

**Report of Organizational Actions  
 Affecting Basis of Securities**

▶ See separate instructions.

**Part I Reporting Issuer**

1 Issuer's name <b>Diana Containerships Inc.</b>		2 Issuer's employer identification number (EIN) <b>N/A</b>	
3 Name of contact for additional information <b>Andreas Michalopoulos</b>	4 Telephone No. of contact <b>0030-210-947-0000</b>	5 Email address of contact	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <b>Pendelis 16, 175 64 Palaio Faliro</b>		7 City, town, or post office, state, and Zip code of contact <b>Athens, Greece</b>	
8 Date of action <b>See Below</b>	9 Classification and description <b>Common Stock</b>		
10 CUSIP number <b>See Below</b>	11 Serial number(s)	12 Ticker symbol <b>NASDAQ: DCIX</b>	13 Account number(s)

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **During the calendar year ended December 31, 2011, Diana Containerships Inc. (the "Company") declared the following distributions per share to the common stockholders of record on the dates specified below:**

Date of Record:	Amounts Per Share:	Date Paid:
8/15/2011	\$0.03	8/25/11
12/2/2011	\$0.15	12/14/11

CUSIP Numbers: Y2069P101, Y2069P119, 252789201

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **Distributions paid in excess of the current and accumulated earnings and profits of a corporation reduce the basis of the shares of the Company pursuant to Internal Revenue Code ("IRC") Sections 301(c)(2) and 316(a).**

**Based on the current and accumulated earnings and profits of the Company, a portion of each distribution paid per unit as of the date of record should reduce the basis of each share of common stock as follows:**

- \$0.005784 per share for 8/15/2011
- \$0.028920 per share for 12/2/2011

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **Based on the Company's current and accumulated earnings and profits, a portion of the distributions paid per common stock should reduce the basis of each share of common stock held by each common stockholder on the date of the record.**

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ IRC Sections 301(c) and 316

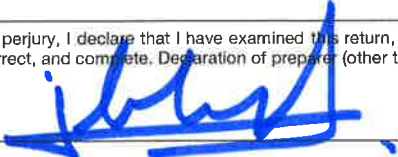
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18 Can any resulting loss be recognized? ▶ No.

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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ \_\_\_\_\_  
See Part II, item 15 of this form for the per share amounts and dates of distributions impacted by this organization action.  
This organization action is reportable with respect to calendar year 2011.

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**Sign Here**  
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.  
Signature ▶  Date ▶ \_\_\_\_\_  
Print your name ▶ Andreas Michalopoulos Title ▶ Chief Financial Officer & Treasurer

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.: