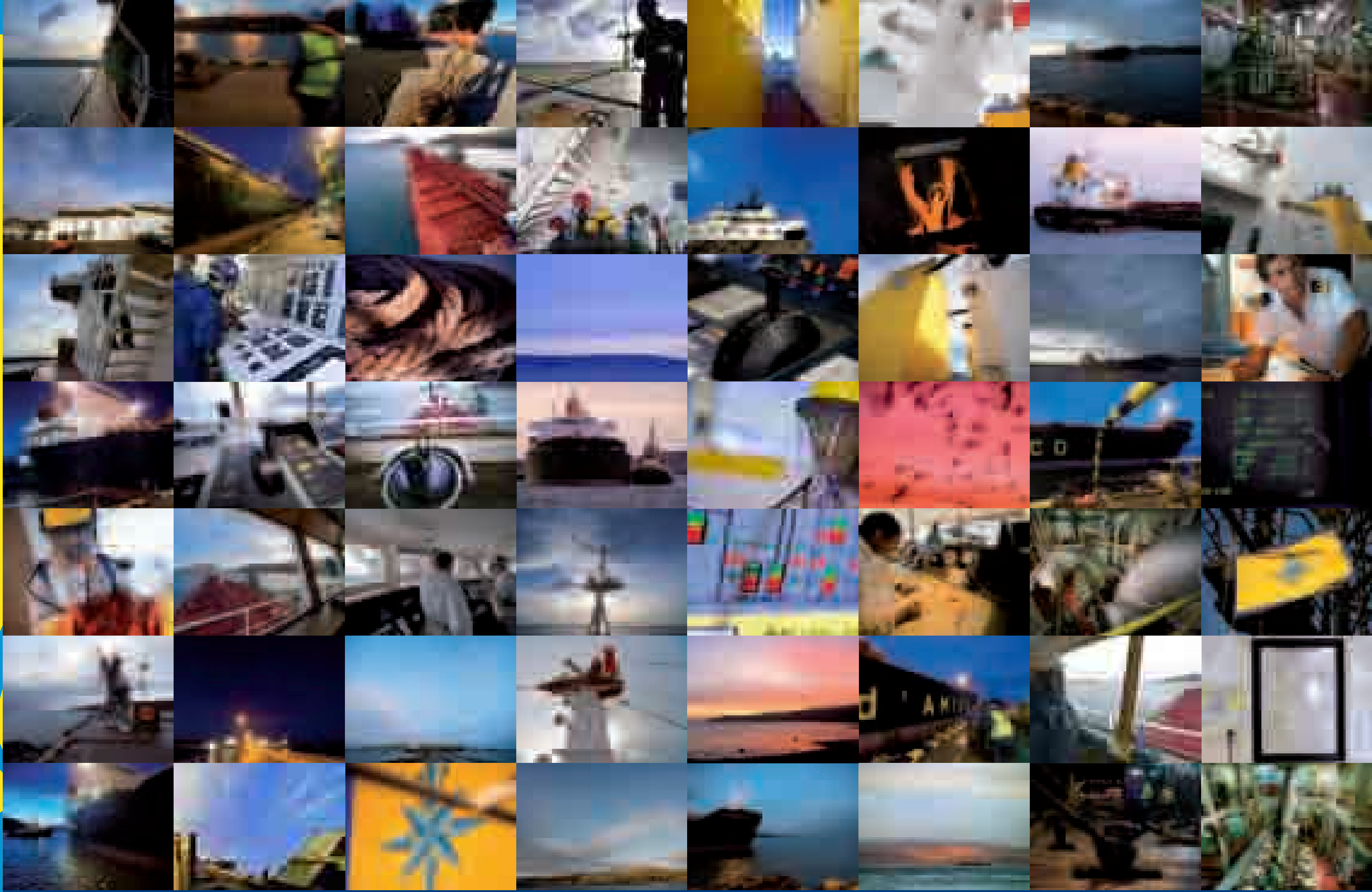


d'Amico
Società di Navigazione S.p.A

2008 ANNUAL REPORT

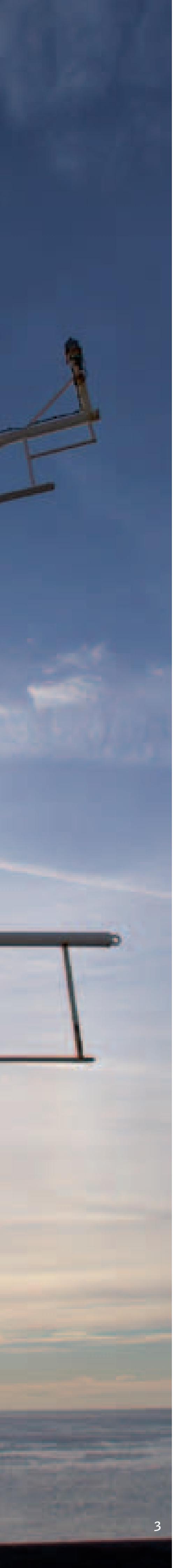
d'Amico Società di Navigazione SpA

Registered office in Palermo - Via Siracusa, 27
Registered under n. 00768720823
of the Palermo Court Register
Fully paid-up Share Capital of Euro 25,000,000
Tax I.D. and V.A.T. n. 00768720823
Administrative Headquarters
and General Management
in Rome - Corso d'Italia, 35/B

Shareholders' Meeting of 12 June 2009
Directors' Report and Financial Statements
as at 31 December 2008
Report of the Board of Statutory Auditors
Independent Auditors' Report

d'Amico
Società di Navigazione S.p.A

2008
ANNUAL REPORT
Year ended December 31, 2008



Contents

Statutory Boards and Management

(term of appointment terminates on approval of the 2008 Financial Statements)

Board of Directors

Paolo d'Amico	CHAIRMAN
Cesare d'Amico	CHIEF EXECUTIVE OFFICER
Roberto Michetti	CHIEF FINANCIAL OFFICER

Board of Statutory Auditors

Gianfranco Taddeo	CHAIRMAN
Gian Enrico Barone	STATUTORY AUDITOR
Franco Guerrucci	STATUTORY AUDITOR
Paolo Taddeo	ALTERNATE AUDITOR
Renzo Marini	ALTERNATE AUDITOR

Independent Auditors

(term of appointment terminates on approval of the 2009 Financial Statements)

Moore Stephens Concorde

Statutory Boards and Management

(appointed for the next three-year period by the Shareholders' Meeting held on June 12, 2009)

Board of Directors

Paolo d'Amico	CHAIRMAN
Cesare d'Amico	CHIEF EXECUTIVE OFFICER
Roberto Michetti	CHIEF FINANCIAL OFFICER
Giovanni Battista Nunziante	

Board of Statutory Auditors

Gianfranco Taddeo	CHAIRMAN
Gian Enrico Barone	STATUTORY AUDITOR
Franco Guerrucci	STATUTORY AUDITOR
Paolo Taddeo	ALTERNATE AUDITOR
Renzo Marini	ALTERNATE AUDITOR

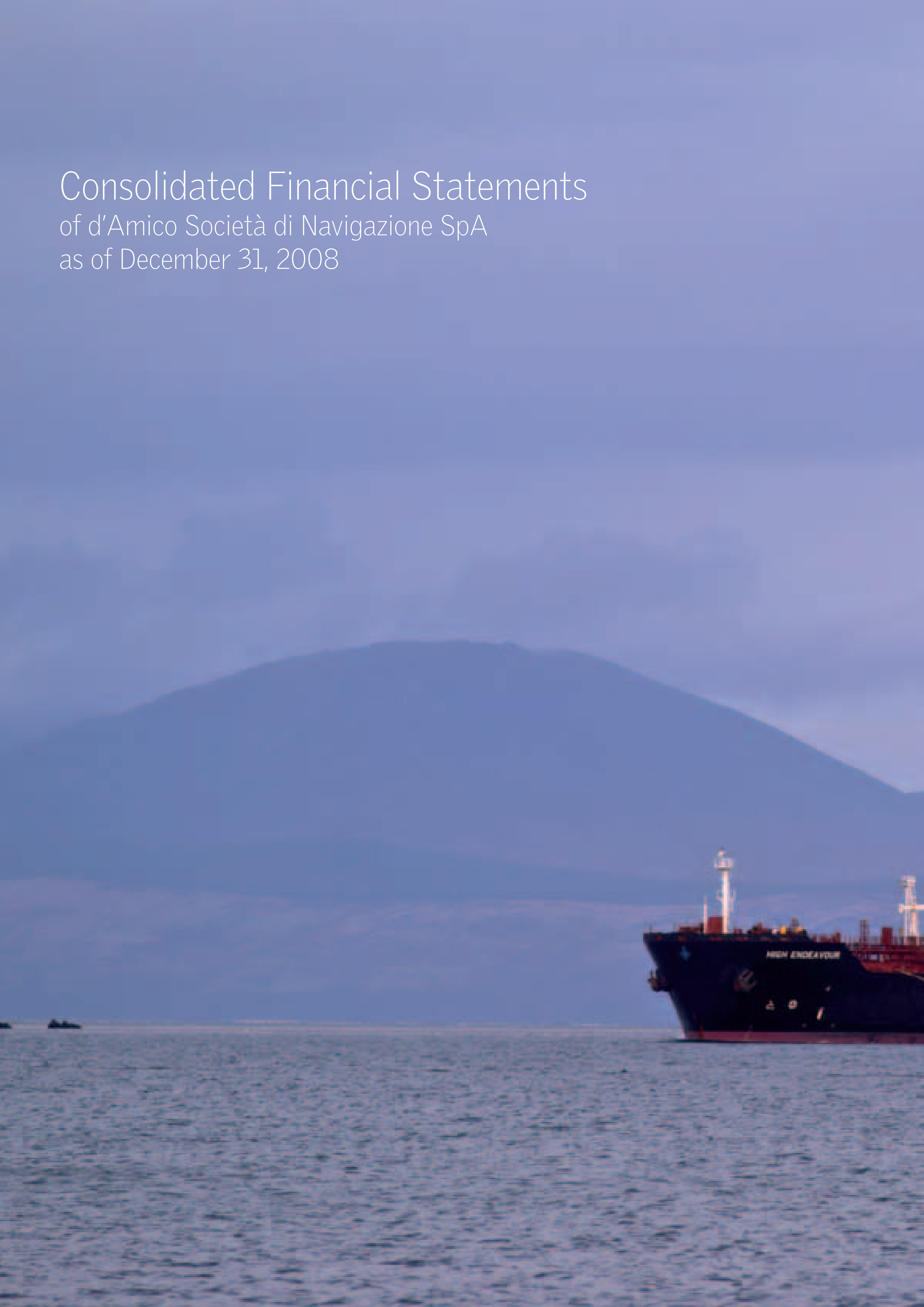
Independent Auditors

(term of appointment terminates on approval of the 2009 Financial Statements)

Moore Stephens Concorde

Consolidated Financial Statements

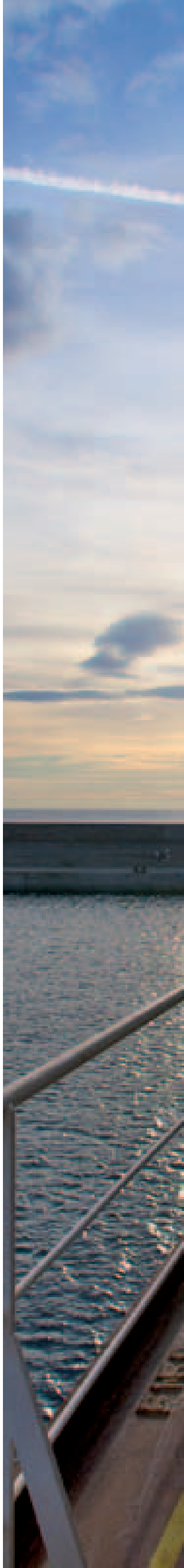
of d'Amico Società di Navigazione SpA
as of December 31, 2008

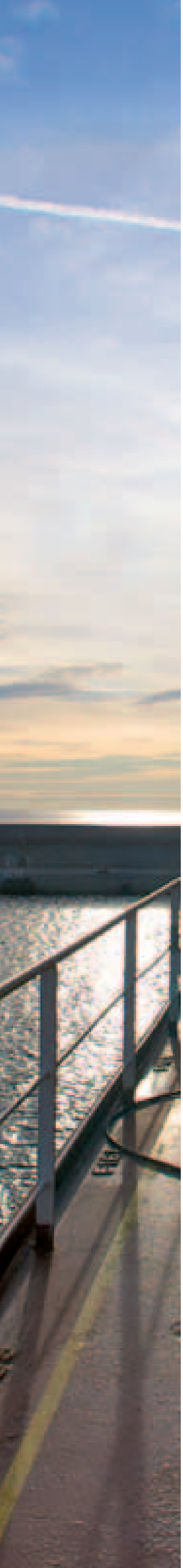


Directors' Report on the 2008 Consolidated Financial Statements

Dear Shareholders,

The consolidated financial statements as of December 31, 2008 report year-end profit of Euro 217.5 million (of which Euro 174 million belongs to the Group) compared to Euro 270 million (of which Euro 253 of the Group) in 2007.
Shareholders' equity reached Euro 743 million (of which Euro 639 of the Group) compared to Euro 590 million (of which Euro 496 of the Group) in the previous year.
The growth strategies adopted in recent years, and the cautious approach to financial and ship management, proved successful in this particularly volatile year.
In contrast to 2007 operating profit for 2008 relates exclusively to shipping activity and to Telemar Group activity. When compared with the previous year, the change can be viewed as positive given that the 2008 reporting period did not benefit from non recurring items such as the net profit resulting from the listing of the d'Amico International Shipping Sa IPO on the Star segment of the Italian Stock exchange.
On a comparable basis, that is excluding the effects of the aforementioned transaction, consolidated income statement figures show a sharp increase in both turnover (from Euro 600 to 700 million) and net profit (from Euro 122 to Euro 217 million).
These results were significantly influenced by the assets strategy adopted by the Group, a strategy that combines growth through new construction and/or acquisitions with appropriate limited sale of vessels (5), achieving capital gains of approximately Euro 104 million in 2008 (against one sale in 2007). The sale of vessels is part of the ordinary shipping activities as it provides a viable solution to keeping low the average age of the fleet.
Group shipping activities are generally expressed in U.S.Dollars, therefore the above results are influenced by its exchange trends in the year. In this regard, it should be noted that the yearly average Eur/US$ exchange rate in 2008 compared to the previous year increased from 1.37 to 1.47, with a 2008 year end exchange rate of 1.39 compared to 1.47 as of year end 2007.
In 2008, the Telemar Group recorded positive results both in terms of Revenue and Net Profit. Further details are provided in the continuation of this report.
For a more accurate and complete view of Group data for 2008, reference should be made to the notes to the Consolidated Financial Statements and to the Directors' Report on the Statutory Financial Statements of d'Amico Società di Navigazione SpA as of December 31, 2008.
The reclassified income statement is shown below, with comparison to December 31, 2007.





	December 31, 2008		December 31, 2007	
	Amount	%	Amount	%
Revenue	688,223,172	100.00	727,918,740	100.00
Operating and administrative costs	429,873,145	62.46	376,529,301	51.73
Personnel costs	70,356,935	10.22	53,531,517	7.35
Gross operating profit	**187,993,092**	**27.32**	**297,857,922**	**40.92**
Depreciation and amortisation	50,411,940	7.32	33,380,342	4.59
Other income	11,188,044	1.63	11,857,917	1.63
Operating profit	**148,769,196**	**21.62**	**276,335,497**	**37.96**
Financial income	20,991,487	3.05	9,680,404	1.33
Financial costs	45,650,656	6.63	23,398,317	3.21
Income for the period	**124,110,027**	**18.03**	**262,617,584**	**36.08**
Extraordinary income	104,908,573	15.24	14,684,108	2.02
Extraordinary charges	915,500	0.13	2,561,136	0.35
Profit before tax	**228,103,100**	**33.14**	**274,740,556**	**37.74**
Tax	10,516,960	1.53	5,163,297	0.71
Profit for the year	**217,586,140**	**31.62**	**269,577,259**	**37.03**
Minority interests	43,256,448	6.29	16,431,786	2.26
Group profit for the year	174,329,692	25.33	253,145,473	34.78

The reclassified balance sheet is shown below, as compared to the previous year:

	December 31, 2008	December 31, 2007
Assets		
Available assets	**521,463,468**	**498,738,157**
- Cash and cash equivalents	*209,955,437*	*234,357,425*
- Trade and other receivables	*295,558,330*	*245,838,897*
- Inventories	*15,949,701*	*18,541,835*
Fixed assets	**728,275,880**	**493,725,495**
- Intangible assets	*17,941,090*	*15,465,248*
- Property, plant and equipment	*683,831,308*	*462,057,332*
- Financial assets	*26,503,482*	*16,202,915*
Invested capital	**1,249,739,348**	**992,463,652**
Liabilities		
Short term payables	212,301,881	199,643,295
Medium/long term borrowings	294,188,271	202,929,219
Equity	743,249,196	589,891,138
Sources of invested capital	**1,249,739,348**	**992,463,652**

Main liquidity and solvency ratios:

	December 31, 2008	December 31, 2007
Quick ratio	2.38	2.41
Current ratio	2.46	2.50
Debt ratio (net of liquidity)	0.37	0.26

Fleet

At the end of 2008, the consolidated fleet of the d'Amico Group comprises 82 vessels. Of these 31 are owned and 6 are taken in on Bare Boat charter, with total capacity of 4.1 million dwt. There are also 7 vessels under construction, due to be delivered between 2009 and 2013, with total capacity of 460 thousand dwt.
For the full list of Group vessels and details of the respective characteristics, reference should be made to the appropriate table. Details of the main fleet movements and results as of December 31, 2008 are summarised below, broken down by company.

The d'Amico Shipping Italia SpA fleet comprises 12 vessels (7 owned and 5 in on Bare Boat contracts) plus the Cielo di Casablanca on Time Charter, utilised in the container line between Morocco and Tunisia. The total capacity of vessels is 620 thousand dwt and all ships except one were built from year 2000.
All vessels are employed on Time Charter either to Group companies (9) or to third parties (3).

As at of December 31, 2008, d'Amico Tankers Limited (controlled by d'Amico International Shipping) operates 42 product tankers (utilised in the transport of refined products). 15 of these are owned and 1 is in on a Bare Boat Contract. On average, the tonnage of the vessels is over 45,000 dwt while their average age is around 5/6 years.

As at of December 31, 2008 d'Amico Dry Limited operates 35 vessels (9 of which are owned) in the 'dry cargo' market for the bulk transport of coal, cereals, minerals, etc. Total tonnage exceeds 2 million dwt, while owned vessels have an average age of 4 years (excluding two vessels built in 1992 and 2002).

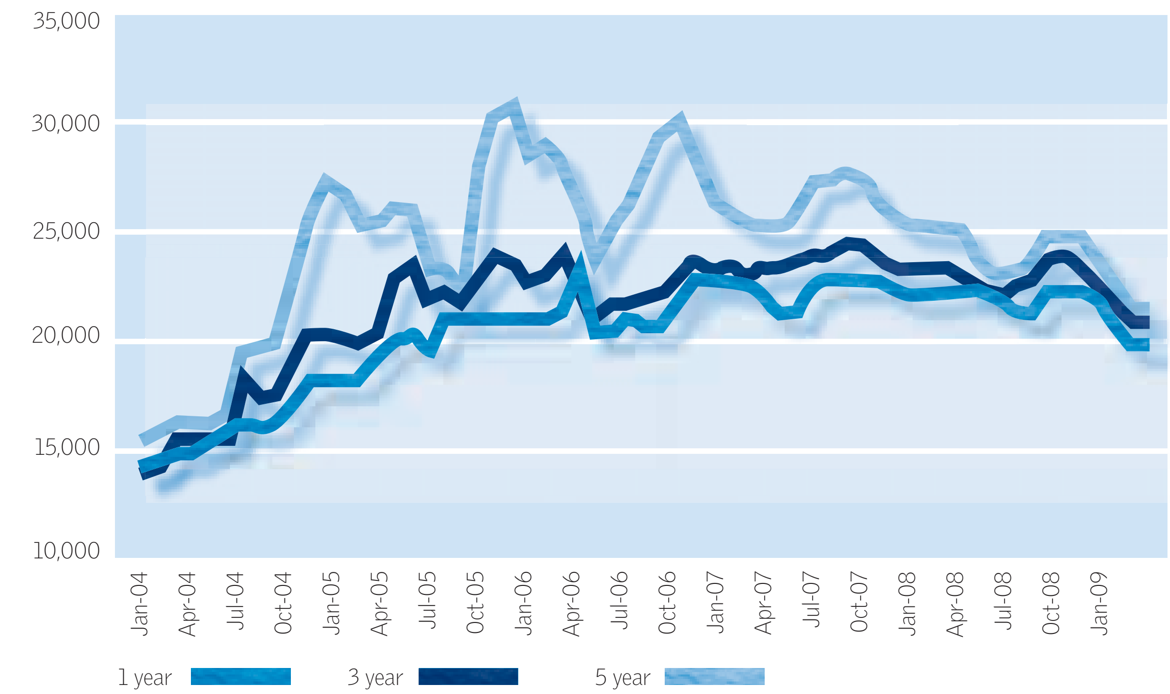
Market trends

As highlighted below, 2008 was a year of exceptional volatility for the shipping industry. The first part of the year saw the continuation of the long-term positive market trend with its record peaks, while the second part saw a dramatic decline in charter demand and in vessel value. This situation first and foremost affected the dry cargo market, and only later the tanker market.
In this climate, the Group's medium to long-term approach to the charter market and for the aforementioned sale of vessels at times of market peak assured positive consolidated results and ensures the continuity of results and adequate financial resources for the certainly more difficult two-three year period ahead.

