Q1 2014 Results Presentation

d’Amico International Shipping

May 7th, 2014

d’Amico
INTERNATIONAL SHIPPING S.A.

AGENDA.

- Executive Summary
- Highlights
- Financial Results
- Product Tanker Market & Outlook
- Appendix

EXECUTIVE SUMMARY. Temporary turbulence

- **Q1'14 Financial Results – Time charter equivalent earnings** of US$ 46.5m, **EBITDA** of US$ 3.8m and **Net Loss** of US$ 6.8m in Q1'14 mainly due to:

    - **Temporary turbulence in the Product tanker market** – Weaker than expected US oil product export mainly due to a harsh winter in the US and a closure of several American refineries for maintenance

    - **Weaker than expected US GDP** – Forecasts of 1.3% growth vs first actual estimate of 0.1%, mainly due to severe winter conditions in large parts of the Country. These are seasonal effects that are expected to reverse in the short term, with the USA leading again the market recovery

    - **Weaker than expected Chinese economy** – Although Q1 GDP data was slightly better than expected, it was still weak (5.4% qoq). However the Government is trying to sustain growth through a series of measures including: interest rates reduction, loan incentives, widening of CNY band to weaken the currency and stimulate exports, in-land infrastructure plan and tax benefits

    - **Lower USD Swap rate** - negative impact of US$ 2.4m on the mark to market valuation on some pre-hedge IRS on DIS' newbuilding loan facilities due to the lower 10y US dollar swap market range. Going forward should the current growth expectations for the US economy be confirmed, the US dollar interest rate should find a higher and more appropriate market range

General economic turbulence in Q1'14 seasonally affected the Product tanker market but the scenario is expected to improve again soon

EXECUTIVE SUMMARY. How DIS faces the turbulence

- **Coverage** – DIS was able to mitigate the short term weakness of the market thanks to a high coverage ratio of 56% at an avg. daily rate of US$ 14,770
- **Spot strategy** – DIS managed to reposition a large part of its fleet in the Atlantic area in order to be ready to take full advantage of the market rebound expected from that region
- **Fleet valuation** – A very conservative fleet valuation, allows potential capital gains for DIS even during temporary downturns (agreed sale of a further vessel in March ’14, expected to generate a Capital gain of over US$ 6m in Q2’14)
- **Constant focus on generating value for DIS shareholders** – Dividend distribution policy of up to 50%, NAV increased by 46% in the last 12 months, Market cap increased by 60% in the last 12 months

DIS strategy has proven once again to be successful even in this challenging market scenario

Highlights

HIGHLIGHTS. Main events

- **New-building plan** – Order of 2 additional MR 'ECO Design' ships in April'14 at Hyundai Mipo South Korea, at US$ 36.6m and expected to be delivered respectively in Q4'16 and Jan.'17. Addition of 1 further MR 'ECO Design' ship to DIS' orderbook (without novating its contract to Hudson Partners LLC) at US$ 35.5m. DIS' orderbook currently comprises of 16 vessels (including 1 ship owned by a JV, 33% controlled by DIS). 4 newbuilding vessels already delivered to DIS at the beginning of 2014 and 3 more expected to be delivered in the rest of the year

- **Time Charter-Out Fleet** – New TC agreement on 1 newbuilding vessel expected to be delivered in Q3'14 with a leading refining Company for a period of 2y at very profitable daily rates. New TC agreement on the newbuilding vessel owned by a JV, 33% controlled by DIS, expected to be delivered in Q2'14 with a leading refining Company for a period of 3y at very profitable daily rates

- **Time Charter-In Fleet –** Delivery in Jan.'14 of 1 MR vessel for a 3y TC period with an option for further 2y. Extension until Jul.'15 of a TC-In contract on 1 MR vessel. Re-delivery of 2 MR TC-In vessels at the expiration of the contract

- **Sales** – DIS Fleet renewal plan continued through the sale of M/T Cielo di Parigi, a Handysize vessel built in 2001, at the price of US$ 13.6m. The vessel was delivered to the buyers in April'14, generating an estimated capital gain of c.a. US$ 6m which will benefit Q2'14 results

- **DIS Warrants 2012 – 2016** – The first exercise period of the 'd'Amico International Shipping Warrants 2012 – 2016' ended on Jan 31st '14. 186,226,599 Warrants were exercised at a price of Euro 0.36 per ordinary share newly issued by DIS for a total counter-value of EUR 22.5m. After the current capital increase DIS' share capital amounts to US$ 42,195,530.70 divided into 421,955,307 ordinary shares with no nominal value

- **Accelerated Bookbuilding Procedure** – d'Amico International S.A. sold through a private placement n. 42.195.531 of DIS' ordinary shares (10% of the capital shares) at the price of 0.695 euro. The Placement was addressed to qualified institutional investors in Italy and abroad, to support and increase the market liquidity of the Company, following the growing interest showed by the financial market

HIGHLIGHTS. Products tankers market

- **Spot returns** – In Q1 Product tanker spot earnings weakened from the end of 2013. Rates were supported by stock taking in Asia ahead of planned refinery maintenance and an increase in exports from the United States Gulf

- **Increase in Global Oil Product demand** – Growth of around 1.4mb/d is forecast for 2014, to 92.7mb/d, as the macroeconomic backdrop improves. Emerging markets, despite their recent volatility, are forecast to provide the majority of this growth, with non-OECD Asia accounting for roughly half of the gain

- **Product stocks** – Total oil inventories dropped at the end of the quarter, and the yearly deficit widened to a massive 76.35mb (5.5%). Stocks of crude and 3 main products fell substantially, and the year-on-year shortfall increased considerably to a large 53.85mb (4.9%)

- **Rising Product Tanker demand** – Forward demand looks to improve in the second half of 2014 and 2015

- **Increase in Product Tanker supply** – Strong ordering of Product tankers has taken place over the last two years. Interest in any further new buildings has slowed as investors look to other sectors and available yard capacity is minimal over the next few years. 25 MR tankers were delivered in Q1 2014

DIS. Fleet profile

DIS Fleet[2]

	Mar. 31st, 2014			
	MR	Handy	Total	%
Owned	17.0	3.0	20.0	*51%*
Time chartered-in	17.5	2.0	19.5	*49%*
TOTAL	**34.5**	**5.0**	**39.5**	***100%***

- DIS controls a modern fleet of 39.5 product tankers
- Flexible and double-hull fleet – 63.4% IMO classed, with an average age of 5.7 years (industry average 9.5 years[1])
- Fully in compliance with very stringent international industry rules
- Long term vetting approvals from the main Oil Majors
- 15.3 Newbuildings 'ECO' Vessels already ordered and expected to be delivered in 2014/2017 of which 4 already delivered in Q1'14 and 3 more expected to be delivered in the rest of 2014
- DIS strategy to maintain a top-quality TC coverage book, by fixing its 'Eco' newbuilding vessels with the main Oil Majors which currently require only these types of efficient ships. At the same time, DIS older tonnage will be concentrated on the spot market

Well-balanced, flexible and competitive business model to maximize returns in a rapidly growing market scenario

1. Source: Clarkson Research Services as at Apr.'14
2. Actual number of vessels at the end of Mar.'14

DIS HIGHLIGHTS. New-Building project

New-Building Project

- **Large newbuilding program:**

  Tot. N. of ordered vessels – 6 Handysize Product Tanker Vessels and 9.3 Medium Range Product Tanker Vessels

  Total Capex Plan – US$ 490.7m

  Financing – Capex plan already largely financed[2] with main financial institutions at very attractive terms - 65% bank debt and 35% equity

  Expected delivery – 2014/2015/2016/2017

  Employment - TC-Out contracts at very attractive rates already fixed with two main Oil-majors and one leading Refining company, for 5y fixed period on 4 vessels, for 3y fixed period on 3 vessels and for 2y fixed period on a further vessels

- **Important efficiency benefits 'ECO Design' Newbuilding Program:**

  TCE Earnings benefits – ~ US$ 1m[1]/year or US$ 4.000[1]/day of voyage costs savings per 'ECO' vessel

  Cost savings – Newbuilding vessels have lower operating expenses

  Commercial benefits – Preference by the Oil Majors for 'ECO design' Vessels

Strong growth through ECO vessels, which will generate huge costs savings and are set to be the future of the Industry

