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**PERFORMANCE SHIPPING INC. REPORTS FINANCIAL RESULTS
FOR THE SECOND QUARTER AND SIX MONTHS ENDED JUNE 30, 2019**

ATHENS, GREECE, July 29, 2019 – Performance Shipping Inc. (NASDAQ: DCIX), (the “Company”), a global shipping company specializing in the ownership of vessels, today reported a net loss of \$1.6 million for the second quarter of 2019, compared to a net loss of \$42.3 million for the same period of 2018. The loss for the second quarter of 2019 includes \$0.3 million of impairment charges of one vessel, while the loss for the second quarter of 2018 includes \$15.6 million of impairment charges of one vessel and \$19.0 million of aggregate loss on sale of three vessels.

Time charter revenues were \$4.5 million for the second quarter of 2019, compared to \$6.3 million for the same period of 2018. This decrease was primarily due to the decrease in size of the Company’s fleet, and was partially offset by the increased time charter rates achieved as a result of improved market conditions.

Net loss for the six months ended June 30, 2019, amounted to \$1.7 million, compared to a net loss of \$46.2 million for the six months ended June 30, 2018. The loss for the six months ended June 30, 2019 includes \$0.3 million of impairment charges of one vessel, while the loss for the six months ended June 30, 2018 includes \$15.6 million of impairment charges of one vessel and \$16.7 million of aggregate loss on sale of six vessels. Time charter revenues for the six months ended June 30, 2019, amounted to \$10.0 million, compared to \$14.3 million for the six months ended June 30, 2018.

As of July 28, 2019, the Company had 36,277,660 shares of common stock issued and outstanding.

Fleet Employment Profile (As of July 26, 2019)

Performance Shipping Inc.'s fleet is employed as follows:

Vessel	Gross Rate (USD Per Day)	Com*	Charterers	Delivery Date to Charterers**	Redelivery Date to Owners***	Notes
BUILT CAPACITY						
2 Aframax Tanker Vessels						
MAERSK JEDDAH (tbr. Blue Moon) 2011 104,623DWT	-	-	-	-	---	1
MAERSK JAMNAGAR (tbr. Briquette) 2011 104,588DWT	-	-	-	-	---	2
2 Panamax Container Vessels						
PAMINA 2005 5,042TEU	\$11,950 \$8,800	5.00% 5.00%	Hyundai Merchant Marine Co., Ltd.	23-Aug-18 5-May-19	5-May-19 5-Sep-19 - 5-Nov-19	
DOMINGO 2001 3,739TEU	\$12,800 \$10,500	3.50% 3.50%	CMA CGM	3-Aug-18 3-Apr-19	3-Apr-19 3-Sep-19 - 3-Nov-19	3
2 Post - Panamax Container Vessels						
PUCON 2006 6,541TEU	\$15,000	3.75%	Orient Overseas Container Line Ltd.	26-Mar-19	6-Jun-19	4
	\$19,500	3.75%	Wan Hai Lines (Singapore) Pte Ltd.	27-Jun-19	31-Aug-19 - 25-Sep-19	
ROTTERDAM 2008 6,494TEU	\$18,200 \$20,500	3.75% 3.75%	Wan Hai Lines (Singapore) Pte Ltd.	12-Jul-18 25-Jul-19	30-Jun-19 28-Sep-19 - 23-Oct-19	

* 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 Expected date of delivery to the Company by early August 2019.

2 Expected date of delivery to the Company by the beginning of November 2019.

3 Vessel off hire from April 3, 2019 to April 5, 2019.

4 Vessel on unscheduled drydocking from June 9, 2019 to June 13, 2019.

Summary of Selected Financial & Other Data

	For the three months ended June 30,		For the six months ended June 30,	
	2019	2018	2019	2018
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
STATEMENT OF OPERATIONS DATA (in thousands of US Dollars):				
Time charter revenues	\$ 4,547	\$ 6,269	\$ 10,016	\$ 14,260
Voyage expenses	325	256	603	635
Vessel operating expenses	3,182	4,101	5,829	9,727
Net loss	(1,566)	(42,300)	(1,747)	(46,245)
FLEET DATA				
Average number of vessels	4.0	6.6	4.0	8.6
Number of vessels	4.0 *	5.0	4.0 *	5.0
Ownership days	364	603	724	1,551
Available days	364	591	724	1,539
Operating days	340	589	696	1,443
Fleet utilization	93.4%	99.7%	96.1%	93.8%
AVERAGE DAILY RESULTS				
Time charter equivalent (TCE) rate (1)	\$ 11,599	\$ 10,174	\$ 13,001	\$ 8,853
Daily vessel operating expenses (2)	\$ 8,742	\$ 6,801	\$ 8,051	\$ 6,271

* Number of vessels does not include the vessels that the Company has contracted to purchase but have not been delivered to the Company as at June 30, 2019.

