



Q2 & H1 2019 Result Presentation d'Amico International Shipping

September 12th, 2019



d'Amico
INTERNATIONAL SHIPPING S.A.



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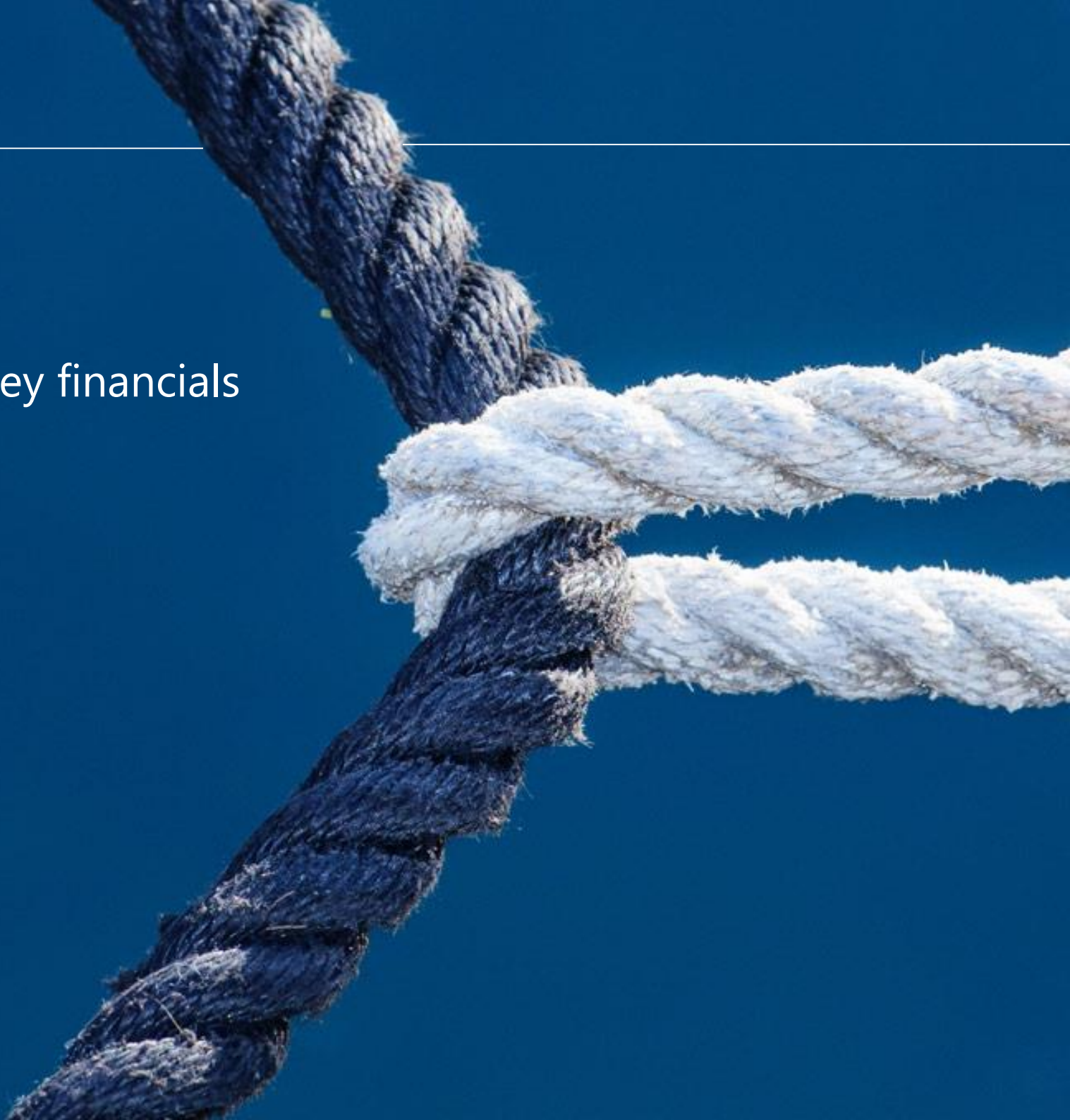
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AGENDA.

- Executive summary
- DIS' overview and key financials
- Market overview
- Why invest in DIS
- Appendix





Executive summary.

- **Share Capital Increase:** In Mar'19, DIS Shareholders' extraordinary general meeting authorized the Board of the Company to increase its share capital through the issuance of new shares with preferential subscription rights offered to the existing shareholders. The new shares were issued at a TERP discount of 15% based on DIS' closing share price on 19th March. During the Preferential Subscription Rights' exercise period, which started on March 25, 2019 and ended on April 16, 2019, ~97.3% of the total number of rights were exercised. On April 24, 2019, the previously unsubscribed New Shares were sold through a private placement, resulting in 100% subscription of the offering and an equity capital increase amounting to the US\$ equivalent of € 44m.
- **Net result** – DIS posted a **Net Loss of US\$ (24.3)m in H1'19** vs. a Net Loss of US\$ (20.2m) reported in H1'18. Excluding non-recurring items from H1 2019 and H1 2018, and the effects of IFRS 16 from H1 2019, **DIS' Net result would have amounted to US\$ (9.2) million in the first half of the current year compared with US\$ (23.6) million recorded in the same period of 2018** (i.e. US\$ 14.4 million higher than in the same period of last year).
- **Vessel disposals and sale & leasebacks** – including its share of the cash generated by its joint-ventures, DIS raised around US\$30.3 million in liquidity through such transactions in the first half of 2019, with a further US\$10.8 million expected in September. In detail, In Jan'19, DIS finalized its first JOLCO deal for the sale and lease back of one LR1 vessel built and delivered on the same date by Hyundai Mipo (South Korea), generating around US\$ 10.2m in net cash proceeds in Q1'19, relative to financing the vessel through the previously committed loan facility. In Apr'19, DM Shipping¹ finalized the sale of one of its vessels, generating approximately US\$ 12.3m in net cash proceeds for the JV. In Apr'19, DIS finalized the sale and lease back of one MR vessel built in 2014, generating net cash proceeds of around US\$ 9.6m. In June'19, Eco Tankers² finalized the sale of its 2014-built MR vessel, generating approximately US\$ 12.8m in net cash proceeds for the JV. In June'19, DM Shipping¹ agreed the sale of its remaining vessel, generating at vessel's delivery (planned in Sep'19) approximately US\$ 13.2m in net cash proceeds for the JV. In August '19, GIS³ agreed the sale one of its MR vessels, with approximately US\$8.2 million in net cash proceeds expected to be generated at its delivery (planned in Sep'19).
- **Amendment of financial covenants on all bank loans guaranteed by DIS** – Application of IFRS16 from 1 January 2019 had a negative effect of 4.3% on DIS' Net Worth/Total Assets ratio, based on the Company's consolidated financials as at 31 March 2019. To offset the impact of this new accounting standard, all of DIS' banks agreed to amend the financial covenants on loans guaranteed by DIS, with a reduction of the minimum threshold for this ratio to 25% from 1 January 2019 (previously 35%).
- **TCE:** DIS' **daily spot rate was US\$ 13,326 in H1'19 vs. US\$ 11,526 in H1'18**; 47.3% of DIS' H1'19 employment days were 'covered' through TC contracts at an average daily rate of US\$ 14,496. DIS achieved a total daily average rate of US\$ 13,879 in H1'19 vs. US\$ 12,625 in H1'18.

1. DM Shipping d.a.c.: a JV with the Mitsubishi Group, 51% controlled by DIS Group.
2. Eco Tankers Limited: a JV with Venice Shipping & Logistics, 33% controlled by DIS Group.
3. GIS or Glenda International Shipping is our JV with the Glencore Group, 50% controlled by the DIS Group.



DIS' Overview and Key Financials



d'Amico
INTERNATIONAL SHIPPING S.A.



A modern, high-quality and versatile fleet.

DIS Fleet ¹	June 30 th , 2019				
	LR1	MR	Handy	Total	%
Owned	4.0	12.0	7.0	23.0	46.4%
Bareboat chartered	1.0	8.0	0.0	9.0	18.2%
Time chartered-in long term	0.0	12.5	0.0	12.5	25.3%
Time chartered-in short term	0.0	4.0	1.0	5.0	10.1%
TOTAL	5.0	36.5	8.0	49.5	100.0%
Commercial agreement ³	0.0	1.0	0.0	1.0	<i>n.a.</i>

- DIS controls a modern fleet of 49.5 product tankers and 1³ additional vessel under commercial management.
- Flexible and double-hull fleet, 83.8% IMO classed (industry average²: 40%), with an average age of the owned and bareboat fleet of 6.4 years (industry average²: 10.8 years for MRs (25,000 – 54,999 dwt) and of 10.2 years for LR1s (55,000 - 84,999 dwt)), 63% of DIS' owned and bareboat fleet is 'Eco' (industry average²: 15% for Handys, 30% for MRs and 15% for LR1s).
- Fully in compliance with very stringent international industry rules and long-term vetting approvals from the main Oil Majors.
- **22 newbuildings ordered since 2012** (10 MRs, 6 Handys, 6 LR1s) of which 21 vessels already delivered between Q1'14 and Q1'19.
- **DIS' aims to maintain a top-quality TC coverage book**, by employing part of its eco-newbuilding vessels with Oil Majors, which for long-term contracts currently have a strong preference for these efficient and technologically advanced ships. At the same time, DIS' older tonnage is employed mainly on the spot market.

DIS has a modern fleet, a balanced mix of owned and TC-in vessels, and strong relationships with key market players.

1. Actual number of vessels as at the end of June'19

2. Source: Clarkson Research Services as at July'19

3. DIS passes the TCE Earnings generated by the 'vessels under commercial management' on to their owners, after deducting a 2% commission their gross revenues.

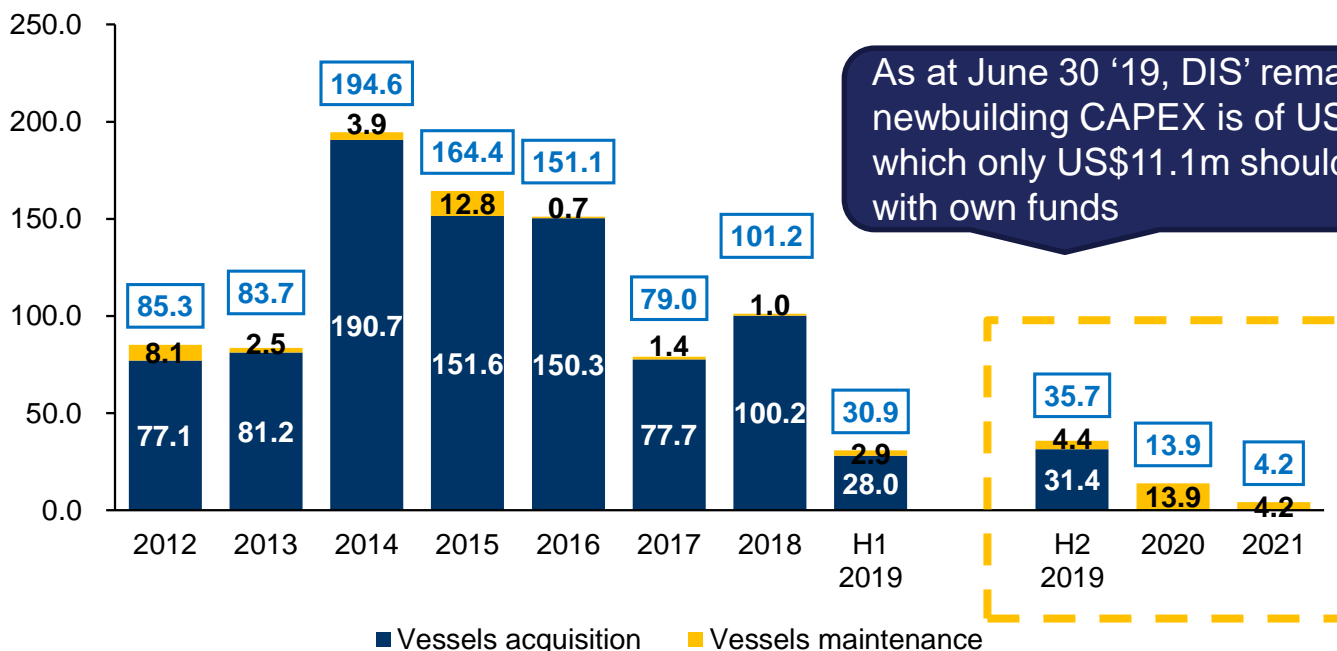




Rapidly declining CAPEX¹ commitments.

Investment plan

US\$/mm



- DIS invested US\$ 890.1m from FY'12 to H1'19, mostly related to the 22 newbuildings ordered from 2012.
- **As at 30 June, remaining investments for newbuildings amount to only US\$ 31.4m, of which only US\$ 11.1m to be financed with own funds and the rest with committed bank debt.**
- Maintenance CAPEX in 2020 and 2021 is likely to fall relative to figures included in graph above, as DIS sells some of its older vessels to capitalise on the expected stronger markets.

DIS' large investment plan, which led to an important renewal of its owned fleet, consisting now mostly of eco-vessels, will be completed by Q3'19. DIS' Capex falls substantially in 2019 and even more so in 2020.

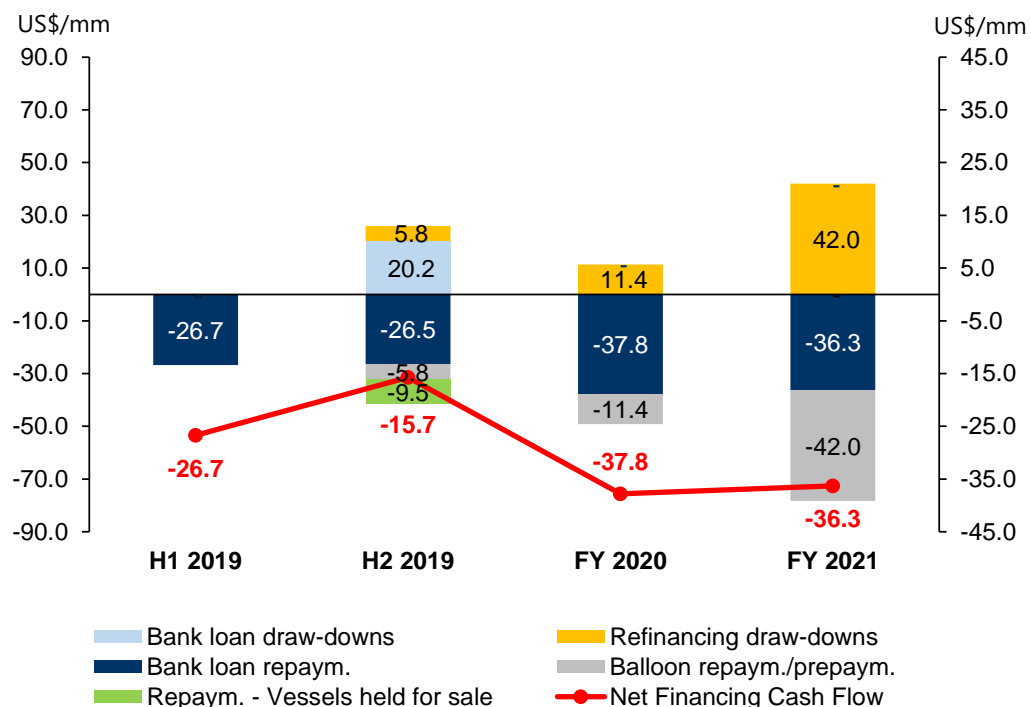
1. In addition to yard Instalments, total CAPEX includes also cost of supervision, first supply and the installation of one scrubber costing US\$2.2 million on the last LR1 to be delivered.



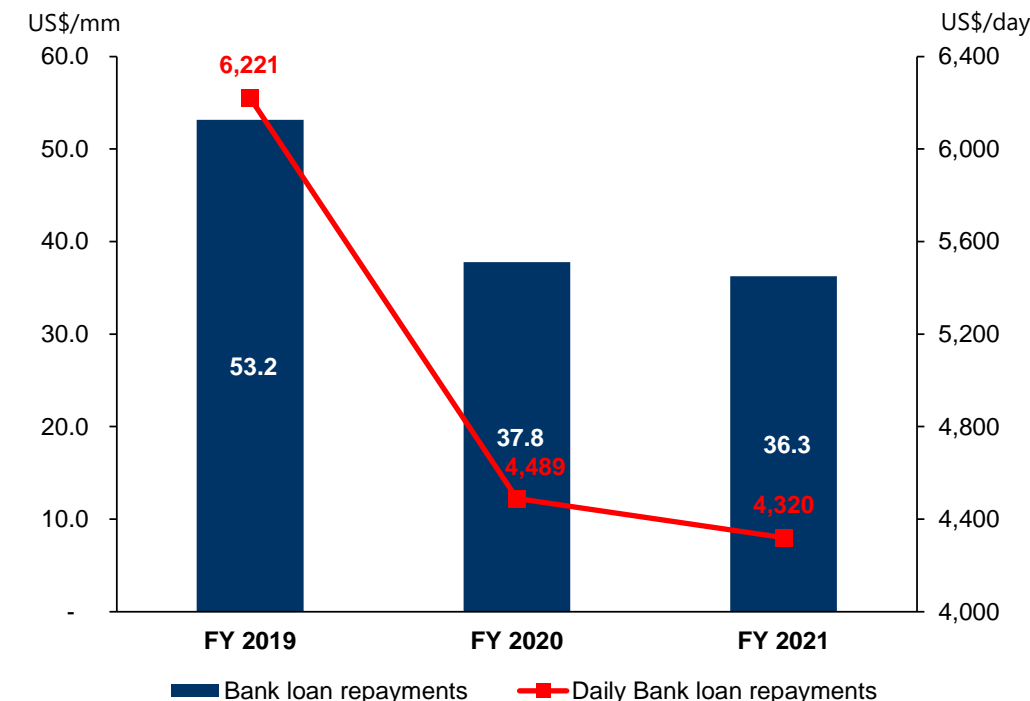


Lighter bank debt repayments from 2020.