Tankers

Within the tanker industry, the Group operates in the handy and MR segments (with vessels ranging from 25,000 to 55,000 dwt), which provide greater flexibility in terms of trade routes and access to ports where other vessels may be unable to access because of their length or tonnage.

Time charter rates for MR product tankers from January 2004 to present (US$)[1]



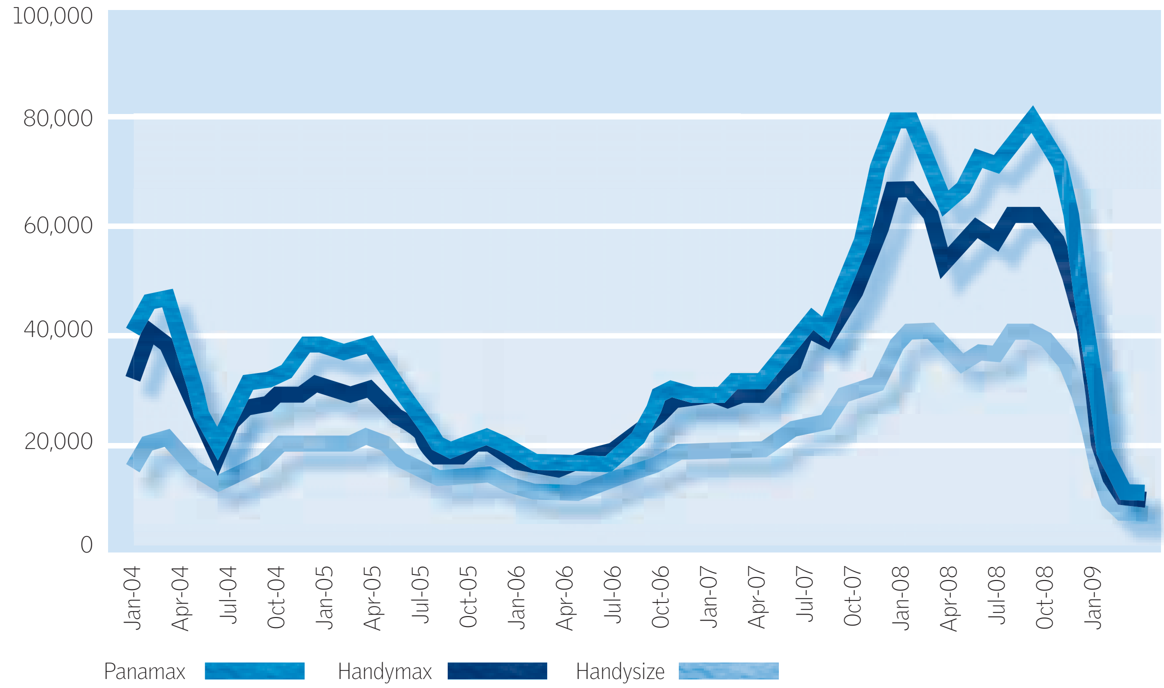
[1] Source: Clarkson Research Services. MR product from 47,000 to 48,000 dwt

Despite the standstill of global economic growth, good transport demand maintained the market at relative good levels. In the third and notoriously weak quarter in terms of results, market demand and charters remained steady, with particularly positive and, unexpected results.
Most markets saw demand fall to a virtual standstill in the fourth quarter. Nevertheless, tanker revenue remained relatively high due to longe range arbitrage transactions (with only a decrease towards the year-end) and to the sharp reduction in bunker prices, in contrast to the beginning of 2008.
Average charter rates increased constantly throughout the year, with a slight decrease in the third quarter, and average time charter revenue of US$ 21,570, up 0.4% compared to US$ 21,490 in 2007.

Dry-bulk carriers

As was the case in 2007, the Dry bulk market was influenced by the strong economic performance of China with particular reference to its imports of iron ore and coal for the production of steel. However, in the advent of the Beijing Olympic Games and the closure of local factories, Chinese industrial production began to decrease and with it the price of steel, resulting in a sharp reduction in the import of the above raw material. Bulk carrier freight rates were dramatically hit, reaching just US$ 5,000 per day in November.
In the year, vessel new building orders continued to grow at a disproportionate rate, reaching approximately 100% of the global cape-size fleet and approximately 50% in other segments. These are expected to be absorbed by the market over the next two-three years and will, even with sustained demand, contribute to keeping the freight market under pressure through excess supply of tonnage. Other uncertainty comes from the financial situation of the shipyards and certain ship-owners. In this case, difficulties could result in significant changes to construction plans.
With the collapse of the freight market in the last quarter of the year, we experienced also a strong reduction in the value of second hand vessels, approximately 70% in comparison to the values reached in may-june 2008. This situation brought a number of dry cargo operators to default due both to lack of liquidity and problems with loan covenants.
We can therefore categorize 2008 as a year of uncertain start, that became euphoric at mid-year and depressed towards the end, with a lot of confusion due to defaults and the renegotiation of charters, purchase prices and finance agreements.

Time charter rate 1 year (US$/day)[1]



[1] Source: Clarksons: Time Charter Rate 1 year (Panamax 75,000 dwt, Handymax 52,000 dwt, Handysize 30,000 dwt)

Scope of consolidation

In accordance with art.26 of legislative Decree 127/91, we would like to confirm that the directly controlled companies, d'Amico Shipping Italia SpA, d'Amico International Sa and Compagnia Generale telemar SpA, plus those companies indirectly controlled through the latter two companies, are included within the scope of full consolidation.
A comprehensive list of consolidated companies and companies excluded from the scope of the consolidation as their inclusion was not deemed relevant under the terms of art.28 of legislative Decree 127/91, is provided in the notes to the Financial Statements, as required by article 39 of the aforementioned decree.

Main consolidated companies

d'Amico Shipping Italia

The performance of d'Amico Shipping Italia was not unduly affected by the global financial crisis and the dry cargo freight market collapse in the latter part of 2008. Its operating profit and financial position in fact improved, primarily due to the employment of all the vessels on longer period time charters with prime counterparties and the sale of a vessel. The value of production increased to over Euro 84 million, while the net profit of Euro 61 million almost doubled Shareholders' equity at the year-end.

d'Amico International

d'Amico International SA carried out its sub-holding function for the foreign based group companies, monitoring their financial situations and assisting them with their needs. It achieved year-end results of over Euro 53 million, mainly due to dividends received and return on its investment portfolio.
Total net profit for the year was down from the previous year, as the d'Amico International Shipping IPO in May 2007 had an enormous impact on that year's results.

d'Amico International Shipping

d'Amico International Shipping recorded profits of US$ 155 million in its second consolidated year, more than double that of the previous year. This result can be attributed to both the operating activity of it subsidiaries (US$ 50 million) and to capital gains from the sale of four tanker vessels in 2008. These sales did not however reduce the transport capacity of the tankers activity controlled by the company thanks to the new vessels acquired in 2008 and to the increased number of other vessels managed by the Group (chartered or pool vessels).

d'Amico Dry

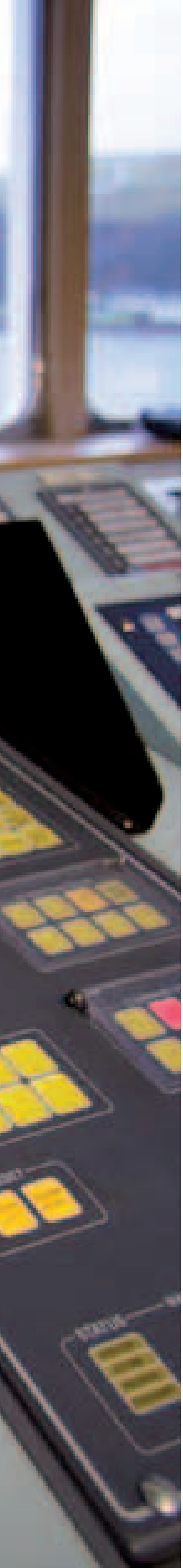
d'Amico Dry also increased activity in 2008, recording profits of US$ 103 million for the year and increased turnover from US$ 300 to 470 million. Such increase in turnover derives from both an increase in the number of vessels managed in the year, i.e. from 28 to 35 by the end of 2008, and the freight market increase experienced in the first three quarters. The company also purchased 6 vessels during the year, 5 of which it already controlled through time charter contracts and 1 new building delivered in September.

Compagnia Generale Telemar

Compagnia Generale Telemar operates in the maritime telecommunications sector and, more specifically, in the sale of airtime services, the supply of communications equipment and the related technical support, both directly and through its foreign subsidiaries situated in key locations. The Telemar Group experienced an increase in Sales and Services compared to the previous year, reaching Euro 92.5 million, and helping achieve net profit in excess of Euro 5 million.

Financial Investments

The Other Companies among the financial investments, primarily of the parent company, relate to holdings in various listed and unlisted entities. 2008 saw the acquisition of an interest in Sator SA for Euro 2.8 million and further purchases in Secontip SpA Datalogic SpA. An additional Euro 12.2 million was invested in Tamburi Investment Partners SpA, with the holding now reaching 5.92%.



Services

Ship management activity

In 2008, d'Amico Società di Navigazione SpA continued to provide direct and indirect ship-management services to its subsidiaries, and, on a lesser scale, to third party companies, through intra-company service contracts.
Ship management services consist of:

- technical management, particularly the supervision of construction projects, of maintenance services and the supply and management of programmed maintenance (PMS);
- crew management, consisting of the selection, recruitment, and payroll of seafaring personnel;
- quality, safety and environmental systems management;
- on-board ITC management;
- legal and insurance management.

These activities account for large part of the Group's human and technical resources and reflect a shipping tradition that spans many years and is continuously updated, guaranteeing growth and business continuity in a globally expanding and competitive market.
A total of 36 vessels (20 product tankers and 16 bulk carriers) were managed in the year, consisting of 12 ships under the Italian flag and 24 ships under foreign flag.
In 2008, the SQE (Safety, Quality and Environment) Department took over vetting inspection control for all managed tankers. The major oil companies carried out 53 inspections on our vessels, all of which were successfully approved in recognition of their high, overall standards in terms of safety, environmental protection and operational characteristics.
A number of Port State Controls were carried out on-board our vessels during the year: none recorded ship arrest and the average number of comments per inspection was 0.69, attesting a proactive compliance to both the code of safe practice and to current regulations.
In the year, the SQE Department also prepared safety procedures and deterrent measures, and closely monitored the passage of all Group ships vessels in areas at risk of piracy.
Training sessions were held for staff in India and Italy with on-board training on environmental and energy saving issues.
On technical management, 2008 saw the strengthening of the entire fleet's preventive maintenance policies. There was a major impetus towards critical machinery identification and monitoring in order to anticipate maintenance inpections, proactive interventions and remedial checks. This approach was highly successful, as can be seen from the excellent vetting inspection reports and PSC results.
The entire process was facilitated by the installation on the vessels of a computerised maintenance system, approved by the main classification societies, which communicates directly with the offices on shore. This information infrastructure provides access to a vast amount of historic data, allowing targeted analyses and the continuous improvement of maintenance plans.
2008 also saw the consolidation of initial studies on condition-based maintenance systems, paving the way for implementation on fleet vessels in the near term.

IT Systems

During the year, a Server Farm was set up at the Verizon communications node in Dublin, to host all applications that are vital to the Group, including the electronic mail system. By the end of December, 2008, only the mail servers remained to be migrated to this location. Their gradual migration and integration is set for 2009 in order to reduce inconvenience and disruption as much as possible for the users.
In addition to its direct positioning on the 'information superhighway', the Server Farm introduced a completely virtual systems platform, which is the very best available under current technology in terms of guaranteeing the operational continuity of processes and applications; availability of the main infrastructure on a wider scale has resulted in economies of scale and budget efficiency to such degree that is has allowed the recovery of a large part of the investment through a significant reduction in the projected costs, now no longer required at the branch level. Regarding the implementation of security measures, among the various projects, during 2008 all d'Amico Group companies were involved in developing a Disaster Recovery plan. While the Priority Intervention identification phase in the recovery of business data and systems has been completed, a second phase that provides for the formalisation and implementation of a systems and data response and recovery procedure to be followed in case of adverse events is still underway.
Systems and procedures that will ensure the Group's Business Continuity objectives are reached will also be refined in 2009.

Other company information

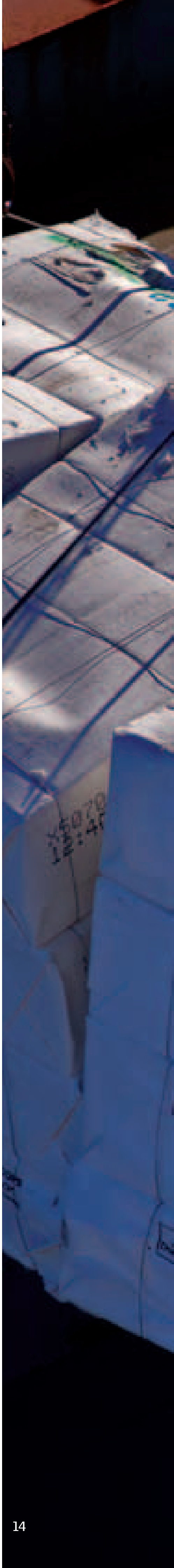
In accordance with article 2428 of the Italian Civil Code, the company declares:

- that it has not carried out any specific research and development activity;
- that it does not hold any own shares or shares in parent companies, whether directly or indirectly through trust companies.

Subsequent events and Business outlook

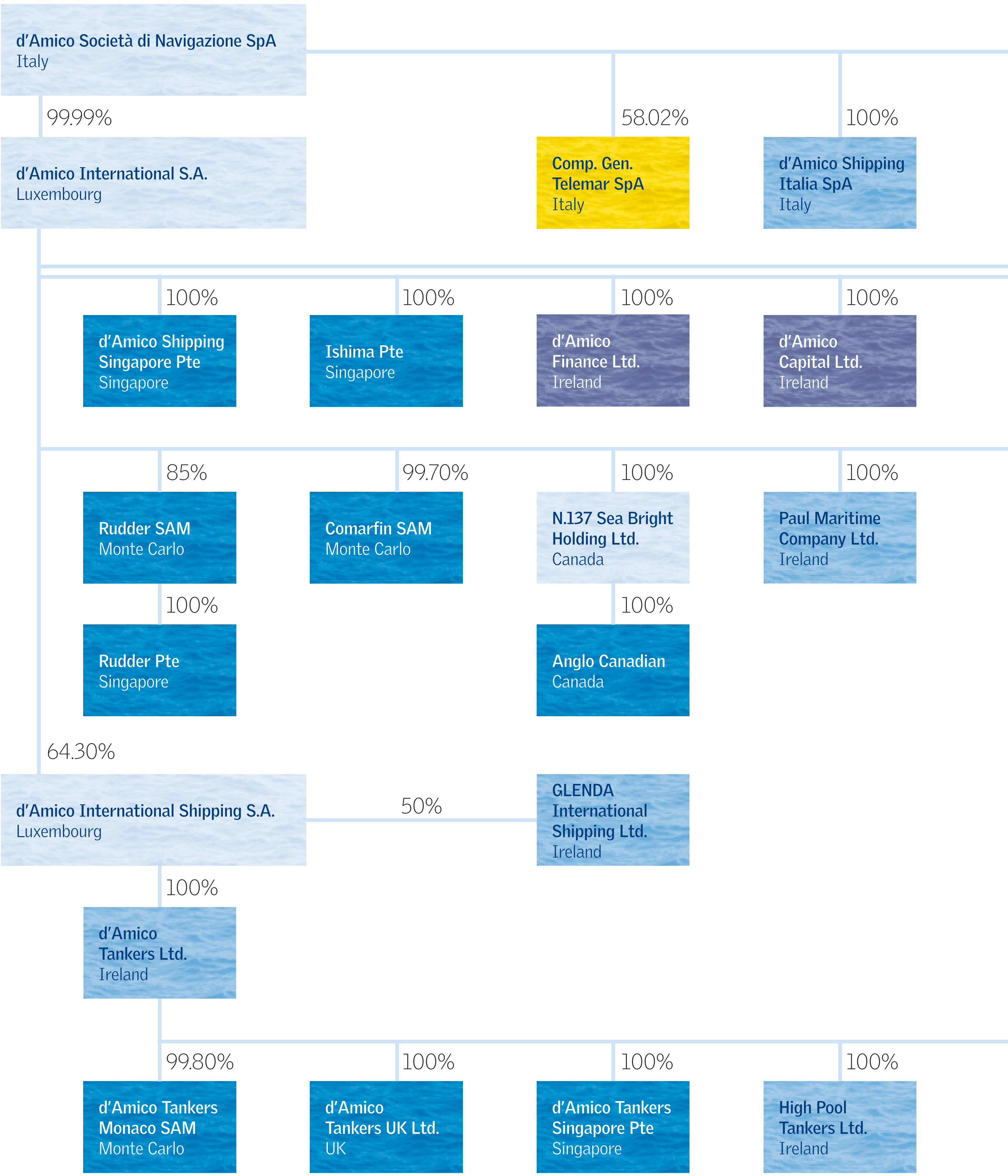
In early May 2009, d'Amico Shipping Italia took delivery of two vessels having previously exercised the purchase options. The vessels, the Medi Hong Kong and Medi Dublin, became immediately operational as the vessels had employment guaranteed by Time charter contracts in place.
Upon expiry of its B/B charter agreement in March 2009, d'Amico Shipping Italia returned the Cielo di Europa to its ultimate owners. This same will apply for the Cielo d'America, when its Bare Boat charter will expire in June 2009.
Other than the information provided in this report and in the Corporate Social Responsibility Report, there are no subsequent events to report.