1. The design is the utmost HMD concept of hull shape and propulsion efficiency leading to a fuel saving of 6 -7 T/day compare to the average consumption of world existing MR fleet and based on a 270 operating days and an avg bunker price of US$ 650 /tonne
2. Excluding the last 7 vessels ordered

Financial Results

FINANCIAL RESULTS. Q1 2014 Results

(US$ million)	Q1 2013[1]	Q1 2014
TCE Earnings	**50.1**	**46.5**
EBITDA	**10.7**	**3.8**
EBITDA Margin	*21%*	*8%*
EBIT	**3.0**	**(4.2)**
Net Profit (Loss)	**3.2**	**(6.8)**

- **TCE Earnings** – **US$ 46.5m** in Q1'14, decreased compared to last year as the result of seasonal effects which have temporarily affected the whole product tanker industry and are expected to reverse going forward in the year. These negative factors were mainly represented by the harsh winter in the US and the closure of several refineries in the US Gulf for maintenance, with the consequent fall in American exports

- **EBITDA** – **US$ 3.8m in Q1'14.** This result was mainly driven by the decrease in TCE Earnings and partially to higher hire costs due to a greater number of TC-In vessels and higher G&As due to an increased commercial activity in the USA, key market for the Product tanker Industry

- **Net Result** – Loss of **US$ 6.8m** in Q1'14 affected also by the negative impact of US$ 2.4m on the mark to market valuation on some pre-hedge IRS on DIS' newbuilding loan facilities due to the lower 10 years US dollar swap market range. Going forward should the current growth expectations for the US economy be confirmed, the US dollar interest rate should find a higher and more appropriate market range

Q1'14 weaker than expected Product tanker market has not changed the general positive sentiment on the medium/long term perspectives

1. Following application of the new IFRS 10 and IFRS 11, figures previously reported for Q1 2013 have been restated. Compared to figures previously reported, the net profit was reduced US$ 4.4 million

FINANCIAL RESULTS. Key Operating Measures

Key Operating Measures	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014
Avg. n. of vessel	38.5	38.6	36.7	36.2	39.6
Fleet contact coverage	39.8%	41.5%	51.9%	55%	56.1%
Daily TCE Spot *(US$/d)*	**14,272**	**13,929**	**13,678**	**12,842**	**12,191**
Daily TCE Covered *(US$/d)*	15,620	15,127	14,832	14,809	14,770
Daily TCE Earnings *(US$/d)*	14,808	14,427	14,277	13,924	13,637

- **Daily TCE Spot** of **US$ 12,191** in Q1'14 vs. US$ 14,272 in Q1'13 due to the weaker than expected Product tanker market, temporarily experienced in the US Gulf. However DIS believes the market recovery will be led by the USA and has already repositioned most of its vessels in that area
- Proven commercial strategy of DIS allowed to mitigate the short term weakness of the market thanks to a high coverage of **56%** at an avg daily rate of US$ 14,770. Also, 50% of DIS' newbuilding orderbook has alread been fixed on long term TC contracts with 2 Oil Majors and a leading Refining Company, all at very profitable levels

The industry fundamentals remain very strong for product tankers, thanks especially to the growing product exports from the USA. In this context, DIS is perfectly positioned to maximise any market improvement

FINANCIAL RESULTS. Net Financial Position

(US$ million)	Dec. 31st, 2013[1]	Mar. 31st, 2014
Gross debt	(218.9)	(296.3)
Cash/Current fin.assets	34.5	51.2
Net financial position	**(184.4)**	**(245.1)**

- **NFP** of **US$ (245.1)m** at the end of Q1'14 with US$ 93m investments made in the quarter (Net Debt/Equity: 70%)
- **Cash resources of US$ 51.2m** at the end of Q1'14 thanks especially to US$ 30.5m arising from the first exercised period of DIS' warrants
- **US$ 93m investments** in Q1'14 (US$ 25.2m in Q1'13), in connection with the instalments paid on the newbuilding vessels recently ordered at Hyundai-Mipo, including 4 ships delivered in Q1'14
- **NAV of US$ 374.6m** (owned fleet mkt value less net debt) at the end of Q1'14 incresead by 46% compared to the same period of last year, and **Fleet mkt value of US$ 619.7m**

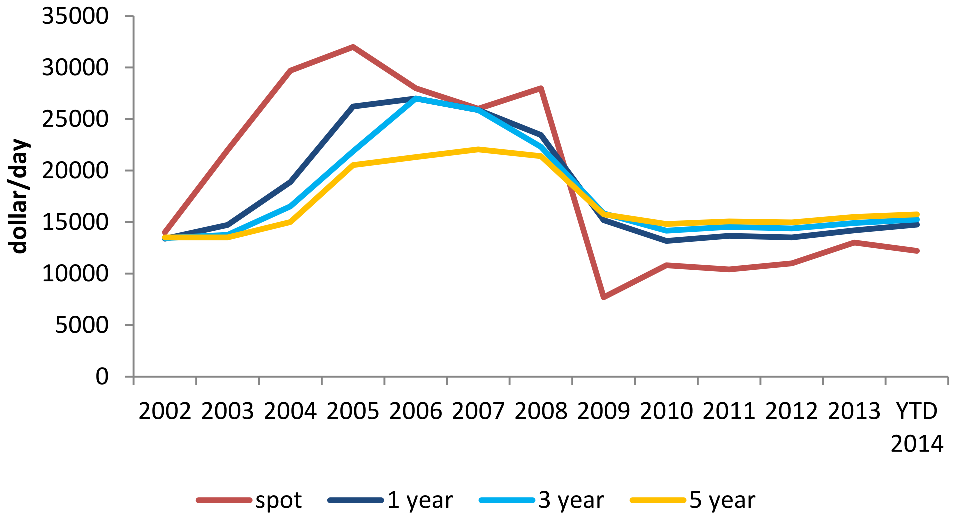
Solid financial structure to fuel DIS US$ 490.7m investment plan. Strong increase in NAV in the last 12 months

1. Following application of the new IFRS 10 and IFRS 11, figures previously reported for year end 2013 have been restated: net financial indebtedness was reduced US$ 40.0 million

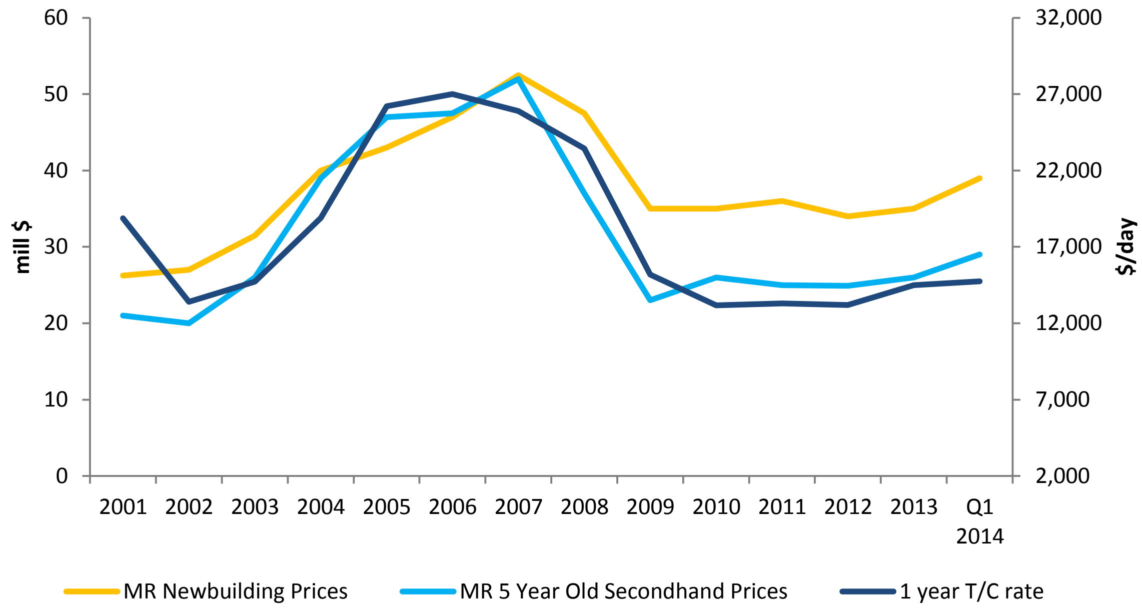
Product Tanker Market & Outlook

MARKET OVERVIEW. Earnings & vessels price

Average Rates for MR[1] Product Tankers *(US$)*



New-building/secondhand values 2001 - 2014



- Overall, product tanker spot earnings weakened from the end of 2013. Fundamentally there was an increase in Product tanker demand that was entirely met by an increase in supply of available ships. In fact, exports of products increased from the United States Gulf Coast and an improvement in imports into the United States Atlantic Coast would have normally had a positive impact on rates but was countered by a robust availability of suitable ships