Forecasted bank debt financing cash-flow
(Excluding Overdraft facilities)^{1,2}



Daily bank loan repayment on owned vessels
(Excluding Overdraft facilities)^{4,5}



DIS' will benefit from lighter debt repayments from 2020, with daily bank loan reimbursements for owned vessels dropping by US\$ 1.7k relative to the previous year (-28%).

1. Based on the evolution of the current outstanding bank debt – with the exception of overdraft facilities.
 2. No refinancing assumptions, except for balloon repayments.
 3. Repayment due on Vessels held for sale refer to the 2 Glenda's ships planned to be sold as at June 30 2019.
 4. Based on the evolution of the current outstanding bank debt –with the exception of overdraft facilities.
 5. No refinancing assumptions, except for balloon repayments. Daily bank loan repayments is equal to bank loan repayments divided by owned vessel days.





DIS' Purchase options on leased vessels.

Vessel Name	Build Date	Purch. Option First Ex. Date	Purch. Obligation Date	First Ex. Option (In/Out of the money) ¹
HighTrust	Jan-16	Jul-19	Jul-28	In the money
High Loyalty	Feb-15	Oct-19	Oct-28	In the money
High Priority	Mar-05	Oct-19	Oct-22	Out of the money
High Trader	Oct-15	Dec-19	Dec-28	In the money
High Freedom	Jan-14	Feb-20	Feb-28	In the money
High Fidelity	Aug-14	May-20	May-27	In the money
High Discovery	Feb-14	Sep-20	Sep-27	In the money
High Voyager	Nov-14	Apr-21	Apr-29	In the money
Cielo di Houston	Jan-19	Mar-24	Sep-25	In the money

DIS' has flexible purchase options on all its bareboat-in vessels, allowing it to acquire all the vessels with three months' notice from the first purchase option exercise date. Based on today's depreciated market values and their respective first exercise prices, all of these options except one are "theoretically" in the money. Four of these options are exercisable already in 2019.

1. June 30 2019 depreciated market value (based on 25 years vessel's useful life less scrap value) less First exercise price





Recent period fixtures highlight positive sentiment.

Conventional MR2

Vessel number	Type	Contract period	Rate Firm (US\$/day)	Days Firm	Rate Option (US\$/day)	Days Option	TC Fixture Date	TC Start Date
Vessel 1	MR2	6 months + 6 option months	16,000	183	17,000	183	Q4'18	Jan/19
Vessel 2	MR2	1 year	15,000	365			Q2'19	Sep/19
Vessel 3	MR2	1 year	14,000	365			Q3'19	Sep/19
Vessel 4	MR2	1 year	14,000	365			Q4'19	Oct/19
Total			14,571	1278	17,000	183		

Eco MR2

Vessel number	Type	Contract period	Rate Firm (US\$/day)	Days Firm	Rate Option (US\$/day)	Days Option	TC Fixture Date	TC Start Date
Vessel 1	MR2-Eco	4 years	15,438	1460			Q4'18	Jan/19
Vessel 2	MR2-Eco	6 months	14,600	183			Q4'18	Dec/18
Vessel 3	MR2-Eco	2 years + option 1 year	15,900	730	16,950	365	Q4'18	Feb/19
Vessel 4	MR2-Eco	2 years + option 1 year	15,900	730	16,950	365	Q4'18	Dec/18
Vessel 5	MR2-Eco	29 months + 6 option months	16,000	882	16,800	183	Q2'19	Apr/19
Vessel 6	MR2-Eco	150 days	16,950	150			Q3'19	Sep/19
Vessel 7	MR2-Eco	3 years	16,750	1095			Q3'19	Sep/19
Total			15,950	5230	16,920	913		

Eco LR1

Vessel number ¹	Type	Contract period	Rate Firm (US\$/day)	Days Firm	Rate Option (US\$/day)	Days Option	TC Fixture Date	TC Start Date
Vessel 1	LR1-Eco	2 years + option 1 year	16,000	730	19,250	365	Q4'18	Jan/19
Vessel 2	LR1-Eco	6 months	15,900	183			Q4'18	Feb/19
Vessel 3	LR1-Eco	6 months	15,900	183			Q1'19	May/19
Vessel 2	LR1-Eco	1 year + option 6 months	19,000	365	19,000	183	Q3'19	Aug/19
Vessel 3	LR1-Eco	1 year + option 6 months	19,000	365	20,500	183	Q3'19	Nov/19
Vessel 4	LR1-Eco	1 year + option 1 year	18,975	365	21,000	365	Q3'19	Jan/20
Total			17,479	2190	20,000	1095		

Clear trend of increasing period rates

- 4 conventional MR2s (1278 days) were fixed at an average daily rate of US\$ 14,571, with attached charterers' options on 1 of these vessels (183 days) at an average daily rate of US\$ 17,000;
- 7 Eco-MR2s (5230 days) were fixed at an average daily rate of US\$ 15,950, with attached charterers' options on 3 of these vessels (913 days) at an average daily rate of US\$ 16,920;
- 4 Eco-LR1 without scrubber (2190 days) were fixed at an average daily rate of US\$ 17,479, with attached charterers' options on 4 of these vessel (1095 days) at an average daily rate of US\$ 20,000.
- One Eco LR1 with scrubber fixed at a very profitable rate for two years plus one optional year. Rate is at a significant premium to those recently achieved for Eco LR1s without scrubbers for one year.²

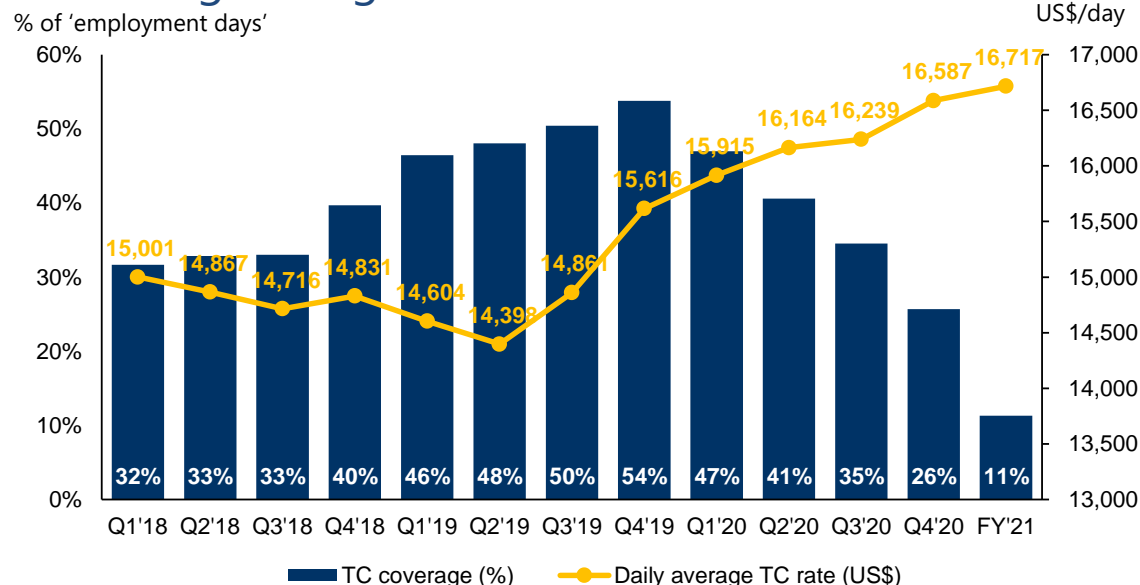
The attractive time-charter rates achieved by DIS for MR2 and LR1s contracts, demonstrate leading charterers' strong belief in the markets' recovery prospects.

1. Same vessel number refers to different TC contracts on the same ship.
 2. Upon request of charterer, terms have to be kept confidential.



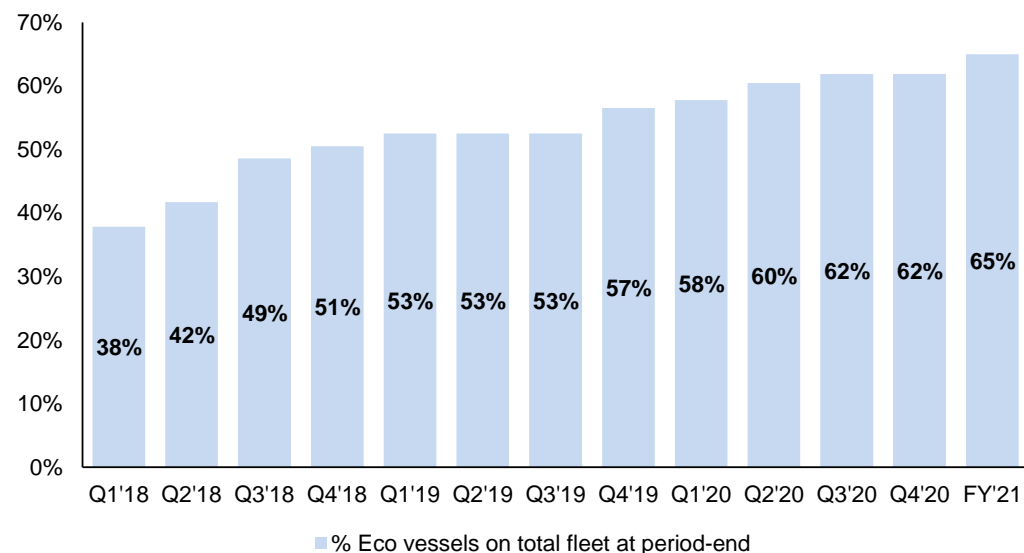
Contracts and Fleet Mix to drive future results

Increasing average TC rates



- TC contract rates have reached a bottom in Q2'19 and **average rates of signed contracts rise throughout rest of 2019 and 2020.**
- **TC contracts allows DIS:**
 - ✓ **to consolidate strategic relationships with Oil Majors** (Chevron, Exxon, Total, Saudi Aramco) and leading trading houses;
 - ✓ **To hedge against spot market volatility** allowing DIS to secure TCE Earnings (H2'19 US\$ 68.5m; FY'20 US\$ 91.2m; FY'21 US\$ 26.6m, are already secured as of today);
 - ✓ **improve its Operating Cash Flow** (TC Hires are paid monthly in advance).
- **DIS aims usually for a TC coverage of between 40% and 60%.**
- **DIS' percentage of 'Eco' vessels** was only 38% in Q1'18, it went up to 53% in Q2'19 and it is **expected to reach 65% in FY'21.**
- **The eco percentage should rise even higher than indicated on the chart on the left,** as during the next two years DIS is likely to sell some of its older vessels in a stronger market.
- **An increasing percentage of 'Eco' vessels will increase DIS' earning potentials,** given the premium earnings achieved by these vessels (currently around US\$2k per day for one-year TCs).

DIS' increasing % of 'Eco' fleet (based on all controlled vessels)



1. Situation based on TC 'employment days' (net of estimated off-hire days), and on current contracts in place, which are always subject to changes. Assumes two vessels owned by Glenda International Shipping, classified as held for sale, will be sold by the end of 2019.

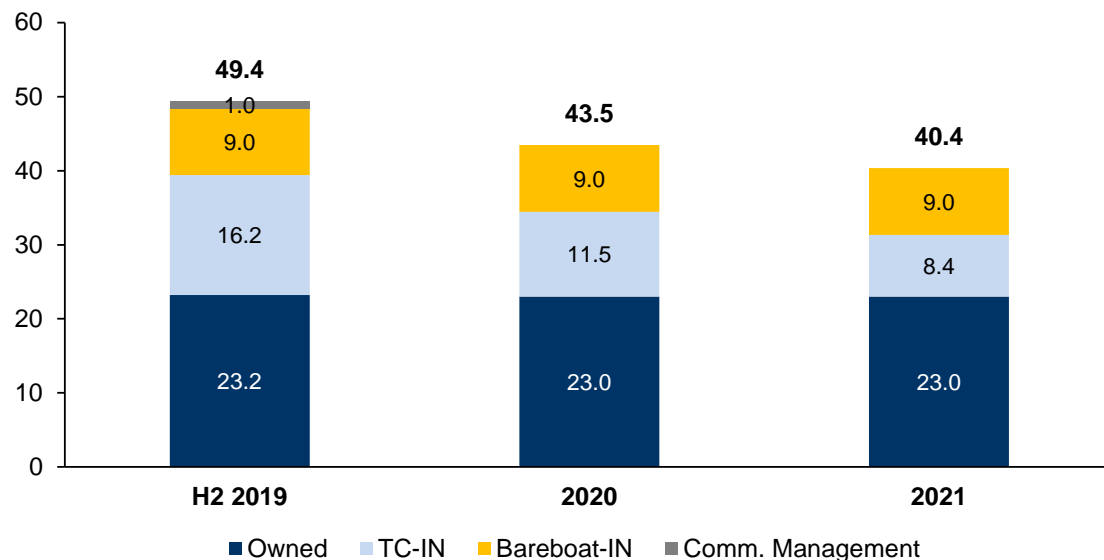




Large potential upside to earnings.

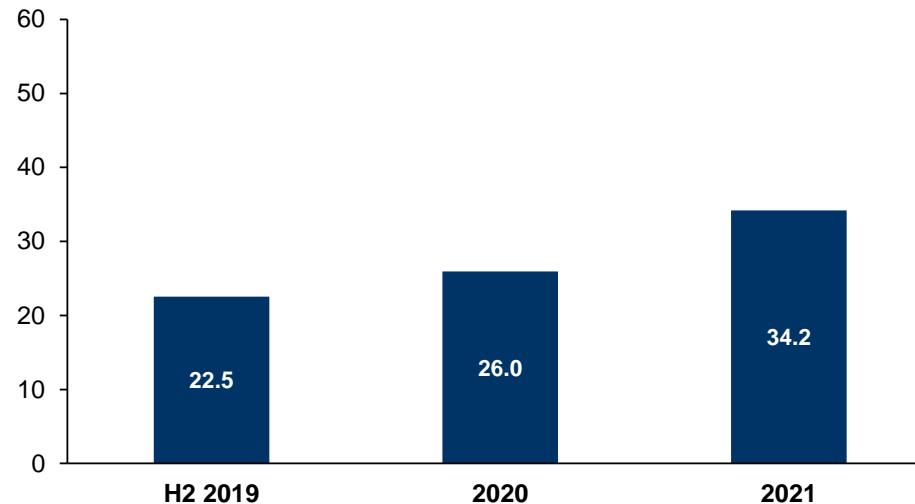
Estimated Fleet Evolution (Avg. N. of Vessels)²

N. of ships (based on 'available days')



Estimated Spot Exposure (Avg. N of Vessels)³

N. of ships (based on 'employment days')

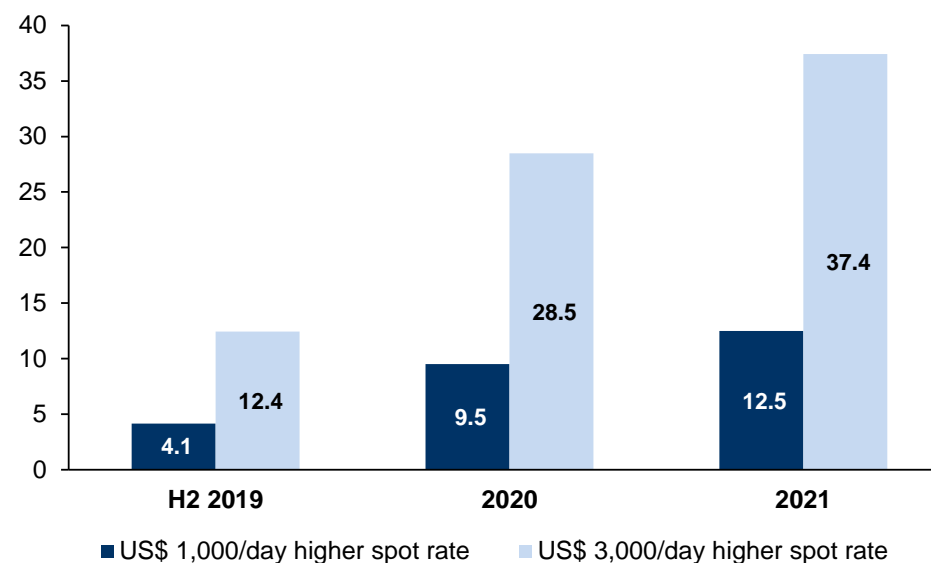


Based on DIS' estimated spot exposure, every US\$ 1,000/day increase/decrease in spot rates equals to:

- **US\$ 4.1m higher/lower net result and cash flow in H2'19;**
- **US\$ 9.5m higher/lower net result and cash flow in FY'20;**
- **US\$ 12.5m higher/lower net result and cash flow in FY'21.**

Potential upside to earnings

US\$/mm

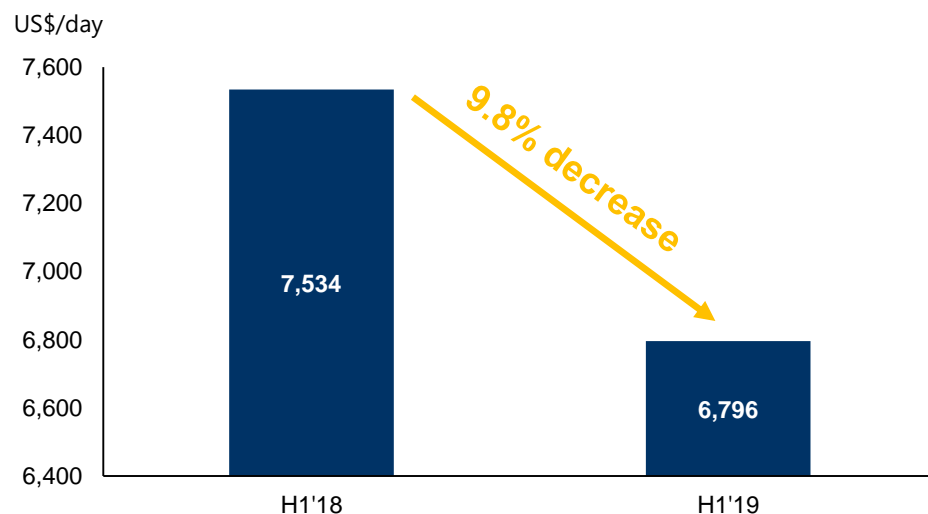


1. Average number of vessels in each period based on contracts in place as of today and subject to changes.
 2. Based on total estimated 'available days'.
 3. Based on estimated spot 'employment days' (i.e. net of estimated off-hire days).