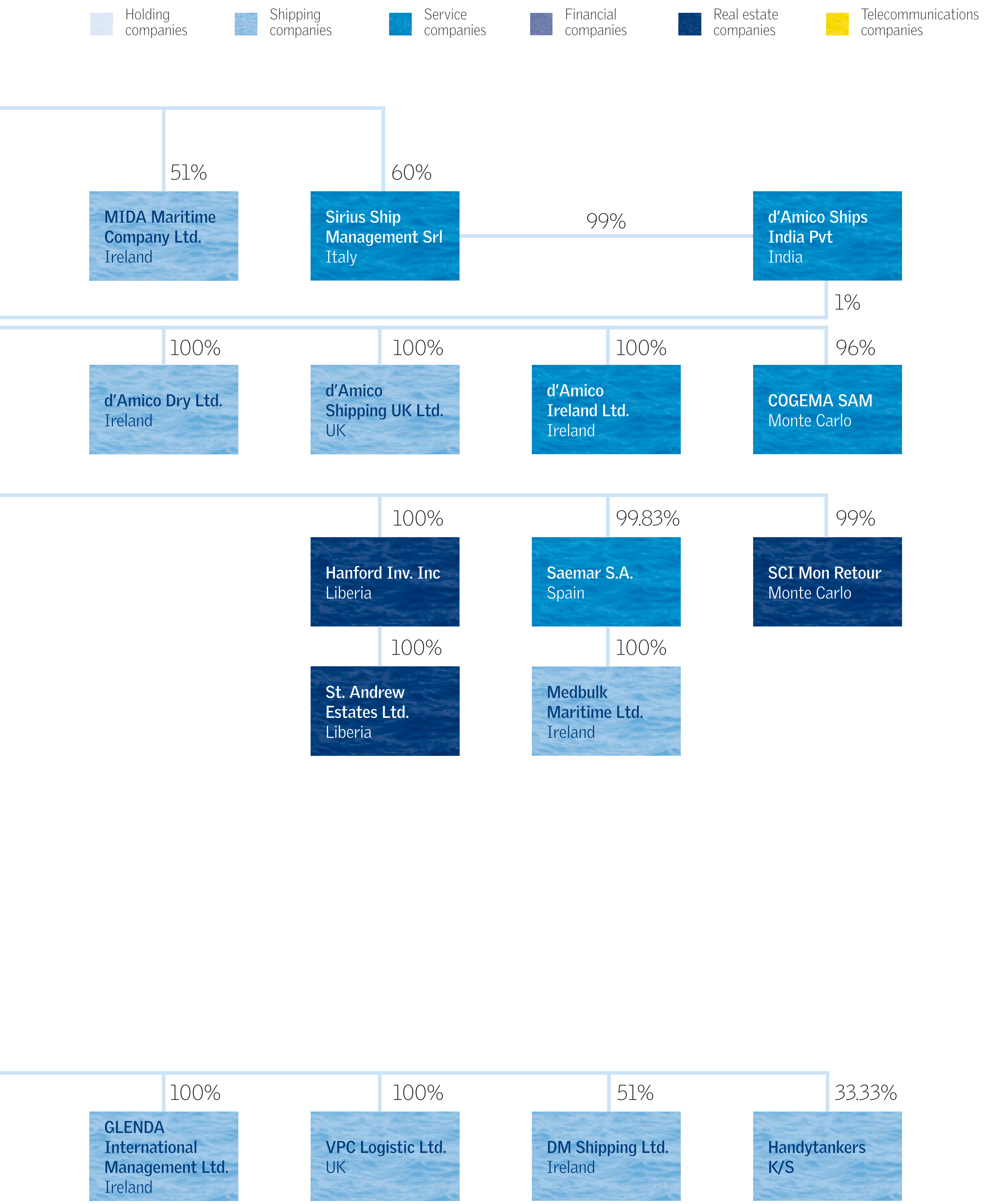
the Chairman of the Board of Directors
Paolo d'Amico




K426

Group Structure




Holding companies
Shipping companies
Service companies
Financial companies
Real estate companies
Telecommunications companies
51%
MIDA Maritime Company Ltd.
Ireland
60%
Sirius Ship Management Srl
Italy
99%
d'Amico Ships India Pvt
India
1%
100%
d'Amico Dry Ltd.
Ireland
100%
d'Amico Shipping UK Ltd.
UK
100%
d'Amico Ireland Ltd.
Ireland
96%
COGEMA SAM
Monte Carlo
100%
Hanford Inv. Inc
Liberia
99.83%
Saemar S.A.
Spain
99%
SCI Mon Retour
Monte Carlo
100%
St. Andrew Estates Ltd.
Liberia
100%
Medbulk Maritime Ltd.
Ireland
100%
GLENDA International Management Ltd.
Ireland
100%
VPC Logistic Ltd.
UK
51%
DM Shipping Ltd.
Ireland
33.33%
Handytankers K/S

Fleet List

d'Amico Shipping Italia SpA					
Vessels		Source	Type	Year of construction	DWT
1	Medi Dubai	Owned	Handymax	2001	52,523
2	Cielo di Monfalcone	Owned	OHBS	2002	37,420
3	Cielo di Vancouver	Owned	OHBS	2002	37,420
4	Medi Baltimore	Owned	Panamax	2005	76,290
5	Medi Cagliari	Owned	Panamax	2004	75,500
6	Medi Tokio	Owned	Panamax	1999	74,356
7	Medi Venezia	Owned	Panamax	2005	76,600
8	Cielo di Milano	B/B Charter	Handysize	2003	40,083
9	Cielo di Napoli	B/B Charter	Handysize	2002	40,081
10	Cielo di Roma	B/B Charter	Handysize	2003	40,096
11	Cielo d'America	B/B Charter	Containers	2002	33,900
12	Cielo d'Europa	B/B Charter	Containers	2002	33,900
13	Cielo di Casablanca	T/C Charter	Containers	2007	13,760

d'Amico Dry Limited

	Vessels	Source	Type	Year of construction	DWT
1	Medi Bangkok	Owned	Handymax	2006	53,500
2	Medi Chennai	Owned	Handymax	2005	55,500
3	Medi Cork	Owned	Handymax	2004	53,500
4	Medi Nagasaki	Owned	Handymax	2002	53,098
5	Medi Shanghai	Owned	Handymax	2005	56,000
6	Cielo di Genova	Owned	OHBS	2005	32,350
7	Cielo di Livorno	Owned	OHBS	2008	37,300
8	Cielo di Vaiano	Owned	OHBS	1998	31,962
9	Medi Lausanne	Owned	Panamax	2006	82,000
10	Medi Dublin	T/C Charter	Handymax	2005	56,040
11	Medi Firenze	T/C Charter	Handymax	2008	58,000
12	Medi Imabari	T/C Charter	Handymax	2008	56,000
13	Medi Lisbon	T/C Charter	Handymax	2006	58,500
14	Medi Valencia	T/C Charter	Handymax	2008	56,000
15	Cielo di Amalfi	T/C Charter	OHBS	2007	37,320
16	Cielo di Pisa	T/C Charter	OHBS	2008	32,300
17	Cielo di Savona	T/C Charter	OHBS	2008	33,000
18	Cielo di Tokyo	T/C Charter	OHBS	2008	37,300
19	Cielo di Venezia	T/C Charter	OHBS	2008	37,300
20	Medi Antwerp	T/C Charter	Panamax	2007	76,500
21	Medi Genova	T/C Charter	Panamax	2004	75,600
22	Medi Hong Kong	T/C Charter	Panamax	2006	82,790
23	Medi Kobe	T/C Charter	Panamax	2001	75,924
24	Medi Rotterdam	T/C Charter	Panamax	2002	75,735
25	Medi Salerno	T/C Charter	Panamax	2008	81,000
26	Medi Singapore	T/C Charter	Panamax	2006	75,200
27	Medi Taipei	T/C Charter	Panamax	2003	76,500
28	Medi Vitoria	T/C Charter	Panamax	2004	76,500
29	Washington Trader	T/C Charter	Panamax	2000	74,228
30	Medi Dubai	Intragroup T/C charter	Handymax	2001	52,523
31	Cielo di Monfalcone	Intragroup T/C charter	OHBS	2002	37,420
32	Cielo di Vancouver	Intragroup T/C charter	OHBS	2002	37,420
33	Medi Cagliari	Intragroup T/C charter	Panamax	2004	75,500
34	Medi Sentosa	Intragroup T/C charter	Panamax	2008	83,000
35	Medi Venezia	Intragroup T/C charter	Panamax	2005	76,600

d'Amico Tankers Limited					
	Vessels	Source	Type	Year of construction	DWT
1	Cielo di Londra	Owned	Handysize	2001	35,985
2	Cielo di Parigi	Owned	Handysize	2001	36,032
3	Cielo di Salerno	Owned	Handysize	2002	36,032
4	High Challenge	Owned	MR	1999	46,475
5	High Courage	Owned	MR	2005	46,975
6	High Endeavour	Owned	MR	2004	46,992
7	High Endurance	Owned	MR	2004	46,992
8	High Performance	Owned	MR	2005	51,303
9	High Presence	Owned	MR	2005	48,700
10	High Priority	Owned	MR	2005	46,847
11	High Progress	Owned	MR	2005	51,303
12	High Spirit	Owned	MR	1999	46,473
13	High Valor	Owned	MR	2005	46,975
14	High Venture	Owned	MR	2006	51,087
15	High Wind	Owned	MR	1999	46,471
16	Cielo di Guangzhou	B/B Charter	Handysize	2006	38,877
17	High Century	T/C Charter	MR	2006	48,676
18	High Energy	T/C Charter	MR	2004	46,874
19	High Glory	T/C Charter	MR	2006	45,700
20	High Glow	T/C Charter	MR	2006	46,846
21	High Jupiter	T/C Charter	MR	2008	51,149
22	High Mars	T/C Charter	MR	2008	51,149
23	High Mercury	T/C Charter	MR	2008	51,149
24	High Nefeli	T/C Charter	MR	2003	45,976
25	High Power	T/C Charter	MR	2004	46,874
26	High Prosperity	T/C Charter	MR	2006	48,711
27	High Saturn	T/C Charter	MR	2008	51,149
28	High Trader	T/C Charter	MR	2004	45,879
29	Cielo di Milano	Intragroup T/C charter	Handysize	2003	40,083
30	Cielo di Napoli	Intragroup T/C charter	Handysize	2002	40,081
31	Cielo di Roma	Intragroup T/C charter	Handysize	2003	40,096
32	Malbec	100% Shared Handytankers	Handysize	2008	38,499
33	Ebtank Denmark	50% Shared Handytankers	Handysize	2002	37,274
34	Fox	50% Shared Handytankers	Handysize	2005	37,025
35	Handytanker Spirit	50% Shared Handytankers	Handysize	2006	34,671
36	Tevere	50% Shared Handytankers	Handysize	2005	37,178
37	Torm Ohio	50% Shared Handytankers	Handysize	2001	37,999
38	Handytanker Liberty	33% Shared Handytankers	Handysize	2006	34,620
39	Handytanker Unity	33% Shared Handytankers	Handysize	2006	34,620
40	Handytankers Miracle	25% Shared Handytankers	Handysize	2008	38,877
41	Melody	25% Shared Handytankers	Handysize	2008	38,500
42	Ocean Quest	25% Shared Handytankers	Handysize	2005	34,999

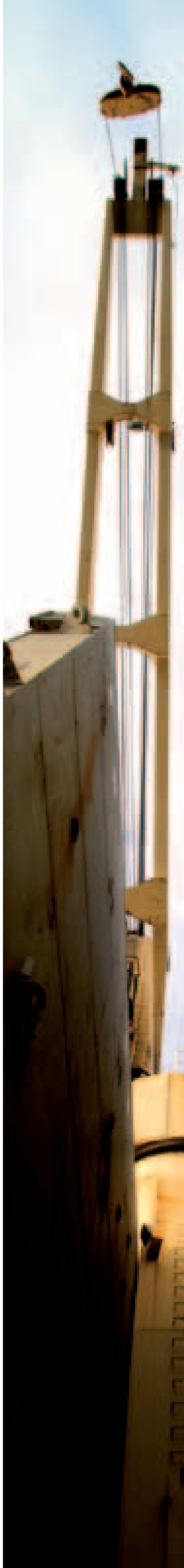
Mida Maritime Corp.					
Vessels		Source	Type	Year of construction	DWT
1	Medi Sentosa	Mida Maritime	Panamax	2008	83,000

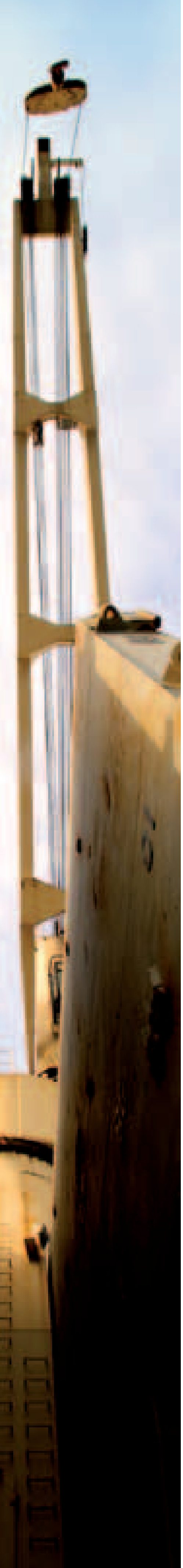
Ships under construction					
Vessels		Owned by	Type	Expected delivery	DWT
1	Hull 1315	d'Amico Dry	Mini Capesize	2013	115,000
2	Hull 1316	d'Amico Dry	Mini Capesize	2013	115,000
3	Nakai 724	DM Shipping	MR	2009	46,200
4	Nakai 725	DM Shipping	MR	2009	46,200
5	Hull S2199	GLENDA Int. Shipping	MR	2009	46,000
6	Hull S2186	GLENDA Int. Shipping	MR	2010	46,000
7	Hull S2187	GLENDA Int. Shipping	MR	2011	46,000

Consolidated Financial Statements

Statement of Assets

		December 31, 2008	December 31, 2007
B. Fixed Assets			
I. Intangible assets			
1. Set-up and expansion costs		*238,763*	*227,078*
2. Research, development and advertising costs			*12,710*
3. Software		*694,961*	*719,021*
4. Permits, licences, trademarks and similar rights		*5,222*	*15,572*
5. Goodwill		*922,002*	*1,085,021*
6. Assets under construction and payments on account		*394,694*	*257,624*
7. Other assets		*8,869,945*	*6,446,935*
- consolidation difference		*6,815,503*	*6,701,287*
		17,941,090	15,465,248
II. Property, Plant and Equipment			
1. Buildings		*48,004,650*	*40,341,541*
2. Fleet		*515,612,267*	*407,275,113*
3. Fixtures and fittings, tools and equipment		*3,385*	*1,632*
4. Other assets		*4,871,808*	*4,288,694*
5. Assets under construction and payments on account		*115,339,198*	*10,150,352*
		683,831,308	462,057,332
III. Financial assets			
1. Investment in:			
a) subsidiaries	*953,298*		*441,148*
b) associates	*22,000*		*43,843*
d) other companies	*23,967,914*		*14,244,856*
		24,943,212	14,729,847
2. Receivables			
d) other receivables			
- over 12 months	*515,780*		*523,766*
		515,780	523,766
		25,458,992	15,253,613
Total Fixed Assets		**727,231,390**	**492,776,193**

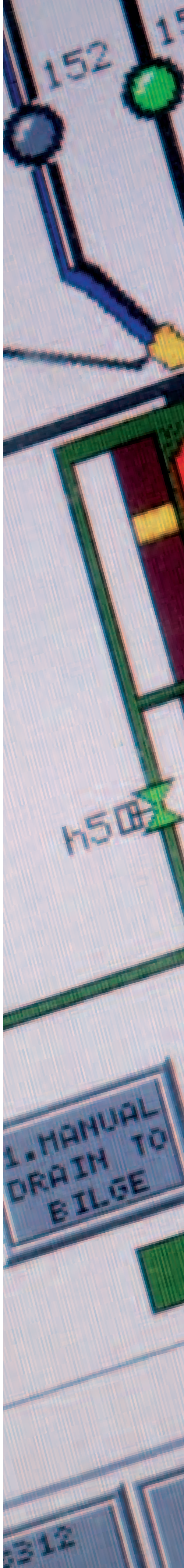




C. Current Assets			
I. Inventories			
1. Raw, subsidiary and consumable materials		*10,667,494*	*9,402,975*
3. Contract work in progress			*254,000*
4. Finished products and goods		*5,282,207*	*8,884,860*
		15,949,701	18,541,835
II. Accounts receivable			
1. Receivables from customers			
- within 12 months	*126,508,003*		*174,668,520*
- over 12 months	*157,038*		
		126,665,041	174,668,520
2. Receivables from subsidiaries			
- within 12 months	*7,587*		*10,620*
		7,587	10,620
4-bis. Tax receivables			
- within 12 months	*7,407,518*		*1,807,042*
- over 12 months	*869,322*		*949,302*
		8,276,840	2,756,344
4-ter. Advance tax			
- within 12 months	*313,628*		*55,021*
- over 12 months	*1,688*		
		315,316	55,021
5. Other receivables			
- within 12 months	*84,129,019*		*3,939,906*
- over 12 months	*16,442*		
		84,145,461	3,939,906
		219,410,245	181,430,411
III. Current financial assets			
		65,718,613	51,202,625
IV. Liquid assets			
1. Bank and postal deposits		*209,547,219*	*233,689,031*
2. Cheques		*127,481*	*6,428*
3. Cash in hand and other cash equivalents		*280,737*	*661,966*
		209,955,437	234,357,425
Total Current Assets		**511,033,996**	**485,532,296**
D. Prepayments and Accrued Income			
- miscellaneous	*11,473,962*		*14,155,163*
		11,473,962	14,155,163
TOTAL ASSETS		**1,249,739,348**	**992,463,652**

Statement of Liabilities

		December 31, 2008	December 31, 2007
A. Shareholders' Equity			
I. Share capital			
		25,000,000	15,000,000
III. Revaluation reserve			
		(21,845,564)	3,405,393
IV. Legal reserve			
		3,000,000	3,000,000
VII. Other reserves			
Extraordinary reserve	*64,921,823*		*62,475,997*
Non-distributable reserve pursuant to art. 2426	*2,535,913*		*10,635,223*
Euro translation/rounding reserve	*22,738,475*		*36,014,858*
		90,196,211	109,126,078
VIII. Retained earnings			
		368,706,068	112,240,451
IX. Profit for the year			
		174,329,692	253,145,473
Total Group Shareholders' Equity		**639,386,407**	**495,917,395**
Equity and reserves attributed to minority interest		*60,606,341*	*77,541,957*
Profit attributed to minority interests		*43,256,448*	*16,431,786*
Total Shareholders' Equity		**743,249,196**	**589,891,138**
B. Provisions for Liabilities and Charges			
1. Provision for severance		*489,390*	
2. Provisions for taxes		*1,816,256*	
3. Others		*729,757*	*1,689,263*
Total Provision for Liabilities and Charges		**3,035,403**	**1,689,263**
C. Employee Severance Indemnity			
Total Employee Severance Indemnity		**4,984,817**	**5,570,745**



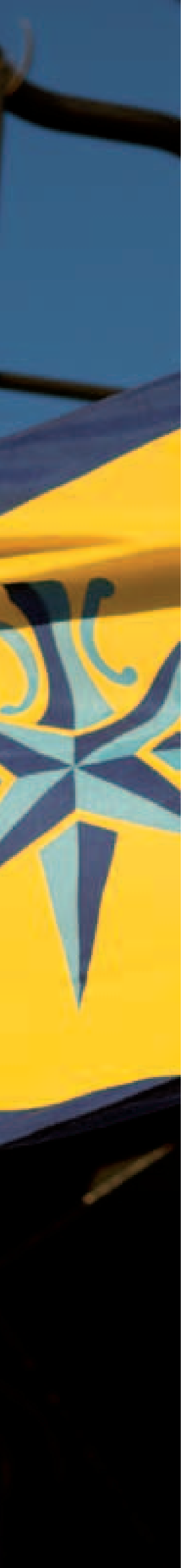
D. Accounts Payable			
4. Bank borrowings			
- within 12 months	*19,249,177*		*20,953,279*
- over 12 months	*278,696,098*		*188,750,932*
		297,945,275	209,704,211
5. Amounts owed to other lenders			
- within 12 months	*219,618*		*474,554*
- over 12 months	*7,370,456*		*6,801,518*
		7,590,074	7,276,072
6. Payments on account			
- within 12 months	*557,639*		*506,484*
		557,639	506,484
7. Trade payables			
- within 12 months	*148,155,487*		*152,697,672*
		148,155,487	152,697,672
9. Amounts owed to subsidiaries			
- within 12 months	*7,975*		
		7,975	
12. Taxes payable			
- within 12 months	*3,016,179*		*3,087,556*
- over 12 months	*7,407*		*17,283*
		3,023,586	3,104,839
13. Social security and welfare contributions			
- within 12 months	*1,191,185*		*1,018,268*
		1,191,185	1,018,268
14. Other payables			
- within 12 months	*24,463,512*		*5,846,871*
- over 12 months	*94,090*		*99,478*
		24,557,602	5,946,349
Total Accounts Payable		**483,028,823**	**380,253,895**
E. Accruals and Deferrals			
- miscellaneous	*15,441,109*		*15,058,611*
		15,441,109	15,058,611
TOTAL LIABILITIES		**1,249,739,348**	**992,463,652**

Memorandum Accounts

		December 31, 2008	December 31, 2007
2. Guarantees granted by third parties in favour of the company		*2,582*	*2,582*
4. Other guarantees		*9,281*	*9,281*
TOTAL MEMORANDUM ACCOUNTS		**11,863**	**11,863**

Income Statement

		December 31, 2008	December 31, 2007
A. Revenue			
1. Revenue from sales and services		*688,223,172*	*727,918,740*
2. Change in work in progress, semi-finished and finished product inventories		*325,376*	*1,064,327*
3. Changes in contract work in progress		*(254,000)*	*254,000*
5. Other revenues and income:			
- miscellaneous	*11,188,044*		*11,857,917*
		11,188,044	11,857,917
Total Revenue		**699,482,592**	**741,094,984**
B. Cost of Sales and Services			
6. Raw, subsidiary and consumable materials, consumables and goods		*75,595,858*	*81,107,238*
7. Service costs		*167,219,709*	*117,162,239*
8. Leased assets		*181,044,437*	*177,092,228*
9. Personnel costs			
a) salaries and wages	*62,842,930*		*46,896,935*
b) social security contributions	*6,073,243*		*5,253,363*
c) employee Severance Indemnity	*1,083,231*		*862,007*
d) retirement fund and similar obligations	*195,122*		*252,311*
e) other costs	*162,409*		*266,901*
		70,356,935	53,531,517
10. Amortisation, depreciation and write downs			
a) amortisation of intangible assets	*4,391,212*		*3,680,645*
b) depreciation of property, plant and equipment	*37,393,696*		*29,699,697*
c) other depreciation and write-downs	*8,627,032*		
d) write-down of receivables recorded under current assets	*5,045,584*		*303,166*
		55,457,524	33,683,508
11. Changes in inventories of raw and subsidiary materials, consumables and goods		*(541,016)*	*(32,703)*
14. Other operating costs		*1,579,949*	*2,215,460*
Total Cost of Sales and Services		**550,713,396**	**464,759,487**
Difference between Revenue and Cost (A-B)		**148,769,196**	**276,335,497**



