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**DIANA CONTAINERSHIPS INC. REPORTS FINANCIAL RESULTS  
FOR THE FIRST QUARTER ENDED MARCH 31, 2016**

**DECLARES CASH DIVIDEND OF \$0.0025 PER SHARE  
FOR THE FIRST QUARTER**

ATHENS, GREECE, May 17, 2016 – Diana Containerships Inc. (NASDAQ: DCIX), (the “Company”), a global shipping company specializing in the ownership of containerships, today reported a net loss of \$5.8 million for the first quarter of 2016, compared to a net loss of \$0.5 million for the respective period of 2015.

Time charter revenues, net of prepaid charter revenue amortization, were \$11.8 million for the first quarter of 2016, compared to \$13.9 million for the same period of 2015, mainly due to reduced time charter rates and increased off-hire days, partly offset by revenues derived from the increase in ownership days resulting from the enlargement of our fleet.

**Dividend Declaration**

The Company has declared a cash dividend on its common stock of \$0.0025 per share with respect to the first quarter of 2016. The cash dividend will be payable on or around June 15, 2016 to all shareholders of record as of May 31, 2016. As of March 31, 2016, the Company had 74,890,570 shares of common stock issued and outstanding.

## Fleet Employment Profile (As of May 17, 2016)

Currently Diana Containerships Inc.'s fleet is employed as follows:

Vessel		Sister Ships*	Gross Rate (USD Per Day)	Com**	Charterers	Delivery Date to Charterers***	Redelivery Date to Owners****	Notes
BUILT	TEU							
<b>7 Panamax Container Vessels <sup>13</sup></b>								
SAGITTA		A	\$6,600	5.00%	Maersk Line A/S	30-Nov-15	11-Jan-16	1
			\$5,850	3.50%	CMA CGM	27-Jan-16	27-May-16 - 27-Jan-17	
2010	3,426							
CENTAURUS		A	\$10,875	5.00%	Maersk Line A/S	2-Oct-15	2-Sep-16 - 2-Apr-17	2
2010	3,426							
YM LOS ANGELES		B	\$21,000	US\$350 per day	Yang Ming (UK) Ltd.	9-Apr-15	19-Oct-16 - 19-Feb-17	3,4
2006	4,923							
YM NEW JERSEY		B	\$21,000	US\$350 per day	Yang Ming (UK) Ltd.	22-Apr-15	24-Sep-16 - 24-Jan-17	3,5
2006	4,923							
PAMINA (ex Santa Pamina)			\$15,325	4.00%	Zim Integrated Shipping Services Ltd	21-May-15	22-Mar-16	6
2005	5,042							
DOMINGO (ex Cap Domingo)		C	\$6,750	3.75%	Rudolf A. Oetker KG	24-Dec-15	12-Feb-16	7,8,9
			\$6,150	3.50%	CMA CGM	11-Apr-16	26-Sep-16 - 11-Apr-17	
2001	3,739							
CAP DOUKATO (ex Cap San Raphael)		C	\$9,900	3.75%	Rudolf A. Oetker KG	23-Dec-14	23-Jan-16	7
			\$6,250	3.75%		23-Jan-16	16-Jun-16 - 23-Jan-17	10,11
2002	3,739							
HANJIN MALTA			\$25,550	US\$150 per day	Hanjin Shipping Co. Ltd.	15-Mar-13	19-Feb-16	3,12,13
1993	4,024							
<b>6 Post - Panamax Container Vessels</b>								
PUELO		D	\$27,900	US\$150 per day	CSAV Valparaiso	23-Aug-13	2-Aug-15	6,14,15
			\$6,500	3.75%	MSC-Mediterranean Shipping Co. S.A., Geneva	18-May-16	18-Apr-17 - 18-Jun-17	16
2006	6,541							
PUCON		D	\$17,000	3.75%	Hapag-Lloyd AG	20-Aug-15	27-May-16 - 6-Jun-16	11,17,18,19
2006	6,541							
MARCH (ex YM March)		E	\$6,200	5.00%	Maersk Line A/S	21-Dec-15	6-Jan-16	20
			\$6,200	5.00%		6-Jan-16	26-Mar-16	6,21
2004	5,576							
GREAT (ex YM Great)		E	\$14,750	5.00%	Maersk Line A/S	15-Aug-15	15-Feb-16	
			\$6,000	5.00%		15-Feb-16	17-May-16	11,22
2004	5,576							
HAMBURG		F	\$14,000	0.00%	MSC-Mediterranean Shipping Co. S.A., Geneva	16-Nov-15	27-Jan-16	6
2009	6,494							
ROTTERDAM		F	\$6,000	5.00%	Maersk Line A/S	2-Feb-16	27-Apr-16	23
			\$6,200	5.00%		27-Apr-16	27-Oct-16 - 11-Jun-17	24
2008	6,494							

\* Each container vessel is a "sister ship", or closely similar, to other container vessels that have the same letter.