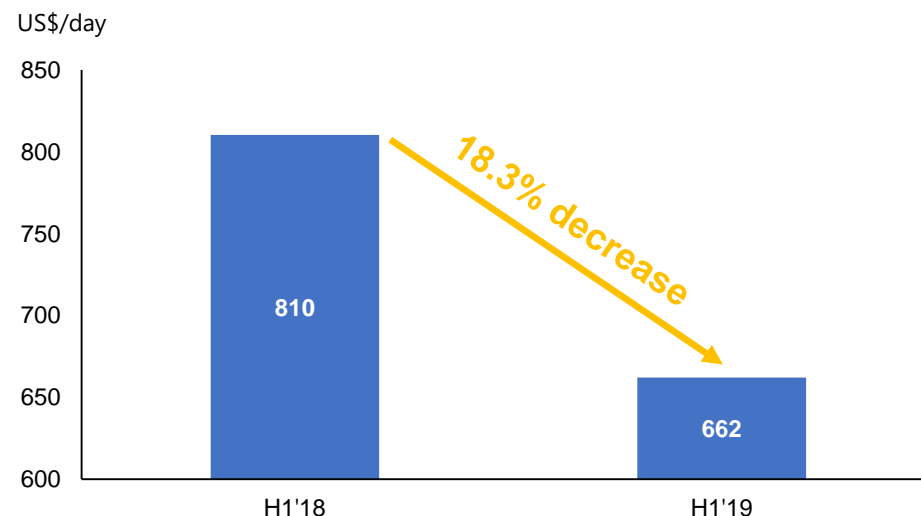


DIS has focused also on cost savings

Daily Operating Costs – Owned and bareboat vessels¹



Daily General & Administrative Costs – Total Fleet²



DIS has been focusing not only on increasing the top line but also on managing its vessels more efficiently, obtaining significant cost savings since last year.

1. Daily operating costs are given by direct operating expenses (excluding costs related to TC-In vessels) divided by cost days of owned and bareboat ships.
2. Daily general & administrative costs are given by total administrative costs divided by the total number of cost days (owned, bareboat and TC-In ships).





Financial results. Net Financial Position

<i>(US\$ million)</i>	Dec. 31st, 2018	June 30th, 2019
Gross debt	(638.6)	(612.9)
IFRS 16 – additional liabilities	n.a.	(137.8)
Cash and cash equivalents	31.7	35.7
Other current financial assets ¹	18.2	16.5
Net financial position (NFP)	(588.7)	(698.5)
Net financial position (NFP) excl. IFR16	(588.7)	(560.7)
Fleet market value (FMV)	807.2	845.4
NFP (excluding IFRS 16) / FMV	72.9%	66.3%

- **Net Financial Position (NFP) of US\$ (698.5)m and Cash and cash equivalents of US\$ 35.7m** as at the end of June'19 vs NFP of US\$ (588.7)m as at the end of Dec'18. The large variance relative to the end of '18 is due to the application of IFRS16 which led to the recognition of an additional liability of US\$ 137.8m as at the end of the first half of 2019.
- **US\$ (31.2)m in investments** in H1'19 in connection with the instalments paid on the LR1 newbuilding vessel delivered in Jan'19, which was sold and leased back upon delivery (see below).
- **Vessel sales²:** In Jan'19, DIS finalized its first JOLCO deal for the sale and lease back of an LR1 vessel, generating around US\$ 10.2m in net cash proceeds in Q1'19. In Apr'19, DM Shipping³ finalized the sale of one of its vessels, generating approx. US\$ 12.3m in net cash proceeds for the JV. In Apr'19, DIS finalized the sale and lease back of one MR vessel built in 2014, generating net cash proceeds of around US\$ 9.6m. In June'19, Eco Tankers³ finalized the sale of its 2014-built MR vessel, generating approximately US\$ 12.8m net cash proceeds for the JV. In June'19, DM Shipping³ agreed the sale of its remaining vessel, generating at vessel's delivery (planned in Sep'19) approx. US\$ 13.2m in net cash proceeds for the JV.

In H1'19, DIS continued to strengthen its liquidity position through an equity capital increase and straight sale and sale-and-lease back deals. The NFP to FMV ratio has improved significantly in the first half of the year.

1. The H1'19 amount comprises US\$ 9.4 million shareholder's loan to DM Shipping (a 51/49 jointly controlled entity with the Mitsubishi Group) and short-term financial receivables of US\$ 7.1 million, which mainly consist of US\$ 4.7 million funds deposited by d'Amico Tankers d.a.c. with d'Amico Finance in respect of interest rate swap contracts.

2. Net Cash refers to proceeds net of commissions and reimbursement of the vessels' existing loans.

3. DM Shipping d.a.c. is a JV with the Mitsubishi Group, 51% controlled by DIS Group. Eco Tankers Limited is a JV with Venice Shipping & Logistics, 33% controlled by DIS Group





Financial results. H1 2019 Results

(US\$ million)	Q1'18	Q2'18	H1'18	Q1'19	Q2'19	H1'19
TCE Earnings	66.3	59.3	125.6	63.9	62.4	126.3
Result on disposal of vessels	0.2	0.0	0.3	(0.1)	(0.8)	(0.9)
EBITDA	10.1	(0.0)	10.1	22.4	25.5	47.9
Asset impairment	-	-	-	-	(12.1)	(12.1)
EBIT	0.8	(9.7)	(8.8)	5.2	(6.6)	(1.4)
Impairment of financial assets	-	-	-	0.9	(0.2)	0.7
Net Result	(3.6)	(16.6)	(20.2)	(5.5)	(18.8)	(24.3)

Non-recurring items:

(US\$ million)	H1'18	H1'19
Result on disposal of vessels	0.3	(0.9)
Non-recurring financial items	3.1	(1.2)
IFRS 16 ¹	-	(0.9)
Asset impairment	-	(12.1)
Total non-recurring items	3.4	(15.1)
Net Result excl non-recurring items	(23.6)	(9.2)

- **TCE Earnings** – US\$ 126.3m in H1'19 vs. US\$ 125.6m in H1'18 (US\$ 62.4m in Q2'19 vs US\$ 59.3m in Q2'18). DIS' total daily average TCE was US\$ 13,879 in H1'19 compared with US\$ 12,625 in H1'18 (US\$ 13,710 in Q2'19 vs. US\$ 11,818 in Q2'18), thanks to a much stronger freight market than in the previous year (see next slide for further details).
- **EBITDA** – US\$ 47.9m in H1'19 vs. US\$ 10.1m in H1'18. The applications of IFRS 16 led to an increase in 'EBITDA' of US\$ 17.6m in H1'19 (US\$ 9.7m in Q2'19), since within the Income Statement, charter hire costs were replaced with other direct operating costs, interest and depreciation. Even excluding the effects arising from the application of IFRS 16, **DIS' H1'19 EBITDA was three times higher than the level achieved in the first six months of 2018**. Such strong improvement relative to last year is attributable to better market conditions coupled with a more efficient cost structure.
- **Net Result** – US\$ (24.3)m in H1'19 vs. US\$ (20.2)m in H1'18 (US\$ (18.8)m in Q2'19 vs. US\$ (16.6)m in Q2'18). Excluding results on disposal and non-recurring financial items from H1'19 (US\$ (2.1)m²) and H1'18 (US\$ 3.3m³), as well as the asset impairment (US\$ (12.1)m) and the net effects of IFRS 16 (US\$ (0.9)m) from H1'19, DIS' Net result would have been US\$ (9.2)m in the first half of the current year compared with US\$ (23.6)m recorded in the same period of 2018. Therefore, **excluding the effects of the application of IFRS 16 and such non-recurring effects, DIS' H1'19 Net result would have been US\$ 14.4 million higher than in the same period of last year**.

Excluding non-recurring items, DIS' H1'19 Net result improved significantly relative to the same period last year.

1. Including reversal of provision on onerous contracts of US\$ 0.7m
 2. US\$ (0.9) million loss on disposal, US\$ (2.1)m realized and unrealized loss on Interest rates swap agreements, US\$ 0.2m foreign exchange movements arising from the valuation of the DM Shipping financing, US\$ 0.7m reversal of impairment of an equity-invested asset
 3. US\$ 0.3m profit on disposal, US\$ 2.7m realized and unrealized profit on IRS agreements, US\$ 0.4m foreign exchange movements arising from the valuation of the DM Shipping financing





Financial results. Key Operating Measures

Key Operating Measures	Q1 2018	Q2 2018	H1 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	H1 2019
Avg. n. of vessels	55.1	55.5	55.3	56.2	50.6	49.4	49.4	49.6
Fleet contact coverage	31.7%	32.8%	32.3%	33.0%	39.7%	46.4%	48.0%	47.3%
Daily TCE Spot (US\$/d)	12,726	10,327	11,526	8,689	11,617	13,583	13,074	13,326
Daily TCE Covered (US\$/d)	15,001	14,867	14,932	14,716	14,831	14,604	14,398	14,496
Daily TCE Earnings (US\$/d)	13,446	11,818	12,625	10,680	12,892	14,057	13,710	13,879

- DIS' **daily average spot TCE in H1'19 was of US\$ 13,326** vs. US\$ 11,526 achieved in H1'18. DIS' spot result of H1'19 represents an improvement of 15.6% (or US\$ 1,800/day) relative to the same period of last year, thanks to the improving freight markets.
- At the same time and in line with its strategy, DIS maintained a good level of **coverage** (fixed-rate TC contracts) throughout the year, securing through period contracts an average of **47.3%** of its available vessel days **at a daily average TCE rate of US\$ 14,496** (H1'18: 32.3% coverage at US\$ 14,932/day).
- DIS' **Total Daily Average TCE (Spot and Time Charter) was US\$ 13,879 in H1'19** vs US\$ 12,625 in H1'18.

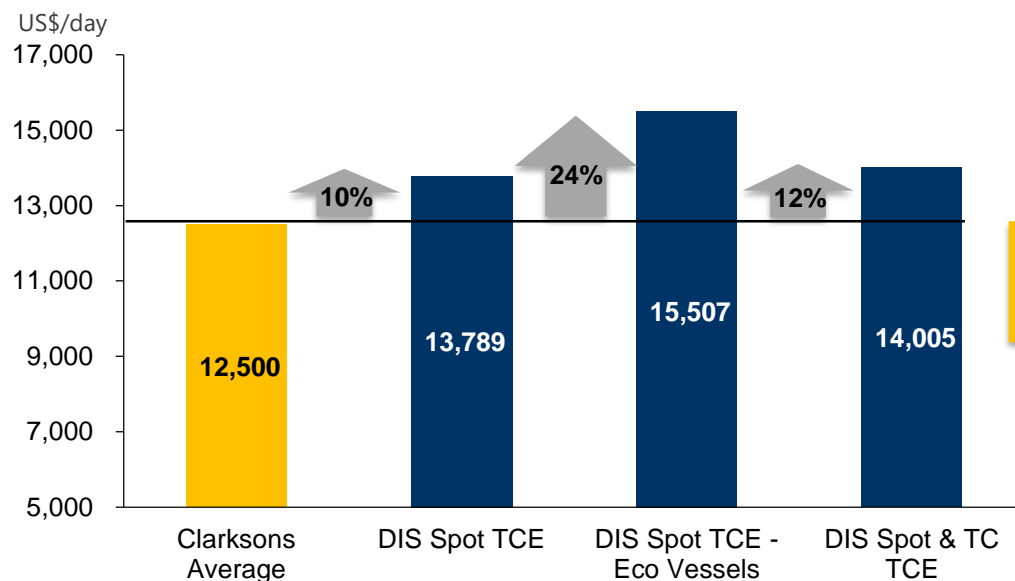
DIS' H1'19 spot average was considerably better than last year, reflecting the stronger freight markets.





Outperformance relative to market benchmarks.

DIS' MR TCE performance vs. market in Q1'19



- DIS' TCE **Spot performance of its MR vessels** was **10%** (or ~ US\$ 1,289/day) **better than the market average published by Clarksons for H1'19.**
- DIS' TCE **Spot performance on its 'Eco' MR vessels** was **24%** (or ~ US\$ 3,007/day) **better than the market average published by Clarksons for H1'19.**
- A prudent TC coverage strategy allowed DIS to achieve a **total blended TCE on its MR vessels which was 12% higher than the Clarksons' benchmark for H1'19** (or ~ US\$ 1,505/day).

DIS' chartering strategy allowed the Company to largely outperform markets benchmarks in H1'19.

1. Clarksons' average of MR Clean Earnings.



Market Overview – Market fundamentals

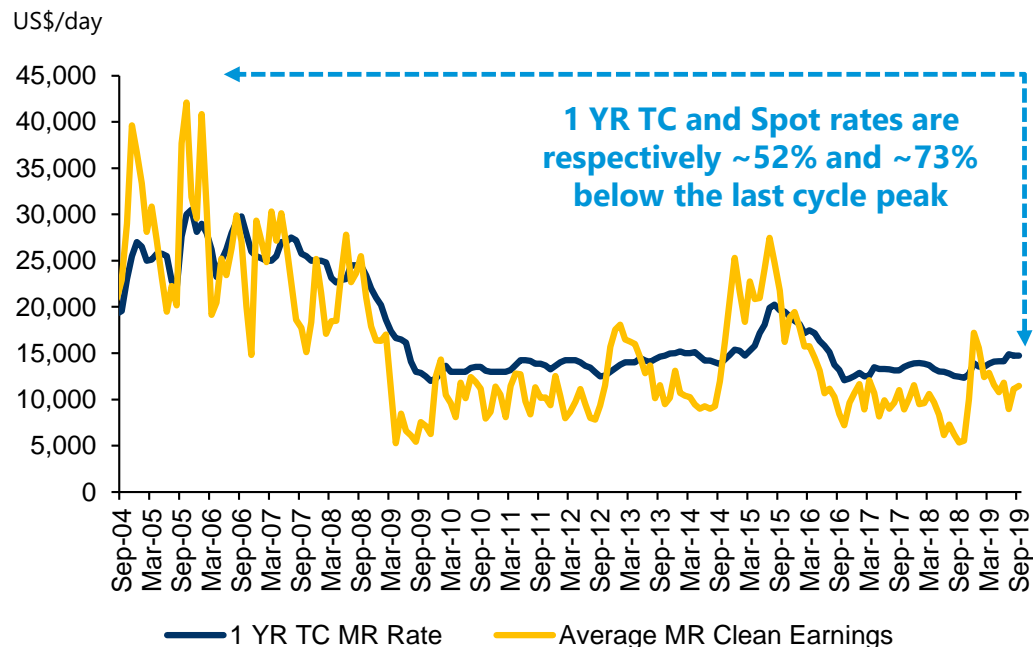


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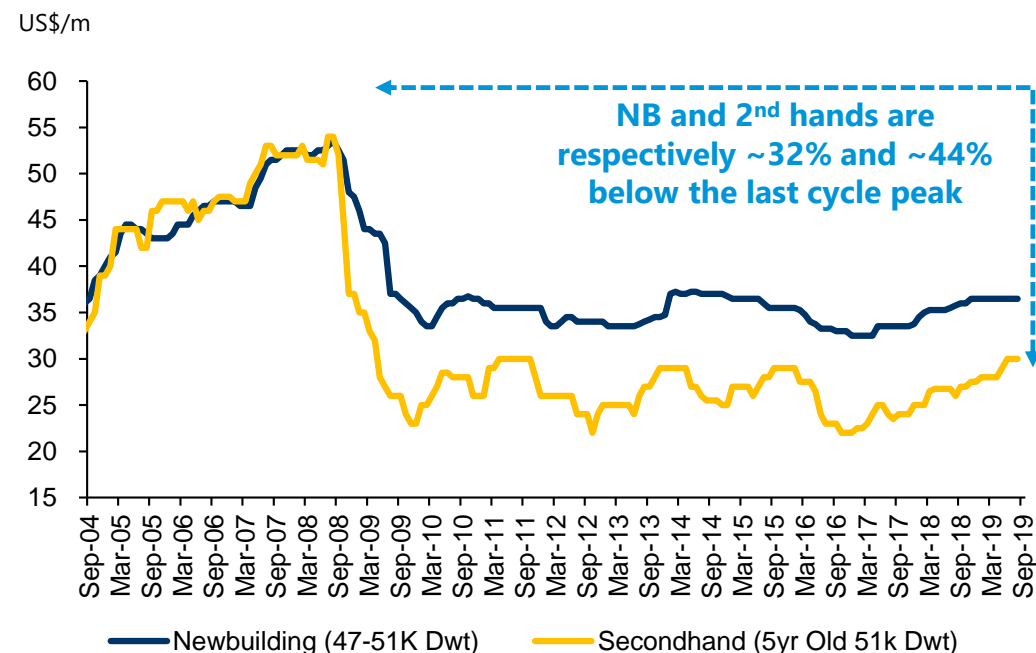


Large potential upside to rates and asset values.

Historical MR TC and Spot Rates¹



Historical MR Asset Values¹



Current charter rates and asset values are well below historical averages, providing a very attractive potential upside.

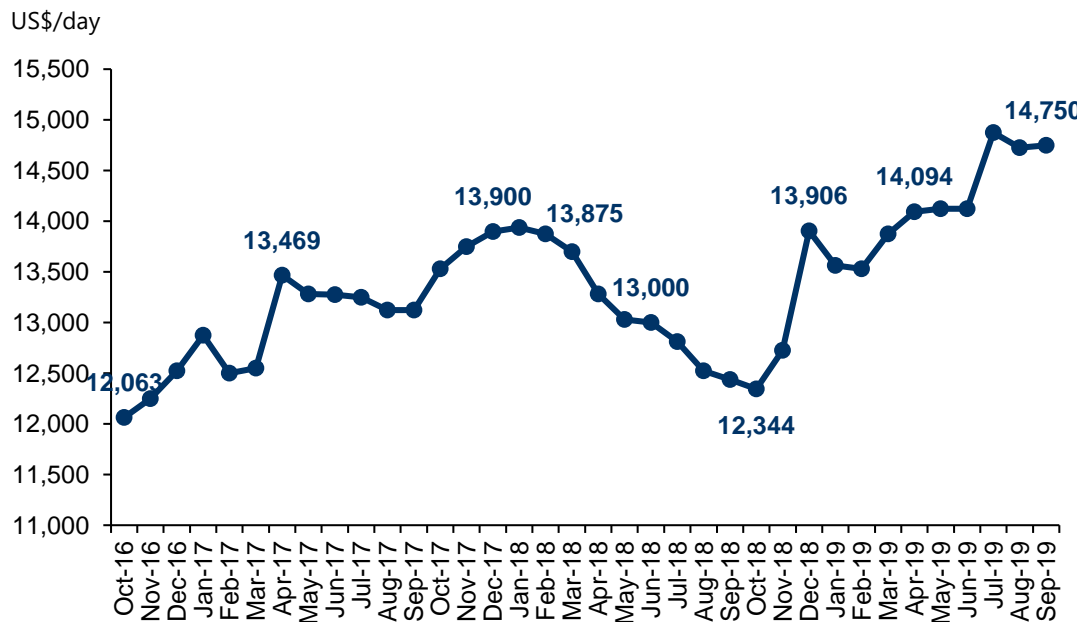
1. Source: Clarkson Research Services as at Sep 9 '19



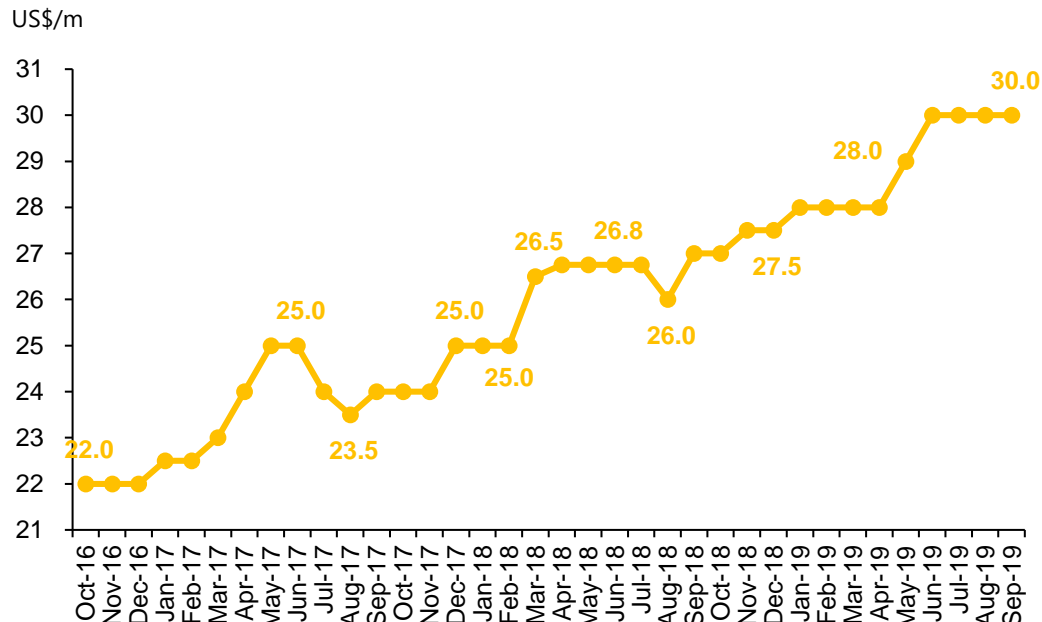


Improving asset values and TC Rates.

1 Year TC MR (Conventional, non-Eco) Rate¹



5 Year-old MR Values¹



- The one-year TC rate for Eco MR vessels stood as at the beginning of September '19 at around US\$ 16,500 per day, well above DIS' P&L break-even.

In the last cycle, the product tanker market hit bottom in October 2016 and since then asset values for younger vessels have been gradually recovering (5 year old MR, +36%); TC rates also improved and they are currently 22% higher relative to the levels of October 2016.

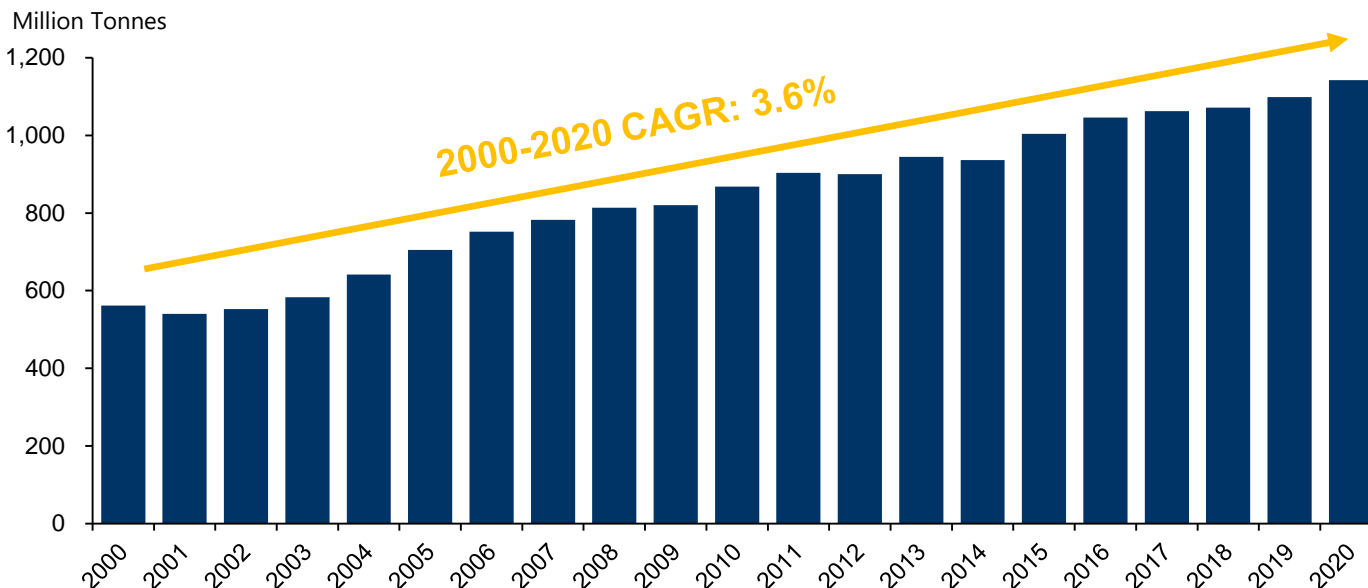
1. Source: Clarkson Research Services as at Sep 9 '19





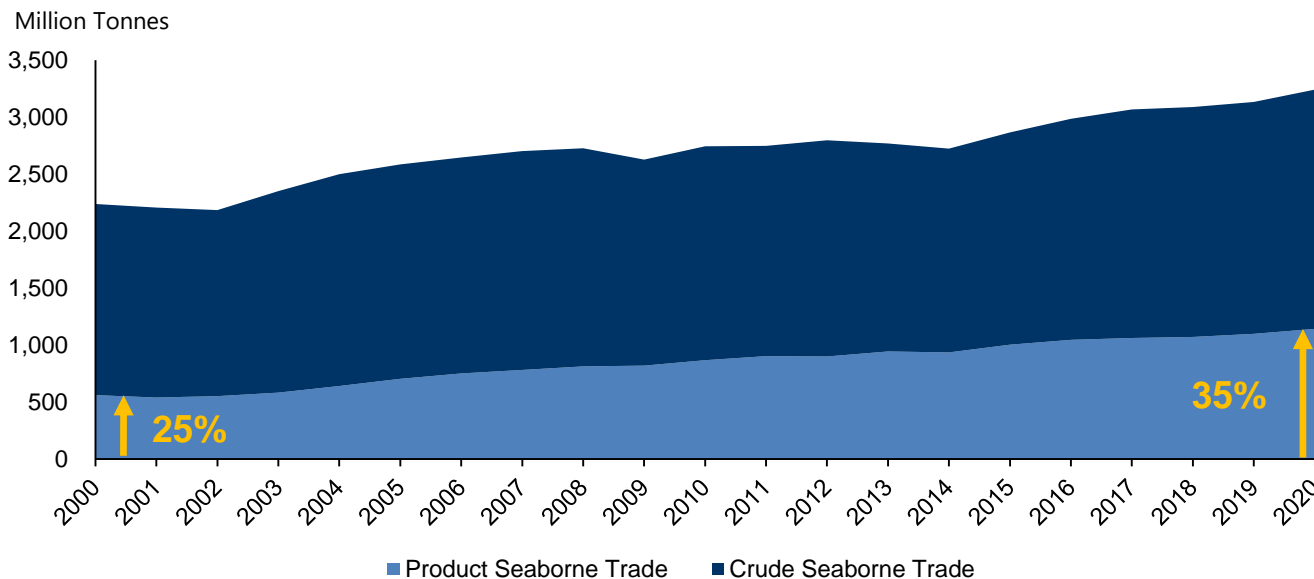
Healthy and resilient demand growth.

World Seaborne Refined Products Trade¹



- Seaborne oil product trade has increased at a **strong CAGR of 3.6% since 2000.**
- Furthermore, refineries are increasingly being built far from the main consuming areas, contributing to a rise in volumes transported by sea, and average distances sailed.
- Unsurprisingly, refined products have increased their share of the total oil seaborne trade from 25% in 2000 to 35% in 2020.

Product share of Oil Seaborne trade¹



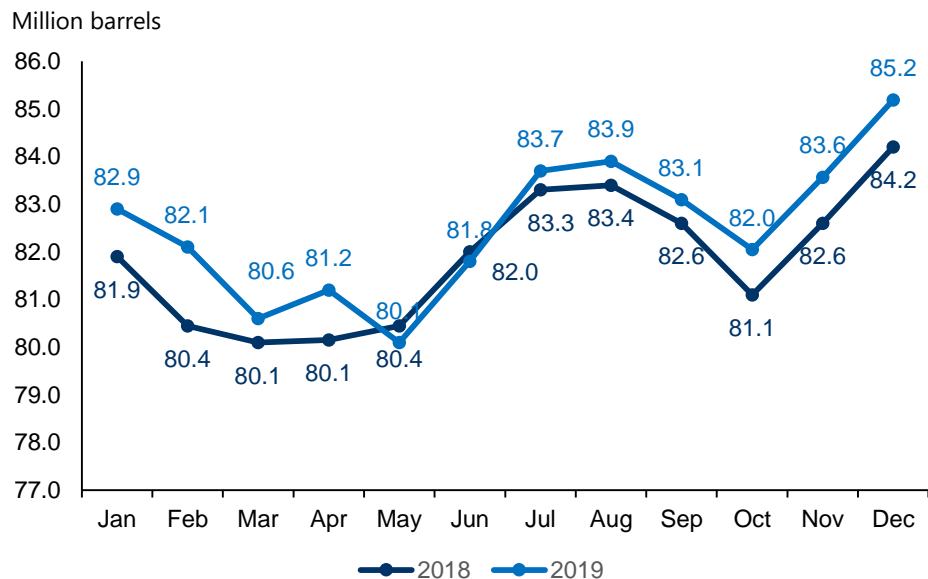
1. Source: Clarkson Research Services as at Sep'19



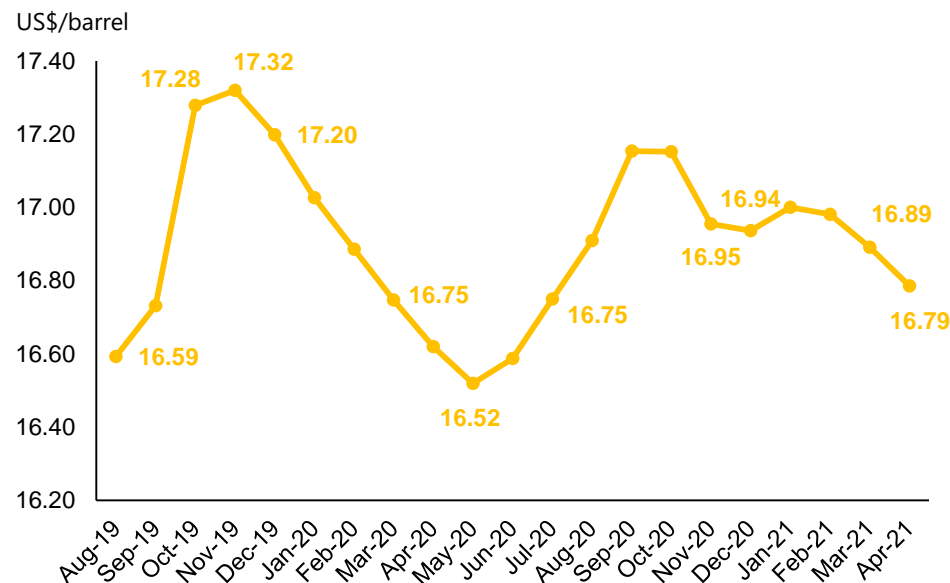


Expected surge in refining volumes in last part of '19.

Global Refinery Throughputs¹



Gasoil Crack²



- Refining activity in the first-half of 2019 has been subdued due to the extended refinery maintenance programs in preparation for IMO 2020. Activity levels have been depressed particularly in the Atlantic basin, where volumes were on average lower than last year, whilst some growth was experienced east of Suez (especially in China with a growth of 0.7 million b/d).
- Refined volumes are, however, expected to ramp-up in the second-half of the year, with an estimated increase of 2.1 million b/d relative to H1 (+2.6%). Q4'19 volumes are expected to be on average 1 million b/d higher than in the same period last year (+1.2%).

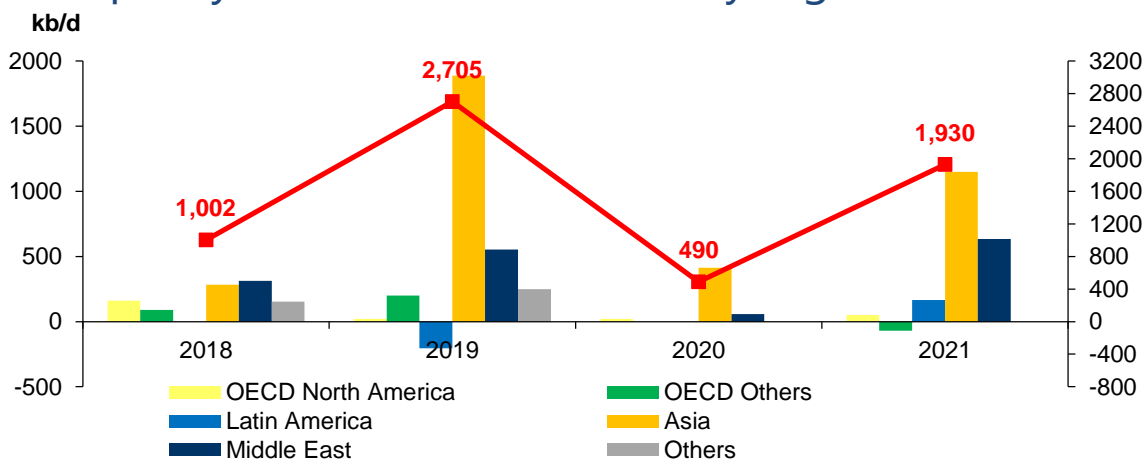
Large ramp-up in volumes expected in the second part of the year. Forward crack spread for some products such as gasoil, increasing sharply in Q4 2019.

1. IEA estimates for 2018 and first seven months of 2019. For the rest of 2019, estimates from IEA for quarterly averages and from management for monthly figures.
 2. Morgan Stanley, 30 August 2019

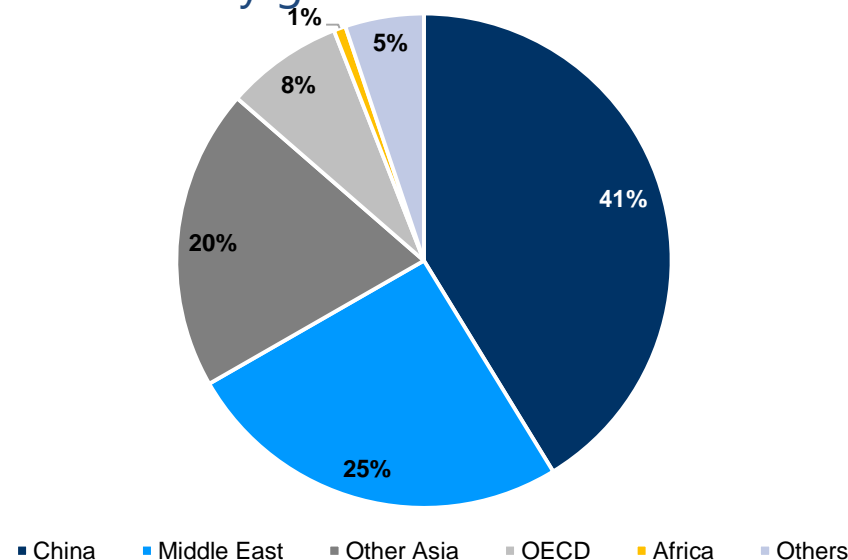


Record growth in refinery capacity in 2019¹.

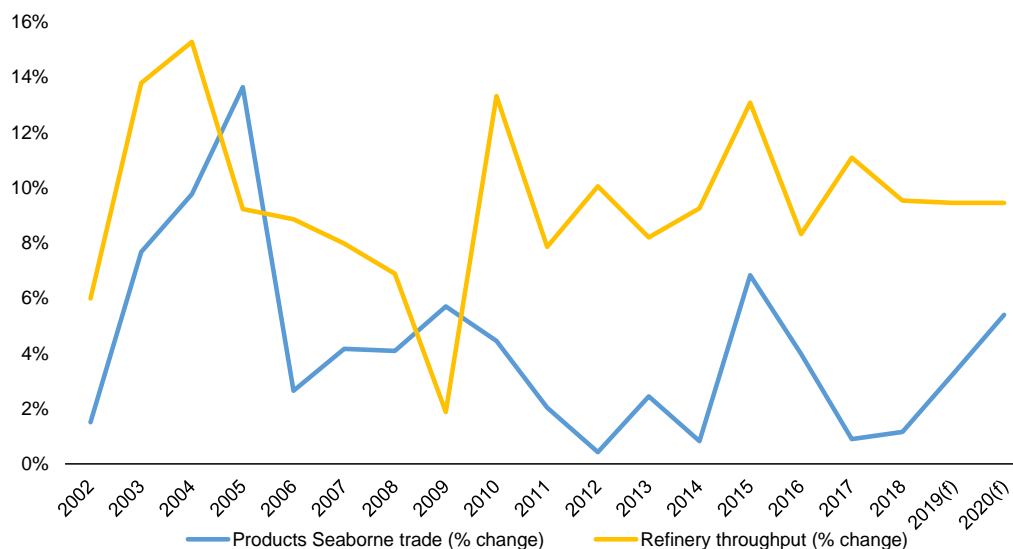
Capacity additions 2018-2021 by region



Refinery growth 2018-2021



Products Seaborne trade (annual % change)



Refinery throughput (annual % change)

- In Aug'19, the **IEA revised its '19 demand growth forecast down by 0.1 mb/d (1.1 mb/d) and left its estimate for '20 (1.3 mb/d) almost unchanged**, mainly due to the IMF's recent 0.1% downgrade to global GDP outlook for both years. The IEA expects global demand to accelerate from a weak 500 kb/d in Q1'19 and 700 kb/d in Q2'19, to 1.6 mb/d in H2'19 as economic activity improves and petrochemical plants ramp up.
- Strong correlation between refinery throughput and demand for seaborne transportation of refined products.
- **Global refinery crude distillation capacity is forecast to rise by 2.7 mb/d in '19 (a record) and by 6.1 mb/d in the '18-21 period.** Most of the expansion in the '18-21 period is expected in China (+2.5 mb/d) and in the Middle East (+1.6 mb/d).
- **86% of the planned refinery additions are in Asia and the Middle East.**

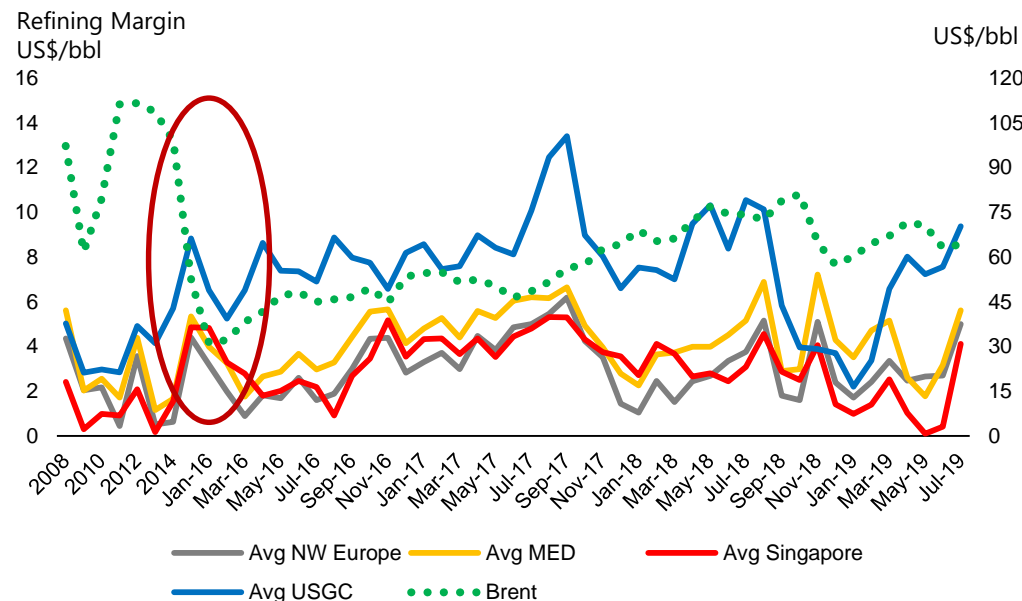
1. Source: Clarksons Seaborne Trade Monitor, Aug'19, IEA-Oil 2019 Market Report Series and BP Statistical Review of World Energy 2019



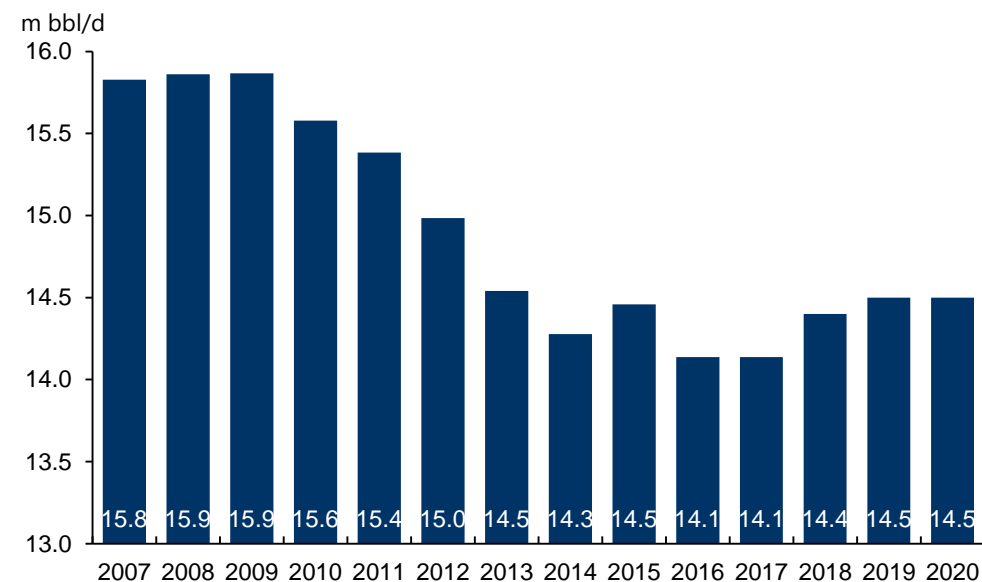


Changes in refining landscape driving demand.

Refining Margins Europe, USG (cracking)¹



European Refining Capacity 2007-2020²



- New refineries in the US and Asia can obtain much higher margins than those in Europe.
- Europe is still one of the world's largest refining regions, but capacity and throughput are on a sharp downward trend.
- The large increase expected in refinery capacity worldwide, is going to create further difficulties for European refineries.
- In addition, **the January 2020 IMO deadline limiting sulphur content in marine fuels to 0.5% worldwide, is going to pose an additional challenge for European refineries**, which are large producers of marine fuel oil.
- **Further reductions in European refineries throughput is therefore expected**, with their volumes being displaced by the more competitive North American, Asian and Middle Eastern refineries. The effect of this process is **an increase in volumes transported and average ton-miles**.

European refining capacity is on a downward trend, creating pent-up demand for seaborne transportation of refined petroleum products

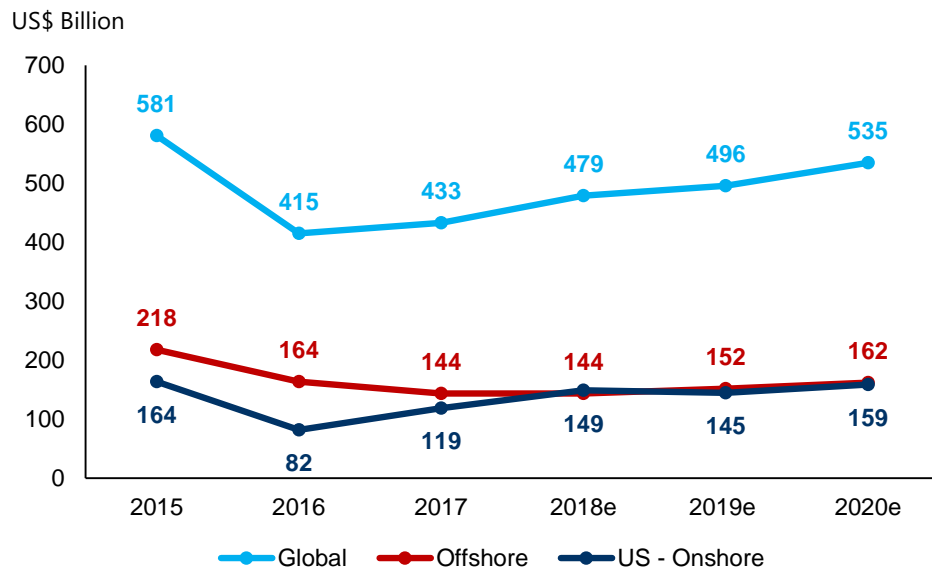
1. IEA – OMR report Aug'19
2. Source: Clarkson Research Services as at Aug'19



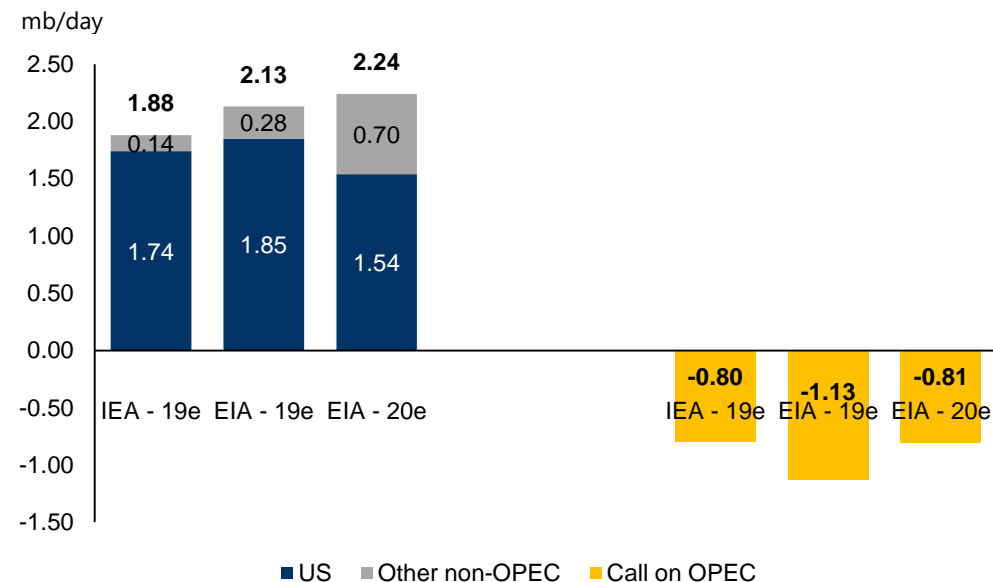


Rebound in E&P to drive surge in non-OPEC Supply.

E&P - CAPEX estimate¹



Non-OPEC Oil Production vs Call-on OPEC²



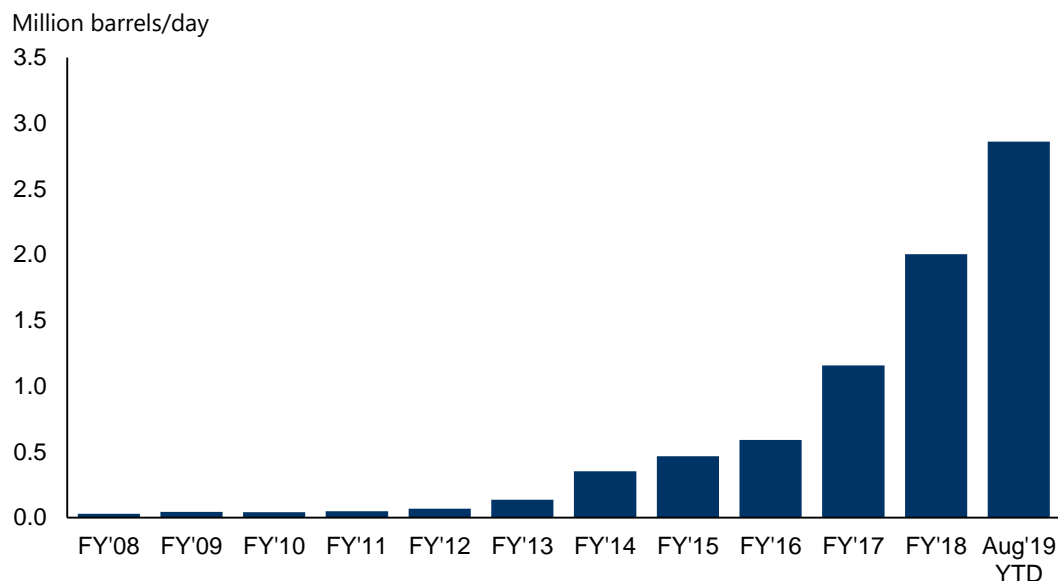
- An increase in the oil price has been driving and should continue **stimulating an increase in oil companies' E&P spending** (y-o-y growth: '18e +10.9%; '19e +3.1%; 20e +7.9%). This applies mainly to US shale oil but also to offshore investments.
- In fact, the rebound in the oil price since the 2016 lows (driven by strong demand, Iran sanctions, the Venezuelan and Libyan crisis, and partially reverted OPEC supply curtailments) has been improving the economics for oil companies, allowing them to fund an increase in capex through higher operating cash flow.
- **The large majority of the estimated increase in oil production in 2019 and 2020 will come from the US.** US shale oil is expected to continue flooding the market due to its short investment cycle, and a rise in production efficiency which resulted in an important decline in break-even costs.
- The call-on OPEC (the OPEC production required to balance supply and demand) is estimated by the IEA and EIA to be negative in 2019 and 2020, implying **growth in non-OPEC supply will outpace increase in oil demand.**

1. Source: ABG Sundal Collier – Aug'19
 2. Source: ABG Sundal Collier – Aug'19

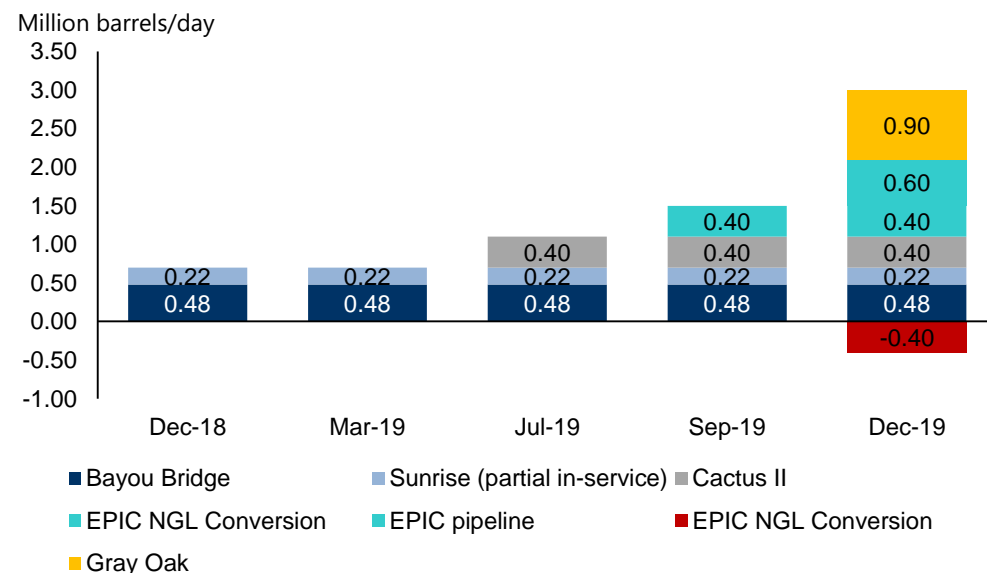


Rapid growth in US crude exports to continue.

US Exports of Crude Oil¹



Project timeline for incremental US export capacity²



- **In 2019 US crude export continued rising rapidly**, averaging 2.8 m b/d up to the end of August (58% more than in the same period of 2018). **These exports are expected to continue growing rapidly during the next two years. According to a major oil trader, US crude exports should reach 3.5 m b/d by the end of '19.**
- Onshore logistics created a bottleneck, slowing down export growth over the last few years, but additional pipeline and terminal capacity is expected to come on line amounting to 400 k b/d in Q2'19, 400 k b/d in Q3'19 and another 1,100 k b/d in Q4'19.

Rising US exports of crude oil which are transported over very long-distances to Asia, should prove very beneficial for crude carriers and indirectly also for product tankers.

1. Source: EIA Sep'19 (monthly figures until May'19 and weekly average figures from June to Aug'19)
 2. Source: ABG Sundal Collier – Feb'19





IMO 2020, a game changer.

IMO 2020 in brief:

- The impending marine bunker specification change, mandated by the IMO, will **cap sulphur emissions from ocean-going vessels to 0.5%, starting from January 2020.**
- To comply with the new regulations, vessels will need either to use low-sulphur fuel for bunkers (LSFO), gasoil, or reduce engine emissions through the use of scrubbers.
- The changes will impact current consumption of high sulphur fuel oil (HSFO) bunkers of approximately 3.2 million b/d.

Potential implications of IMO 2020 for the product tanker market:

- According to Clarksons, as at September 2019, 644 scrubbers had been ordered for installation on tankers by the end of 2020, representing 8.0% of the trading (17.0% of dwt); this figure includes already fitted, ordered for new buildings and retrofits; **for smaller tankers (10-55k dwt), current orders represent 6% of the trading fleet¹(7.0% of dwt).** Number of scrubbers ordered are, however, expected to continue rising.
- Expected increase of average bunker prices from Jan '20 will encourage **slow-steaming and scrapping of older tonnage.**
- **Potential floating storage of HSFO**, as forward curve is expected to be initially in contango, reducing effective trading fleet.
- **Retrofits of scrubbers will entail longer off-hires for planned maintenance and additional dry-docks** with associated deviations, reducing tonnage availability.
- **Part of the HSFO produced will need to be transported to refineries with secondary units** for further processing to reduce sulphur content, and thereafter be distributed to ports, increasing trading opportunities.
- **Additional need to distribute gasoil and LSFO.** In particular, lower number of refineries that can produce LSFO relative to HSFO should lead to a larger overall need for seaborne transportation.
- **Dislocation in production of sweet and sour crude and location of refineries that will be buying these different types of oil, will benefit also crude tankers and indirectly us** – more vessels switching to the dirty trade and less clean cargoes transported by these vessels on their maiden voyages.
- **Predicted increase in average refining margins, utilisation and throughput** should further contribute to an increase in the demand for product tankers. Refineries in Europe, which are less flexible and produce more fuel oil, expected to be relative losers, further increasing European import needs (and ton-miles) from Asia and the Middle East.

IMO 2020 regulation is expected to be extremely beneficial for product tankers

1. Based on number of vessels.



Positive brokers' view of IMO 2020.

Clarksons Platou

Apr. 2019 - Biannual Report

An additional contributor to tanker demand in the coming years, we argue, is the sulphur cap on bunker fuel that the IMO will introduce on the 1st January 2020. Only a small share of the 95,000 ships in the world merchant fleet will have installed scrubbers by then, forcing most owners to burn a more expensive MGO/MDO or a hybrid low sulphur fuel. There is a need to switch an estimated 3.0-3.5 mbd by 2020, the most radical change in oil demand's history over such a short period. This will create challenges for shipowners but will also positively affect the tonnage demand, both for crude and clean products. More costly fuel may make owners slow down their ships, technical issues may increase off-hire and vessels taken out of the market for a period for retrofitting scrubbers...

EVERCORE ISI

Apr. 2019

Oil Tankers: It's Now or Never – Cyclical Upturn and IMO 2020 to Drive Material Equity Upside... Long-Awaited Tanker Upturn is Here... as the underlying tanker market supply/demand balance tightens ahead of large potential tailwinds in the form of the upcoming IMO 2020 regulations, we believe that the next cyclical upturn is about to commence. **We continue to favor the product tanker sub-segment given its more muted capacity outlook and more direct demand benefit from IMO 2020... with a potential massive dislocation of compliant (very low sulfur fuel oil and marine gasoil) bunker fuels,** as the nearly 800 bunkering ports worldwide prepare for a large switchover from the majority of their customers, rates and returns in this sub-sector are likely to cure a lot of the recent disappointment.

Jefferies

Jul. 2019

Increased MGO demand as a result of IMO 2020 will further dislocate an already diverse products tanker market, with positive impact likely to manifest as early as September as owners begin cleaning their tanks and making the switch ahead of IMO 2020.

J.P.Morgan

Apr. 2019

Product tanker fundamentals look healthier this year, and see potential for more strength to appear towards the end of 2019 and going into the 2020 due to the new low-sulphur regulations. **Overall, we expected 2020 to be a cycle high year as the IMO 2020 effects become a factor** (lower speeds, boost to product demand, potential inefficiencies in crude tanker market).

STIFEL

Aug. 2019

IMO 2020 has the potential to be a boom to product tanker rates. With the need to ship marine gas oil (MGO)/low sulfur fuel oil (LSFO) to end points for consumption, we estimate product tanker demand could increase by 5-10%.

Pareto

Dec. 2018

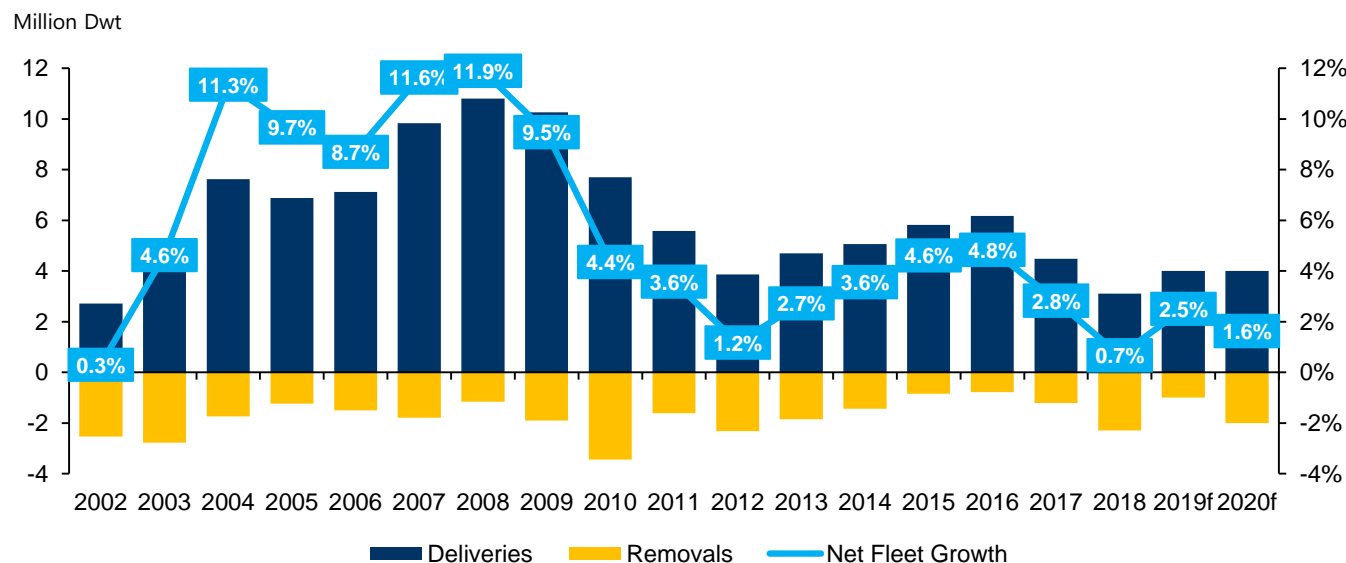
From Jan. 1 2020 the new IMO-regulations that prohibit the use of HFO (without scrubbers) go into effect... **With changing patterns and marine fuel requirements, this should be boosting product tanker demand from the second half of next year, as refiners and bunker fuel suppliers grasp to get ready for the new regime.** Opinion that global oil demand will continue to grow – and with the upcoming IMO 2020 looming in the horizon likely adding more demand to the equation, **we expect the market here to improve significantly.**



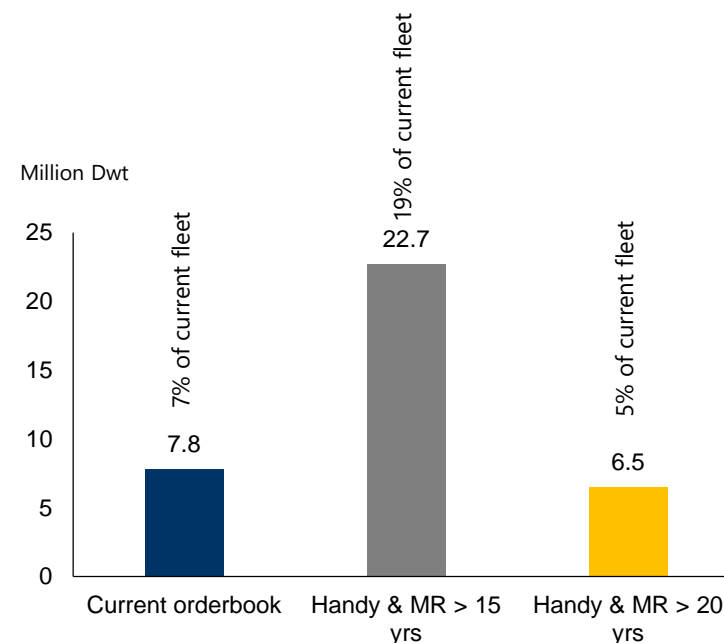


Slowing fleet growth.

MR & LR1 deliveries and scrapping (m dwt) (lhs), and net fleet growth (%)¹ (rhs)



Current MR & LR1 Fleet Age Profile¹



Scheduled deliveries are slowing. Even with limited scrapping, fleet growth is expected to be of only 2.5% in 2019. Fleet growth in 2020 is expected to be of 1.6%, assuming no additional vessels are ordered for delivery that year.

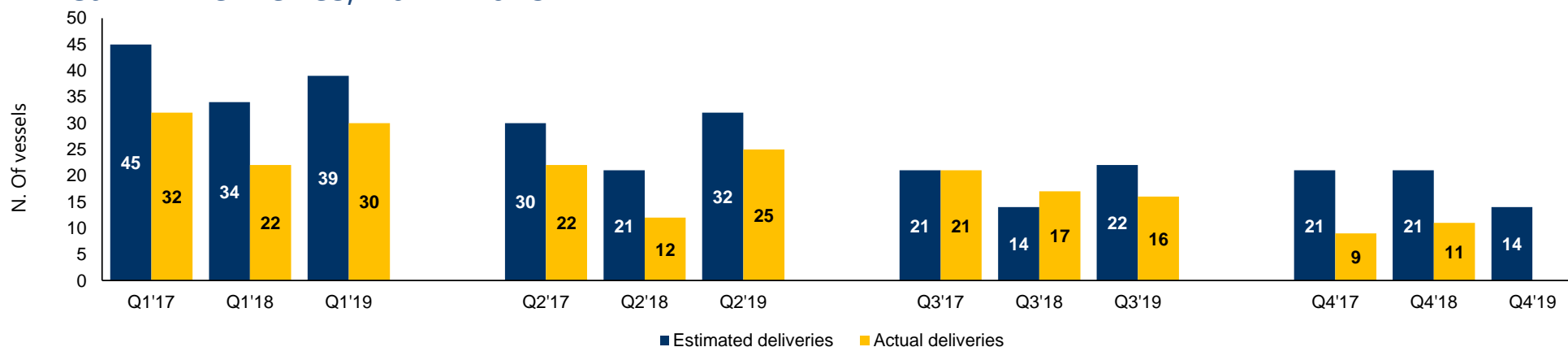
1. Source: Clarkson Research Services as at Jul'19 and Clarksons Oil & Tanker Trades Outlook – Aug'19



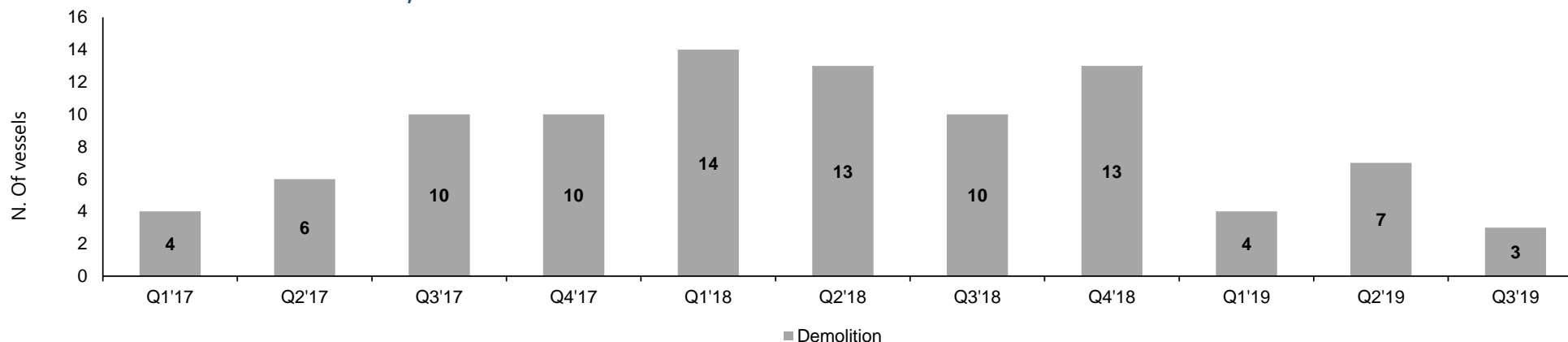


Delays and scrapping can support markets.

MR & LR1 Deliveries, 2017-2019¹



MR & LR1 Demolitions, 2017-2019¹



- According to Clarksons, 74 MRs were scheduled to be delivered in 2018, whilst only 49 vessels were actually delivered, a slippage of 34%. 93 MRs were scheduled to be delivered in 2019 (63 delivered at the end of Aug'19 vs. 73 scheduled).
- According to Clarksons 16 LR1s were scheduled to be delivered in 2018, whilst only 13 were actually delivered. 14 LR1 were scheduled to be delivered in 2019 (8 delivered at the end of Aug'19 vs. 10 scheduled).

A low orderbook, demolitions and slippage should contribute to limited fleet growth over the next two years.

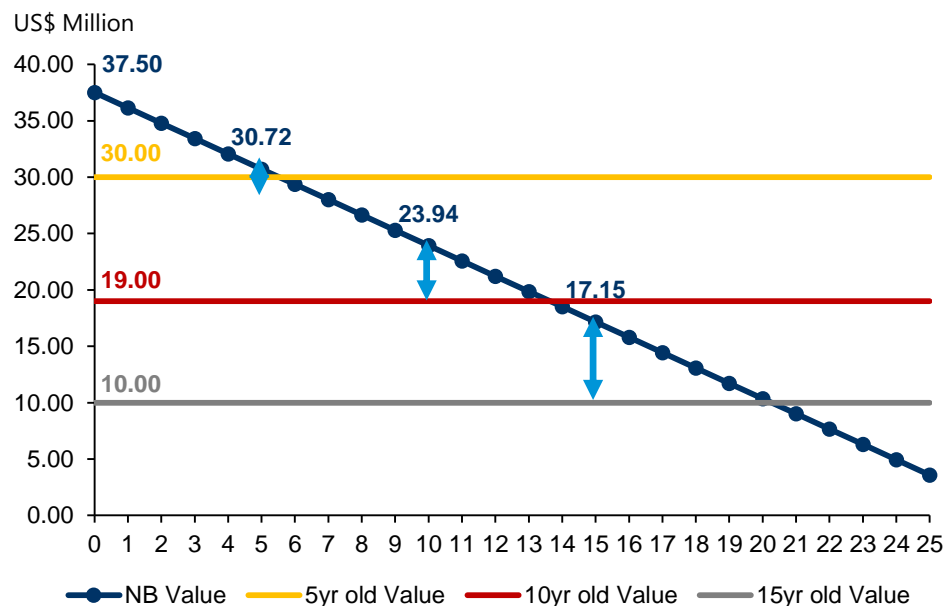
1. Source: Clarksons, Affinity and Company estimates. Sep'19.



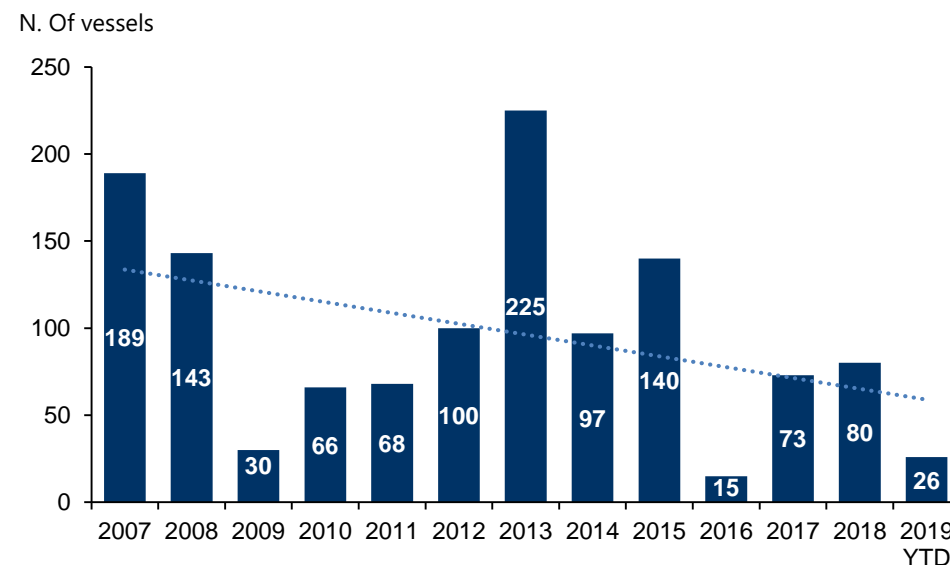


Limited newbuild orders.