C. Financial Income and Expenses			
15. Investment income:			
- from subsidiaries	*440,367*		
- other	*350,539*		*228,012*
		790,906	228,012
16. Other financial income:			
d) other income:			
- other	*13,986,272*		*7,828,286*
		13,986,272	7,828,286
		14,777,178	8,056,298
17. Interest and other financial expenses:			
- other	*45,650,656*		*23,398,317*
		45,650,656	23,398,317
17-bis. Foreign exchange gains and losses		*6,214,309*	*1,624,106*
Total Financial Income and Expenses		**(24,659,169)**	**(13,717,913)**
D. Adjustments to Financial Assets			
18. Revaluations:			
a) of investments	*13,289*		
		13,289	
19. Write-downs:			
a) of investments			*9,345*
			9,345
Total Adjustments to Financial Assets		**13,289**	**(9,345)**
E. Extraordinary Income and Expenses			
20. Income:			
- capital gain on disposal e other gains	*104,895,284*		*14,684,108*
		104,895,284	14,684,108
21. Charges:			
- capital loss on disposal and other gains	*915,500*		*2,551,791*
		915,500	2,551,791
Extraordinary Income and Expenses (Net)		**103,979,784**	**12,132,317**
Profit before Tax (A-B±C±D±E)		**228,103,100**	**274,740,556**
22. Income tax			
a) current taxes	*9,754,361*		*11,336,548*
b) deferred (advance) taxes	*762,599*		*(6,173,251)*
		10,516,960	5,163,297
23. PROFIT FOR THE YEAR		**217,586,140**	**269,577,259**
23. Minority interests		*43,256,448*	*16,431,786*
23. Group profit		*174,329,692*	*253,145,473*

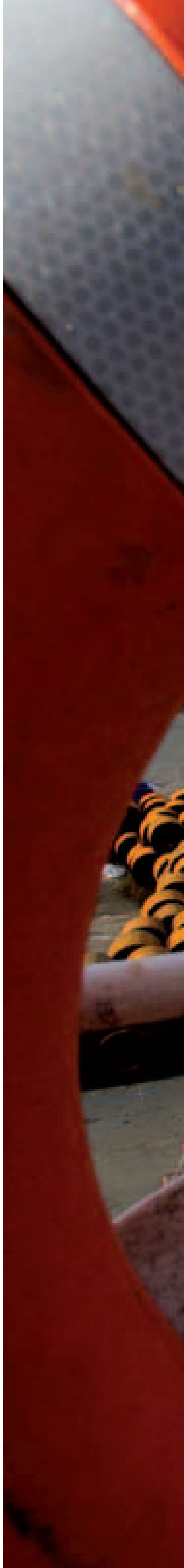
Notes to the Consolidated Financial Statements

Basis of preparation

The Consolidated Financial Statements and these notes, which are an integral part thereof, have been prepared in accordance with the provisions of art. 2426 of the Italian Civil Code and presented in accordance with art.38 of legislative Decree 127/91. The financial statements and the notes have been interpreted and supplemented by the accounting standards issued by the Italian Association of Chartered Accountants and Financial Accountants and by the Italian Accounting Body (OIC). The Financial Statements were examined over a period in excess of the standard 120 days from the year-end, in accordance with the maximum timeframe permitted by the Articles of Association and with art. 2364, paragraph 2 of the Italian Civil Code, as resolved by the Board of Directors at their meeting on April 6, 2009.
The 2008 financial statements have been prepared on a going concern basis, as in the previous year, and are based on the principles introduced by legislative Decree n. 6/2003 on the reform of company law.
We cooperated with and consulted the Board of Statutory Auditors and the Independent Auditors, Moore Stephens Concorde – appointed to conduct all auditing activity for the three-year period ending upon approval of the financial statements as of December 31, 2009 – for any assistance required.
The data presented has been rounded off to the nearest Euro unit and is based on the financial statements for all companies falling within the scope of consolidation as of December 31, 2008. These notes provide all such information as may be required for a better understanding of Group activities, presented in the Consolidated Financial Statements as of December 31, 2008.

Scope of Consolidation

The scope of consolidation is similar to that of the previous year and includes d'Amico Società di Navigazione SpA (the parent company) and its direct and indirect subsidiaries, based on the financial statements as approved by the Shareholders' Meetings. Where these have yet to be approved, in those cases we have used the Financial Statements as resolved by the respective Boards of Directors.
In line with internal requirements, some of the consolidated companies have prepared a "sub-consolidated report", which provides details of investments falling under "their own" scope of consolidation. The list below therefore presents d'Amico International and Compagnia Generale Telemar companies, not merely as individual consolidated companies, but together with their own consolidated companies. As required by art. 26 of legislative Decree 127/91, the table below presents all companies falling under the scope of consolidation, indicating the method of consolidation, location, share capital and the direct percentage owned.



Company name		Consolidation type	City or State	Share Capital in Euro	% Interest (parent company)	% Interest (minority interests)
d'Amico Shipping Italia SpA	(a)	Full	Genoa	15,000,000	100.0000	0.0000
d'Amico International S.A.	(a)	Full	Luxembourg	3,100,000	99.9998	0.0002
d'Amico Capital Limited	(b)	Full	Ireland	100	99.9998	0.0002
Cogema S.A.M.	(b)	Full	Monte Carlo	150,000	95.9998	4.0002
Comarfin S.A.M.	(b)	Full	Monte Carlo	300,000	99.6998	0.3002
d'Amico Dry Limited	(b)	Full	Ireland	100,000	99.9998	0.0002
d'Amico Finance Limited	(b)	Full	Ireland	100,000	99.9998	0.0002
d'Amico Ireland Limited	(b)	Full	Ireland	50,000	99.9998	0.0002
d'Amico Shipping Singapore Pte Ltd.	(b)	Full	Singapore	49,900	99.9998	0.0002
d'Amico Shipping UK Ltd.	(b)	Full	England	41,995	99.9998	0.0002
Hanford Investments Inc.	(b)	Full	Liberia	1,076	94.9998	5.0002
Saint Andrew Estates Ltd.	(c)	Full	Liberia	530	94.9998	5.0002
Ishima Pte Ltd.	(b)	Full	Singapore	499,002	99.9998	0.0002
Paul Maritime Company Limited	(b)	Full	Ireland	2	99.9998	0.0002
Rudder S.A.M.	(b)	Full	Monte Carlo	150,000	84.9998	15.0002
Rudder Pte Ltd.	(m)	Full	Singapore	99,800	84.9998	15.0002
Sci Mon Retour	(b)	Full	France	50,000	98.9998	1.0002
N.137 Seabright Holdings Ltd.	(b)	Full	Canada	529,533	99.9998	0.0002
Anglo Canadian Shipping Co.	(d)	Full	Canada	906,664	99.9998	0.0002
Saemar S.A.	(b)	Full	Spain	72,120	99.8298	0.1702
Medbulk Maritime Limited	(e)	Full	Ireland	100,000	99.8298	0.1702
d'Amico International Shipping S.A.	(b)	Full	Luxembourg	107,745,855	63.3999	36.6001
Glenda International Shipping Ltd.	(f)	Proportionate	Ireland	144	31.6999	68.3001
d'Amico Tankers Limited	(f)	Full	Ireland	100,000	63.3999	36.6001
d'Amico Tankers Monaco S.A.M.	(g)	Full	Monte Carlo	150,000	63.2731	36.7269
d'Amico Tankers UK Ltd.	(g)	Full	England	35,927	63.3999	36.6001
d'Amico Tankers Singapore Pte Ltd.	(g)	Full	Singapore	35,927	63.3999	36.6001
DM Shipping Limited	(g)	Proportionate	Ireland	71,855	32.3339	67.6661
Glenda International Managem. Limited	(g)	Full	Ireland	2	63.3999	36.6001
High Pool Tankers Limited	(g)	Full	Ireland	2	63.3999	36.6001
VPC Logistic Ltd.	(g)	Full	England	35,927	63.3999	36.6001
Sirius Management Shipping Srl	(a)	Equity Method	Genoa	101,490	60.0000	40.0000
Compagnia Generale Telemar SpA	(a)	Full	Rome	7,000,000	58.0164	41.9836
Telemar UK Limited	(h)	Full	England	262,467	58.0164	41.9836
Bay Bridge Service	(i)	Full	Hong Kong	927	50.7644	49.2356
Adci International LLC	(h)	Full	Usa	180,068	37.5366	62.4634
Telemar Usa LLC	(h)	Full	Usa	179,989	33.4349	66.5651
Telemar AB	(h)	Full	Sweden	542,824	31.9090	68.0910
Telemar Yachting Srl	(h)	Full	Italy	100,000	58.0164	41.9836
Telemar Shanghai Ltd.	(h)	Full	China	206,710	46.4131	53.5869
Telemar Scandinavia AB	(l)	Full	Sweden	490,156	17.5500	82.4500
LLC Telemar SPb	(l)	Full	Russia	2,920	9.6525	90.3475
Navidec OY	(l)	Full	Finland	543,330	17.5500	82.4500
Mida Maritime Company Limited	(a)	Full	Ireland	79,277	51.0000	49.0000

(a) Directly controlled
(b) Controlled through d'Amico International
(c) Controlled through Hanford
(d) Controlled through N.137 Seabright Holding Ltd.
(e) Controlled through Saemar
(f) Controlled through d'Amico International Shipping S.A.
(g) Controlled through d'Amico Tankers Ltd.
(h) Controlled through Compagnia Generale Telemar SpA
(i) Controlled through Telemar UK
(l) Controlled through Telemar AB
(m) Controlled through Rudder SAM

A list of the companies that do not fall under the scope of this consolidation is presented in another section of these Notes. The list will include companies where the percentage interest held does not permit consolidation and those of operational and dormant subsidiaries whose inclusion in the consolidation was not deemed relevant.

Business Activity

The business activity of the parent company, and of most of the consolidated companies, is the same as that of the previous year. For further information on the business activities of the main consolidated companies, reference should be made to the Directors' Report.

Consolidation Criteria

The Consolidated Financial Statements comprise the financial statements of companies falling within the scope of consolidation. The financial statements have been standardised and brought into line with the criteria adopted by the parent company in the preparation of its own financial statements. As was the case with the parent company and in full compliance with art. 35 of legislative Decree 127/91, certain international accounting standards (IAS) have been adopted in the place of national accounting standards for the purpose of presenting a more accurate view of the consolidated financial statements. This departure from national accounting standards shall be disclosed in the continuation of these Notes.
Financial Statements expressed in a currency other than Euro have been converted using the following procedures:
• shareholders' equity has been converted at the exchange rates at the time of the transactions;
• all other balance sheet items have been converted at the year end exchange rates;
• income statement item have been converted at the average exchange rate for the year.

Exchange differences arising from such currency conversions are classified as equity and recognised under the currency translation reserve.

The main conversion rates adopted in 2008 and in 2007 are listed below:

Currency	Average 2008 exchange rate	Average 2007 exchange rate	Exchange rate at December 31, 2008	Exchange rate at December 31, 2007
US dollar	1.47076	1.37048	1.3917	1.4721
Canadian dollar	1.55942	1.46785	1.6998	1.4449
UK pound	0.796285	0.684337	0.9525	0.7334
Singapore dollar	2.07619	2.06355	2.0040	2.1163
Swedish kroner	9.61524	9.25011	10.8700	9.4415

On conversion, the balances and currencies of companies falling within the scope of the consolidation were aggregated on a line-by-line basis, with the full elimination of all income statement and balance sheet items deriving from inter-company transactions. The book value of the fully consolidated subsidiaries was then offset against the corresponding quota of equity, while recognising the profit attributable to minority interests and the equity attributed to minority interests under separate items. The conversion gain is recognised under the "consolidation difference" item and amortised over a ten year period, while the negative difference is recognised in a separate component of equity.

The principle accounting policies are detailed below.

Fixed Assets

Intangible Assets

Included in this item are expenses, net of depreciation, whose benefit extend over a number of years into future. These are amortised at different rates depending on the nature of capitalised cost and on the estimated useful life. The item also includes dry-docking expenses arising from the cyclical maintenance of the vessels. These are amortised over the period between programmed maintenance (usually 30 months on average). Goodwill is amortised over a ten year period, in line with the useful life of the asset.
Costs accumulating on fixed assets due to become operational after the year-end have been recognised under the 'assets under construction'.

Property, plant and equipment

Property, plant and equipment are recognised at cost and includes ancillary and incremental costs – some of which have increased as a result of the various revaluations allowed by law taking place over the years – less depreciation, calculated on the asset's estimated useful life. As is the case for intangible assets, costs related to property, plant and equipment to become operational after year end have been separately disclosed as the 'assets under construction'.

The depreciation rates adopted for property, plant and equipment are as follows:

Non-current assets	Rates
Real Estate	3%
Fleet	4.5% - 6%
Plant and machinery	25%
Other non-current assets	12% - 25%

Financial Assets

Amounts shown in the financial statements related to investment in companies not falling within the scope of full consolidation or to companies that are not consolidated.

Inventories

This item relates to inventories of goods and services at the year-end. Their value is stated at cost and, where applicable, written down to net realisable value.

Current Financial Assets

This item relates to portfolio securities, which are stated at the lesser of cost and market value at year end.

Liquid Assets

Liquid assets are stated at their nominal value. Amounts in currencies other than the presentation currency are converted at the year end exchange rates.

Financial Instruments

In line with art.2427bis, par.1, information on the value and type of financial instruments utilised by the group to hedge exchange rates, interest rates, and freight fluctuation risk, is provided below and further on in a separate note.
Foreign subsidiaries use the below derivative contracts:

- Forward freight agreements (FFA) relating to freight hedge transactions recognised on the settlement date;
- Bunker swaps, used to hedge the cost of fuel for vessels performing spot voyages;
- Currency options, foreign exchange forwards and futures relating to foreign exchange hedges;
- Interest rate swaps (IRS), consisting of cash flow hedges to cover loan interest rates.

Some of the foreign consolidated companies have adopted the international accounting standards and recognise outstanding financial instruments at fair value at year end. Where the hedging instruments have been properly correlated, their related gains or losses from revaluation are recorded directly to a separate specific reserve in equity.
In line with past financial statements, all transactions settled during the year have been recognised to the appropriate category in the income statement. While at year end unrealised gains from the revaluation of the financial instruments at market value is prudentially unrecognized, unrealised losses are recognized.
Where the financial effects of the instruments outstanding at year end are time based, accruals are calculated for the portion relating to the current financial year. This is the case for interest, premiums and differentials to be settled in the next financial year.

Own Shares

No repurchased or treasury shares are recorded under current assets.

Accruals and Deferrals

Accruals and deferrals (both assets and liabilities) are used to apportion the amount of costs and revenue to the accounting period to which they pertain.

Provision for Liabilities and Charges

This item relates to provisions prudently allocated at the year end to cover potential losses, for deferred taxes, etc.

Employee Severance Indemnity Fund

This item relates to accrued amounts payable to employees in line with current law and labour agreements. The liability has been accurately reviewed and is presented net of any advances paid.

Accounts Payable

Accounts payable are stated at their nominal value. Items in currencies other than the presentation currency have been converted at the year end exchange rates. Amounts relating to intra-group transactions have been offset against the corresponding item.

Commitments, Guarantees and Risks

These items are stated at the contractual value.

Costs and Revenue

Costs and revenue are recognised in the financial statements on a prudent accrual basis. The exception to this is dividends for the amount pertaining to third parties: these are recognised on a cash basis. Foreign currency items have been converted at the transaction date exchange rate.
Financial statements presented in currencies other than Euro have been converted using the average rates for the year as indicated at the beginning of these notes.
Items arising from intra-company transactions between companies falling within the scope of full consolidation have been eliminated.

Current and Deferred Income Tax

Income tax has been prudently calculated on income by each consolidated company in line with the tax law in its respective country of residence.
The item in the income statement indicates the amount of tax belonging and accounted for in the financial period.
Taxes payable is the amount due to the tax authorities, net of any payment on account and with-holdings.
Deferred tax relates to the difference between the taxes calculated and accounted for in the income statement and those calculated under the tax laws.
Reversal of the taxed-based accounting treatment pursuant to par. 2 of article 2426 (reform of fiscal law) required no amendment in the current or prior year.

Assets

B. Fixed Assets

I. Intangible assets

December 31, 2008	December 31, 2007	Change
17,941,090	15,465,248	2,475,842

Total movement in Intangible Assets			
Description	December 31, 2008	December 31, 2007	Change
Set-up and expansion	238,763	227,078	11,685
Research, development and advertising		12,710	(12,710)
Software	694,961	719,021	(24,060)
Permits, licences and trademarks	5,222	15,572	(10,350)
Goodwill	922,002	1,085,021	(163,019)
Assets under construction and payments on account	394,694	257,624	137,070
Other costs	8,869,945	6,446,935	2,423,010
Difference on Consolidation	6,815,503	6,701,287	114,216
	17,941,090	**15,465,248**	**2,475,842**

The 'Goodwill' recorded in the current fiscal year belongs to Compagnia Generale Telemar, pertaining to a previous year transaction. The increase of the 'other costs' relates almost entirely to dry-docking costs, which have been capitalised and amortised as set out in the initial section of these notes.

II. Property, Plant and Equipment

December 31, 2008	December 31, 2007	Change
683,831,308	462,057,332	221,773,976

Breakdown of costs	December 31, 2008	December 31, 2007	Change
Real Estate	48,004,650	40,341,541	7,663,109
Fleet and other equipment	515,612,267	407,275,113	108,337,154
Fixtures and fittings, tools and equipment	3,385	1,632	1,753
Other assets	4,871,808	4,288,694	583,114
Assets under construction and payments on account	115,339,198	10,150,352	105,188,846
	683,831,308	**462,057,332**	**221,773,976**

REAL ESTATE

The 2008 increases relate mainly to the revaluation (pursuant to Decree law 185/2008) carried out by Compagnia Generale Telemar for over 4 million Euro on its own real estate, in addition to acquisitions in the year by various consolidated companies, including the parent company. It should also be noted that the Telemar transaction produced a positive revaluation, booked to income, and subjected to tax as required by law at the appropriate rate.
Prior year revaluations, allowed in accordance with art. 10 of law n. 72/1983, totalled approximately Euro 5.8 million, together with the above amount.

FLEET, OTHER EQUIPMENT AND ASSETS UNDER CONSTRUCTION

These items are presented in aggregate form since, except for a small amount of around 70 thousand Euro, they relate to the current fleet and vessels 'under construction'.
The "Fleet" is depreciated over a life of 17 years for the tankers and 20 years for the bulk carriers, minus the estimate scrap value of the vessels at the end of such period.
Assets Under Construction relate to payments and expenses incurred in relation to vessels being built and due to be delivered in future years
Movements in the accounts are detailed below.

Description	Amount
Balance at December 31, 2007	**417,377,271**
Increase	334,597,705
Decrease	(108,213,523)
Reclassification	(1,550,149)
Impairment	(8,627,032)
Depreciation and amortisation	(32,168,317)
Exchange differences	29,465,313
Balance at December 31, 2008	**630,881,268**

Movements relate to the following changes: one extra vessel for d'Amico Shipping Italia (the acquisitions of the Medi Venezia and Medi Baltimore and the sale of the Medi Roma); the acquisition of 6 vessels by d'amico dry; the changes registered by d'Amico Tankers, which acquired and sold the same number of ships (4) during the year; and the addition of the Medi Sentosa, delivered to Mida Maritime at the beginning of 2008. The increases also include the amounts paid in 2008 under the shipbuilding contracts outstanding.
For further information on these movements and for Fleet specifications at December 31, 2008 please refer to the relevant list, which also details whether vessel are owned or chartered in.

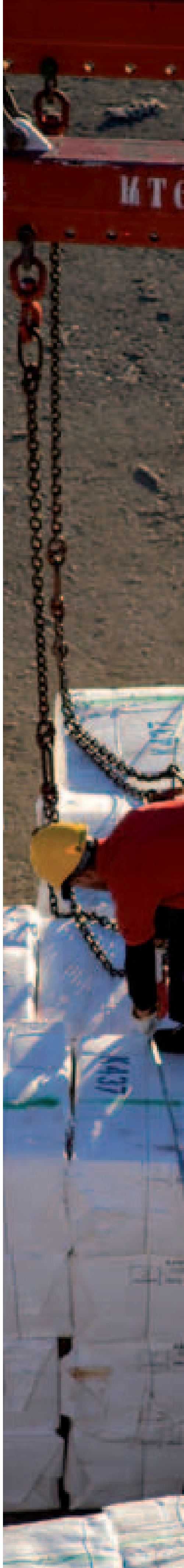
FIXTURES, FITTINGS AND EQUIPMENT

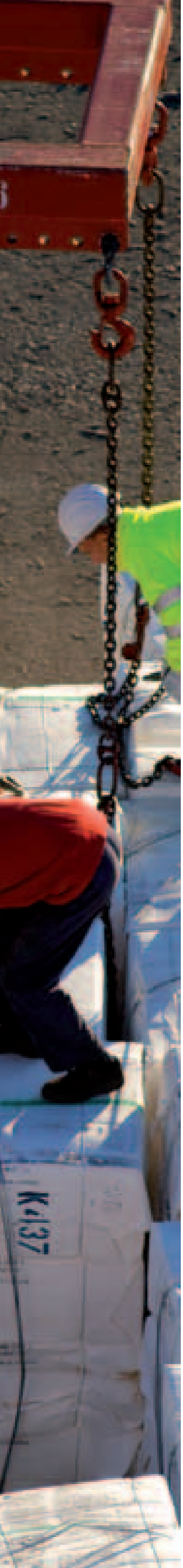
Description	Amount
Balance at December 31, 2007	**1,632**
Movements in the year	1,753
Balance at December 31, 2008	**3,385**

Other Assets

Description	Amount
Balance at December 31, 2007	**4,288,694**
Movements in the year	583,114
Balance at December 31, 2008	**4,871,808**

Movements in the year relate to the ordinary replacement of office equipment and to the the annual depreciation amount.