\*\* Total commission paid to third parties.

\*\*\* In case of newly acquired vessel with time charter attached, this date refers to the expected/actual date of delivery of the vessel to the Company.

\*\*\*\* Range of redelivery dates, with the actual date of redelivery being at the Charterers' option, but subject to the terms, conditions, and exceptions of the

particular charterparty.

- 1 In November 2015, the Company agreed to extend as from November 30, 2015 the previous charter party with Maersk Line A/S for a period of up to minimum January 8, 2016 to maximum March 1, 2016 at a gross charter rate of US\$6,600 per day.
- 2 In September 2015, the Company agreed to extend as from October 2, 2015 the previous charter party with Maersk Line A/S for a period of minimum 11 months to maximum 18 months at a gross charter rate of US\$10,875 per day.
- 3 For financial reporting purposes, an asset is recognized upon the delivery of the vessel which represents the difference between the current fair market value of the charter and the net present value of future contractual cash flows. This asset is amortized over the period of the time charter agreement and is set off against the corresponding revenues during the same period.
- 4 The charterer has the option to employ the vessel for a further twenty-two (22) to twenty-six (26) month period at the same daily gross charter rate less US\$350 per day commission paid to third parties. The optional period if exercised will start on December 19, 2016 and must be declared six (6) months prior to this date.
- 5 The charterer has the option to employ the vessel for a further twenty-two (22) to twenty-six (26) month period at the same daily gross charter rate less US\$350 per day commission paid to third parties. The optional period if exercised will start on November 24, 2016 and must be declared six (6) months prior to this date.
- 6 Currently without an active charterparty.
- 7 Reederei Santa Containerschiffe GmbH & Co. KG has agreed to novate the time charter contract to Rudolf A. Oetker KG.
- 8 In November 2015, the Company agreed to extend as from December 24, 2015 the previous charter party with Rudolf A. Oetker KG for a period of up to minimum February 10, 2016 to maximum March 25, 2016 at a gross charter rate of US\$6,750 per day.
- 9 Vessel on scheduled drydocking from February 12, 2016 to March 28, 2016.
- 10 In January 2016, the Company agreed to extend as from January 23, 2016 the previous charter party with Rudolf A. Oetker KG for a period of minimum 3 months to maximum 12 months at a gross charter rate of US\$6,250 per day.
- 11 Based on latest information.
- 12 Charterers have agreed to compensate the owners for the early redelivery of the vessel till the minimum agreed redelivery date, March 31, 2016.
- 13 "Hanjin Malta" sold and delivered to her new owners on March 9, 2016.
- 14 The charterers paid the owners a compensation for the early redelivery of the vessel equal to the amount of US\$6,000 per day for the period between August 2, 2015 and up to February 23, 2016.
- 15 Charterers changed to Norasia Container Lines Limited, as per Novation Agreement signed in September 2014 with a retroactive effect from July 1, 2014. As per same Novation Agreement, with effect from February 1, 2015, charterers have changed to Hapag-Lloyd AG.
- 16 The charterer has the option to further employ the vessel for a twelve (12) month period, at a gross charter rate of US\$8,600 per day starting twelve (12) months after delivery of the vessel to the charterer. After that period the charterer has the option to employ the vessel for a further twelve (12) month period, at a gross charter rate of US\$20,000 starting twenty-four (24) months after delivery of the vessel to the charterer. Charterer has the option to employ the vessel for plus or minus thirty (30) days on final declaration. All gross charter rates include a 3.75% commission paid to third parties. Options must be declared by the charterer not later than nine (9) months for the first option and twenty (20) months for the second option after the delivery of the vessel to the charterer.
- 17 The charterers paid the owners a compensation for the early redelivery of the vessel equal to the amount of US\$6,000 per day for the period between August 20, 2015 and up to March 20, 2016.
- 18 Charterers changed to Norasia Container Lines Limited, as per Novation Agreement signed in September 2014 with a retroactive effect from July 1, 2014. As per same Novation Agreement, with effect from April 28, 2015, charterers have changed to Hapag-Lloyd AG.
- 19 In July 2015, the Company agreed to extend as from August 20, 2015 (00:01) the previous charter party with Hapag-Lloyd AG for a period of up to minimum May 10, 2016 to maximum July 20, 2016 at a gross charter rate of US\$17,000 per day.
- 20 Charterers paid US\$1 per day for the first 5 days of the charter period.
- 21 In December 2015, the Company agreed to extend as from January 6, 2016 the previous charter party with Maersk Line A/S for a period of minimum 2 months to maximum 10 months at a gross charter rate of US\$6,200 per day.
- 22 In January 2016, the Company agreed to extend as from February 15, 2016 the previous charter party with Maersk Line A/S for a period of minimum 2 months to maximum 12 months at a gross charter rate of US\$6,000 per day.
- 23 Vessel was off-hire for scheduled maintenance from April 15, 2016 to April 27, 2016.
- 24 In March 2016, the Company agreed to extend as from April 27, 2016 (00:01) the previous charter party with Maersk Line A/S for a period of minimum 6 months to about 13 months at a gross charter rate of US\$6,200 per day.