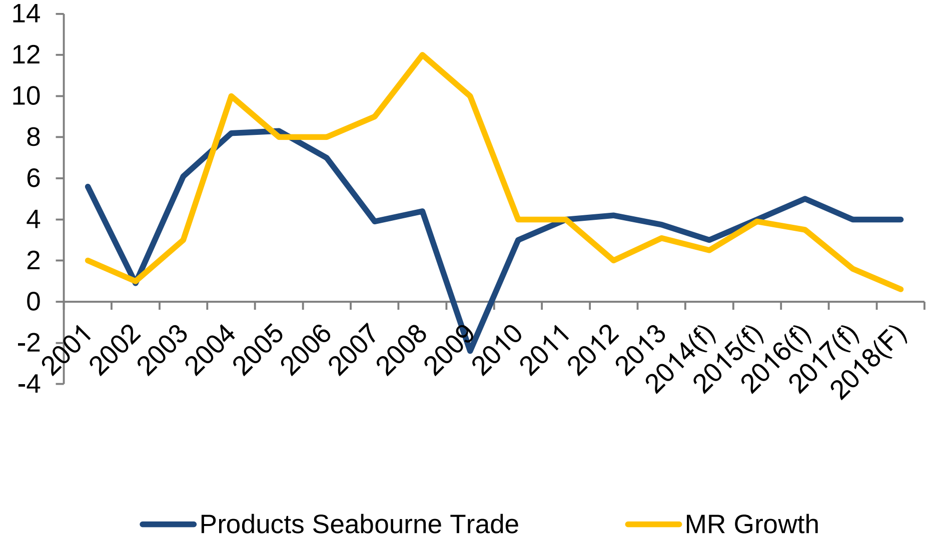
- Spring refinery maintenance has peaked at around 8mb/d globally. North America refinery capacity offline only edged up slightly in early April to a high of 2.1 mb/d. Of this total offline capacity around 8.4% was due to unforeseen events. Western Europe’s refinery capacity offline decreased during in April, by 174,000b/d (10.5%) to 1.5mb/d

- Despite the current state of the Product tanker market, average new building and second hand prices had maintained their firm levels and the one year charter rate has not changed to any degree from the end of 2013

1. Source: Clarkson as at Apr ’14

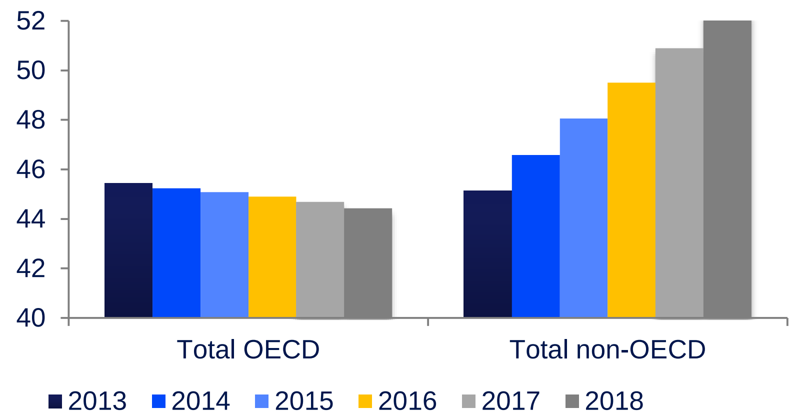
DEMAND / SUPPLY. "Balance"

Tonne mile demand %[1]



Global Oil Demand[1] 2013 – 2018

Million barrels p/d

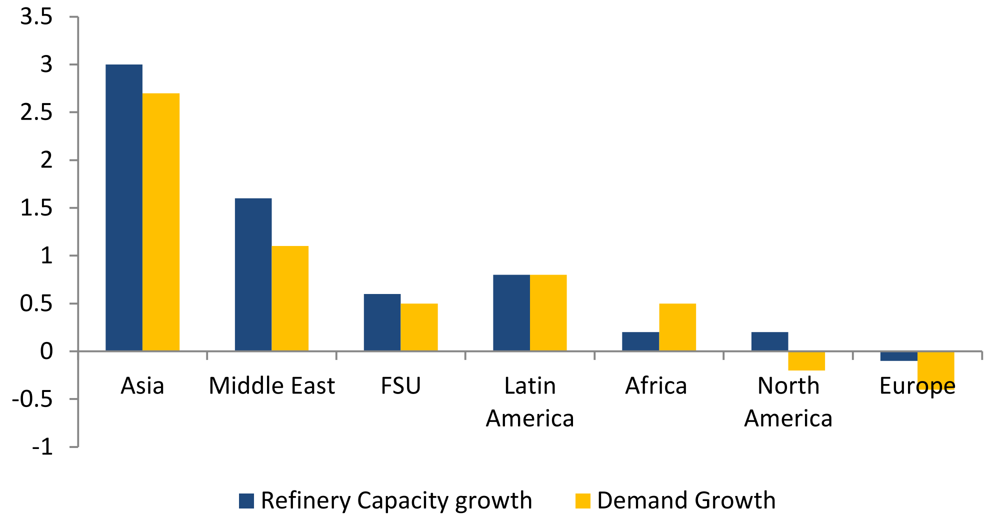


- The expected CAGR for Product tanker demand varies from between 4% and almost 7% over the next five years. Based on the lower case we will have a relatively stable balance over the next couple of years and an improvement, as the gap between demand and supply growth widens as new buildings decline
- Despite the increase in ordering in the MR sector the expected yearly net growth should not exceed 4% should the current level of scrapping be maintained
- China will add 500,000 b/d of new refining capacity. Falling domestic demand for distillates has led to exports under Government licenses. Exports are set to increase by as much as 300,000 b/d over the next two years

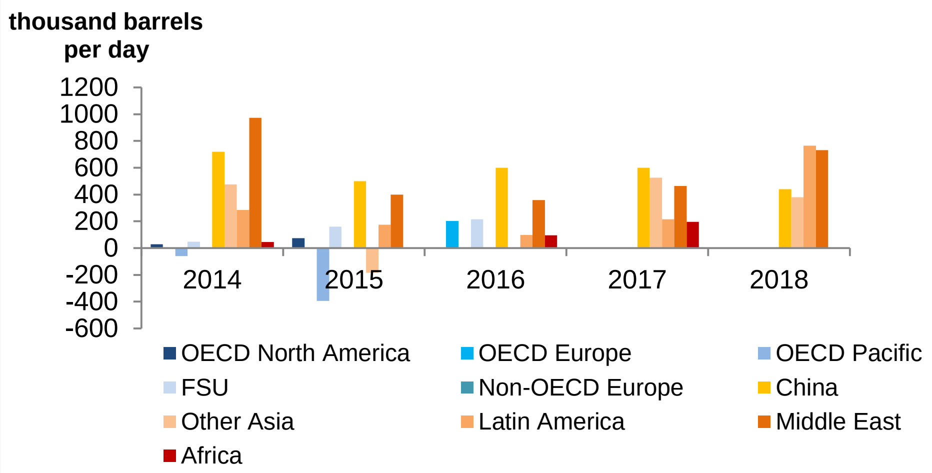
1. Source: Odin Marine, Banchero Costa SSY, Icap, d'Amico
2. Source: International Energy Agency Medium-Term Oil Market Report, Jul.'13

GROWTH IN REFINERY CAPACITY AND OIL DEMAND.