- (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, lay-up expenses and other miscellaneous expenses, are calculated by dividing vessel operating expenses by ownership days for the relevant period.

About the Company

Performance Shipping Inc. is a global provider of shipping transportation services through its ownership of vessels. The Company's current fleet of vessels are employed primarily on time charters with leading charterers.

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)

PERFORMANCE SHIPPING INC.

FINANCIAL TABLES

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

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS

	For the three months ended June 30,		For the six months ended June 30,	
	2019	2018	2019	2018
REVENUES:				
Time charter revenues	\$ 4,547	\$ 6,269	\$ 10,016	\$ 14,260
EXPENSES:				
Voyage expenses	325	256	603	635
Vessel operating expenses	3,182	4,101	5,829	9,727
Depreciation and amortization of deferred charges	874	1,274	1,740	3,100
General and administrative expenses	1,555	1,914	3,463	3,859
Impairment losses	261	15,626	261	15,626
Loss on vessels' sale	-	18,968	-	16,679
Foreign currency losses / (gains)	-	(41)	5	(33)
Operating loss	<u>\$ (1,650)</u>	<u>\$ (35,829)</u>	<u>(1,885)</u>	<u>(35,333)</u>
OTHER INCOME / (EXPENSES):				
Interest and finance costs	-	(6,482)	-	(10,939)
Interest income	84	11	138	27
Total other income / (expenses), net	<u>\$ 84</u>	<u>\$ (6,471)</u>	<u>138</u>	<u>(10,912)</u>
Net loss	<u>\$ (1,566)</u>	<u>\$ (42,300)</u>	<u>\$ (1,747)</u>	<u>\$ (46,245)</u>
Loss per common share, basic and diluted	<u>\$ (0.06)</u>	<u>\$ (5.16)</u>	<u>\$ (0.08)</u>	<u>\$ (6.54)</u>
Weighted average number of common shares, basic and diluted	<u>24,961,196</u>	<u>8,196,451</u>	<u>21,710,494</u>	<u>7,068,474</u>

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

	For the three months ended June 30,		For the six months ended June 30,	
	2019	2018	2019	2018
Net loss	<u>\$ (1,566)</u>	<u>\$ (42,300)</u>	<u>\$ (1,747)</u>	<u>\$ (46,245)</u>
Comprehensive loss	<u>\$ (1,566)</u>	<u>\$ (42,300)</u>	<u>\$ (1,747)</u>	<u>\$ (46,245)</u>

CONDENSED CONSOLIDATED BALANCE SHEET DATA

(Expressed in thousands of US Dollars)

	<u>June 30, 2019</u>	<u>December 31, 2018*</u>
	(unaudited)	
<u>ASSETS</u>		
Cash and cash equivalents	\$ 16,742	\$ 10,493
Advances for vessel acquisitions and other vessels' costs	10,027	-
Vessels, net	84,123	85,870
Other fixed assets, net	982	998
Other assets	3,510	2,725
Total assets	\$ 115,384	\$ 100,086

LIABILITIES AND STOCKHOLDERS' EQUITY

Other liabilities	\$ 2,751	\$ 4,510
Total stockholders' equity	112,633	95,576
Total liabilities and stockholders' equity	\$ 115,384	\$ 100,086

* The balance sheet data as of December 31, 2018 has been derived from the audited consolidated financial statements at that date.

OTHER FINANCIAL DATA

	<u>For the three months ended June 30,</u>		<u>For the six months ended June 30,</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Net Cash used in Operating Activities	\$ (652)	\$ (521)	\$ (644)	\$ (542)
Net Cash provided by / (used in) Investing Activities	(2)	42,398	441	73,004
Net Cash provided by / (used in) Financing Activities	-	(23,592)	6,452	(55,542)