## Summary of Selected Financial & Other Data

	For the three months ended March 31,	
	2016	2015
	(unaudited)	(unaudited)
<b>STATEMENT OF OPERATIONS DATA (in thousands of US Dollars):</b>		
Time charter revenues, net of prepaid charter revenue amortization	\$ 11,766	\$ 13,880
Voyage expenses	1,026	205
Vessel operating expenses	8,891	8,331
Net loss	(5,766)	(502)
<b>FLEET DATA</b>		
Average number of vessels	13.7	11.0
Number of vessels	13.0	11.0
Ownership days	1,251	990
Available days	1,206	949
Operating days	954	945
Fleet utilization	79.1%	99.6%
<b>AVERAGE DAILY RESULTS</b>		
Time charter equivalent (TCE) rate (1)	\$ 8,905	\$ 14,410
Daily vessel operating expenses (2)	\$ 7,107	\$ 8,415

- (1) Time charter equivalent rates, or TCE rates, are defined as our time charter revenues, net, less voyage expenses during a period divided by the number of our available days during the period, which is consistent with industry standards. Voyage expenses include port charges, bunker (fuel) expenses, canal charges and commissions. TCE is a non-GAAP measure. TCE rate is a standard shipping industry performance measure used primarily to compare daily earnings generated by vessels on time charters with daily earnings generated by vessels on voyage charters, because charter hire rates for vessels on voyage charters are generally not expressed in per day amounts while charter hire rates for vessels on time charters are generally expressed in such amounts.
- (2) Daily vessel operating expenses, which include crew wages and related costs, the cost of insurance and vessel registry, expenses relating to repairs and maintenance, the costs of spares and consumable stores, lubricant costs, tonnage taxes, regulatory fees, environmental costs and other miscellaneous expenses, are calculated by dividing vessel operating expenses by ownership days for the relevant period.

## Conference Call and Webcast Information

The Company's management will conduct a conference call and simultaneous Internet webcast to review these results at 9:00 A.M. (Eastern Time) on Tuesday, May 17, 2016.

Investors may access the webcast by visiting the Company's website at [www.dcontainerships.com](http://www.dcontainerships.com), and clicking on the webcast link. The conference call also may be accessed by telephone by dialing 1-877-407-8029 (for U.S.-based callers) or 1-201-689-8029 (for international callers), and asking the operator for the Diana Containerships Inc. conference call.

A replay of the webcast will be available soon after the completion of the call and will be accessible for 30 days on [www.dcontainerships.com](http://www.dcontainerships.com). A telephone replay also will be available for 30 days by dialing 1-877-660-6853 (for U.S.-based callers) or 1-201-612-7415 (for international callers), and providing the Replay ID number 13635627.

## **About the Company**

Diana Containerships Inc. is a global provider of shipping transportation services through its ownership of containerships. The Company's vessels are employed primarily on time charters with leading liner companies carrying containerized cargo along worldwide shipping routes.