Refinery growth versus Demand
mb/d



Capacity additions 2014-2018 by region



- China will add about 500,000 b/d of new refining capacity this year. Falling domestic demand for distillates has led to exports under Government licenses. Exports are set to increase by as much as 300,000 b/d over the next two years. In 2013 China exported around 700,000 b/d of products

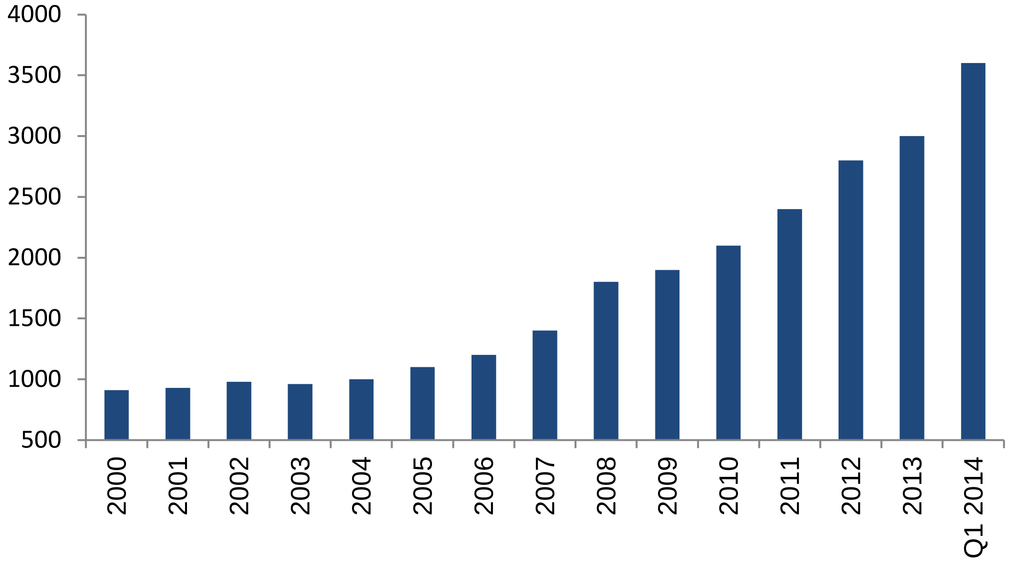
- Middle East refinery capacity will increase by 1.2mb/d by the end of 2015. Even if domestic demand increases by 3% middle distillates export are set to increase by about 400,000 b/d

- A total of just below 10mb/d of new refining capacity will be added between 2014 and 2020. Of which over two thirds will be added in the Middle East and Asia. These are highly cost efficient refineries and are likely to run at high utilisation rates irrespective of domestic demand

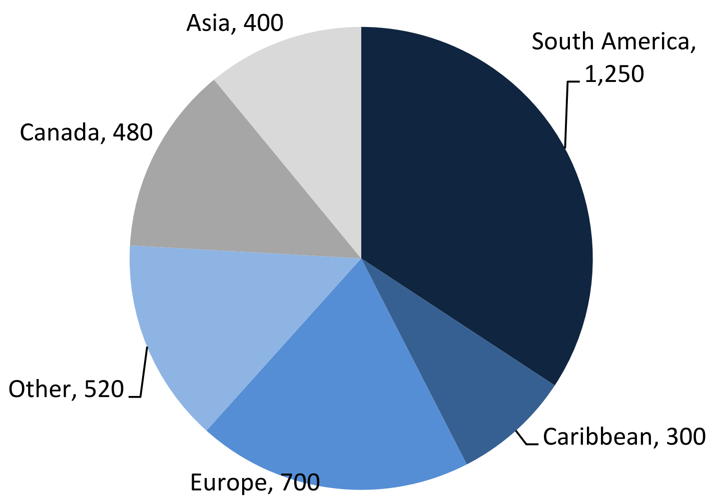
1. Source: International Energy Agency Medium-Term Oil Market Report, July ‘13

UNITED STATES. Petroleum Market

US Products exports (000'b/d)



Principle export destinations (000' b/d)



- The United States refined product exports averaged 3mb/d in 2013. Exports for Q1 2014 was on average 3.6mb/d, primarily to South America and Europe

- The US currently exports on average 1.25mb/d to South America. 700,000 b/d to Europe, 300,000b/d to the Caribbean and 480,000 b/d to Canada. Another export market that has seen exceptional growth recently is Naphtha exports to Asian Petrochemical markets. Japan and South Korea account for 42% of the world naphtha imports

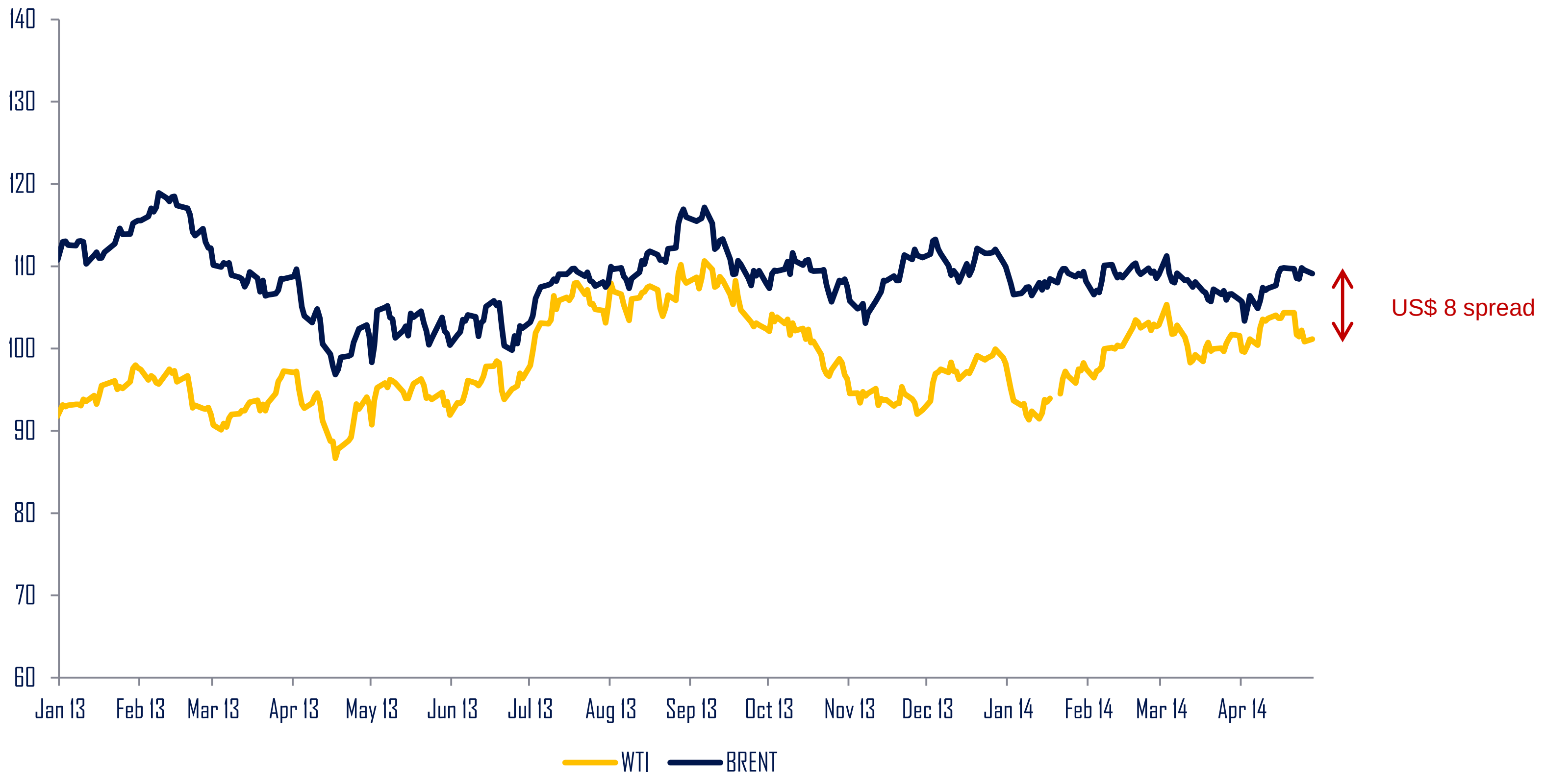
- Naphtha exports in January 2014 reached on average 190,000b/d of which about 100,000b/d was destined for Asia. Total Middle distillates including Jet fuel exports reached 1.3mb/d on average in January 2014. Jet fuel exports were up 25% year on year in Jan. 2014

1. Source: Energy Information Administration, DOE Petroleum Monthly and Argus Feb '14

WTI-BRENT. Crude Oil Spread

WTI – Brent Crude Oil Spread

(US$ per barrel)



WTI – Brent spread widens to around US$ 8 per barrel, a relatively high level, increasing product exports from the US. The larger is the spread the further distant American refine products are competitive

1. Source: EIA, US Energy Information Administration

DIS MARKET OPPORTUNITIES.