III. Financial Assets

Balance at December 31, 2008	Balance at December 31, 2007	Change
25,458,992	15,253,613	10,205,379

INVESTMENTS

Description	December 31, 2007	Increase	Decrease	December 31, 2008
Subsidiary companies	441,148	512,150		953,298
Associated companies	43,843		21,843	22,000
Other companies	14,244,856	9,723,058		23,967,914
	14,729,847	**10,235,208**	**21,843**	**24,943,212**

The table above summarises the investment in subsidiary companies, which have not been fully consolidated into the present financial statements. These include companies where such inclusion was not deemed relevant, without affecting the provision of a true and fair view of the consolidated position. The data above also includes the investment in companies that at year end were non-operational or in
Liquidation. These are listed, as required by Law 127/91, in the table below, together with all other companies not included within the scope of this consolidation.

Company	City or State	% Interest (Group)
d'Amico Shipmanag. Germany gmbh	Germany	100.00
Italmar Imobiliaria Ltda	Brasil	100.00
MS Cielo di Parigi Verwaltung gmbh	Germany	40.00
MS High Wind Verwaltung gmbh	Germany	40.00
d'Amico India Ltd. (a)	India	60.40
Telemar Gmbh (b)	Germany	58.02
Telemar Broadband Service AB (non-oper.) (c)	Sweden	31.91
Italia Lines Ltd. (non-operational)	England	100.00
Italmar Ag.Mar.Com. Ltd. (in liquidation)	Brasil	98.64

Indirectly controlled through:
(a) Sirius Ship Management Srl and d'Amico International S.A.
(b) Compagnia Generale Telemar SpA
(c) Telemar AB

Investments in 'Other Companies' relate almost entirely to the parent company's participation in Tamburi Investment Partners' for 12.2 million Euro (just under 6% at the year-end), with an increase of approximately 5 million Euro compared to the previous year, in Datalogic for 5.8 million Euro (1.71%) and in the Secontip Private Equity Fund for just over one million Euro. In addition to these, which were also included in the previous year's Financial Statements, an interest of 1.1% equal to 2.8 million Euro was acquired in Sator S.A., a newly established company.
Accounts Receivable relates to security deposits and receivables deriving from prepayment of employee Severance Indemnity tax, pursuant to law 662/96, by the Italian consolidated companies.

C. Current Assets

I. Inventories

December 31, 2008	December 31, 2007	Change
15,949,701	18,541,835	(2,592,134)

The above amounts relate to bunker and lubricant inventories (calculated using the FIFO method) for 10.6 million Euro, plus 5.2 million Euro relating to Compagnia Generale Telemar inventories and finished products. The previous year's balance included a vessel under costruction which was disposes of in 2008 and accounted for most of the year over year change.

II. Accounts Receivable

December 31, 2008	December 31, 2007	Change
219,410,245	181,430,411	37,979,834

The above balance relates to balances due to the companies at the end of 2008. The below table provides a breakdown by due date, after any inter-group eliminations.
There are no amounts to be received with due dates exceeding 5 years.

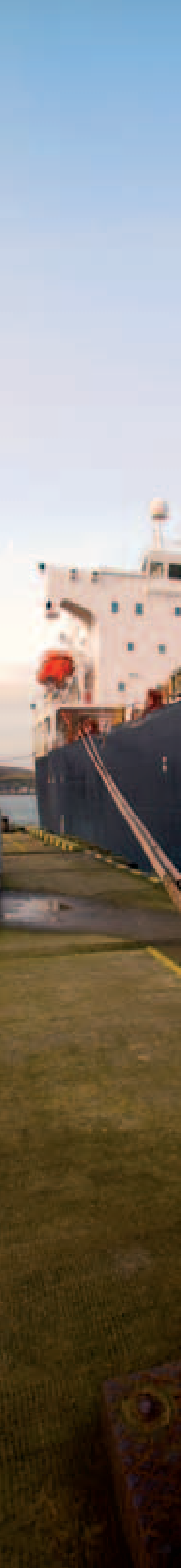
Description	Within 12 months	Over 12 months	Balance at December 31, 2008	Balance at December 31, 2007	Difference
Trade receivables	126,508,003	157,038	126,665,041	174,668,520	(48,003,479)
Receivables from subsidiaries	7,587		7,587	10,620	(3,033)
Tax receivables	7,407,518	869,322	8,276,840	2,756,344	5,520,496
Advance tax	313,628	1,688	315,316	55,021	260,295
Other receivables	84,129,019	16,442	84,145,461	3,939,906	80,205,555
	218,365,755	**1,044,490**	**219,410,245**	**181,430,411**	**37,979,834**

Compared to the previous year, the increase in the 'Other Receivables' relates to balance of proceeds to be received from the sale of two vessels, outstanding at year end 2008.

III. Financial Assets

31 dicembre 2008	31 dicembre 2007	Change
65,718,613	51,202,625	14,515,988

Financial assets increased in 2008 due to movements in d'Amico Finance and d'Amico International financial product portfolios.
The amount recorded at the year-end primarily relates to Shares and Funds for 10.6 million Euro, Fixed-interest investments for 34.4 million Euro and Hedge Funds for 18.9 million Euro.
Despite an aggregate increase compared to the previous year, the highly volatile markets characterising 2008 contributed to portfolio losses of approximately 5%. New mandates for the new financial year have been arranged for the respective managers, with the aim of improving the
monitoring of counterparty and market risk and a view to restoring our level of risk to a more appropriate level.



IV. Liquid Assets

December 31, 2008	December 31, 2007	Change
209,955,437	234,357,425	(24,401,988)

Description	December 31, 2008	December 31, 2007
Bank and postal deposits	209,547,219	233,689,031
Cheques	127,481	6,428
Cash in hand and other cash equivalents	280,737	661,966
	209,955,437	**234,357,425**

The above balance relates to Cash and Bank and Postal accounts and deposits readily available at year-end. Items expressed in currencies other than the presentation currency were converted at the year end exchange rates.

D. Prepayments and Accrued Income

December 31, 2008	December 31, 2007	Change
11,473,962	14,155,163	(2,681,201)

The above amounts relate to costs paid in the current year and deferred into future years and income items contractually maturing and to be collected in the future.
There are no prepayments and accrued income with a term of more than five years.

Liabilities

A. Shareholders' Equity

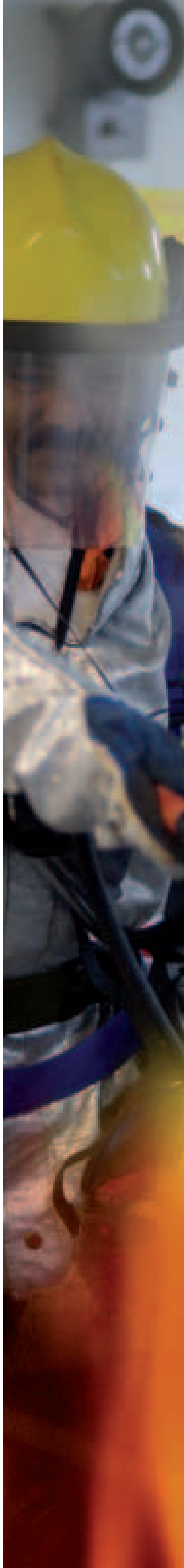
December 31, 2008	December 31, 2007	Change
743,249,196	589,891,138	153,358,058

	Share Capital	Revaluation Reserve	Legal reserve	Other reserves	Profit for the year	Total Shareholders' Equity
Group Shareholders' Equity at December 31, 2007	**15,000,000**	**3,405,393**	**3,000,000**	**221,366,529**	**253,145,473**	**495,917,395**
Share Capital Increase	10,000,000			(10,000,000)		**0**
Distribution of Profits					(30,000,000)	**(30,000,000)**
Profits net of distribution				223,145,473	(223,145,473)	**0**
Currency translation differences and other movements		(25,250,957)		24,390,277		**(860,680)**
Profit for the year					174,329,692	**174,329,692**
Group Shareholders' Equity at December 31, 2008	**25,000,000**	**(21,845,564)**	**3,000,000**	**458,902,279**	**174,329,692**	**639,386,407**
Minority interest as at December 31, 2007						**93,973,743**
2008 Movements in Minority Interest						**9,889,046**
Total Shareholders' Equity as at December 31, 2008						**743,249,196**

The parent's share capital was increased to Euro 25 million through partial use of the non-distributable reserve, as approved by the ordinary Shareholders' Meeting on May 29, 2008.
Movements in equity attributable to minority interests are less marked than those recorded in 2007. This is due to the fact that in 2008 the percentage of minority interests decreased from 43.5% to 35.7%.
A reconciliation table showing parent company and consolidated Shareholders' equity is presented below.

Description	Total
Parent company's Shareholders' Equity	132,975,530
Difference between the carrying value and pro-quota value of consolidated shares	530,563,003
Consolidation differences recognised as assets (goodwill)	6,815,503
Adjustments from standardisation of the financial statements	(30,967,629)
Consolidated Group Shareholders' Equity	**639,386,407**
Minority interests	103,862,789
Consolidated Shareholders' Equity	**743,249,196**

and the same analysis of consolidated profits with those of the parent company.



Description	Total
Parent company operating profit	49,821,338
Consolidated operating profit	216,683,058
Adjustments from alignment of accounting standards	3,309,007
Elimination of dividends	(51,664,990)
Minority interest adjustments	(43,256,448)
Other consolidation adjustments	(562,273)
Group operating profit	**174,329,692**
Minority interests	43,256,448
Consolidated operating profit	**217,586,140**

B. Provisions for Liabilities and Charges

December 31, 2008	December 31, 2007	Change
3,035,403	1,689,263	1,346,140

The below table shows amounts relating to the Directors' Severence Indemnity fund set up by Italian consolidated companies, tax provisions and provisions to cover future risks.

Description	December 31, 2008
Severance provision	489,390
Provisions for taxes	1,816,256
Other Liabilities	729,757
	3,035,403

C. Employee Severance Indemnity

December 31, 2008	December 31, 2007	Change
4,984,817	5,570,745	(585,928)

The above amount includes the Employee Severance Indemnity fund of the fully consolidated Italian companies and changes relate to allocations, net of disbursements, made in the year.

D. Accounts Payable

December 31, 2008	December 31, 2007	Change
483,028,823	380,253,895	102,774,928

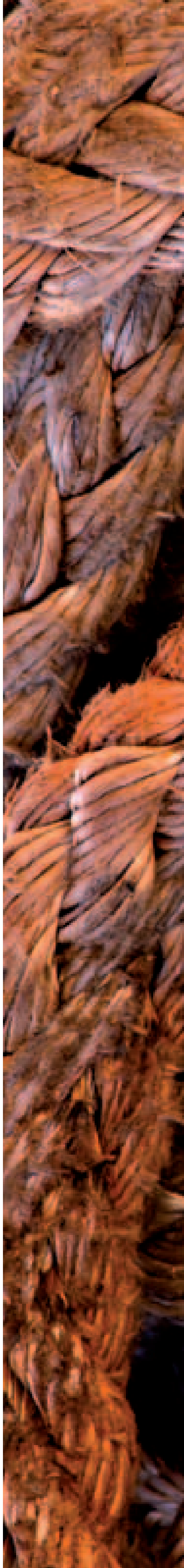
Accounts payable are stated at their nominal value. Amounts in currencies other than the presentation currency are converted as previously indicated.
The below table provides a breakdown by due date.

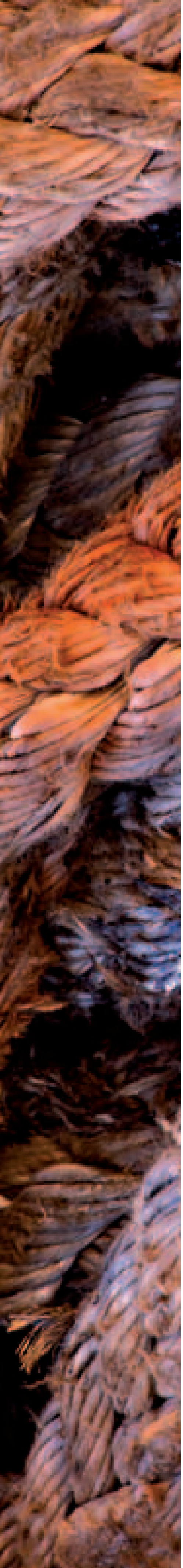
Description	Within 12 months	Over 12 months	Total at December 31, 2008	Total at December 31, 2007	Change
Bank borrowings	19,249,177	278,696,098	297,945,275	209,704,211	88,241,064
Amounts owed to other lenders	219,618	7,370,456	7,590,074	7,276,072	314,002
Payments on account	557,639		557,639	506,484	51,155
Trade payables	148,155,487		148,155,487	152,697,672	(4,542,185)
Amounts owed to subsidiaries	7,975		7,975		7,975
Taxes payable	3,016,179	7,407	3,023,586	3,104,839	(81,253)
Social security contributions	1,191,185		1,191,185	1,018,268	172,917
Other accounts payable	24,463,512	94,090	24,557,602	5,946,349	18,611,253
	196,860,772	**286,168,051**	**483,028,823**	**380,253,895**	**102,774,928**

Bank borrowings are influenced by the movement in the owned vessels, as a number of these are financed by medium/long term loans. Therefore a sale or a purchase of a vessel can cause the balance to decrease or increase. In addition, bank borrowings are also influenced by payment of the periodic instalments and by the movement in the USDollar exchange rate, currency in which most of the loans are originally disbursed.
For the purpose of clarity, the table below shows the bank exposure at the year-end, broken down by type of loan and due date.

Description	Total	Company	Within 12 months	Over 12 months	Over 5 years	Purpose
Bank current accounts	846,251		734,023	112,228	0	
Mutuo Credit Suisse	9,021,322	SCI Mon Retour	9,021,322	0	0	Various properties
Mutuo CMB bank	4,265,000	Saint Andrews	220,000	1,100,000	2,945,000	Various properties
Fortis Loan	12,666,056	d'Amico Shipping Italia	1,252,713	5,010,850	6,402,493	C. di Monfalcone and Vancouver
MCC Loan	9,628,512	d'Amico Shipping Italia	862,255	3,449,019	5,317,238	Medi Tokio
Commerzbank Loan	8,622,548	d'Amico Shipping Italia	718,545	2,874,183	5,029,820	Medi Dubai
Mutuo BNP Paribas	19,747,899	Mida Maritime Limited	0	6,302,521	13,445,378	Medi Sentosa
Mutuo Banca Intesa	9,628,518	d'Amico Dry Limited	934,116	3,736,437	4,957,965	Medi Nagasaki
Mutuo Calyon	5,640,583	d'Amico Dry Limited	898,182	3,449,019	1,293,382	Cielo di Vaiano
Mutuo Calyon	12,933,822	d'Amico Dry Limited	804,771	3,219,085	8,909,966	Cielo di Livorno
Mutuo Scotia Bank	11,496,731	d'Amico Dry Limited	718,546	2,874,183	7,904,002	Medi Cork
Revolving Facility Calyon	113,432,746	d'Amico Tankers Limited	0	113,432,746	0	Varie Navi
Mutuo Mizuho	38,152,619	d'Amico Tankers Limited	3,084,704	12,196,461	22,871,454	High Presence e Priority
Commerzbank Loan	20,952,792	d'Amico Tankers Limited	0	20,952,792	0	Varie navi (*)
Mutuo Commerzbank Credit Suisse	20,909,876	d'Amico Tankers Limited	0	20,909,876	0	Varie navi (*)
Total	**297,945,275**		**19,249,177**	**199,619,400**	**79,076,698**	

The last two facilities, marked with an asterisk (*) relate to pre-delivery financing for various vessels under construction. The repayment schedules will be defined on delivery of the vessels.





E. Accruals and Deferred Income

December 31, 2008	December 31, 2007	Change
15,441,109	15,058,611	382,498

The above amounts relate to income received in the current year but deferred to future years and expenses contractually maturing and to be paid in the future.

Memorandum Accounts

Description	December 31, 2008	December 31, 2007	Difference
2. Guarantees granted by third parties in favour of the company	2,582	2,582	
4. Other memorandum accounts	9,281	9,281	
	11,863	**11,863**	

Memorandum accounts are stated net of amounts already accounted for under accounts payable. The amounts are net of intergroup transactions.
Performance bonds issued to cover vessel charters have not been included in the memoranda accounts.

Income Statement

A. Revenue

December 31, 2008	December 31, 2007	Change
699,482,592	741,094,984	(41,612,392)

Description	December 31, 2008	December 31, 2007	Change
Revenue from sales and services	688,223,172	727,918,740	(39,695,568)
Changes in product inventories	325,376	1,064,327	(738,951)
Changes in contract work in progress	(254,000)	254,000	(508,000)
Other revenues and income	11,188,044	11,857,917	(669,873)
	699,482,592	**741,094,984**	**(41,612,392)**

The table below shows consolidated revenue, net of inter-group eliminations, broken down by type and compared with the previous year.

Description	December 31, 2008	December 31, 2007	Change
Services rendered: bulk ship charters	581,010,462	479,486,312	101,524,150
Services rendered: liner charters	25,604,422	20,981,662	4,622,760
Revenues from 'IPO' quotation		146,958,133	(146,958,133)
Revenues from 'Telemar' activity	90,115,792	85,119,064	4,996,728
Other revenues	2,751,916	8,549,813	(5,797,897)
	699,482,592	**741,094,984**	**(41,612,392)**

Looking at the comparison between 2008 and 2007 the item that is immediately highlighted is the impact of the d'Amico International Shipping IPO in May 2007. By contrast, we also record a significant increase in the maritime transportation activities. The increase in the latter was partly mitigated by the weakening of the dollar – the functional currency for the relevant revenue – which saw a decrease in the average rate by US$ 0.10 in 2008 compared to the previous year.
Revenue from Telemar activities also registered an increase compared to the previous year.

B. Cost of Sales and Services

December 31, 2008	December 31, 2007	Change
550,713,396	464,759,487	85,953,909

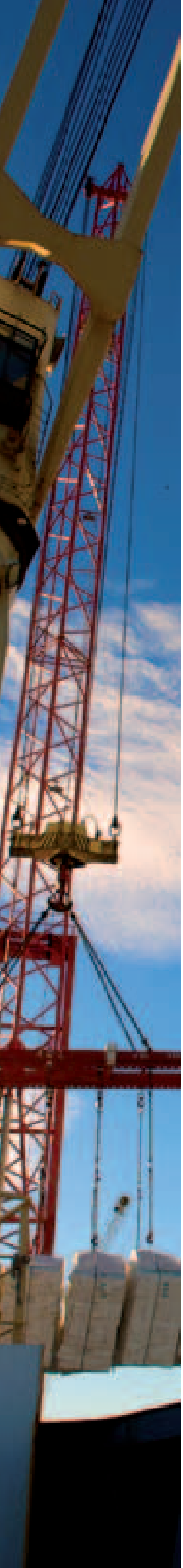
Description	December 31, 2008	December 31, 2007	Change
Raw and subsidiary materials and goods	75,595,858	81,107,238	(5,511,380)
Services	167,219,709	117,162,239	50,057,470
Leased assets	181,044,437	177,092,228	3,952,209
Salaries and wages	62,842,930	46,896,935	15,945,995
Social security contributions	6,073,243	5,253,363	819,880
Employee Severance Indemnity	1,083,231	862,007	221,224
Retirement fund and similar obligations	195,122	252,311	(57,189)
Other personnel costs	162,409	266,901	(104,492)
Amortisation of intangible assets	4,391,212	3,680,645	710,567
Depreciation of property, plant and equipment	37,393,696	29,699,697	7,693,999
Other depreciation and write-downs	8,627,032		8,627,032
Write-down of receivables recorded under current assets	5,045,584	303,166	4,742,418
Change in raw material inventories	(541,016)	(32,703)	(508,313)
Other operating costs	1,579,949	2,215,460	(635,511)
	550,713,396	**464,759,487**	**85,953,909**

Consolidated cost of sales are directly correlated to revenue from sales and services. Thus, their general increase (for services in particular) is in line with 2008 revenue. The other items show the fluctuation of costs relating to the depreciation of property, plant and equipment as a result of the abovementioned increase in the number of vessels during the year.
Personnel costs include 34.2 million Euro relating to crewing and 36.2 million Euro relating to the remaining personnel. In depreciation we have also included an amount relating to the impairment, calculated and prudentially allocated, of three group vessels (two of which are under construction), while write-down of current assets includes provisions against various accounts receivables for which we cautiously opted to set funds aside.