## **Cautionary Statement Regarding Forward-Looking Statements**

Matters discussed in this press release may constitute forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts.

The Company desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. The words "believe," "anticipate," "intends," "estimate," "forecast," "project," "plan," "potential," "may," "should," "expect," "pending" and similar expressions identify forward-looking statements.

The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, our management's examination of historical operating trends, data contained in our records and other data available from third parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections.

In addition to these important factors, other important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include the strength of world economies and currencies, general market conditions, including fluctuations in charter rates and vessel values, changes in demand for containership capacity, changes in our operating expenses, including bunker prices, drydocking and insurance costs, the market for our vessels, availability of financing and refinancing, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, vessel breakdowns and instances of off-hires and other factors. Please see our filings with the Securities and Exchange Commission for a more complete discussion of these and other risks and uncertainties.

(See financial tables attached)

**DIANA CONTAINERSHIPS INC.**

**FINANCIAL TABLES**

Expressed in thousands of U.S. Dollars, except for share and per share data

**UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS**

	<b>For the three months ended March 31,</b>	
	<b>2016</b>	<b>2015</b>
	(unaudited)	(unaudited)
<b>REVENUES:</b>		
Time charter revenues	\$ 13,464	\$ 15,688
Prepaid charter revenue amortization	(1,698)	(1,808)
Time charter revenues, net	<u>11,766</u>	<u>13,880</u>
<b>EXPENSES:</b>		
Voyage expenses	1,026	205
Vessel operating expenses	8,891	8,331
Depreciation and amortization of deferred charges	3,548	2,913
General and administrative expenses	1,838	1,404
Loss on vessels' sale	497	-
Foreign currency losses / (gains)	29	(85)
<b>Operating income / (loss)</b>	<u>(4,063)</u>	<u>1,112</u>
<b>OTHER INCOME / (EXPENSES):</b>		
Interest and finance costs	(1,735)	(1,662)
Interest income	32	48
<b>Total other expenses, net</b>	<u>(1,703)</u>	<u>(1,614)</u>
<b>Net loss</b>	<u>\$ (5,766)</u>	<u>\$ (502)</u>
<b>Loss per common share, basic and diluted</b>	<u>\$ (0.08)</u>	<u>\$ (0.01)</u>
<b>Weighted average number of common shares, basic and diluted</b>	<u>73,017,185</u>	<u>72,797,551</u>

**UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**

	<b>For the three months ended March 31,</b>	
	<b>2016</b>	<b>2015</b>
	(unaudited)	(unaudited)
<b>Net loss</b>	\$ (5,766)	\$ (502)
<b>Comprehensive loss</b>	<u>\$ (5,766)</u>	<u>\$ (502)</u>

**CONDENSED CONSOLIDATED BALANCE SHEET DATA**

(Expressed in thousands of US Dollars)

	<u>March 31, 2016</u>	<u>December 31, 2015*</u>
	(unaudited)	
<b><u>ASSETS</u></b>		
Cash, cash equivalents and restricted cash	\$ 36,597	\$ 38,388
Vessels' net book value	376,349	384,549
Other fixed assets, net	962	987
Prepaid charter revenue	2,100	3,798
Other assets	8,670	8,001
<b>Total assets</b>	<b>\$ 424,678</b>	<b>\$ 435,723</b>

**LIABILITIES AND STOCKHOLDERS' EQUITY**

Bank debt, net of unamortized deferred financing costs	\$ 138,958	\$ 142,678
Related party financing	47,700	48,950
Other liabilities	4,528	4,921
Total stockholders' equity	233,492	239,174
<b>Total liabilities and stockholders' equity</b>	<b>\$ 424,678</b>	<b>\$ 435,723</b>

\* The balance sheet data as of December 31, 2015 has been derived from the audited consolidated financial statements at that date.

**OTHER FINANCIAL DATA**

	<b>For the three months ended March 31,</b>	
	<b>2016</b>	<b>2015</b>
	(unaudited)	(unaudited)
Net Cash provided by/ (used in) Operating Activities	\$ (835)	\$ 3,635
Net Cash provided by/ (used in) Investing Activities	4,325	(8,695)
Net Cash used in Financing Activities	(5,281)	(185)