In order to summarize:

- Strong trend of refineries shifting towards oil production areas, especially in Asia and the Middle East, should lead to an increase in product tankers demand
- Time Charter rates have remained stable and asset values have followed the same trend
- Tonne-mile improvement should absorb the supply of tonnage
- Increase of world oil demand still supported mainly by non-OECD countries (South America, sub-Sahara Africa, China and India)
- Scrapping of old tonnage should help manage the net growth of New Buildings coming to the Market
- In house Ship management enables DIS to tackle the ever increasing challenges that face the product tanker market

DIS as a pure Product Tanker player is well positioned in the Product market to take advantage of current and future market opportunities and confirms its positive outlook on the Product Tankers market in the medium / long term

1. Source: RS Platou, Clarkson

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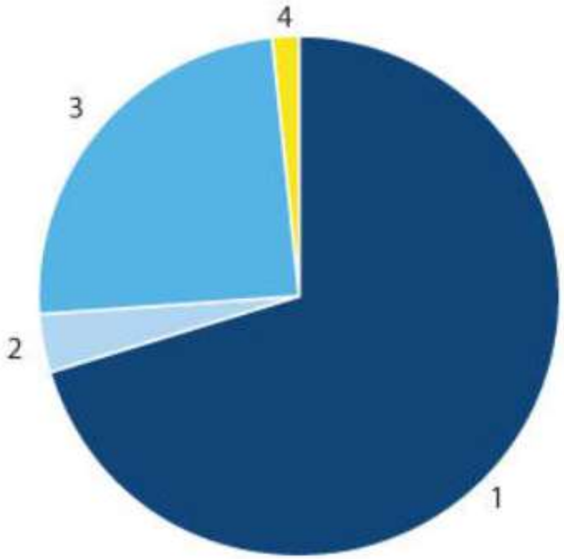
Appendix

d'Amico International Shipping S.A.

DIS'SHAREHOLDINGS STRUCTURE.

Key Information on DIS' Shares

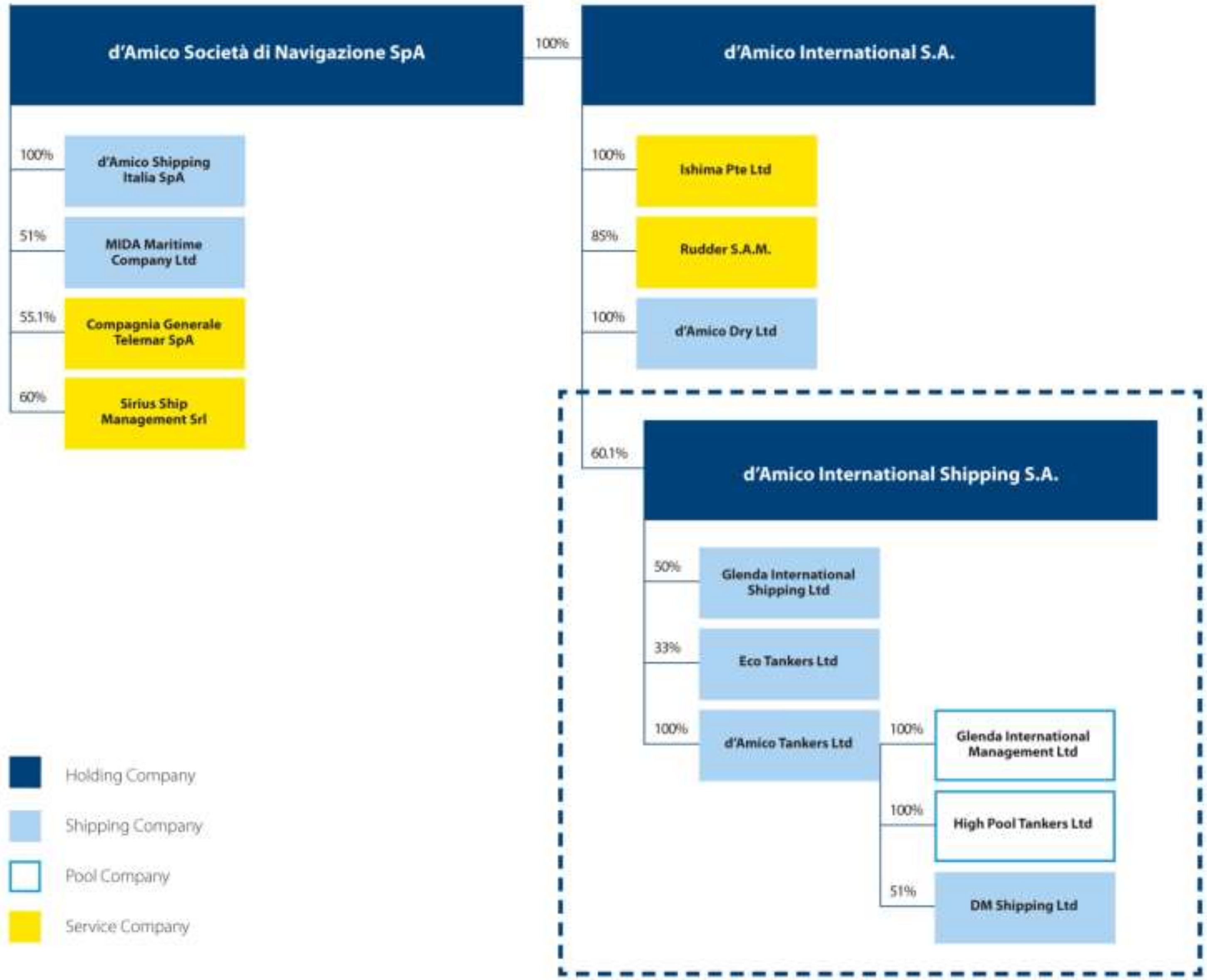


1	d'Amico International SA	60.1%
2	Oceanic Opportunities Master Fund L.P.	3.59%
3	Others	35.11%
4	d'Amico International Shipping S.A.	1.20%

Listing Market	Borsa Italiana, STAR
No. of shares	421,955,307
Market Cap[1]	€ 271.2 million
Shares Repurchased / % of share capital	5,090,495 / 1.20%

1. Based on DIS' Share price on Mary 2nd, 2014, of € 0.6505

D'AMICO'S GROUP STRUCTURE.



DIS benefits from the support of d'Amico Società di Navigazione S.p.A.

DIS'CURRENT FLEET OVERVIEW.

MR Fleet

Owned	Tonnage (dwt)	Year Built	Builder, Country	Interest[1]	IMO Classified
High Discovery	50,036	2014	Hyundai MIPO, South Korea	100%	IMO II/IMO III
High Freedom	49,990	2014	Hyundai MIPO, South Korea	100%	IMO II/IMO III
High Tide	51,768	2012	Hyundai MIPO, South Korea	100%	IMO II/IMO III
High Seas	51,678	2012	Hyundai MIPO, South Korea	100%	IMO II/IMO III
GLENDA Melissa[3]	47,203	2011	Hyundai MIPO, South Korea	100%	IMO II/IMO III
GLENDA Meryl[4]	47,251	2011	Hyundai MIPO, South Korea	50%	IMO II/IMO III
GLENDA Melody[3]	47,238	2011	Hyundai MIPO, South Korea	100%	IMO II/IMO III
GLENDA Melanie[4]	47,162	2010	Hyundai MIPO, South Korea	50%	IMO II/IMO III
GLENDA Meredith[4]	46,147	2010	Hyundai MIPO, South Korea	50%	IMO II/IMO III
High Strength[2]	46,800	2009	Nakai Zosen, Japan	100%	-
GLENDA Megan[3]	47,147	2009	Hyundai MIPO, South Korea	100%	IMO II/IMO III
High Efficiency[2]	46,547	2009	Nakai Zosen, Japan	100%	-
High Venture	51,087	2006	STX, South Korea	100%	IMO II/IMO III
High Prosperity	48,711	2006	Imabari, Japan	100%	-
High Presence	48,700	2005	Imabari, Japan	100%	-
High Priority	46,847	2005	Nakai Zosen, Japan	100%	-
High Progress	51,303	2005	STX, South Korea	100%	IMO II/IMO III
High Performance	51,303	2005	STX, South Korea	100%	IMO II/IMO III
High Valor	46,975	2005	STX, South Korea	100%	IMO II/IMO III
High Courage	46,975	2005	STX, South Korea	100%	IMO II/IMO III
High Endurance	46,992	2004	STX, South Korea	100%	IMO II/IMO III
High Endeavour	46,992	2004	STX, South Korea	100%	IMO II/IMO III
Time charter with purchase option	**Tonnage (dwt)**	**Year Built**	**Builder, Country**	**Interest[1]**	**IMO Classified**
High Enterprise	45,800	2009	Shin Kurushima, Japan	100%	-
High Pearl	48,023	2009	Imabari, Japan	100%	-
Time charter without purchase option	**Tonnage (dwt)**	**Year Built**	**Builder, Country**	**Interest[1]**	**IMO Classified**
Ocean Leo	47,367	2010	Onimichi Dockyard, Japan	100%	-
Carina	47,962	2010	Iwagi Zosen Co. Ltd., Japan	100%	-
Orient Star	45,994	2010	Shin Kurushima, Japan	100%	-
High Force	53,603	2009	Shin Kurushima, Japan	100%	-
Eastern Force	48,056	2009	Imabari, Japan	100%	-
High Saturn	51,149	2008	STX, South Korea	100%	IMO II/IMO III
High Mars	51,149	2008	STX, South Korea	100%	IMO II/IMO III
High Mercury	51,149	2008	STX, South Korea	100%	IMO II/IMO III
High Jupiter	51,149	2008	STX, South Korea	100%	IMO II/IMO III
Freja Hafnia	53,700	2006	Shin Kurushima, Japan	100%	-
Citrus Express	53,688	2006	Shin Kurushima, Japan	100%	-
High Glow	46,846	2006	Nakai Zosen, Japan	100%	-
Baizo	44,997	2004	Onimichi Dockyard, Japan	100$	-