C. Financial Income and Expenses

December 31, 2008	December 31, 2007	Change
(24,659,169)	(13,717,913)	(10,941,256)

Description	December 31, 2008	December 31, 2007	Change
Equity investments	790,906	228,012	562,894
Other income	13,986,272	7,828,286	6,157,986
(Interest and other financial expenses)	(45,650,656)	(23,398,317)	(22,252,339)
Exchange gains	6,214,309	1,624,106	4,590,203
	(24,659,169)	**(13,717,913)**	**(10,941,256)**



Income on equity investments relates to dividends received in 2008, net of inter-group eliminations, from d'Amico Shipmanagement Germany, excluded from the scope of consolidation, for 440 thousand Euro and from Other Investments for the remaining 350 thousand Euro.

Other income relates to realised gains from the use of financial instruments, which are described in more detail below, while financial charges relates to both loan interest – which, as previously mentioned, have increased considerably in the year – and to losses arising from said financial instruments, including the unrealised loss prudently set aside in the financial statements.

Exchange gains and losses increased compared to the previous year by virtue of the currency performance (primarily the US dollar) in the year, due to the gains and losses on settlement of transactions during the year and by the conversion of accounts payable and receivable in currencies other than the presentation currency of the consolidated financial statements at year end.
Of all the currencies, the US dollar most certainly was the predominant one in the consolidated accounts, particularly in those regarding shipping companies.

Financial Instruments

The consolidated business activity is subject to various risks arising from market volatility, the use of different currencies and from significant financial exposure. As such, various financial instruments are used to reduce risk arising from foreign currency, interest rate, freight and bunker movements.

Such risks can be broken down as follows:

"INTEREST RATE RISK"

At the end of 2008 there were various swap contracts in place to hedge the floating interest rate fluctuations on various bank loans taken out by some of the consolidated companies. More specifically, there are swap contracts which expire in 2011 (two with fixed interest rate of 4.69%), in 2012 (three with fixed interest rate of 4.39% and two with fixed interest rate of 4.85%), in 2014 (one with fixed interest rate of 5.50%) and one which expires in 2016 (with interest rate capped at 5.20%).

"FORWARD FREIGHT AGREEMENTS (FFA)"

In order to reduce market risk associated with "physical" freight rate movements, the group uses FFAs (paper market) to offset, insofar as possible, unexpected fluctuations. This has allowed the group to mitigate any negative impact arising from employment of vessels particularly in the later part of the year. In this regard, as of December 31, 2008, positions totalling 49.5 million Euro are included under accounts receivable and positions totalling 42.6 are included under accounts payable. In the year, a total of approximately 5 million Euro, relating to the write-down of FFA contracts entered into with counterparties at high risk of insolvency, was prudently recorded under financial charges.

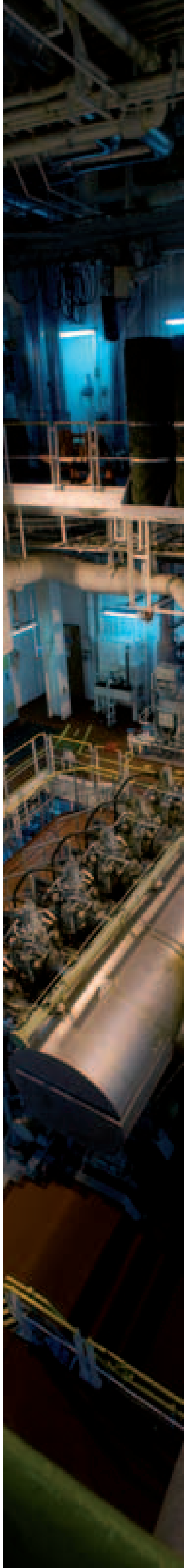
"FOREIGN EXCHANGE HEDGES"

In 2008, and in future years, various vessel purchase options will require to be settled in Japanese yen. In order to hedge the potential exposure from the fluctuation of the Japanese yen, various forward contracts have been entered into. For forward contracts settled in the year, the difference was posted to the income statement, while awaiting the final settlement of the vessel purchase. The contracts outstanding at year end were marked at fair value; in case of positive revaluation the difference was prudentially adjusted.

BUNKER SWAPS

In order to cover the need of vessel fuel, to perform future voyages under contracts of Affreightment, a number of bunker swaps were put in place. The amounts settled during the year are recorded to the Income Statement.

Given the variety of financial instruments used, information has been grouped by category (and rounded to the nearest thousand) as required by art. 2427 bis, paragraph 1.



		Revaluations of Financial Instruments	
		Positive	Negative
DERIVATIVE TRADING CONTRACTS			
Foreign exchange hedges			
Forward foreign exchange contracts	FEX	2,734	(11,293)
Freight hedges			
Vessel charter transactions	FFA	16,979	(3,876)
Interest rate hedges			
Loan transactions	SWAP	0	(3,171)
Other transactions			
Other transactions		102	(13,978)
DERIVATIVE HEDGE CONTRACTS			
Foreign exchange hedges			
Interest rates	SWAP	8,899	0
Vessel Freight transactions	FFA	20,305	0

D. Revaluation of Financial Assets

December 31, 2008	December 31, 2007	Change
13,289	(9,345)	22,634

As in the previous year, adjustments have been made to the carrying cost of companies consolidated on a net equity basis. In the specific case, the amount relates to the Genoa based subsidiary, Sirius Ship Management Srl, in which the parent company holds a 60% share.

E. Extraordinary Income and Expenses

December 31, 2008	December 31, 2007	Change
103,979,784	12,132,317	91,847,467

Description	December 31, 2008	December 31, 2007
Total income	104,895,284	14,684,108
Total expenses	(218,811)	(2,551,791)
	103,979,784	**12,132,317**

Gains deriving from the sale of 5 vessels, as previously mentioned, are included under extraordinary income for a total of approximately 104 million Euro. The remaining extraordinary income and expenses relate to items recorded in the year but relating to accounting periods falling prior to January 1, 2008.

Income taxes

December 31, 2008	December 31, 2007	Change
10,516,960	5,163,297	5,353,663

Tax	December 31, 2008	December 31, 2007	Change
Current taxes	9,754,361	11,336,548	(1,582,187)
Deferred (advance) taxes	762,599	(6,173,251)	6,935,850
	10,516,960	**5,163,297**	**5,353,663**

Current taxes relate to the year calculated in accordance with the current rates and current fiscal legislation in the countries where the individual companies being consolidated are resident. Since d'Amico Shipping Italia and d'Amico Tankers have adhered to tonnage tax in their respective countries (Italy and Ireland), their tax liability is well defined.
The difference in deferred tax compared to the previous year derives from adjustments to the tax provision for 2007.

Employment Data

You will find below a break-down by category of the group work-force. The differences compared to the previous year are in line with the company's revenue growth:

Workforce	December 31, 2008	December 31, 2007	Change
Executives	54	54	
Clerical staff	418	419	-1
Seafarers/Crew	851	679	172
	1,323	**1,152**	**171**

Other Information

As is required by law, total Director and Statutory Board of Auditor remuneration is detailed below:

Position	Remuneration
Directors	6,802,119
Board of Statutory Auditors	139,331

Post-balance sheet events

For information pursuant to these notes and for more in-depth information on the individual businesses falling within the scope of consolidation, reference should be made to the attached Consolidated Financial Statements and to the Statutory Financial Statements of the parent company.
The Consolidated Financial Statements, comprising a Balance Sheet, Income Statement and the notes to the Financial Statements, provide a true and fair view of the consolidated group's profit and loss for the year and of its financial position at the year-end.

the Chairman of the Board of Directors
Paolo d'Amico

Report of the Board of Statutory Auditors on the Consolidated Financial Statements

Dear Shareholders,

we have examined the Consolidated Financial Statements and notes to the Financial Statements of d'Amico Società di navigazione SpA as of December 31, 2008 to verify compliance of the accounting standards and consolidation criteria adopted and the accuracy of data presented. We can confirm that in consolidating the financial statements, the Directors followed uniform criteria, fully recognising the assets and liability items of individual consolidated companies and adjusting, where necessary, the items recorded in accordance with different criteria and converting financial statements presented in currencies other than Euro in accordance with the standards set out in the Notes to the Financial Statements.

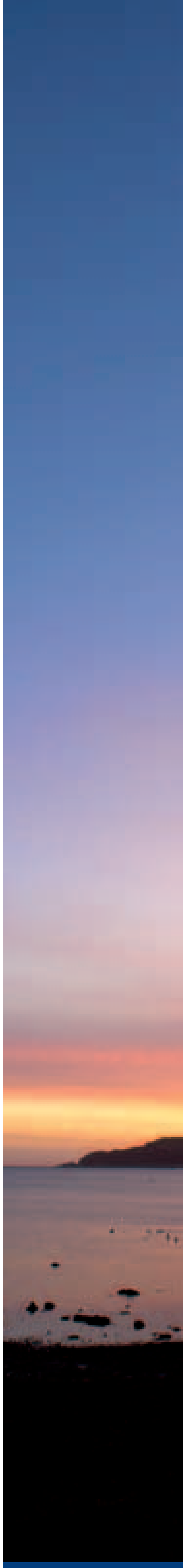
The Notes also provide the full list of companies falling within the scope of consolidation (as required by art. 26 of legislative Decree 127/91) as well as a list of companies that are excluded from the consolidation as their inclusion was not deemed relevant in terms of presenting the group's consolidated position.

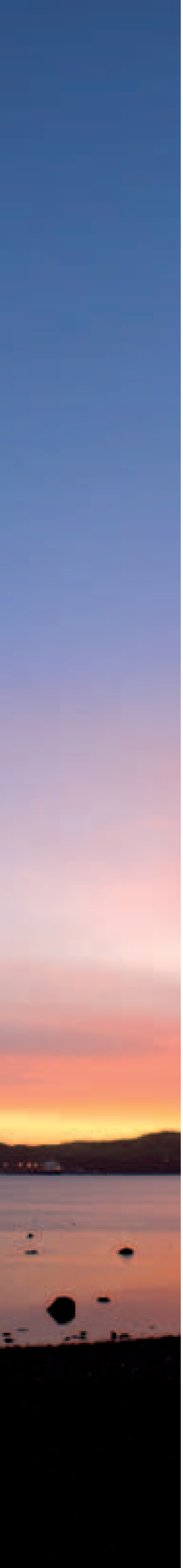
The Consolidated Financial Statements present a clear, true and fair view of the Company's profit and loss, cash-flow and financial position at the year end, not only as a company in its own right but as the owner of the combined assets and income of its subsidiaries.

Consolidated data accurately present the Group's position at the year-end and the reports examined (listed above) present all such information as necessary for a correct valuation thereof.

We remind you that the audit of the Consolidated Financial Statements of d'Amico Società di Navigazione SpA and the review conducted to ensure compliance with the law were carried out (following art. 41 of legislative Decree n. 127/1991) by the Independent Auditors, Moore Stephens Concorde.

The Consolidated Financial Statements are summarised below.





Statement of Assets	December 31, 2008	December 31, 2007
B. Fixed Assets	727,231,390	492,776,193
C. Current assets	511,033,996	485,532,296
D. Prepayments and Accrued Income	11,473,962	14,155,163
TOTAL ASSETS	**1,249,739,348**	**992,463,652**

Statement of Liabilities	December 31, 2008	December 31, 2007
A. Group Shareholders' Equity	639,386,407	495,917,395
of which Profit for the year	*174,329,692*	*253,145,473*
A. Total Shareholders' Equity	743,249,196	589,891,138
B. Provisions for Liabilities and Charges	3,035,403	1,689,263
C. Employee Severance Indemnity	4,984,817	5,570,745
D. Accounts Payable	483,028,823	380,253,895
E. Accruals and Deferrals	15,441,109	15,058,611
TOTAL LIABILITIES	**1,249,739,348**	**992,463,652**

Income Statement	December 31, 2008	December 31, 2007
A. Revenue	699,482,592	741,094,984
B. Cost of Sales and Services	550,713,396	464,759,487
Difference between Revenue and Cost (A-B)	**148,769,196**	**276.335.497**
C. Financial Income and Expense	(24,659,169)	(13,717,913)
D. Adjustments to Financial Assets	13,289	(9,345)
E. Extraordinary Income and Expense	103,979,784	12,132,317
Profit before Tax (A-B±C±D±E)	**228,103,100**	**274,740,556**
22. Income tax	*10,516,960*	*5,163,297*
23. PROFIT FOR THE YEAR	**217,586,140**	**269,577,259**
23. Minority interests	*43,256,448*	*16,431,786*
23. Group profit	*174,329,692*	*253,145,473*

In relation to the above, and in agreement with the Independent Auditors, we express our favourable opinion for the approval of the Consolidated Financial Statements as at December 31, 2008.

The Board of Statutory Auditors
Mr. Gianfranco Taddeo
Mr. Gian Enrico Barone
Mr. Franco Guerrucci

MOORE STEPHENS CONCORDE
REVISORI CONTABILI

Sede legale, Via Cosimo del Fante, 16
20122 Milano
Italy
Tel. +39 02 5831 0284
Fax +39 02 5831 0285

Direzione, Via E. De Amicis, 53
20123 Milano
Italy
Tel. +39 02 8339 0480
Fax +39 02 5811 0144

E-mail: msconcorde@moorestephens.it
www.barranco.it
Uffici in Roma

CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2008

Auditors' Report (art. 2409-ter Civil Code)

To the Shareholders of
d'Amico Società di Navigazione S.p.A.

1. We have audited the consolidated financial statements of d'Amico Società di Navigazione S.p.A. and its subsidiaries for the year ended December 31, 2008. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

2. We conducted our audit in accordance with the established auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement and are reliable taken as a whole. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements as well as assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion. The audit of the financial statements of controlled and associated companies representing about 83% of consolidated assets and about 94% of consolidated revenues, is responsibility of other auditors, of which 79% of consolidated assets and 81% of consolidated revenues respectively, belonging to Moore Stephens International limited, International Association of Indipendent Firms.
The opinion on previous year's consolidated financial statements which comparative figures are disclosed as required by the law, makes reference to our Report issued on 30^{th} May 2008.

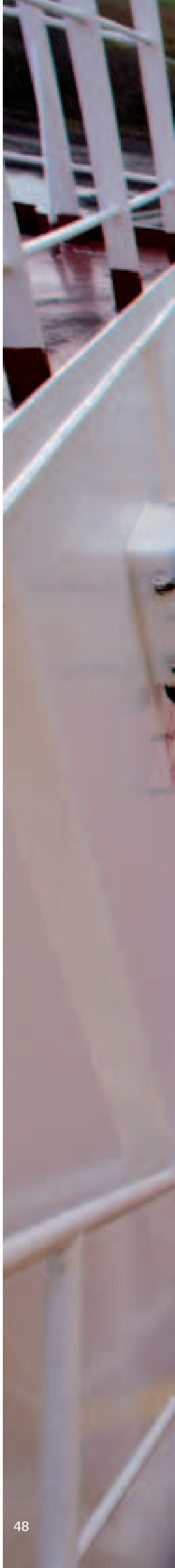
3. In our opinion, the consolidated financial statements of d'Amico Società di Navigazione S.p.A. as at December 31, 2008 comply with the standards which regulate their preparation and, accordingly, give a true and fair view of the financial position of the Group and of the results of its operations for the year then ended.

Milan, 27th May 2009

Moore Stephens Concorde S.r.l., Milan
Giuseppe A. Barranco
Chairman

MOORE STEPHENS CONCORDE

(English translation from the Italian original report issued in accordance with the Italian practice)



Statutory Financial Statements
of d’Amico Società di Navigazione SpA
as of December 31, 2008

Directors' Report on operations

Dear Shareholders,

This report, prepared in accordance with art. 2428 of the Italian Civil Code and providing information in line with the extent and complexity of company business, accompanies the Financial Statements as of December 31, 2008.

The approval of these financial statements, with a closing net profit of 49.8 million Euro, has been protracted beyond the statutory 120 days from year end, in line with the provisions of art. 2364, par.2 of the Italian Civil Code and as allowed by the Articles of Association, and further approval by the Board of Directors meeting held on April 6, 2009.

While reference should be made to the Notes for details on Balance Sheet and Income Statement figures, we hereby report on the business activity of the company and its financial position.
As previously mentioned, the Financial Statements are audited by Moore Stephens Concorde Srl.

Business Activity

d'Amico Società di Navigazione SpA is a holding company, which operates both in Italy and abroad. Its main activity consists in the acquisition, holding and management of investment interests in other companies, the performance of all ancillary and instrumental activities thereof and in all directly or indirectly related transactions as may be necessary, useful or appropriate.
The Company also provides various services to Group companies, such as managing and granting licences for registered trademarks, legal and informational Technology consultancy and services, administrative and accounting support.
In particular, d'Amico Società di Navigazione SpA performs 'ship management' activities for vessels belonging to Group companieas and to third parties. Such activities fall under the business purpose through the performance of those activities, both in Italy and abroad, that relate to the development of initiatives in the maritime transport sector, whether directly, indirectly or through third parties.
These activities comprise of:

- technical management, consisting in the supervision of vessel construction projects, of supply, maintenance and the management of programmed maintenance services (PMS) for the vessels;
- management of crew, consisting in the recruitment, signing up, training and payroll of seafaring staff for the vessels;
- management of quality, safety and environmental systems relating to the vessels;
- management of the information systems on-board the vessels.

Reclassified Income Statement by year

	December 31, 2008	December 31, 2007	Difference
Revenue	9,169,327	8,208,676	960,651
Operating and administrative costs	5,574,350	5,697,393	(123,043)
Personnel costs	6,779,345	5,384,494	1,394,851
Gross operating profit	**(3,184,368)**	**(2,873,211)**	**(311,157)**
Depreciation and amortisation	1,053,756	791,869	261,887
Operating profit	**(4,238,124)**	**(3,665,080)**	**(573,044)**
Other income	545,367	1,072,533	(527,166)
Financial income and expenses	53,410,714	21,293,946	32,116,768
Profit from ordinary operations	**49,717,957**	**18,701,399**	**31,016,558**
Net extraordinary items	247,527	1,343,870	(1,096,343)
Profit before tax	**49,965,484**	**20,045,269**	**29,920,215**
Income tax	144,146	232,268	(88,122)
Net Result	**49,821,338**	**19,813,001**	**30,008,337**

The reclassified Income Statement shows a sharp increase in net revenue in relation to the increased number of vessels managed through the aforementioned ship management activities in 2008. The increase in the operating profit is mainly due to the increase in dividends received by the company in 2008, which more than doubled compared to the previous year.

Reclassified Balance Sheet

	December 31, 2008	December 31, 2007
Assets		
Available assets	**12,531,099**	**12,594,211**
- cash and cash equivalents	*4,933,286*	*1,090,637*
- trade and other receivables	*7,597,813*	*11,503,574*
Fixed assets	**128,050,340**	**117,830,297**
- intangible assets	*817,844*	*918,847*
- property, plant and equipment	*8,953,537*	*8,246,271*
- financial assets	*118,278,959*	*108,665,179*
Invested capital	**140,581,439**	**130,424,508**
Liabilities		
Short term payables	2,343,514	11,936,699
Medium/long term borrowings	5,262,395	5,333,620
Equity	132,975,530	113,154,189
Sources of invested capital	**140,581,439**	**130,424,508**

As is evident from the reclassified Income Statement, Statement above, the company maintained during the year a well balanced financial position, particularly due its liquidity and cash position and to the financial receivable from Mida Maritime Limited, the owner and operator of the M/n Medi Sentosa, a vessel that entered the Group fleet early in the year.

Financial investments saw a substantial increase, particularly in holdings of companies listed on the main stock exchange and on the secondary and private equity markets.
With regards to these, we would like to point out that despite the fact that the market value of the shareholdings in Tamburi Investment Partners SpA and in Datalogic SpA at December 31, 2008 was lower than the carrying cost, a decision was taken not to write-down said shareholdings as such situation was deemed a mere temporary contingency since overall average market values on these securities were relatively close to the book value.

The significant decrease of short term borrowings is primarily due to the repayment of a Banco di Sicilia loan, previously outstanding at December 31, 2007.

	December 31, 2008	December 31, 2007
Quick ratio	5.35	1.06
Debt ratio	0.05	0.15

Significant events of the year

Ship Management Activity

As the ship management activity almost entirely relates to vessels belonging to d'Amico Group companies, therefore reference should be made to the Directors' consolidated report on the group activity for further information in this regard. Some basic details on 2008 performance
are however provided below.

During the year 36 vessels were managed by the company, of which 20 were product tankers and 16 bulk carrier. Five bulk carriers were the new entries registered in the period while three (two tankers and one bulk carrier) left the fleet. At year-end, 33 were the managed vessels in the fleet. Of these 18 were product tankers and 15 bulk carriers.
Looking further into the details, we note that d'Amico Shipping Italia SpA owned 11 vessels (3 tankers and 8 bulk carriers) flagged under the Italian International registry, while Group companies owned 24 vessels under foreign flag registries (16 tankers and 8 bulk carriers), plus one tanker under Italian flag owned by a third party ship-owner, the technical aspects of which were managed under the relevant charter.