MR Newbuilding parity curve vs Second-hand values¹



MR & LR1 orders



- Shipyards worldwide are facing severe financial difficulties, which has led to a **sharp reduction in shipbuilding capacity**.
- **Attractive valuation of older secondhand vessels versus newbuildings**, reduces incentive to order new ships.
- **Uncertainty regarding regulation to achieve ambitious IMO targets for reduction in CO² emissions, is also limiting orders for newbuildings.**
- **Lower interest in the sector from financial investors** (Private Equity), and limited capacity for further investments by industrial players, which have already renewed their fleets and currently have stretched balance sheets, is contributing to a drop in new construction contracts, which reached a ten-year low of 15 MRs and LR1s in 2016. Average annual orders of MRs and LR1 ordered since 2016, is the lowest of any similar period since 2007. Only 26 MRs and LR1s have been ordered in the first eight months of 2019.

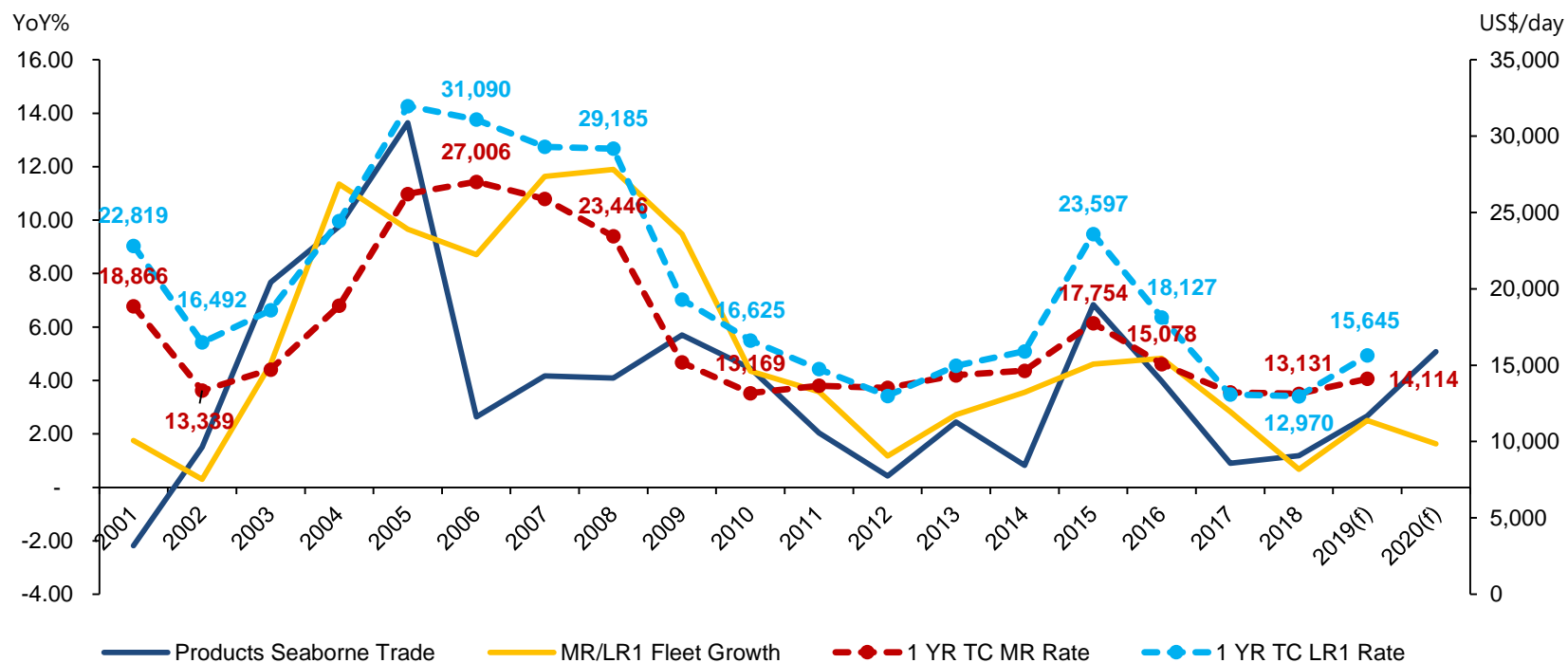
1. Source: Vessel prices from Clarkson Research Services as at Sep'19. Newbuilding prices evolution based on 25 years depreciation, including US\$ 1m first supply and US\$ 3.6m scrap value.





A tighter market expected.

Seaborne Volume and MR/LR1 Fleet Growth (lhs)%¹ vs 1 year MR and LR1 TC rate (rhs)



Clarksons' expects demand for product tankers to expand by ~2.7% in 2019 and ~5.1% in 2020, which should comfortably exceed supply growth, leading to a tighter market and increasing freight rates

1. Source: Clarkson Research Services and Seaborne Trade Monitor, as at Aug'19. Based on the current orderbook



Brokers see improvement from H2 2019.

Clarksons Platou

Aug. 2019

Looking into 2H19 we remain bullish given the strong fundamentals and the projected positive effects of the new IMO regulations. The most meaningful effect for product tankers, in our view, will be the new trading patterns created in order to supply the world with compliant fuels, increasing ton-miles as there will likely be a disconnect between where products are refined and where they are consumed.

Jefferies

Jul. 2019

We believe a **multi-year cyclical recovery is on the horizon in 2H19 and beyond...**

STIFEL

Jul. 2019

We expect demand to exceed ship supply in 2H19 and throughout 2020 leading to materially higher returns by shipping companies. **Product tanker demand growth strengthening;** Rates and asset values should firm up through 2019... **we would expect supply growth to remain muted at 2-3% in 2019.**

DNB

MARKETS
Aug. 2019

The tanker markets are experiencing seasonal lows, but we believe the turnaround will come sooner rather than later due to IMO disruption and frontloaded refinery maintenance in H1, leaving upside potential to H2 tanker demand.

Fearnley Securities

April. 2019

We believe the upcoming tanker cycle will resemble that of 2014-2015 in terms of equity upside (on 2015/ 2016 tanker earnings).



Why invest in DIS

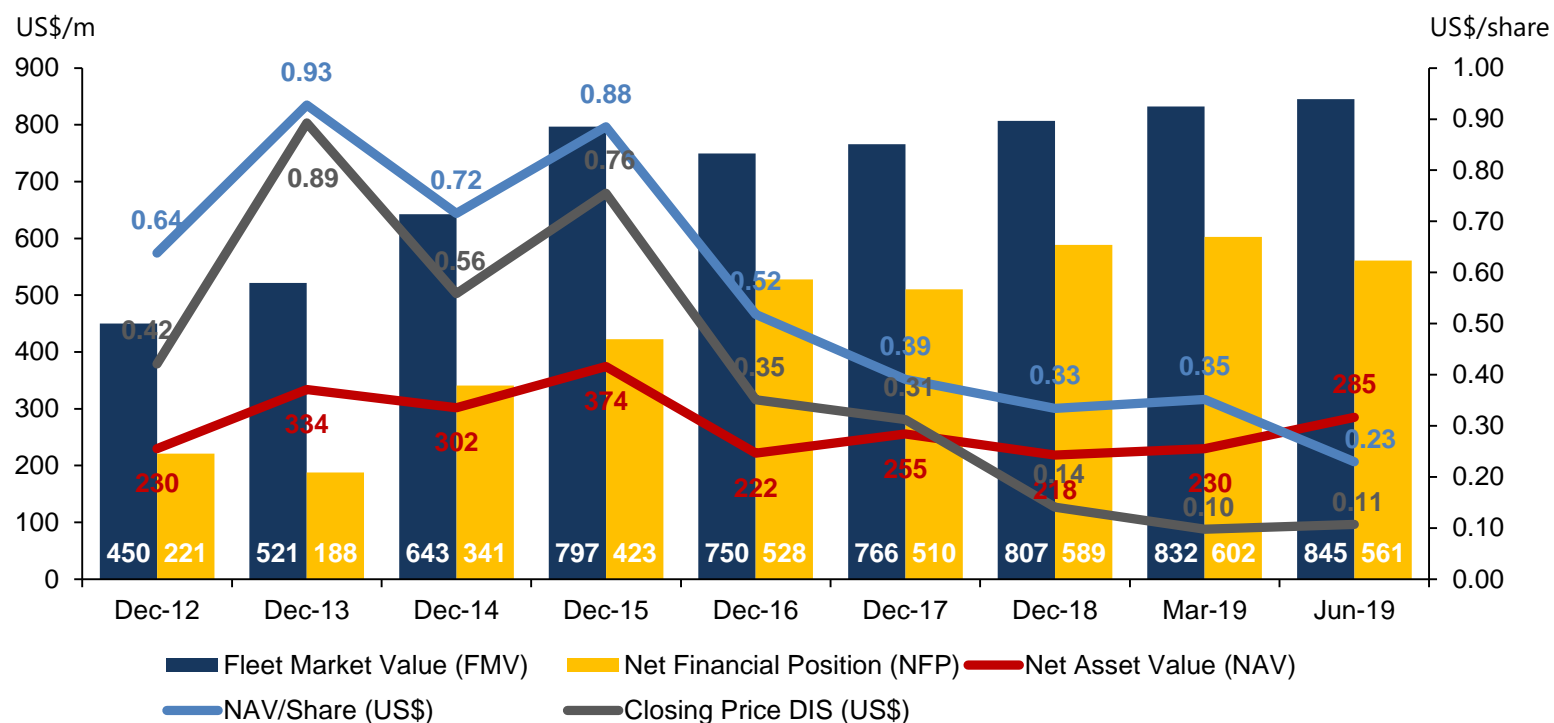


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Historical NAV evolution.

DIS' Historical NAV evolution¹



	Dec-12	Dec-13	Dec-14	Dec-15	Dec-16	Dec-17	Dec-18	Mar-19	June-19
Discount to NAV (End of Period)	34%	4%	22%	15%	32%	20%	58%	72%	53%

As at June 30 2019, DIS' Pro-forma NAV¹ was estimated at US\$ 284.6m, its Fleet Market Value at US\$ 845.35m², and its closing stock price was 53% below its NAV/share

1. DIS' owned and bareboat fleet market value according to a primary broker valuation less Net Debt, excluding the impact of IFRS 16. It includes the value of the leased assets for which DIS has a purchase obligation, less the discounted value of the financial payments on such leases.
 2. Fleet valued as at June 30, 2019.





Why invest in DIS today.

- **Young-fleet, most of which acquired at historically attractive prices and at top-tier yards.** Furthermore, vessels are mostly eco-design (64% of owned and bareboat ships following delivery of all DIS' newbuildings) and IMO classed (92% of owned and bareboat ships following delivery of all DIS' newbuildings).
- **First-class in-house technical management** provides DIS **access to long-term charters** with demanding oil majors, and allows it to **anticipate and benefit from regulatory changes.**
- Invested mostly in the MR1 and MR2, and more recently in the LR1, segments – **these vessels** are the workhorses of the industry, since they **are the most flexible commercially and also the most liquid on the S&P market.**
- **Prudent commercial strategy, always aiming to maintain between 40% and 60% of the fleet covered through long-term fixed-rate contracts** over the following 12 months.
- **International reach with chartering offices in 4 countries and 3 continents** (Stamford, London, Singapore, and Dublin), allows DIS to maintain close relationships with clients and brokers, increasing employment opportunities for vessels.
- **Strong banking relationships**, which has recently allowed DIS to obtain a US\$ 250 million term loan facility with a pool of 9 primary financial institutions at very favorable conditions, enabling it to refinance 8 existing vessels and finance 5 newbuildings.
- **Attractive valuation of DIS in absolute terms – NAV discount of 53% as at the beginning of June 2019 – and relative to peers.**
- **Very attractive market fundamentals** with a near-term recovery in freight rates and asset values expected.



Appendix

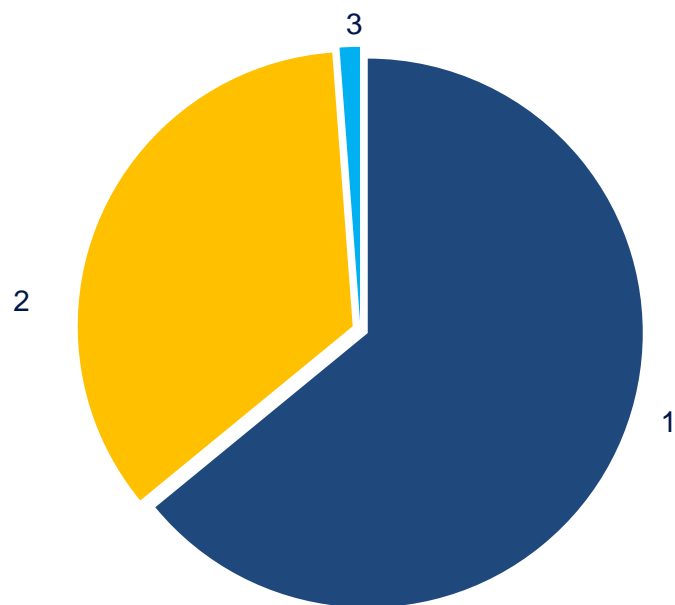


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DIS' Shareholdings Structure.

Key Information on DIS' Shares



d'Amico International SA	65.66%
Others	33.72%
d'Amico International Shipping SA	0.63%
	100.00%

Listing Market	Borsa Italiana, STAR
No. of shares	1,241,032,124
Market Cap ¹	€115.6 million
Shares Repurchased / % of share capital	7,760,027 / 0.63%

1. Based on DIS' Share closing price on September 10th, 2019 of Eur 0.0937



Market Projections. More detailed brokers' view

Clarksons Platou

Aug. 2019

Product tanker earnings remained subdued in 2Q19 as a result of seasonally lower demand and heightened global refinery maintenance ahead of the new IMO regulations (which commence in January 2020). **Looking into 2H19 we remain bullish given the strong fundamentals and the projected positive effects of the new IMO regulations.** The most meaningful effect for product tankers, in our view, will be the new trading patterns created in order to supply the world with compliant fuels, increasing tonmiles as there will likely be a disconnect between where products are refined and where they are consumed.

Jefferies

Jul. 2019

Refined products tanker rates were also negatively impacted by the unusually prolonged refinery maintenance season... That said, we believe **a multi-year cyclical recovery is on the horizon in 2H19 and beyond** as refinery throughput increases of 2-3 MMbd from now until September coupled with new refinery expansions in the Middle East will continue to boost ton-mile demand. Also, increased MGO demand as a result of IMO 2020 will further dislocate an already diverse products tanker trade, with positive impacts likely as early as September. Last but certainly not least, the orderbook to fleet ratio is below 8%, the lowest level since 2000. On the other end of the spectrum, 20% of the fleet is already over 15 years of age and set to increase significantly due to the massive amount of newbuildings that were delivered in 2004-2010, most of which are likely to be scrapped in the coming years.

Last week, the IEA released its monthly report stating global refinery throughput in 2Q19 fell 0.7 MMbd YoY, the largest annual decline in 10 years, as early and extended refinery maintenance reduced throughput to 80.9 MMbd in 2Q19, compared to 81.8 MMbd in 1Q19; however, the IEA expects throughput to increase to 84.0 MMbd in 3Q19. As such, we expect tanker rates to strengthen into 2H19 and 2020 as refinery maintenance ends and new refining capacity is added. We believe the crude oil tanker market is likely to strengthen in 2H19 because of low OECD inventories and increasing US crude exports, while **the refined products tanker market should benefit from increasing global refining capacity and slowing fleet growth**

STIFEL

Jul. 2019

We expect demand to exceed ship supply in 2H19 and throughout 2020 leading to materially higher returns by shipping companies. **Product tanker demand growth strengthening:** IMO 2020 could add 3-5% to product tanker demand; New refineries close to the source coming online or ramping up capacity in both the Middle East and Asia; Refined product exports remain steady from the U.S. Gulf Coast; Arbitrage trade window presents several opportunities; Diesel inventories at 10-year lows so additional consumption will need to come from imports; Low oil prices drive consumption; PES refinery closure could drive 300,000b/d of new US imports; Rates and asset values should firm up through 2019. The total size of the product tanker fleet is 182 mil dwt. With 12 mil dwt (6.5% of the fleet) which is the lowest ratio in decades and below 8% for the first time in 19 years... **we would expect supply growth to remain muted at 2-3% in 2019.**

DNB
MARKETS

Aug. 2019

The tanker markets are experiencing seasonal lows, but we believe the turnaround will come sooner rather than later due to IMO disruption and frontloaded refinery maintenance in H1, leaving upside potential to H2 tanker demand. H2 offering ample potential catalysts in our view. We believe fundamentals are lining up for a strong H2 for product tankers as: 1) seasonally, Q4 is a strong quarter with MR rates averaging USD23.4k/day in December 2018, and current rates are already up more than 50% YOY; 2) IMO disruption from vessels installing scrubbers, ballast water management systems (BWMS) and preparing bunker tanks to remove capacity from the fleet in H2 (as much as 4% of the product fleet in Q4 on our calculations); and 3) abnormally high refinery outages in H1 pointing to maintenance being frontloaded in preparation for IMO 2020, leaving upside potential to refinery throughput in H2 and demand for product tankers.