1. DIS' economical interest
2. Vessels owned by DM Shipping Ltd. In which DIS has 51% interest and Time chartered to d'Amico Tankers Ltd.
3. Vessel owned by GLENDA International Shipping Ltd. In which DIS has 50% interest and Time Chartered to d'Amico Tankers Ltd.
4. Vessel owned by GLENDA International Shipping Ltd. In which DIS has 50% interest

DIS'CURRENT FLEET OVERVIEW. (CONT'D)

Handy Fleet

Owned	Tonnage (dwt)	Year Built	Builder, Country	Interest[1]	IMO Classified
Cielo di New York	39,990	2014	Hyundai MIPO, South Korea	100%	IMO II/IMO III
Cielo di Gaeta	39,990	2014	Hyundai MIPO, South Korea	100%	IMO II/IMO III
Cielo di Salerno	36,032	2002	STX, South Korea	100%	IMO II/IMO III
Cielo di Parigi	36,032	2001	STX, South Korea	100%	IMO II/IMO III

Time charter with purchase option	Tonnage (dwt)	Year Built	Builder, Country	Interest[1]	IMO Classified
Marvel	38,435	2008	Guangzhou, China	100%	IMO II/IMO III

Time charter without purchase option	Tonnage (dwt)	Year Built	Builder, Country	Interest[1]	IMO Classified
Cielo di Guangzhou[2]	38,877	2006	Guangzhou, China	100%	IMO II

1. DIS' economic interest
2. Bare Boat vessel

DIS'NEW BUILDING PROGRAM.

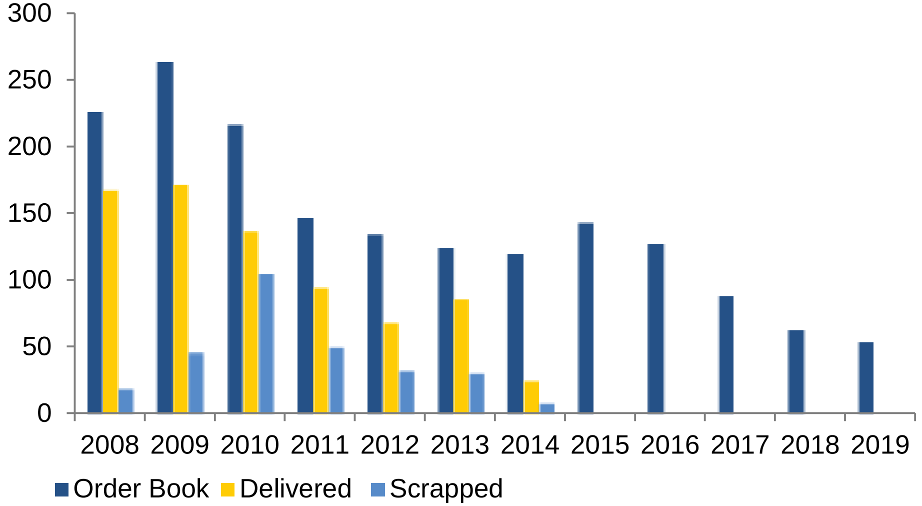
Name of vessel / Hull Number	Estimated tonnage (dwt)	MR/Handysize	Estimated delivery date	Builder, Country	Interest[1]
Owned					
2014					
2387 – Tbn	50,000	MR	Q4-2014	Hyundai MIPO, South Korea	100%
408 – Tbn[2]	50,000	MR	Q2-2014	Hyundai MIPO, South Korea	33%
409 – Tbn	50,000	MR	Q3-2014	Hyundai MIPO, South Korea	100%
2015					
2388 – Tbn	50,000	MR	Q1-2015	Hyundai MIPO, South Korea	100%
410 – Tbn	50,000	MR	Q4-2015	Hyundai MIPO, South Korea	100%
420 – Tbn	39,000	Handysize	Q4-2015	Hyundai MIPO, South Korea	100%
2016					
411 – Tbn	50,000	MR	Q1-2016	Hyundai MIPO, South Korea	100%
421 – Tbn	39,000	Handysize	Q1-2016	Hyundai MIPO, South Korea	100%
422 – Tbn	39,000	Handysize	Q2-2016	Hyundai MIPO, South Korea	100%
423 – Tbn	39,000	Handysize	Q3-2016	Hyundai MIPO, South Korea	100%
424 – Tbn	50,000	MR	Q4-2016	Hyundai MIPO, South Korea	100%
425 – Tbn	50,000	MR	Q1-2017	Hyundai MIPO, South Korea	100%

1. DIS' economical interest
2. 408 – Tbn is owned by Eco Tankers Limited, a JV with Venice Shipping and Logistics S.p.A. in which DIS has 33% interest

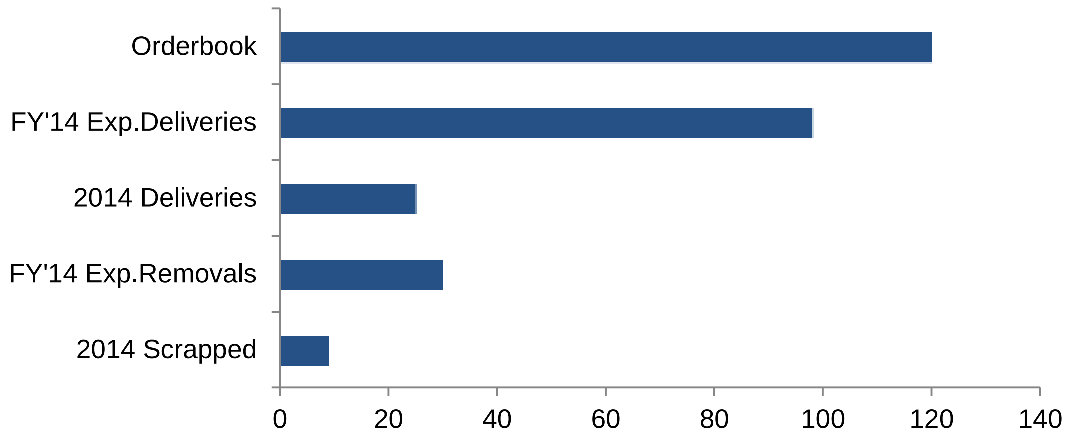
SUPPLY. Slippage & net fleet growth

- About 25 MR Product tankers have been delivered in Q1'14. About 10 tankers were permanently removed, with an average age of 24 years
- The order book for delivery for this year ranges from 90 – 150 ships, however based on historical figures for the last couple of years we would expect between 90-100 ships delivered this year with similar number for 2015 and 2016
- Despite the fact that the MR fleet has a relatively young average age of 8.8 years there are 319 ships over the age of 15 years of which 166 are over 20 years old and 66 over 25 years old. Based on average age for scrapping product tankers we would expect around 300 ships to be removed in the next 5 years tempering net growth

