 7 years term loan facility to finance 2 MR vessels built in 2014 and 2015 for total US$ 35.1 million outstanding debt; (viii) DnB NOR Bank 6 years term loan facility to finance 2 Handysize and 1 MR vessels built in 2014 for total US$ 53.7 million outstanding debt; (ix) IMI (Intesa Group) 7 years term loan facility to finance 1 Handysize vessel built in 2015 for total US$ 22.5 million outstanding debt; (x) Skandinaviska Enskilda Banken (SEB) 6 years term loan facility to finance 1 MR vessel built in 2015 for total US$ 22.0 million outstanding debt; (xi) Crédit Agricole CIB 4 years term loan facility to finance 1 Handysize vessel built in 2006 and purchased in 2015 for total US$ 9.5 million outstanding debt; (xii) MPS 5 year term loan facility to finance 2 LR1 vessels under construction at Hyundai-Mipo and expected to be delivered in 2017, with an outstanding debt of US$ 14.4 million. In addition to this, DIS debt comprises also: the portion of the bank loans of its joint venture 'GLENDA International Shipping D.A.C.' with Commerzbank AG Global Shipping and Credit Suisse for US$ 54.8 million, to finance the 6 Glenda International Shipping Limited vessels, delivered between 2009 and 2011.

Other Non-current financial liabilities includes the negative valuation of derivatives hedging instruments (mainly interest rate swap agreements) and some deferred incomes on option premiums, for total US$ 20.9 million.

Cash Flow

DIS **Net Cash Flow for Q1 2016 was negative for US$ 3.8 million**, mainly due to US$ 38.6 million gross capital expenditures, partially compensated by US$ 25.5 million positive operating cash flow and US$ 9.3 million positive financing cash flow.

US$ Thousand	**Q1 2016**	**Q1 2015**
Cash flow from operating activities	25 502	11 081
Cash flow from investing activities	(38 588)	(28 021)
Cash flow from financing activities	9 315	(2 531)
Net decrease in cash and cash equivalents	**(3 771)**	**(19 471)**
Cash and cash equivalents at the beginning of the period	45 485	68 383
Cash and cash equivalents at the end of the period	**41 714**	**48 912**

Cash flow from operating activities was **positive for US$ 25.5 million** in the first three months of the current year, compared to US$ 11.1 million realized in Q1 2015. Such significant increase compared to prior year, is mainly due to a 'timing' effect from movements in working capital, with an opposite impact in the two periods.

The net ***Cash flow from investing activities*** was US$ 38.6 million (outflow) in Q1 2016 and it was made up of the capital expenditures in connection with the installments paid on the newbuiding vessels under construction at Hyundai-Mipo, as well as dry-dock expenses.

Cash flow from financing activities was positive for US$ 9.3 million in Q1 2016. This figure mainly includes: (i) US$ 2.9 million arising from the Third Exercise Period of the 'd'Amico International Shipping Warrants 2012 – 2016' ended on January 31 2016, in which 17,003,874 Warrants were exercised at a price of Euro 0.46 per ordinary share; (ii) US$ 0.6 million investment in DIS' buyback program; (iii) US$ 109.7 million bank loan drawdown mainly in relation to the refinancing of 7 existing vessels and the financing of instalments for 2 newbuildings, as part of the total US$ 250 million Term Loan facility granted by a pool of nine financial institutions; (iv) US$ 102.4 million in bank debt repayments.

Significant Events of the First Quarter

In Q1 2016 the following main events occurred in the activity of d'Amico International Shipping Group:

d'Amico International Shipping:

- **Results of d'Amico International Shipping Warrants 2012-2016 – Third and Final Exercise Period ended in January 2016:** In February 2016 – d'Amico International Shipping S.A. ("DIS") announced that the Third and Final Exercise Period of the "d'Amico International Shipping Warrants 2012 – 2016" (ISIN code LU0849020044) has ended on January 29th, 2016. During this Third and Final Exercise Period 17,003,874 Warrants, reaching a conversion rate in the third period of 80%, were exercised at the price of Euro 0.46 per ordinary share, every three exercised warrants, without nominal value which will be issued by DIS and admitted to trading on the MTA market of Borsa Italiana SpA, each as a "Warrant Share". Totally, the program was exercised at 98% of the total warrants issued. In accordance with the terms and conditions of the Warrant Regulations, DIS issued on the 8th of February 2016, based on the Warrants Ratio of one (1) Warrant Share for every three (3) Warrants exercised, no. 5,667,958 Warrant Shares with same rights (including that to dividends) and features of DIS ordinary outstanding shares at the issue date to those Warrant holders who validly exercised their Warrants during the Third and Final Exercise Period. The ISIN code of the Warrant Shares will coincide with the ISIN Code of DIS's outstanding shares being LU0290697514. The DIS current capital increase is expected equal to €2,607,260.68. In accordance with the Warrant Regulations, warrants which were not exercised during the recently ended Third and Last Exercise Period will automatically lapse. After the capital increase occurred at the end of the Third and Final Exercise Period, DIS' share capital now amounts to US$ 42,851,035.60 divided into 428,510,356 ordinary shares without unit value.

- **Buyback program:** In accordance with the authorization issued by the Shareholders' meeting of 29 March 2011 and following the Board of Directors resolution of 5 July 2011, d'Amico International Shipping S.A. - as provided by the Consob Resolution n. 16839 of 19 March 2009 and of article 4.4, therein recalled, of the Commission Regulation (CE) n. 2273/2003 of 22 December 2003 - disclosed that during the period between January 11 and March 11 2016, it repurchased on the regulated market managed by Borsa Italiana S.p.A., nr. 1,180,000 own shares, representing the 0.275% of the outstanding share capital of the Company, at the average price of €0.467, for a total consideration of €551,116.
  The five years period for the execution of the repurchase of DIS own shares expired on March 29th, 2016. At the end of the authorized period the Company holds n° 7,760,027 own shares (including those repurchased during previously authorized periods) without nominal value corresponding to 1.81% of the Company's current share capital (the "Treasury Stock").

- **Long-Term Incentive Plan:** In March 2016, the Board of Directors of d'Amico International Shipping S.A. approved, with prior approval of the Nomination and Remuneration Committee, the guidelines of a long-term incentive plan called "Stock Option Plan DIS 2016/2019", submitted and approved by the Annual Shareholders' General Meeting on April 20, 2016. The Incentive Plan is designed for directors, employees and contractors of DIS (or its subsidiaries) that will be selected among those persons who hold important roles or serve relevant functions in, or for, the Company and for whom it is justified an action that reinforces loyalty and greater involvement with a view to a long- term value creation. The Incentive Plan is based on the free allocation of options, not-transferable, which grant the beneficiaries the right to (i) acquire treasury shares of the Company or (ii) subscribe newly issued shares of the Company in the ratio of one share for each exercised option, or (iii), being chosen by the Board of Directors, receive the payment of an eventual capital gain, equal to the difference between (a) the market value of each share at its exercise date (corresponding to the arithmetic average of the official price of DIS shares on the month before the exercise date) and (b) the exercise price of each share. The exercise price of the options will be determined based on the arithmetic average of the closing prices of the share in the last thirty days before the date of approval of the Plan by the Annual Shareholders' General Meeting. The exercise of the options by the beneficiaries is subject to the achievement of certain quantitative objectives (stock market performance of the shares and financial results in terms of operating profit (EBIT) accumulated during the period 2016-2018). The exercise of the options may take place -if the abovementioned quantitative targets have been achieved- within the period between 1 June 2019 and 31 May 2020 (or such other period as may be determined by the Board of Directors). The maximum number of options dedicated to the Plan is 8,500,000 for the purchase/subscription of the maximum number of 8,500,000 shares of the Company. If all options were exercised and the Company decided to meet all the requests received by granting the right to subscribe newly issued shares, the overall increase of 8,500,000 shares would result in a dilution of the share capital of 1.945%.

d'Amico Tankers Designated Activity Company (former d'Amico Tankers Ltd.):

- **Newbuilding Vessels:** In January 2016, M/T High Trust, an 'Eco' newbuilding MR (Medium Range – 50,000 dwt) product tanker built by Hyundai Mipo Dockyard Co. Ltd. – South Korea at their Hyundai Vinashin Shipyard Co. Ltd. – Vietnam, was delivered to d'Amico Tankers Designated Activity Company. Starting from March 2016, the Vessel will be employed with one of the main oil-majors on a 3 years' time charter contract, at a profitable daily rate.