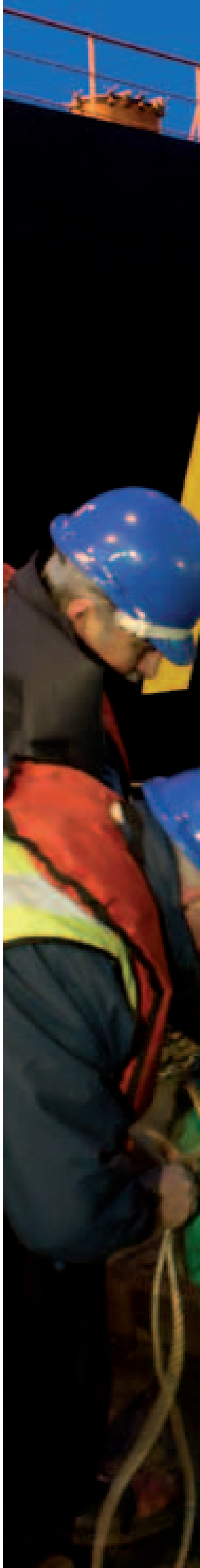
Company Certifications

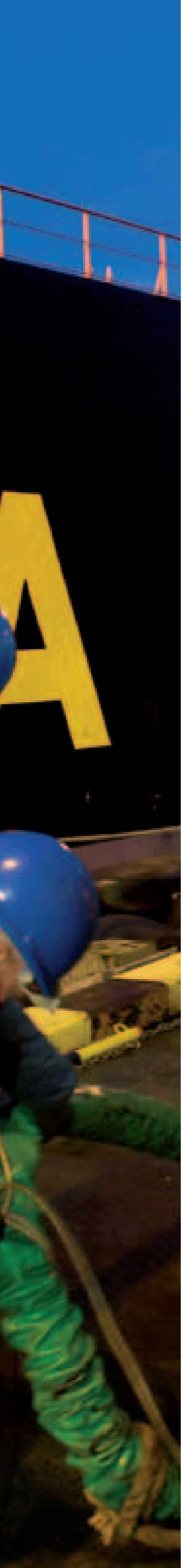
The SQE Department followed the procedures for the maintenance and extension of ISO 9001 and ISO 140001 Certifications for d'Amico Società di Navigazione SpA and the other Group companies, arranging for renewal of the Document of Compliance for vessels with Italian, Liberian, Panamanian and Maltese flags and managing and regularly updating the certifications for all vessels with regards to the renewal and issue of the Safety Management Certificate and the International Ship Security Certificate.

In 2008, the SQe office also implemented an organisational and management model compliant with BS OHSAS:18001 on occupational health and safety in the work place. Application of this model carries exemption under the terms of legislative Decree n. 231/2001. The certificate of compliance was issued in October 2008 by the Italian shipping register RINA.

IT Systems

In 2008, d'Amico Società di Navigazione SpA implemented significant changes to the technical structure of its Information Technology Systems, introducing an architecture aimed at better supporting and servicing the business and user needs.
The management application platform was fully standardised across the Group on the basis of an updated integrated shipping and financial management system ("Shipnet"): this high-impact change, in terms of the standardisation and control of information and procedural flows, was made possible by localisation of the relative accounting module, which was adapted to support Italian regulatory requirements.





Organization, Management and Control Model

The Board of Directors of d'Amico Società di Navigazione SpA adopted an organisational, Management and Control Model on May 29, 2008. The Model was prepared in accordance with Confindustria Guidelines and with the assistance of expert consultants. On the same date, a Supervisory Board as required by art. 6, par.1b of legislative Decree 231/01 dated June 8, 2001 was set up and three members, Mr. Armando Sisto, Mr. Maurizio Bergamaschi and Mr. Daniele Cassano, were elected to it. Legislative Decree 231/01 introduced a specific form of corporate liability in Italy, for certain offences committed by company personnel (top management, employees, etc.) in the interests or to the benefit of the company. The liability of the company is additional to and does not replace the liability of the individual committing the offence. The Company shall not in fact be deemed liable for the offence provided that it has adopted, prior to the offence being committed, an Organisational, Management and Control Model that is suitable and effective for the purposes of preventing the committing of certain offences.

Training

With the help and support of external consultants, some of which were also retained as instructors, a widescale training program for the implementation and improvement of technical and professional skills has been launched to benefit the Company's managerial and clerical staff.
During the year, part of the workforce attended specific training programs on the handling of emergency situations coming both from accidents and from the risks and dangers inherent in the navigation and its safety-related issues. In this particular context, special focus was placed on recent
piracy issues, occupational health and on the training of seafaring personnel.
A series of specific training courses for IT systems were also organised, as were courses focusing on specific topics, for example on IT governance methodologies.

Furthermore, following implementation of the integrated shipping and financial information system "Shipnet" to support the Italian companies and offices, d'Amico Società di Navigazione SpA organised training courses to improve the personnel skill in its use.
Following the recent introduction of the new Payroll procedure regulations, special focus has been also been placed on training for the requirements and on remuneration.
Some staff have also attended training to improve their shipping skills and others attended courses held following the implementation of new corporate governance regulations.
Last but not least, language courses were also held to improve foreign language skills, required by staff in order to develop relational, communications and team building skills when dealing with staff at various operational levels in d'Amico Group companies abroad.

Safety and Prevention

During the year, the Risk Assessment Document, the Emergency Plan and the Technical Report on the safety and protection of workers in all company offices have been reviewed and updated into line with new legislation (legislative Decree 81/2008).
The Safety, Prevention and Protection Manager held periodic meetings with the employer, the designated medical consultant and staff representative to monitor the progress on the updating of the workplace in line with current legislation. In this regard, first aid courses have also been introduced, an evacuation drill has taken place and the Designated Medical consultant has carried out the required periodic medical examinations.

Executive Committee

By resolution adopted on May 29, 2008 the Board of Directors set up an Executive Committee, comprised of Mr. Paolo d'Amico and Mr. Cesare d'Amico, to render delegated authorities and responsibilities in line with the Company's current governance structure. The Committee was set up with the provisions of article 24 of the Articles of Association, which allows the Board of Directors "to delegate, within the limits of article 2381 of the Italian Civil Code, all or part of its powers to an Executive Committee comprising one or more of its members, while determining the content and limitations of the delegated authorities".

Financial Instruments and Risk Management

As required by art. 2428, par.6bis of the Italian Civil Code, we would like to point out that no comment has been made in relation to credit, liquidity and cash flow risk, as deemed of no relevance.

Post-balance Sheet events

There were no significant post-balance sheet events.

Other Company Information

Contractual relations were all concluded at normal market conditions and were not affect by the conduct of the business activity.
As required by art. 2428 of the Italian Civil Code, we provide the following information:

- the Company operates its business activity through its registered office in Palermo (Via Siracusa, 27) and its administrative headquarters in Rome (Corso d'Italia, 35/B) and operations office in Genoa (Via de' Marini, 1)
- the Company has not carried out any research and development and does not hold any of its own shares or shares in parent companies, whether directly or indirectly through trust companies.

While referring you to the Notes of the financial statements for additional information and a better understanding on accounting entries and transactions, and to their evolution during the year, and for details of the requirements of art.2497-bis, par.4 of the Italian Civil Code, we now therefore express our favourable opinion for the approval of the Financial Statements for the year ending as of December 31, 2008, with a net profit of Euro 49,821,338.
The current Board of Directors was appointed at the ordinary Shareholders' Meeting held on June 14, 2006, which set the number of Directors to three, with a three-year term of office that expires on approval of the current Financial Statements.

The Chairman of the Board of Directors
Paolo d'Amico

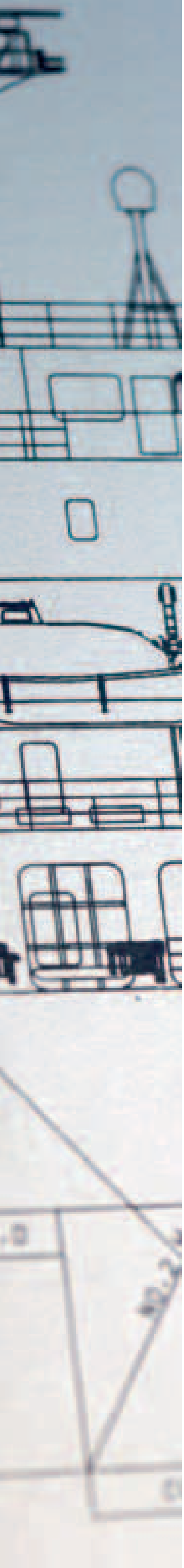
Financial Statements

Statement of Assets

		December 31, 2008	December 31, 2007
B. Fixed Assets			
I. Intangible assets			
3. Software		*620,212*	*620,718*
6. Assets under construction and payments on account		*121,986*	*257,624*
7. Other assets		*75,646*	*40,505*
		817,844	918,847
II. Property, Plant and Equipment			
1. Real estate		*7,619,934*	*7,374,797*
4. Other assets		*1,333,603*	*871,474*
		8,953,537	8,246,271
III. Financial assets			
1. Investment in:			
a) subsidiaries	*93,290,896*		*93,290,896*
b) associates	*22,000*		*43,843*
d) other companies	*23,760,111*		*14,037,345*
		117,073,007	107,372,084
2. Receivables			
d) other receivables			
- over 12 months	*336,630*		*344,546*
		336,630	344,546
		117,409,637	107,716,630
Total Fixed Assets		**127,181,018**	**116,881,748**
C. Current Assets			
II. Accounts receivable			
1. Receivables from customers			
- within 12 months	*109,780*		*2,899,956*
		109,780	2,899,956
2. Receivables from subsidiaries			
- within 12 months	*6,581,139*		*8,224,799*
		6,581,139	8,224,799
4-bis. Tax receivables			
- within 12 months	*409,250*		*155,251*
- over 12 months	*869,322*		*948,549*
		1,278,572	1,103,800
5. Other receivables			
- entro 12 mesi	*392,643*		*186,073*
		392,643	186,073
		8,362,134	12,414,628
III. Current financial assets			
IV. Liquid assets			
1. Bank and postal deposits		*4,930,880*	*1,081,416*
3. Cash in hand and other cash equivalents		*2,406*	*9,221*
		4,933,286	1,090,637
Total current Assets		**13,295,420**	**13,505,265**
D. Prepayments and Accrued Income			
- miscellaneous	*105,001*		*37,495*
		105,001	37,495
TOTAL ASSETS		**140,581,439**	**130,424,508**

Statement of Liabilities

		December 31, 2008	December 31, 2007
A. Shareholders' Equity			
I. Share capital			
		25,000,000	15,000,000
IV. Legal reserve			
		3,000,000	3,000,000
VII. Other reserves			
extraordinary reserve	*54,518,966*		*64,705,965*
non-distributable reserve pursuant to art. 2426	*635,223*		*10,635,223*
Euro rounding reserve	*3*		
		55,154,192	75,341,188
IX. Profit for the year			
		49,821,338	19,813,001
Total Shareholders' Equity		**132,975,530**	**113,154,189**
B. Provisions for Liabilities and Charges			
1. Provision for severance		*343,973*	
3. Other		*729,757*	749,118
Total Provision for Liabilities and Charges		**1,073,730**	**749,118**
C. Employee Severance Indemnity			
Total Employee Severance Indemnity		**1,531,791**	**1,668,096**
D. Accounts Payable			
4. Bank borrowings			
- within 12 months			*8,873*
- over 12 months	*25,597*		*33,645*
		25,597	42,518
5. Amounts owed to other lenders			
- within 12 months	*219,618*		*225,136*
- over 12 months	*2,631,277*		*2,882,761*
		2,850,895	3,107,897
7. Trade payables			
- within 12 months	*820,191*		*2,481,198*
		820,191	2,481,198
9. Amounts owed to subsidiaries			
- within 12 months	*174,579*		*7,988,765*
		174,579	7,988,765
12. Taxes payable			
- within 12 months	*305,437*		*251,175*
		305,437	251,175
13. Social security and welfare contributions			
- entro 12 mesi	*615,633*		*557,005*
		615,633	557,005
14. Other payables			
- within 12 months	*208,056*		*424,547*
		208,056	424,547
Total Accounts Payable		**5,000,388**	**14,853,105**
TOTAL LIABILITIES		**140,581,439**	**130,424,508**

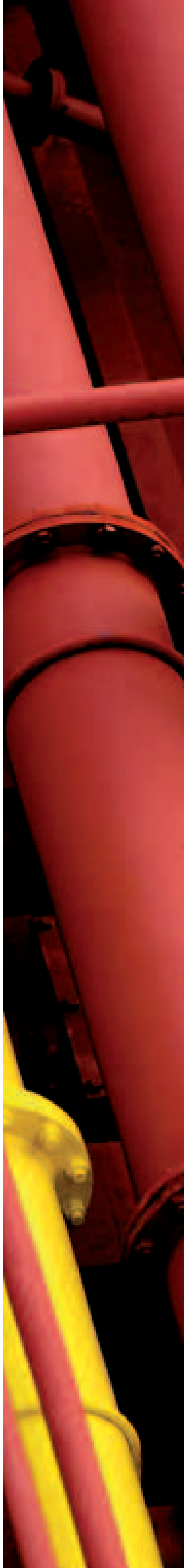


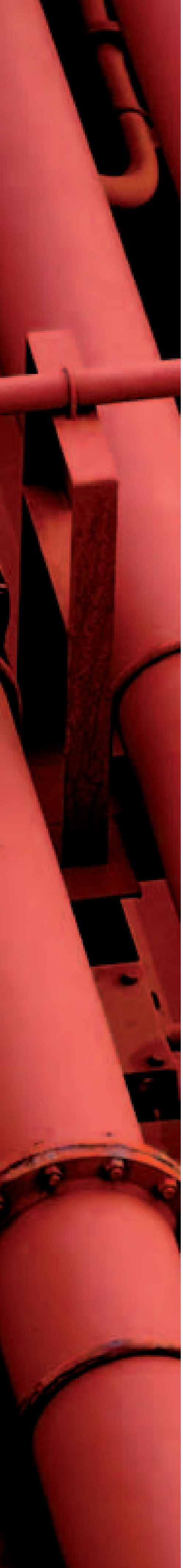
Memorandum Accounts

		December 31, 2008	December 31, 2007
2. Guarantees granted by third parties in favour of the company		*2,582*	*2,582*
3. Guarantees granted in favour of third parties		*84,644,679*	*58,284,085*
4. Other guarantees		*9,281*	*9,281*
TOTAL MEMORANDUM ACCOUNTS		**84,656,542**	**58,295,948**

Income Statement

		December 31, 2008	December 31, 2007
A. Revenue			
1. Revenue from sales and services		*9,169,327*	*8,208,676*
5. Other revenue and income:			
- miscellaneous	*545,367*		*1,072,533*
		545,367	1,072,533
Total Revenue		**9,714,694**	**9,281,209**
B. Cost of Sale of Services			
7. Service costs		*5,445,595*	*4,884,171*
8. Leased assets		*88,427*	*748,038*
9. Personnel costs			
a) salaries and wages	*4,917,532*		*3,942,870*
b) social security contributions	*1,349,136*		*1,132,117*
c) employee severance indemnity	*377,677*		*309,507*
d) retirement fund and similar obligations	*135,000*		
		6,779,345	5,384,494
10. Amortisation, depreciation and write downs:			
a) amortisation of intangible assets	*697,770*		*498,010*
b) amortisation of property, plant and equipment	*355,986*		*293,859*
		1,053,756	791,869
14. Other operating costs		*40,328*	*65,184*
Total Cost of Sale of Services		**13,407,451**	**11,873,756**
Difference between Revenue and Cost (A-B)		**(3,692,757)**	**(2,592,547)**
C. Financial Income and Expenses			
15. Investment income:			
- from subsidiaries	*52,105,357*		*21,583,815*
- other	*248,694*		*165,600*
		52,354,051	21,749,415
16. Other financial income:			
d) other income:			
- from subsidiaries	*119,198*		*71,381*
- other	*226,797*		*136,171*
		345,995	207,552
		52,700,046	21,956,967
17. Interest and other financial expenses:			
- from subsidiaries	*96,582*		*107,215*
- other	*450,742*		*383,865*
		547,324	491,080
17-bis. Foreign exchange gains and losses		*1,257,992*	*(171,941)*
Total Financial Income and Expenses		**53,410,714**	**21,293,946**





E. Extraordinary Income and Expenses

20. Income:			
- capital gain on disposals	*500*		*1,827,959*
- miscellaneous	*465,838*		*430,181*
		466,338	2,258,140
21. Expenses:			
- capital loss on disposals	*428*		*410,635*
- miscellaneous	*218,383*		*503,635*
		218,811	914,270
Total extraordinary Income and Expenses (Net)		**247,527**	**1,343,870**
Profit before Tax (A-B±C±D±E)		**49,965,484**	**20,045,269**
22. Income tax			
a) current taxes	*144,146*		*232,268*
		144,146	232,268
23. PROFIT FOR THE YEAR		**49,821,338**	**19,813,001**

Notes to the Financial Statements

Business Activity and Basis of preparation

d'Amico Società di navigazione operates in the financial sector and in that of ship management services. Its business activity remains unchanged from that of the previous year. The income statement therefore includes dividends received from subsidiaries as well as income from services rendered as detailed in the report which accompanies the financial statements. The latter has been prepared in accordance with the provisions of articles 2423 et seq of the Italian Civil Code and in application of the preparation criteria pursuant to art. 2423-bis of the same Code.

As allowed by the Articles of Association, the due date for approval of the Financial Statements was extended beyond the standard 120 days from the year-end by resolution of the Shareholders' Meeting held on April 6, 2009 in accordance with art. 2364, paragraph 2 of the Italian Civil Code.
Balance Sheet and Income Statement figures are rounded off and stated in Euro in accordance with the mandatory layout and content as provided by articles 2423-ter et seq of the Italian Civil Code.
As for the comparative year, only items denoted by Arabic numbers showing no amounts have been omitted. The notes to the Financial Statements have been prepared in accordance with art. 2427, as amended, of the Italian Civil Code.
As previously mentioned, the Financial Statements were audited by Moore Stephens Concorde Srl, whose appointment expires with approval of the next Financial Statements.
Under the terms of art. 2497 et seq of the Italian Civil Code, it should be noted that the company is not subject to the control of any company and does not hold treasury shares (either directly or indirectly). However, since it does hold interests in subsidiary companies, the company is required, under the terms of Legislative Decree 127/91, to prepare a consolidated financial statement providing more in-depth information in this regard.

Accounting Criteria

Financial Statements have been prepared using prudent principles and as a going concern, taking into account the economic effects of the asset or liability.
The criteria adopted are compliant with the provisions of art. 2426 of the Italian Civil Code, interpreted and integrated with the Accounting Standards issued by the Italian Accounting Body (OIC), and taking into account the reformed company law as introduced by Legislative Decree 6/2003 and subsequent amendments. Where departure from the aforementioned standards provides a more accurate view of the company's balance sheet and profit and loss, explanation is provided under the related items.
The financial statements have been prepared as a going concern using the same accounting standards and methods as in previous years, as detailed below.

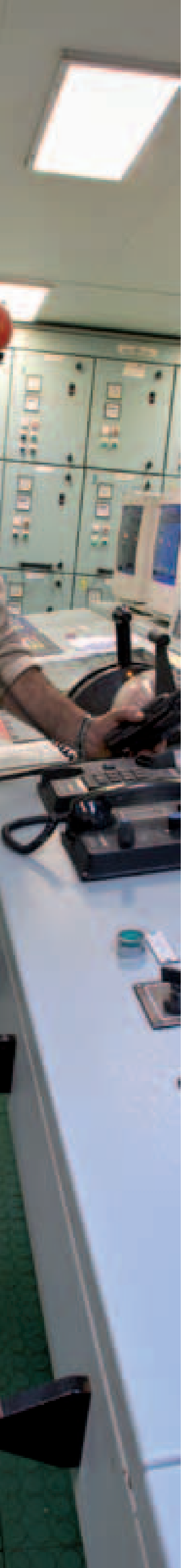
Non-current Assets

Intangible Assets

The balance sheet amounts correspond to the capitalised historic cost of acquisition (with useful life spanning several years), inclusive of any direct ancillary cost, net of annual depreciation.
The Software relates to the capitalised cost of computer software while the 'other intangible assets' relates to improvements to leased assets.
The above intangible assets are depreciated at a rate of 33%, the only exception being 'improvements to leased assets', which are amortised according to the tenor of the underlying lease agreements.
The Assets under Construction and Payments on Account relates to those costs associated with Intangible Assets, where the use is not due to commence until after December 31, 2008.

Property, plant and equipment

Property, plant and equipment are recorded at historic cost of acquisition and increased by ancillary and upgrade costs where applicable. The items are recorded net of the corresponding depreciation, calculated on the basis of their residual useful life.
The rate of depreciation is the same as in the previous year and corresponds to the estimated useful life of the individual assets and to the fiscal rates pursuant to Ministerial Decree December 31, 2008.
For assets acquired in the year, this rate is generally half the normal rate: however, where this does not reflect the true reduction in an asset's value, the possibility of allocating the depreciable amount over the asset's useful life is assessed.