Net MR[1] fleet growth 2007 - 2019



Order book vs. deliveries - MR[1] Tankers



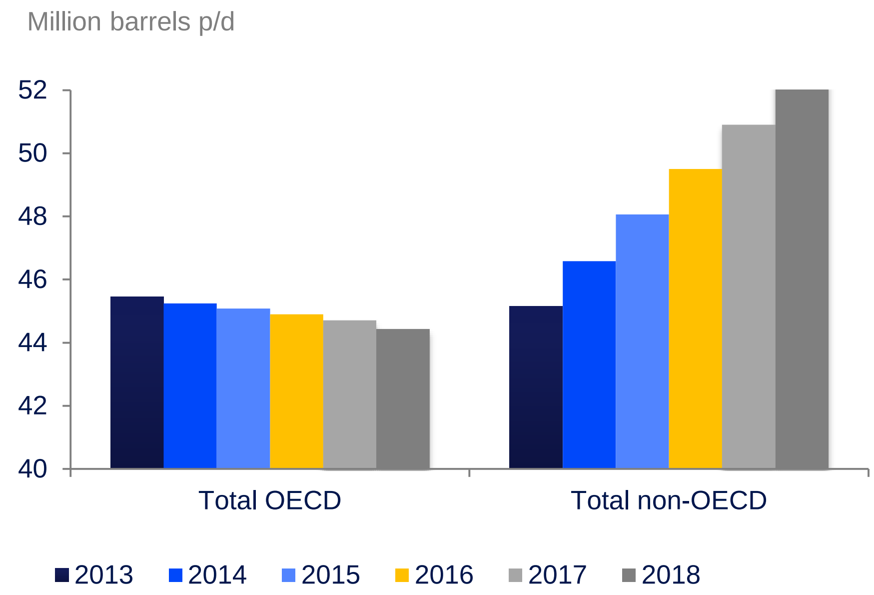
The average slippage has been around 35 percent over the last 5 years

1. MR product tankers ranging from 25,000 to 55,000 dwt. Source: Clarkson, ICAP, SSY, Braemar and Gibson search
2. MR product tanker fleet Source Carkson

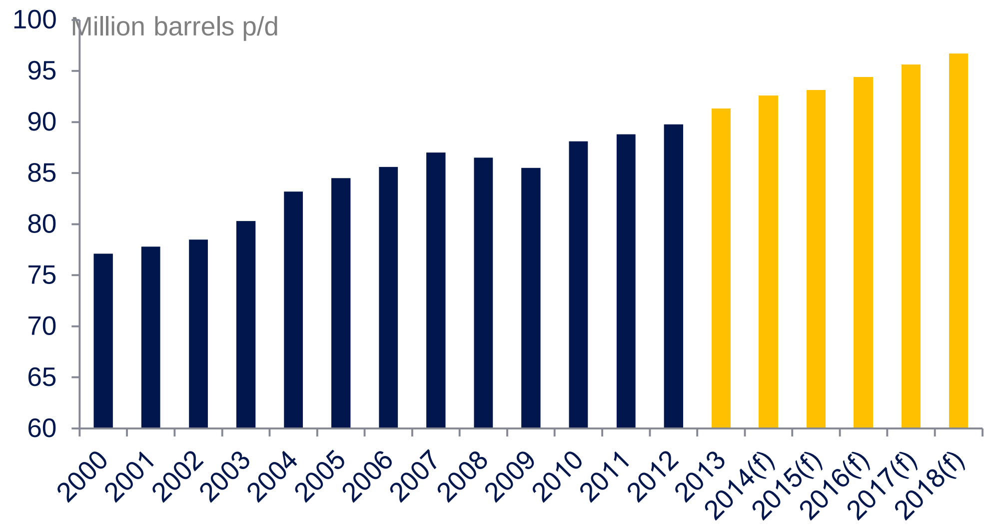
DEMAND. Growth

- Increase in global Oil Product demand growth of around 1.4 million barrels per day is forecast for 2014, to 92.7 million b/d, as the macroeconomic backdrop improves. Emerging markets, despite their recent volatility, are forecast to provide the majority of this growth, with non-OECD Asia accounting for roughly half of the gain
- Despite reports of faltering Chinese economic growth in early-2014, oil demand growth of 3.4% remains forecast for 2014, to 10.4mb/d
- World Gasoline demand growth is set to pick up in 2014 as Non-OECD demand growth improves and OECD recent decline slows. World growth in 2014 +440,000b/d led by Non-OECD +390,000b/d (+4.2%)

Global Oil Demand[1] 2012 – 2018



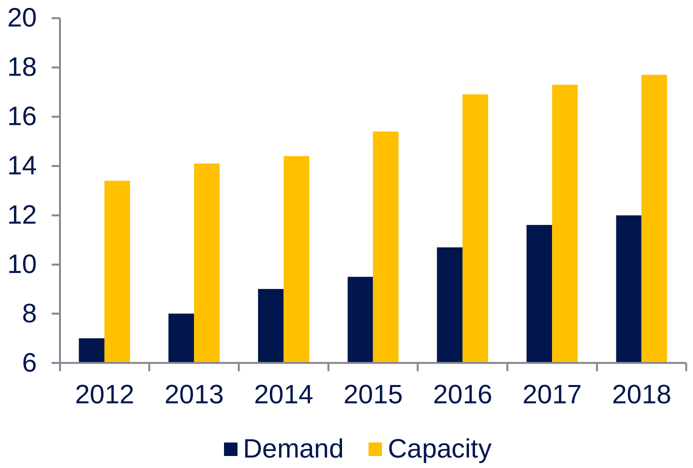
Global Oil Demand Growth[1] 2000 - 2018



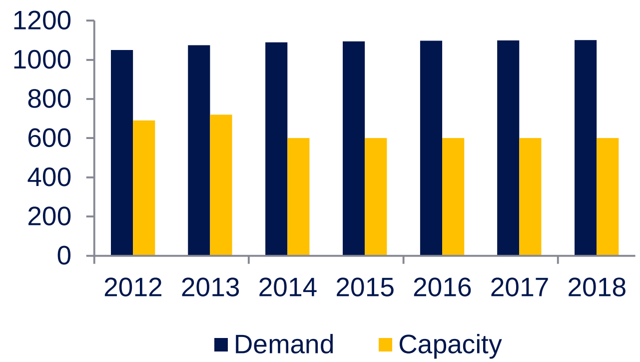
1. Source: International Energy Agency Medium-Term Oil Market Report, Jul. '13

DEMAND vs REFINING CAPACITY.