- **'Second-Hand Owned Vessels':** in March 2016, d'Amico Tankers Designated Activity Company purchased M/T Cielo di Milano, a 40,081 dwt handysize product tanker, built in 2003 by Shina Shipbuilding shipyard (South Korea), from d'Amico Shipping Italia S.p.A., for a consideration of US$ 14.0 million. Such consideration was determined according to market value estimated by a specialized independent company; moreover, since it is considered as "operation with related parties" it was approved by the Board of Directors and evaluated by the Control and Risk committee in accordance with company procedures.

- **New financing:** In March 2016, d'Amico Tankers Designated Activity Company (Ireland) has secured a new US$ 250 million Term Loan Facility at very attractive terms with a pool of nine primary financial institutions: Crédit Agricole Corporate and Investment Bank, Nordea Bank, ING Bank, Banca IMI, Commonwealth Bank of Australia, Skandinaviska Enskilda Banken (SEB), The Governor and Company of the Bank of Ireland, Crédit Industriel et Commercial, DnB. The purpose of this new Facility is to: i) refinance 7 existing vessels (all built between 2004 and 2006) extending their current debt maturity from 2017 to 2021; and ii) provide financing for 6 newbuilding vessels. The Facility has a very competitive interest rate and a final maturity of five years from the drawdown date for the existing vessels and from the delivery date for the newbuilding vessels. The covenants and other conditions are consistent with the d'Amico Tankers Designated Activity Company 's existing credit facilities, duly guaranteed by the Company. As of today and following this last loan facility, d'Amico Tankers Designated Activity Company has already secured 100% of its long-term debt requirements for the US$ 755.0 million investment plan started in 2012 plus all other debt refinancing needs.

- **'Time Charter-Out' Fleet:** In January 2016, d'Amico Tankers Designated Activity Company extended a time charter contract with a main oil major due to expire in February 2016 for another year, at a very profitable rate. In the same month, d'Amico Tankers Designated Activity Company extended another time charter contract with a leading refining company due to expire in January 2016 for another year, at a very profitable rate.

- **'Time Charter-In' Fleet:** In January 2016, M/T Baizo, an MR vessel built in 2004 and Time Chartered-In by d'Amico Tankers Designated Activity Company since 2014, was redelivered back to her Owners.

  In February 2016, M/T Cielo di Roma, a Handysize vessel built in 2003 and Time Chartered-In by d'Amico Tankers Designated Activity Company since 2014, was redelivered back to her Owners.

  In February 2016, the contract on M/T Carina, an MR vessel built in 2010 and Time Chartered-In by d'Amico Tankers Designated Activity Company for 3 years since 2013, was extended for further 2 year period with an option for an additional year.

  In March 2016, M/T Port Louis, a Handysize vessel built in 2002 and Time Chartered-In by d'Amico Tankers Designated Activity Company since 2014, was redelivered back to her Owners.

  In March 2016, the contracts on: M/T Port Moody (MR vessel built in 2002), M/T Port Said (MR vessel built in 2003), M/T Port Union (MR vessel built in 2003), M/T Port Stanley (MR vessel built in 2003), M/T Port Russel (Handysize vessel built in 2002) and M/T Port Stewart (Handysize vessel built in 2003), all Time Chartered-In by d'Amico Tankers Designated Activity Company since Q3/Q4 2014 were all extended until 2017/2018.

SIGNIFICANT EVENTS SINCE THE END OF THE PERIOD AND BUSINESS OUTLOOK

d'Amico International Shipping:

Annual General Shareholders' Meeting: On April 20, 2016 the Annual General Shareholders' meeting of d'Amico International Shipping S.A. **approved the 2015 statutory and consolidated financial statements of the Company** and resolved the **payment of a dividend of US$ 0.025 per issued share** net of the maximum applicable withholding tax of 15% to be paid out of the distributable reserves including the share premium reserve. The payment of the above mentioned dividend will be made to the Shareholders on May 25, 2016 with related coupon n. 4 detachment date occurring on May 23rd, 2016 and record date on May 24, 2016 (no dividend shall be paid with reference to the 7,760,027 shares repurchased by the Company, treasury shares not carrying a dividend right).