Fearnley Securities

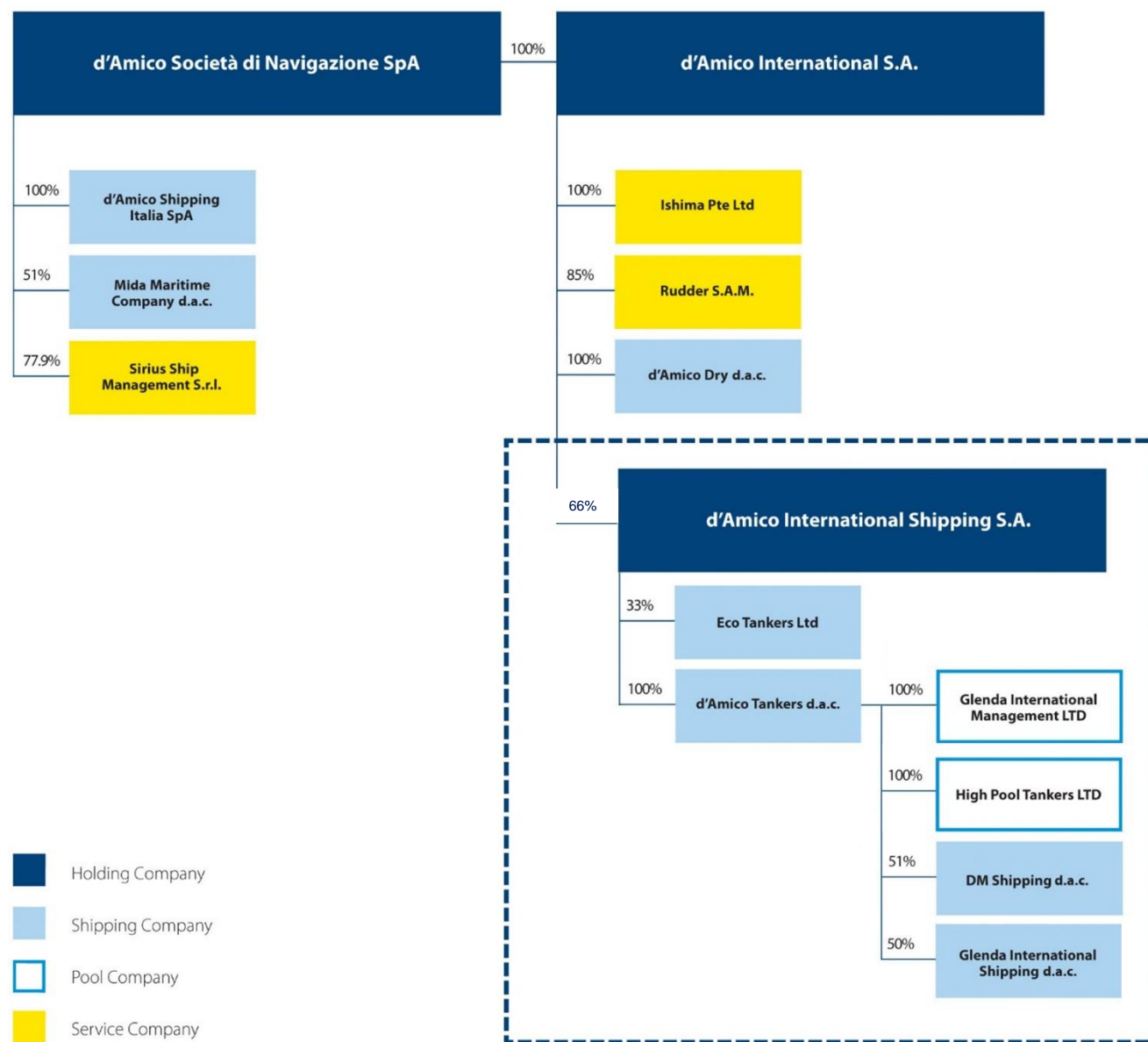
April. 2019

We believe the upcoming tanker cycle will resemble that of 2014-2015 in terms of equity upside (on 2015/ 2016 tanker earnings). The upcoming winter is expected to be very strong as refineries ramps up throughput to produce sufficient compliant fuel. Whilst there remains many unanswered questions with regards to the implementation of IMO 2020 (volumes, prices, compliance and penalties to name a few), it should in our view act as a major catalyst for the space





d'Amico Group Structure.



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





Financial results. Consolidated Income Statement

Q2 2019 UNREVIEWED	Q2 2018 UNREVIEWED	US\$ Thousand	Note	H1 2019	H1 2018
87,387	98,853	Revenue	(2)	178,418	202,362
(24,938)	(39,524)	Voyage costs	(3)	(52,111)	(76,713)
62,449	59,329	Time charter equivalent earnings*	(4)	126,307	125,649
(7,230)	(33,702)	Time charter hire costs	(5)	(17,450)	(65,665)
(26,433)	(21,518)	Other direct operating costs	(6)	(54,124)	(42,067)
(2,458)	(4,140)	General and administrative costs	(7)	(5,880)	(8,100)
(841)	14	Result on disposal of fixed assets	(8)	(948)	252
25,487	(17)	EBITDA*		47,905	10,069
(22,986)	(9,640)	Depreciation and impairment	(13)	(33,932)	(18,893)
(9,113)	-	Depreciation of right-of-use leased asset	(14)	(15,407)	-
(6,612)	(9,657)	EBIT*		(1,434)	(8,824)
766	2,200	Net financial income	(9)	578	3,928
(13,896)	(9,095)	Net financial (charges)	(9)	(25,228)	(15,055)
1,269	(3)	Profit share of equity method investees	(10)	1,251	(1)
(226)	-	Reversal of impairment of loan to an equity accounted investee	(11)	719	-
(18,699)	(16,555)	Profit / (loss) before tax		(24,114)	(19,952)
(107)	(67)	Income taxes	(12)	(207)	(268)
(18,806)	(16,622)	Net profit / (loss)		(24,321)	(20,220)
<i>The net result is attributable to the equity holders of the Company</i>					
(0.015)	(0.026)	Earnings / (loss) per share in US\$⁽¹⁾		(0.020)	(0.031)





Financial results. Consolidated Balance Sheet

<i>US\$ Thousand</i>	As at 30 June 2019	As at 31 December 2018
ASSETS		
Property, plant and equipment	879,473	911,281
Right-of-use of leased assets	135,701	-
Investments in jointly controlled entities	4,391	3,228
Other non-current financial assets	18,870	9,655
Total non-current assets	1,038,435	924,164
Inventories	11,392	13,492
Receivables and other current assets	45,915	52,163
Other current financial assets	16,465	18,205
Cash and cash equivalents	35,739	31,713
Current Assets	109,511	115,573
Assets held for sale	17,341	-
Total current assets	126,852	115,573
TOTAL ASSETS	1,165,287	1,039,737
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share capital	62,052	65,376
Retained earnings (accumulated losses)	(56,595)	(30,270)
Share Premium	368,884	316,697
Other reserves	(20,015)	(14,460)
Total shareholders' equity	354,326	337,343
Banks and other lenders	301,425	338,622
Non-current liabilities from financial leases	332,276	165,298
Shareholders' long-term loan	-	30,600
Other non-current financial liabilities	10,668	4,998
Total non-current liabilities	644,369	539,518
Banks and other lenders	63,857	91,238
Current liabilities from financial leases	39,567	8,369
Shareholders' short-term financing	-	1,280
Payables and other current liabilities	41,293	54,013
Other current financial liabilities	11,663	7,876
Current tax payable	91	100
Current liabilities	156,471	162,876
Banks associated with assets held-for-sale	10,121	-
Total current liabilities	166,592	162,876
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,165,287	1,039,737





Financial results. Consolidated Statement of Cash Flow

Q2 2019 UNREVIEWED	Q2 2018 UNREVIEWED	US\$ Thousand	H1 2019	H1 2018
(18,807)	(16,622)	Profit (loss) for the period	(24,321)	(20,220)
8,645	9,640	Depreciation, amortisation	17,403	18,893
11,321	-	Depreciation of right-of-use leased assets	19,801	-
12,136	-	Impairment	12,136	-
107	40	Current and deferred income tax	207	241
6,408	-	Finance lease cost	10,576	-
7,260	6,789	Other net Financial charges (income)	14,270	11,778
(539)	106	Unrealised foreign exchange result	(196)	(651)
(1,270)	3	Profit share of equity accounted investment	(1,252)	1
(841)	(14)	Profit on disposal of fixed assets	(948)	(251)
226	-	Impairment reversal of a financial asset / v related pty.	(719)	-
(1,008)	-	Reclassification off-hire against depreciation	-	-
(589)	64	Movement in share option reserve	(607)	132
899	-	Movement in deferred result on disposal of S&L assets	1,114	-
23,948	(58)	Cash flow from operating activities before changes in working capital	47,464	9,791
647	(2,168)	Movement in inventories	2,100	(2,470)
1,980	294	Movement in amounts receivable	6,248	(2,278)
(12,541)	9,923	Movement in amounts payable	(15,857)	7,861
(6,408)	-	Payment of interest portion of lease liability	(10,576)	-
(164)	(38)	Taxes (paid) received	(217)	26
(4,248)	(7,541)	Net interest paid	(9,132)	(12,684)
3,214	447	Net cash flow from operating activities	20,030	942
(637)	(10,909)	Acquisition of fixed assets*	(31,157)	(44,032)
-	-	Proceeds from disposal of fixed assets*	-	13,750
-	-	Dividend from equity accounted investee	-	83
6,454	31	Movement in financing to equity accounted investee	6,304	62
5,817	(10,878)	Net cash flow from investing activities	(24,853)	(30,137)
17,907	-	Share capital increase	17,907	-
(1,242)	(91)	Other changes in shareholder's equity	(1,503)	(118)
(1,620)	27,000	Shareholders' financing	-	27,000
(950)	2,317	Movement in other financial receivables / related party**	(2,250)	1,167
4,259	(1,065)	Net movement in other financial payable	4,354	375
(38,920)	(23,258)	Bank loan repayments	(56,341)	(55,081)
-	5,833	Bank loan draw-downs	-	30,682
26,305	-	Proceeds from disposal of assets subsequently leased back	63,676	27,353*
(8,803)	(1,079)	Repayments of principal portion of financial lease	(17,770)	(2,132)
(2,516)	9,657	Net cash flow from financing activities	8,621	32,146
6,515	(774)	Net increase/ (decrease) in cash and cash equivalents	3,798	2,951
12,403	16,089	Cash and cash equivalents net of bank overdrafts at the beginning of the period **	15,120	12,364
18,918	15,315	Cash and cash equivalents net of bank overdrafts at the end of the period*	18,918	15,315
35,739	32,174	Cash and cash equivalents at the end of the period **	35,739	32,174
(16,821)	(16,859)	Bank overdrafts at the end of the period	(16,821)	(16,859)

* Refer to note 1 of the current report under Cash-flow reclassifications and non-cash items - impact - for a reclassification of amounts relating to tangible assets sold and leased-back in H1 2018; Fleet valued at June 30, 2019.

** Refer to note 1 of the consolidated annual report 2018 concerning a reclassification of 2018 collateral amount from cash and cash equivalents to financial receivables.





DIS' CURRENT FLEET OVERVIEW. LR1 & MR Fleet

Owned - LR1	Tonnage (dwt)	Year Built	Builder, Country	Interest ¹	IMO Classified
Cielo di Cagliari	75,000	2018	Hyundai MIPO, South Korea	100%	IMO II/IMO III
Cielo Rosso	75,000	2018	Hyundai MIPO, South Korea	100%	IMO II/IMO III
Cielo di Rotterdam	75,000	2018	Hyundai MIPO, South Korea	100%	IMO II/IMO III
Cielo Bianco	75,000	2017	Hyundai MIPO, South Korea	100%	IMO II/IMO III
Bare-Boat – LR1	Tonnage (dwt)	Year Built	Builder, Country	Interest ¹	IMO Classified
Cielo di Houston	75,000	2019	Hyundai MIPO, South Korea	100%	IMO II/IMO III
Owned - MR	Tonnage (dwt)	Year Built	Builder, Country	Interest ¹	IMO Classified
High Challenge	50,000	2017	Hyundai MIPO, South Korea (Vinashin)	100%	IMO II/IMO III
High Wind	50,000	2016	Hyundai MIPO, South Korea (Vinashin)	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
GLEND A Melissa ²	47,203	2011	Hyundai MIPO, South Korea	100%	IMO II/IMO III
GLEND A Meryl ³	47,251	2011	Hyundai MIPO, South Korea	50%	IMO II/IMO III
GLEND A Melody ²	47,238	2011	Hyundai MIPO, South Korea	100%	IMO II/IMO III
GLEND A Melanie ³	47,162	2010	Hyundai MIPO, South Korea	50%	IMO II/IMO III
GLEND A Meredith ³	46,147	2010	Hyundai MIPO, South Korea	50%	IMO II/IMO III
GLEND A Megan ²	47,147	2009	Hyundai MIPO, South Korea	100%	IMO II/IMO III
High Venture	51,087	2006	STX, South Korea	100%	IMO II/IMO III
High Performance	51,303	2005	STX, South Korea	100%	IMO II/IMO III
High Progress	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
Bare-Boat with purchase option/obligation	Tonnage (dwt)	Year Built	Builder, Country	Interest ¹	IMO Classified
High Trust	49,990	2016	Hyundai MIPO, South Korea (Vinashin)	100%	IMO II/IMO III
High Trader	49,990	2015	Hyundai MIPO, South Korea (Vinashin)	100%	IMO II/IMO III
High Loyalty	49,990	2015	Hyundai MIPO, South Korea	100%	IMO II/IMO III
High Freedom	49,990	2014	Hyundai MIPO, South Korea	100%	IMO II/IMO III
High Discovery	50,036	2014	Hyundai MIPO, South Korea	100%	IMO II/IMO III
High Voyager	45,999	2014	Hyundai MIPO, South Korea	100%	IMO II/IMO III
High Fidelity	49,990	2014	Hyundai MIPO, South Korea (Vinashin)	100%	IMO II/IMO III
High Priority	46,847	2005	Nakai Zosen, Japan	100%	-

1. DIS' economical interest
 2. Vessel owned by GLEND A International Shipping d.a.c. In which DIS has 50% interest and Time Chartered to d'Amico Tankers d.a.c.
 3. Vessel owned by GLEND A International Shipping d.a.c. In which DIS has 50% interest





DIS' CURRENT FLEET OVERVIEW. MR Fleet

TC - IN Long Term with purchase option	Tonnage (dwt)	Year Built	Builder, Country	Interest ¹	IMO Classified
High Leader	50,000	2018	Japan Marine United Co., Japan	100%	IMO II/IMO III
High Navigator	50,000	2018	Japan Marine United Co., Japan	100%	IMO II/IMO III
High Explorer	50,000	2018	Onomichi, Japan	100%	IMO II/IMO III
High Adventurer	50,000	2017	Onomichi, Japan	100%	IMO II/IMO III
Crimson Pearl	50,000	2017	Minaminippon Shipbuilding, Japan	100%	IMO II/IMO III
Crimson Jade	50,000	2017	Minaminippon Shipbuilding, Japan	100%	IMO II/IMO III
TC - IN Long Term without purchase option					
Freja Baltic	47,548	2008	Onimichi Dockyard, Japan	100%	-
High Prosperity	48,711	2006	Imabari, Japan	100%	-
High SD Yihe ³	48,700	2005	Imabari, Japan	100%	-
SW Southport I ⁴	46,992	2004	STX, South Korea	100%	IMO II/III
SW Tropez ⁵	46,992	2004	STX, South Korea	100%	IMO II/III
TC - IN Short Term					
Di Matteo (ex-High Strength ²)	46,800	2009	Nakai Zosen, Japan	100%	-
Celsius Rimini	53,603	2009	Shin Kurushima Dockyard, Japan	100%	-
Carina	47,962	2010	Iwagi Zosen Co. Ltd., Japan	100%	-
High Efficiency ²	46,547	2009	Nakai Zosen, Japan	100%	-
Vessel under Commercial Agreement					
Philoxenia	49,999	2019	Hyundai MIPO, South Korea	100%	IMO II/III

1. DIS' economical interest
 2. Vessels owned by DM Shipping d.a.c. In which DIS has 51% interest and Time chartered to d'Amico Tankers d.a.c
 3. Former High Presence sold by d'Amico Tankers in Feb'18 and taken back in time charter for 6 years
 4. Former High Endurance sold by d'Amico Tankers in Feb'17 and taken back in time charter for 4 years
 5. Former High Endeavour sold by d'Amico Tankers in Mar'17 and taken back in time charter for 4 years





DIS' CURRENT FLEET OVERVIEW. Handy Fleet

Owned	Tonnage (dwt)	Year Built	Builder, Country	Interest¹	IMO Classified
Cielo di Salerno	39,043	2016	Hyundai MIPO, South Korea (Vinashin)	100%	IMO II/IMO III
Cielo di Hanoi	39,043	2016	Hyundai MIPO, South Korea (Vinashin)	100%	IMO II/IMO III
Cielo di Capri	39,043	2016	Hyundai MIPO, South Korea (Vinashin)	100%	IMO II/IMO III
Cielo di Ulsan	39,060	2015	Hyundai MIPO, South Korea (Vinashin)	100%	IMO II/IMO III
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 Guangzhou	38,877	2006	Guangzhou, China	100%	IMO II
TC - IN Long Term without purchase option	Tonnage (dwt)	Year Built	Builder, Country	Interest¹	IMO Classified
SW Cap Ferrat I	36,032	2002	STX, South Korea	100%	IMO II/IMO III

1. DIS' economic interest





DIS'NEW BUILDING PROGRAM.

Owned	Estimated tonnage (dwt)	Estimated delivery date	Builder, Country	Interest ¹	MR/Handysize/LR1
S434 – Cielo di Londra	75,000	Q3-2019	Hyundai MIPO, South Korea (Vinashin)	100%	LR1

1. DIS' economical interest



Thank you!



d'Amico
INTERNATIONAL SHIPPING S.A.