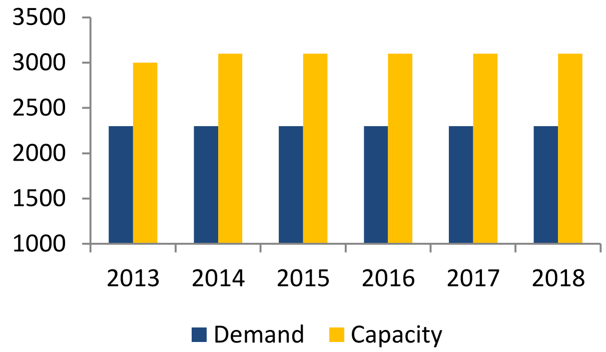
China *(mb/day)*



Australia *(000/day)*



South Korea *(000b/day)*

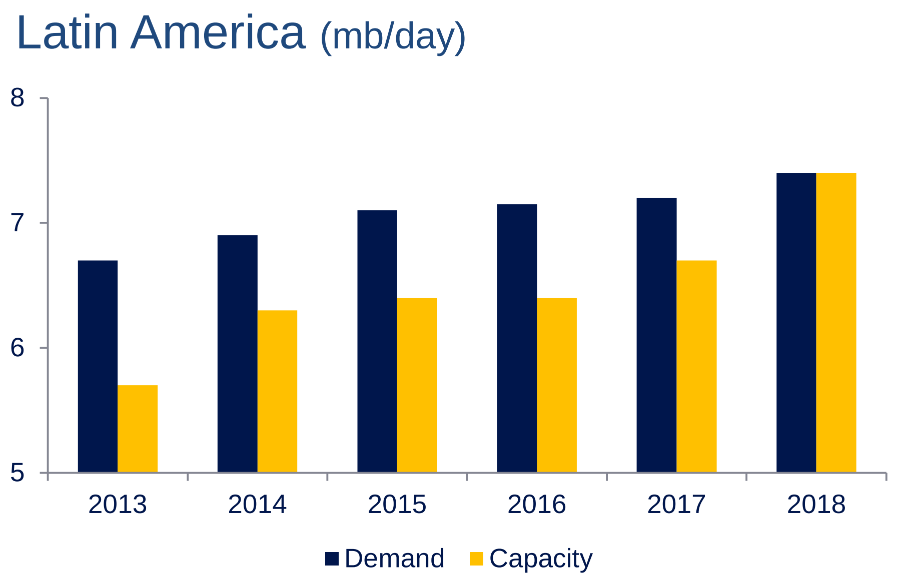


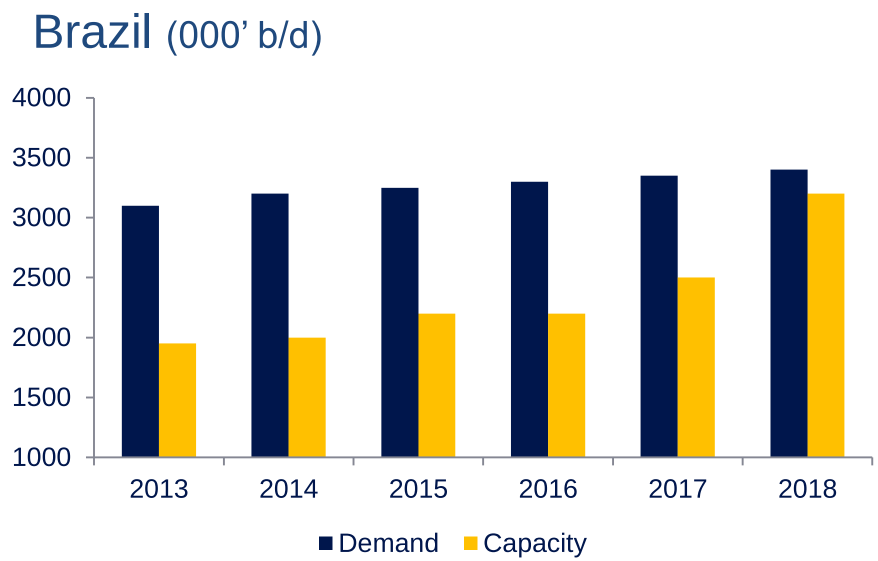
- The closures of refineries in Australia mean that by 2015 they will have only four refineries with a combined capacity of 448,500 bpd and is expected to become the largest net importer of diesel and second-largest net importer of gasoline in Asia, importing more than half of its product needs
- Singapore, South Korea and Japan jointly supplied 84 percent of Australia's 518,000 b/d product imports last year, up from 78 percent a year earlier
- South Korea saw by far the biggest rise as its exports to Australia rose 60% to 94,816 bp/d, moving ahead of Japan's 63,173 bp/d although still well below Singapore's 274,770 bp/d

Differentials in domestic demand between regions and refining capacity has led to an increase in Petroleum product seaborne trade

1. Source: International Energy Agency Medium-Term Oil Market Report, July '13

DEMAND vs REFINING CAPACITY. *(cont'd)*



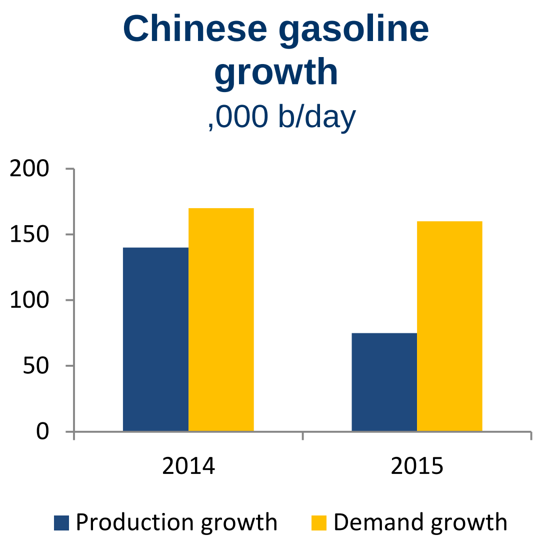


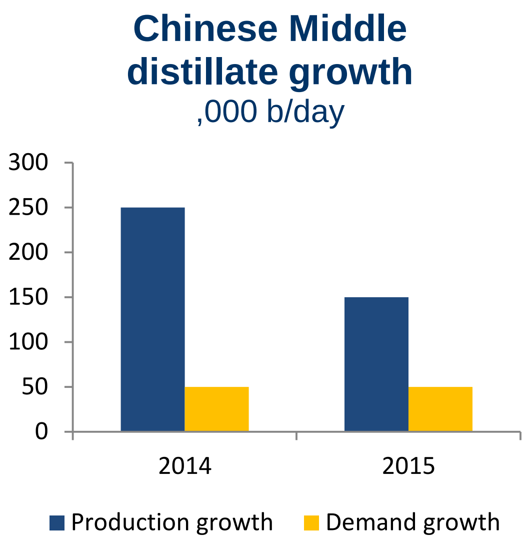
- Brazil is in the top ten oil consumers worldwide. The country will increase its refinery capacity to reach the 3.2mb/d by 2018. This increase in capacity will go a long way to satisfy domestic demand but with a CAGR growth in demand of just below 2% over the next five years will still need to import products

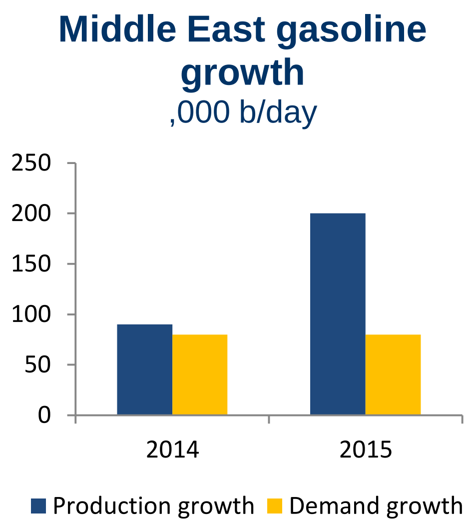
- Latin America will increase its refining capacity to 7.46mb/d by 2018. This goes a long way to satisfy their CAGR growth in demand of around 1.53% in the same period

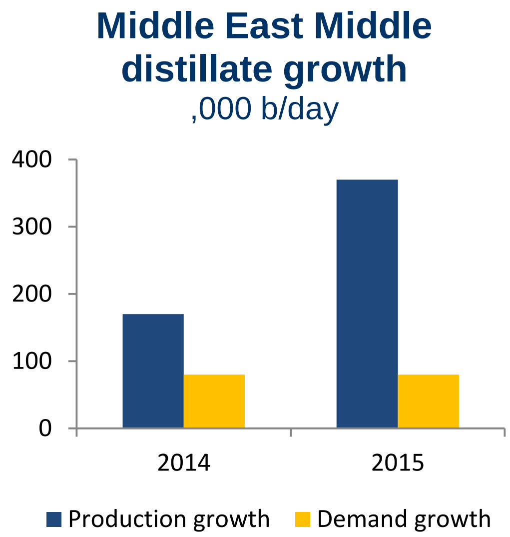
1. Source: International Energy Agency Medium-Term Oil Market Report, July '13

DEMAND growth vs REFINING CAPACITY growth.









- China is set to continue to increase its exports of Middle distillates
  - Ongoing expansion of refinery capacity, they will add an additional 500,000 million barrels per day in 2014 and 300,000 in 2015
  - Highly upgraded refineries are geared towards middle distillates (50%+ yield)
  - With the current demand growth rates, middle distillate net exports are set to increase by nearly 300,000 barrels per day over the coming two years

- Middle East refinery capacity to increase by nearly 1.2mb/d by the end of 2015, resulting in rising middle distillate exports.
  - As with China the highly upgraded refineries are geared towards middle distillates (50%+ yield)
  - Even with demand growth at +3%, middle distillate exports are set to increase by around 400,000 b/d

This increased efficient and cost effective refinery capacity within Asia should structurally favour more long haul products trade

1. Source: International Energy Agency Medium-Term Oil Market Report, Apr. 2014 Morgan Stanley

Thank you!

d'Amico
INTERNATIONAL SHIPPING S.A.