The Annual General Shareholders' meeting of DIS further resolved the following: to grant discharge to the members of the Board of Directors for the proper exercise of their mandate for the fiscal year ended 31 December 2015, in accordance with applicable Luxembourg laws; to approve the aggregate fixed gross amount of the Directors' fees (tantièmes) for the 2016 fiscal year and acknowledge the Company's 2016 general remuneration policy as described in section I of the 2015 Board of Directors' report on remuneration drafted in compliance with article 123-ter, clause 6, of Italian Legislative Decree 58/98; to **approve the stock option plan** of the Company as illustrated in the Information Document and related report of the Board of Directors both approved on March 3, 2016 and available on the Company's web site; **to authorise the renewal of the authorization to the Board of Directors** of the Company to effect on one or several occasions – for the purposes illustrated in the report of the board of directors, as available on the Company website, and according to all applicable laws and regulations – **repurchases and disposals of Company shares on the regulated market** on which the Company shares are admitted for trading, or by such other means resolved by the Board of Directors during a period of five (5) years from the date of the current Annual General Shareholders' meeting, up to 42,851,356 ordinary shares of the Company, within a price range from: i) a price per share not lower than 10% below the shares' official price reported in the trading session on the day before carrying out each individual transaction; to ii) a price per share no higher than 10% above the shares' official price reported in the trading session on the day before carrying out each individual transaction.

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

	As at 31 March 2016			As at 4 May 2016		
	MR	**Handysize**	**Total**	**MR**	**Handysize**	**Total**
Owned	22.3	4.0	26.3	22.3	4.0	26.3
Time chartered	18.5	4.0	22.5	18.5	4.0	22.5
Total	40.8	8.0	48.8	40.8	8.0	48.8

Business Outlook

The Asian gasoil market is experiencing a shift against the usual seasonal flows. Gasoil import demand from the Middle East has yet to materialise. Despite refinery maintenance, China is expected to continue to export high levels of gasoil as stocks remain high but India is expected to continue importing significant volumes of gasoil as product demand rose to a record of 4.33 million b/d in March 2016 (driven by gasoline, even though diesel demand was also strong) while Thailand, another typical net exporter, is also likely to continue importing gasoil this month and next as low oil prices have boosted demand. The US Gulf to Europe diesel trade has started to ease as stocks in northwest Europe have risen to just under record levels, which is causing delays outside the major trading hub of Amsterdam-Rotterdam-Antwerp. However despite the narrower arbitrage, US refiners are still keen to continue exporting diesel across the Atlantic as runs have picked up ahead of anticipated gasoline demand. The gasoline market from Europe has had a slight revival. Imports into West Africa have picked up recently on the back of supply issues. The exports to United States East Coast have also improved as stock has finally had a marked stock draw. Imports to the US are currently in excess of 2 million b/d compared to 2.5 million b/d in April-June last year.

The key drivers that should affect the product tanker freight markets and d'Amico International Shipping performance are (i) Global oil demand (ii) worldwide GDP growth and (iii) the large modern fleet. The factors that could mitigate and partially off-set the current scenario for the Product Tanker demand and supply in the longer term are disclosed in more details below:

Product Tanker Demand

- The growth in global oil demand will ease to around 1.2 million b/d in 2016, below 2015's 1.8 million b/d expansion, as notable decelerations take hold across China, the United States and much of Europe. Preliminary Q1 2016 data according to the IEA reveal this is already occurring, with year-on-year growth down to 1.2 million b/d, after gains of 1.4 million b/d in Q4 2015 and 2.3 million b/d in Q3 2015;
- NON-OECD oil demand has already posted 3.3% growth this year up from the average of 2.5% in 2015;
- In the first quarter global refinery runs were up by 200,000 b/d 79.3 million b/d or 1.2 million b/d up on year-on-year (y-o-y). The forecast for the second quarter throughput has been revised up by 270,000 b/d, reaching 79.7 million b/d;
- U.S. exports have grown 112% from 1.91 million b/d in 2010 to an average 4.05 million b/d year to date. The U.S. is expected to add another 8-900,000 b/d refinery capacity in the next four years ;
- Saudi Arabia has added around 800,000 b/d of new refinery capacity in the last couple of years. Product exports from the Kingdom have doubled in the same period. They will add an additional 400,000 b/d of new refinery capacity by 2018;
- Kuwait exports of products on MR tankers has grown by a steady 3 to 4% over the last couple of years and is forecast to continue. Qatar product exports up 41% since 2013;
- Global petroleum product trade has grown on average 7% annually over the past 10 years, according to the latest figures from BP. Increasing ton mile, positive refining margins and higher runs have positively boosted Product tanker demand ;
- New refining projects coming on stream in Africa and Latin America have stalled meaning imports to both regions are expected to increase. Africa's refining capacity has changed very little over the past decade with current capacity of only 2.2 million b/d. Oil product imports to Africa are forecasted to increase 4% on average per annum over the next 5 years. This will primarily benefit MR tankers due to port restrictions ;
- China has emerged as a significant oil product exporter reaching 860,000 b/d by the end of last year. This is set to continue as domestic demand growth stalling for most products except gasoline;
- Seaborne trade thrives on the existence of mismatches—in the oil products sector these can be all of geographical, type of product produced/ demanded, quality and price. The global refinery map is constantly changing and bringing about product supply imbalances between regions. This could fundamentally lead to longer haul voyages effectively reducing the supply of tonnage. As these mismatches grow then the Product Tanker demand will increase.

Product Tanker supply

- The order book for MR tankers that is "scheduled" to be delivered in 2016 is according to various reports between 114 and 151;
- So far this year 37 ships in the MR sector have been delivered compared to 54 in the same period last year;
- As with 2015, 2016 is scheduled to have a relatively large amount of new buildings. However after 2016 the net growth in tonnage is slowing down;
- Slippage, cancellations and order changes have reduced deliveries by about 30% over the last 5 years ;
- The ordering of new tankers has slowed compared to previous years and is over 40% lower this year to date compared to the same period last year. Only 7 new orders for MR tankers has been placed so far this year;
- On average MR tankers are scrapped after 22-25 years. There are 201 ships older than twenty years of age or 10% of the existing fleet;
- Analysts have forecasted that the ton-mile growth continues to outpace growth in carrying capacity and that any additional tonnage should be absorbed;
- Port delays and increasing length of voyages have been a factor in trading product tankers and are effectively reducing the ready supply of tonnage.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

US$ Thousand	**Q1 2016**	**Q1 2015**
Revenue	93 374	102 002
Voyage costs	(18 294)	(25 034)
Time charter equivalent earnings	**75 080**	**76 968**
Time charter hire costs	(31 435)	(34 779)
Other direct operating costs	(18 128)	(17 241)
General and administrative costs	(3 979)	(3 434)
Other operating income	48	135
EBITDA	**21 586**	**21 649**
Depreciation	(8 863)	(9 628)
EBIT	**12 723**	**12,021**
Net financial income (charges)	(5 395)	(47)
Share of profit of associate	(20)	85
Profit / (loss) before tax	**7 308**	**12 059**
Income taxes	(117)	(699)
Net profit / (loss)	**7 191**	**11 360**
The net result is entirely attributable to the equity holders of the Company		
Earnings / (loss) per share [1]	**US$ 0.017**	**US$ 0.027**

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

US$ Thousand	**Q1 2016**	**Q1 2015**
Profit / (loss) for the period	7 191	11 360
Items that can subsequently be reclassified into Profit or Loss		
Cash flow hedges	(7 602)	(1 370)
Total comprehensive income for the period	(411)	9 990
The net result is entirely attributable to the equity holders of the Company		
Earnings / (loss) per share	US$ (0.001)	US$ 0.024

[1] In the first quarter of 2016 the earnings per share have been calculated on an average number of outstanding shares equal to 414,814,045 while in the first three months of 2015 it was calculated on an average number of outstanding shares of 414,389,474.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

US$ Thousand	As at 31 March 2016	As at 31 December 2015
ASSETS		
Tangible assets	800 485	770 738
Investments and other Non-current financial assets	4 065	4 504
Other Non-current financial assets	23 731	22 589
Total non-current assets	**828 281**	**797 831**
Inventories	8 880	10 276
Receivables and other current assets	41 792	55 334
Other current financial assets	904	1 038
Cash and cash equivalents	41 714	45 485
Total current assets	**93 290**	**112 133**
TOTAL ASSETS	**921 571**	**909 964**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share capital	42 851	42 284
Retained earnings	84 501	77 310
Other reserves	259 300	265 119
Total shareholders' equity	**386 652**	**384 713**
Banks and other lenders	412 831	381 017
Other non-current financial liabilities	20 914	15 320
Total non-current liabilities	**433 745**	**396 337**
Banks and other lenders	61 984	86 775
Payables and other current liabilities	30 474	33 233
Other current financial liabilities	8 364	8 547
Current tax payable	352	359
Total current liabilities	**101 174**	**128 914**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**921 571**	**909 964**

4 May 2016

On behalf of the Board

Paolo d'Amico
Chairman

Marco Fiori
Chief Executive Officer

CONSOLIDATED STATEMENT OF CASH FLOWS

US$ Thousand	Q1 2016	Q1 2015
Profit / (loss) for the period	**7 191**	**11 360**
Depreciation and amortisation	8 863	9 628
Current and deferred income tax	117	699
Financial charges	6 277	115
Fair value on foreign currency retranslation	(882)	(43)
Share of profit of associate	20	(85)
Other non-cash items	(21)	(20)
Cash flow from operating activities before changes in working capital	**21 565**	**21 654**
Movement in inventories	1 396	431
Movement in amounts receivable	13 542	(11 698)
Movement in amounts payable	(3 051)	4 480
Taxes paid	(74)	(12)
Net financial charges paid	(7 876)	(3 774)
Net cash flow from operating activities	**25 502**	**11 081**
Acquisition of fixed assets	(38 588)	(28 021)
Net cash flow from investing activities	**(38 588)**	**(28 021)**
Share Capital increase	2 921	405
Other changes in shareholders' equity	367	-
Treasury shares	(609)	-
Net movement in other receivables	(658)	-
Bank loan repayments	(102 404)	(41 136)
Bank loan draw-downs	109 698	38 200
Net cash flow from financing activities	**9 315**	**(2 531)**
Net increase/ (decrease) in cash and cash equivalents	**(3 771)**	**(19 471)**
Cash and cash equivalents at the beginning of the period	45 485	68 383
Cash and cash equivalents at the end of the period	**41 714**	**48 912**

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

US$ Thousand	**Share capital**	**Retained earnings**	**Other Reserves** *Other*	*Cash-Flow hedge*	**Total**
Balance as at 1 January 2016	**42 284**	**77 310**	**268 300**	**(3 181)**	**384 713**
Capital increase	567	-	2 354	-	2 921
Treasury shares	-	-	(609)	-	(609)
Other changes	-	-	38	-	38
Total comprehensive income	-	7 191	-	(7 602)	(411)
Balance as at 31 March 2016	**42 851**	**84 501**	**270 083**	**(10 783)**	**386 652**

US$ Thousand	**Share capital**	**Retained earnings**	**Other Reserves** *Other*	*Cash-Flow hedge*	**Total**
Balance as at 1 January 2015	**42 196**	**22 837**	**269 289**	**583**	**334 905**
Capital increase	88	-	317	-	405
Other changes	-	55	(182)		(127)
Total comprehensive income	-	11 360	-	(1 370)	9 990
Balance as at 31 March 2015	**42 284**	**34 253**	**269 424**	**(787)**	**345 173**

NOTES

d'Amico International Shipping S.A. (the "Company", DIS) a Sociéte Anonyme, was incorporated under the laws of the Grand-Duchy of Luxembourg on 9 February 2007; its statutory seat is in Luxembourg. The financial statements have been prepared in accordance with provisions of Art. 5 of the Luxembourg Law dated 11 January 2008, which transposed Directive 2004/109/EC of the European Parliament and of Council of 15 December 2004 in the harmonization of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market.

The financial statements d'Amico International Shipping Group are prepared in accordance with International Financial Reporting Standards (IFRS – International Financial Reporting Standards and IAS – International Accounting Standards) as issued by the 'IASB' (International Accounting Standards Board) and adopted by the European Union. The designation 'IFRS' also includes all 'IAS', as well as all interpretations of the International Financial Reporting Interpretations Committee 'IFRIC', formerly the Standing Interpretations Committee SIC as adopted by the European Union. The consolidated financial statements are prepared on the basis of historic cost convention, with the exception of certain financial assets and liabilities, which are stated at fair value through profit or loss.

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

The financial statements are expressed in U.S. Dollars, being the functional currency of the Company and its principal subsidiaries.

1. ACCOUNTING POLICIES

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

Basis of Preparation

The financial statements present the consolidated results of the parent company, d'Amico International Shipping S.A., and its subsidiaries for the period ended March 31st, 2016.

The interim condensed consolidated financial statements do not contain all information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2015.

Critical Accounting Judgments and Key Estimates

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

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, making the product tankers business a single segment.

Accounting principles

The accounting policies adopted are consistent with those of the previous financial year, except as described in the following paragraphs, which have a significant impact on the Group.

Accounting principles adopted from 1st of January 2016

No new accounting principles have been applied with respect to the 2015 consolidated financial statements.

Accounting principles, amendments and interpretations not yet effective

At the financial position date the following significant Standards and Interpretations, which are applicable to the Group, were in issue but not yet effective:

IFRS 15 – *Revenue from contract with customers*, was issued in May 2014 by the IASB, with the aim of bringing together the rules actually existing in various standards and to set-up a frame of basic principles to be applied to all categories of transactions including revenues, basically requiring a company to recognize revenue upon the transfer of *control* of goods or services to a customer at an amount reflecting the consideration expected to be received, in *five steps.* The guidance requires as well additional disclosure about the nature, amount, timing and certainty of revenues and cash-flows arising from contracts with customers. The standard will be effective from January 2017, although early adoption is permitted. IFRS 15 is not expected to have a significant impact on the net assets, financial position and results of operations of DIS Group, but will have a significant impact on the disclosures to be presented in the financial statements.

IFRS 9 – *Financial Instruments* was issued in July 2014 an it's not yet endorsed by the EU; it should be applied retrospectively in financial years from 1 January 2018; the enhancements introduced will replace the rules for the recognition and measurement of financial instruments as set out in IAS 39. In more detail, financial assets will be divided in two categories: the ones measured at amortised cost and those measured at fair value, the first group comprising those financial assets for which the contractual terms give rise on specific dates to cash-flows that are solely payment of principal and interest and for which the business model is to hold them for collecting the contractual cash-flows; the second group will entail all other financial assets (fair value measurement). While the rules applied to financial liabilities are mostly the same as set out in IAS 39, amended guidance is introduced on the classification through other comprehensive income of modification in the fair value of certain debt instruments, depending on the own credit risk, that is, the changes in the amount of fair values of the liability will be split into the amount of the change that is attributable to the changes in the credit risk of the liability – to be presented in other comprehensive income – and the remaining amount of the change in the fair value of the liability, which shall be presented in the statement of profit or loss.

2. COMMITMENTS AND CONTINGENCIES

Capital commitments

As at March 31 2016, the Group's capital commitments amounted to US$ 306.1 million, of which payments over the next 12 months amounted to US$ 115.8 million.

US$ Million	**As at 31 March 2016**	**As at 31 December 2015**
Within one year	115.8	126.9
Between 1 – 3 years	190.3	215.0
Between 3 – 5 years	-	-
More than 5 years	-	-
	306.1	341.9

Capital commitments relate to the payment for: 3 Hyundai-Mipo dockyard 39,000 dwt Product/chemical tanker newbuilding vessels, 2 Hyundai-Mipo dockyard 50,000 dwt Product/chemical tanker newbuilding vessels and 6 Hyundai-Mipo dockyard 75,000 dwt Product/chemical tanker newbuilding vessels. All DIS newbuilding vessels are expected to be delivered between Q2 2016 and Q3 2018.

4 May 2016

On behalf of the Board

Paolo d'Amico
Chairman

Marco Fiori
Chief Executive Officer

The manager responsible for preparing the company's financial reports, Marco Fiori, in his capacity of Chief Executive Officer of the Company, declares that the accounting information contained in this document corresponds to the results documented in the books, accounting and other records of the Company.

Marco Fiori
Chief Executive Officer