The rates applied are listed below:

Asset	% Rate applied
Real Estate	3.00
Other assets:	
Vehicles	25.00
Electronic office equipment	20.00
Office furniture	12.00

Leasing

The Real Estate includes the company's administrative headquarters in Rome. This has been accounted for on a financial basis since 2003 (the year in which the lease agreement was entered into). This item is further explained within these notes.

Financial Assets

The Financial Assets includes both investment in subsidiaries and investment in associates companies as well as other (non-current) receivables.
Investments in subsidiaries or associates companies are recorded at cost and subsequently revalued according to the equity method for any any profit or loss resulting from their respective activities. Since 2003, investments are recorded at cost and, where applicable, adjusted according to the equity method to reflect only long term losses.
There has been no need, over the years, for any investment write-offs.
In some cases, where income projections allow for the future recovery of the higher values recorded, investments continue to be measured at cost despite having values is in excess of the corresponding equity value.

Inventories

Due to the particular business activity and services provided, there are no material inventories or services under construction.

Accounts Receivable/Payable

Accounts receivable are stated at their net realisable value. In case of receivables in foreign currencies, these converted at the year end exchange rates. Where prudential estimates require, provisions are set aside for those with doubtful collectability.
Accounts payable are stated at their nominal value, except for foreign currency items, which are converted at year end exchange rates.

Accruals and Deferrals

Accruals and deferrals are determined based on the contractual period in which they produce their effect. There are no accruals and deferrals extending over multiple years.
As of December 31, 2008 there are no accrued expenses and/or deferred income.

Provisions for Liabilities and Charges

The provisions relate to the fund set up to provide Severance for the Board of Directors upon termination of their mandate. The other relate to funds allocated to hedge losses or liabilities that are likely to occur, the amount or date of which could not be reasonably determined at the year end.

Employee Severance Indemnity Fund

This fund consists of accrued amounts payable to employees under the terms of existing employment contracts and current law.

Income Tax

Tax provisions have been set aside on the basis of the estimated tax liability for the year, calculated in accordance with current tax legislation and in compliance with the company's fiscal position.
Information on deferred and prepaid taxes is provided in the relevant section.

Revenue Recognition

Revenue is recognised on an accruals basis in accordance with contractual provisions and net of any adjustments, discounts and allowances.
Financial revenue is also recognised on an accruals basis, with the exception of investment income, which is recognised on a cash basis. Revenue and income relating to transactions in foreign currencies are calculated at the exchange rate on the date of transaction. All contracts with Group companies have been entered into under normal market conditions.

Criteria for the conversion of Foreign Currency Items

Items in currencies other than Euro are converted at the exchange rate applicable on the date of the transaction or at the date of invoice. Current Assets and Liabilities appearing on the balance sheet at the year-end have been converted at the year end exchange rates, taking into account any taxable differences and any non-distributable profits. Exchange Gains and Losses in the Income Statement records both the differences resulting from the above adjustments and the those accounted for during the year.

Guarantees, Commitments, Leased Assets and Risks

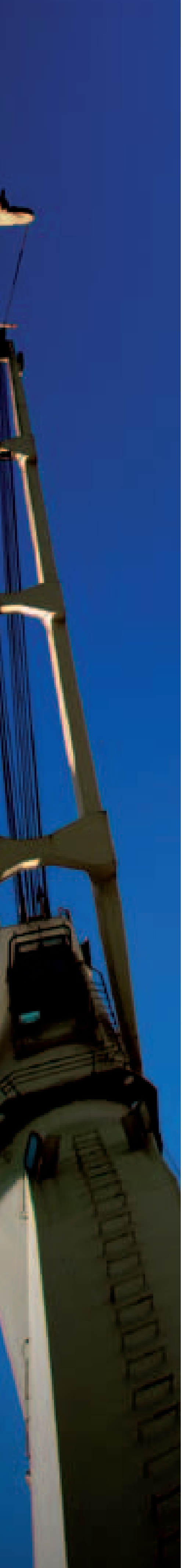
These memorandum accounts record the contractual values of guarantees or commitments provided – primarily to the benefit of subsidiaries – with foreign currency amounts translated at the year end exchange rates. Memoranda accounts for items posted under accounts payable have not been included and remote risks have not been taken into consideration.

Employment Data

Compared to the previous year, the company workforce, broken down by category, has seen the following changes:

Workforce	December 31, 2008	December 31, 2007	Change
Executives	11	10	1
Clerical staff	49	34	15
	60	**44**	**16**

The national labour agreement applied is that regarding administrative staff of independent shipping companies.



Assets

B. Fixed Assets

I. Intangible assets

December 31, 2008	December 31, 2007	Change
817,844	918,847	(101,003)

Breakdown of costs	December 31, 2007	Year increase	Year decrease	Year amortisation	December 31, 2008
Software	620,718	671,612		672,118	620,212
Assets under construction	257,624	121,986	257,624		121,986
Other costs	40,505	60,793		25,652	75,646
Rounding					
	918,847	**854,391**	**257,624**	**697,770**	**817,844**

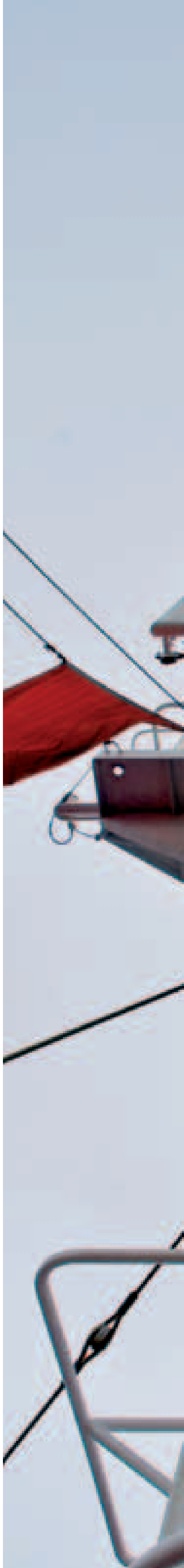
Changes in 2008 relate to software implementations and to the capitalisation of restructure costs (Other Costs) incurred in relation to the refurbishing of the administrative headquarters in leased offices. Movements of the 'assets under construction' item relate to the decrease due to operational use of previously recorded costs and increases due to capitalised costs that are not yet operational as of December 31, 2008.

II. property, plant and equipment

December 31, 2008	December 31, 2007	Change
8,953,537	8,246,271	707,266

Description	Amount
Historic Cost	8,126,814
Amortisation for previous years	(752,017)
Balance at December 31, 2007	**7,374,797**
of which Land	*1,304,931*
Acquisitions in the year	413,892
Depreciation and amortisation	(168,755)
Balance at December 31, 2008	**7,619,934**
of which Land	*1,304,931*

Increases in 2008 relate to the acquisition of a residential unit in Rome and to capitalisation of improvement costs for the building at Corso d'Italia, 35/B in Rome.
The Land, highlighted in the above table, exclusively relates to the cost allocated to this item required by law 286/2006, in the measure of 20% of the value thereof (net of capitalised incremental costs), which required this be separated from the total value of operational buildings.
As was the case in previous years, non-operational buildings and the above mentioned land were not subject to depreciation in 2008.



OTHER ASSETS

Description	Amount
Historic Cost	1,891,910
Amortisation for previous years	(1,020,436)
Balance at December 31, 2007	**871,474**
Acquisitions in the year	654,286
Sales in the year	(4,927)
Depreciation and amortisation	(187,230)
Balance at December 31, 2008	**1,333,603**

acquisitions in the year include standard office equipment upgrades and the creation of a server farm to store company databases and company servers (and large part of group servers), details of which can be found in the annual statement.

TOTAL REVALUATIONS OF PROPERTY, PLANT AND EQUIPMENT AT THE YEAR-END

Under the terms of art.10, law n. 72/1983, it should be noted that the item 'property plant and equipment' in the financial statements as of December 31, 2008, includes the economic revaluation (carried out in 1994 following the merger of the former Segesta company) of the Real Estate item, for a residual amount of Euro 115,995.
There were no revaluations or write-downs in 2008.

III. Financial assets

December 31, 2008	December 31, 2007	Change
117,409,637	107,716,630	9,693,007

INVESTMENTS

Description	December 31, 2007	Increase	Decrease	December 31, 2008
Subsidiary companies	93,290,896			93,290,896
Associated companies	43,843		21,843	22,000
Other companies	14,037,345	9,722,766		23,760,111
	107,372,084	**9,722,766**	**21,843**	**117,073,007**

Under the terms of article 2427, par.1, n. 5, information relating to investments held directly in subsidiary and associated companies is presented below.

SUBSIDIARY COMPANIES

Name	City or Foreign State	Share Capital	Shareholders' Equity	Profit/ Loss	% Interest	Book value
d'Amico International S.A.	Luxembourg	3,100,000	295,323,610	53,206,774	99.99	26,954,779
d'Amico Shipping Italia SpA	Palermo	15,000,000	121,260,720	61,451,929	100.00	44,976,428
Italmar Imobiliaria Ltda (*)	Brasil	42,655	225,204	(13,187)	100.00	47,768
d'Amico Shipmanagement	Germany	25,000	677,665	8,633	100.00	27,500
Sirius Ship Manag. Srl	Genoa	101,490	99,391	22,248	60.00	59,578
Mida Maritime Company	Ireland	79,277	32,996	320,355	51.00	36,706
Compagnia Generale Telemar SpA	Rome	7,000,000	28,664,025	4,924,697	58.01	21,183,807

ASSOCIATED COMPANIES

Name	City or Foreign State	Share Capital	Shareholders' Equity	Profit/ Loss	% Interest	Book value
MS Cielo di Parigi Verwaltung Gmbh	Germany	25,000	32,357	1,376	40	11,000
MS High Wind Verwaltung Gmbh	Germany	25,000	31,402	857	40	11,000

For the above investments, as in the previous year, we provide the information as of year end 2008.
The asterisk (*) indicates investments for which we have not received updated information and for which data has been taken from the last available financial statements. The only change relates to the conclusion of the liquidation process of Cidinvest srl.
We have transacted business with some of these companies, always at normal market conditions, in 2008 and in particular as follows:

- Revenue generated from d'Amico Shipping Italia regards mainly the provision of ship management and administrative support;
- with Mida Maritime Limited we have outstanding a shareholder loan, on which we receive interest, provided to the company for the purchase of a vessel;
- the two subsidiaries, Sirius and telemar, generated costs for the provisioning of Crew and telecommunication traffic and equipment respectively.

NON-OPERATIONAL COMPANIES

Name	City or Foreign State	% Interest	Book value
Italian Lines Ltd. (non-operational)	England	100	1
Italmar Ag.Mar.Ltda (in liquidation)	Brasil	98.64	4,328

Description	December 31, 2007	Increase	Decrease	December 31, 2008
Tamburi Investment Partners	7,159,131	5,089,067		12,248,198
Datalogic	5,839,815	34,464		5,874,279
Secontip	1,030,928	1,804,124		2,835,052
Sator		2,800,000		2,800,000
Others	7,471		4,889	2,582
	14,037,345	**9,727,655**	**4,889**	**23,760,111**

the above table includes the company's financial participations in Tamburi Investment Partners and Datalogic. These were recorded in the accounts as of December 31, 2008, with carrying costs in excess of their fair value. As previously indicated in the Directors' Report with further detail, we did not write down any part of the investments.

ACCOUNTS RECEIVABLE

Description	December 31, 2007	Increase	Decrease	December 31, 2008
Other receivables	344,546	693	8,609	336,630

This item includes security deposits paid and the duly revalued receivable deriving from withholding on the Employee Severance Indemnity Fund, pursuant to law 662/96.

C. Current Assets

II. Accounts Receivable

December 31, 2008	December 31, 2007	Change
8,362,134	12,414,628	(4,052,494)

The below table shows the breakdown of receivables by type and by due date. There are no receivables with maturity exceeding five years.

Description	Within 12 months	Over 12 months	Over 5 years	Total
Trade receivables	109,780			109,780
Receivables from subsidiaries	6,581,139			6,581,139
Tax receivables	409,250	869,322		1,278,572
Other receivables	392,643			392,643
	7,492,812	**869,322**		**8,362,134**

As there have been no change to the business activity, it should be noted that the difference compared to the previous year is not to be regarded as "commercial" in nature, since it derives exclusively from "extraordinary" transactions recorded at the 2007 year-end, resulting in increased volumes.
All amounts, with the exception of those shown below, are primarily commercial in nature and relate to services provided at the year-end for which payment was received at the beginning of 2009.
Of the above amounts, the item 'receivables from subsidiaries' includes a shareholders' loan to Mida Maritime Limited (used by the company to finance the construction of a vessel delivered in January 2008), originally in Japanese currency and duly converted at the year exchange rate to approximately 5 million Euro.
Tax receivables include an amount that is payable beyond 2009, in relation to reimbursement of taxes paid in excess for previous years and that are claimed from the state.
It was not deemed necessary to provide a breakdown by geographic area of receivables as of December 31, 2008.
There are no significant receivables in currencies other that Euro that could potentially lead to exposure to exchange rate risk. The only one worth mentioning is the shareholder loan to Mida Maritime Limited in Japanese Yen, which contributed 1 million Euro to the net profit of the year. This together with all other receivables in currencies have been converted at the year end exchange rates with the differences booked to the Profit or Loss on Foreign Exchange.

Accounts receivable have been stated at their net realisable value, with provisions set aside for doubtful amounts.
Fund movements are shown in the below table.

Description	Total
Balance at December 31, 2007	**980,431**
Year utilisation	277,021
Year allocation	0
Balance at December 31, 2008	**703,410**

IV. Liquid Assets

December 31, 2008	December 31, 2007	Change
4,933,286	1,090,637	3,842,649

Description	December 31, 2008	December 31, 2007
Bank and postal deposits	4,930,880	1,081,416
Cash in hand and other cash equivalents	2,406	9,221
	4,933,286	**1,090,637**

the balance represents cash and cash equivalents in the form of bank and postal accounts and deposits at the year-end.

D. Prepayments and Accrued Income

December 31, 2008	December 31, 2007	Change
105,001	37,495	67,506

The amounts below relate to costs paid in the current year and deferred into future years and income items contractually maturing and to be collected in the future.
There are no prepayments and accrued income with a term of more than 12 months.

Description	Amount
Interest on other accounts receivable	71,429
Insurance policies	21,231
Other prepayments	12,341
	105,001

Liabilities

A. Shareholders' equity

December 31, 2008	December 31, 2007	Change
132,975,530	113,154,189	19,821,341

Description	December 31, 2007	Increase	Decrease	December 31, 2008
Share capital	15,000,000	10,000,000		25,000,000
Legal reserve	3,000,000			3,000,000
Other reserves				
Extraordinary reserve	64,705,965		10,186,999	54,518,966
Non-distributable reserve pursuant to art, 2426	10,635,223		10,000,000	635,223
Euro rounding reserve		3		3
Net Profit	19,813,001	49,821,338	19,813,001	49,821,338
	113,154,189	**59,821,341**	**40,000,000**	**132,975,530**

In 2008 the company increased its share capital through a partial utilisation of the non-distributable reserve shown in the balance sheet. The amount shown at the year-end therefore already includes an increase to Euro 25,000,000, with unit value of Euro 2.50 per share. Other changes in Shareholders' equity derive from the shareholders' approval of the 2007 financial statements and approval of the Euro 30 million dividend.
In accordance with article 2427, par.1, n. 7-bis, a breakdown of shareholders' equity items by origin, potential utilisation, distributability and utilisation in the three preceding financial years is provided below.

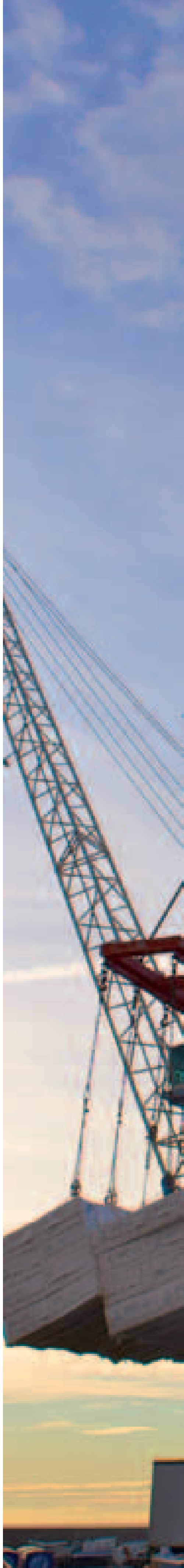
Type / Description	Amount	Potential utilisation[1]	Available quota	Utilisation in the previous 3 yrs, for hedging of Losses	Utilisation in the previous 3 yrs, for other purposes
Share capital	25,000,000	B	25,000,000		
Legal reserve	3,000,000	B	3,000,000		
Other reserves	55,154,192	A, B, C	55,154,192		
Total			83,154,192		
Non distributable quota			28,935,790		
Residual distributable quota			54,218,402		

B. Provisions for Liabilities and Charges

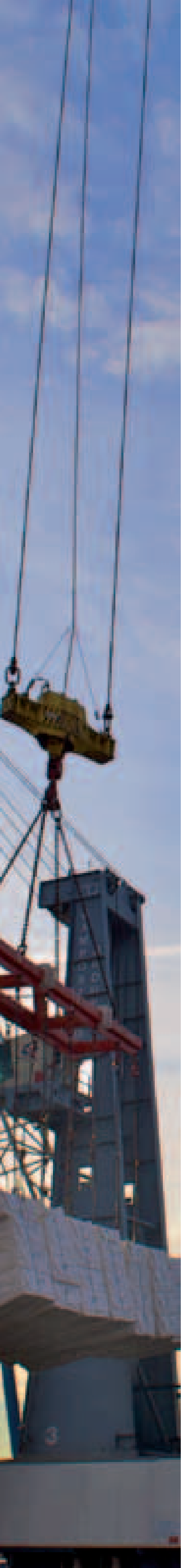
December 31, 2008	December 31, 2007	Change
1,073,730	749,118	324,612

Description	December 31, 2007	Increase	Decrease	December 31, 2008
Director Severance		343,973		343,973
Other provisions	749,118		19,361	729,757
	749,118	**343,973**	**19,361**	**1,073,730**

The amount recorded in the balance sheet under Director Severance corresponds to funds set up in 2006 to provide indemnity for the Board of Directors upon termination of their mandate. Amounts allocated in previous years have been reclassified and separated from the Severance Indemnity provision under which they were previously recorded.
Changes in the Other Provisions relate to the partial utilisation of the dispute provision, where the new balance is considered more than adequate to cover possible risks.



[1] A: share capital increase; B: hedging of losses; C: shareholder distribution



C. Employee Severance Indemnity

December 31, 2008	December 31, 2007	Change
1,531,791	1,668,096	(136,305)

Change	December 31, 2007	Increase	Decrease	December 31, 2008
Employee severance indemnity	1,668,096	377,677	513,982	1,531,791

The above amount includes the Employee Severance Indemnity fund of the company and changes relate to allocations, net of disbursements, made in the year.

D. Accounts Payable

December 31, 2008	December 31, 2007	Change
5,000,388	14,853,105	(9,852,717)

Accounts payable are measured as detailed at the beginning of this document and are broken down by type and by maturity date in the below table. there are no accounts payable with terms exceeding five years.

Description	Within 12 months	Over 12 months	Total
Bank borrowings		25,597	25,597
Amounts owed to other lenders	219,618	2,631,277	2,850,895
Trade payables	820,191		820,191
Amounts owed to subsidiaries	174,579		174,579
Taxes payable	305,437		305,437
Social security contributions	615,633		615,633
Other accounts payable	208,056		208,056
	2,343,514	**2,656,874**	**5,000,388**

Bank borrowings relate to the financing of Real Estate in Piazza Sallustio (Rome), which matures in 2011. Amounts owed to other lenders relate to the financing in place for the office building in Rome, details of which are provided in the table below.

Type	Buildings (various units)
Address	Corso d'Italia, Rome
Lessee Company	Locat SpA
Contract date	16 December 2003
Contract expiry	June 2015
Repayment frequency	Monthly
Total repayments	138
Initial, option to purchase payment	1,225,630
Amount financed	3,141,779
Final, option to purchase payment	925,891
Accounting treatment	Financial method
Property carrying value as at December 31, 2007	4,164,102
Amortisation adjustment (3%)	127,105
Carrying value of the property as at December 31, 2008	2,850,895
Monthly repayment	31,866

Memorandum Accounts

Description	December 31, 2008	December 31, 2007	Change
Guarantees granted by third parties in favour of the company	2,582	2,582	
Guarantees granted in favour of other companies	84,644,679	58,284,085	26,360,594
Other guarantees	9,281	9,281	
	84,656,542	**58,295,948**	**26,360,594**

The above memoranda accounts relate to guarantees granted for the benefit of subsidiary companies such as d'Amico Shipping Italia SpA (to guarantee a US$ 25 million credit line) and d'Amico Dry (to guarantee US$ 92.8 million of ship loans). The increase compared to the previous year takes into account the strengthening of the dollar against the Euro at year end.

Performance bonds issued for the benefit of group companies on charter contracts have not been included in the memoranda accounts due to their nature and due to the difficulty in estimating potential risks.

Income Statement

A. Revenue

December 31, 2008	December 31, 2007	Change
9,714,694	9,281,209	433,485

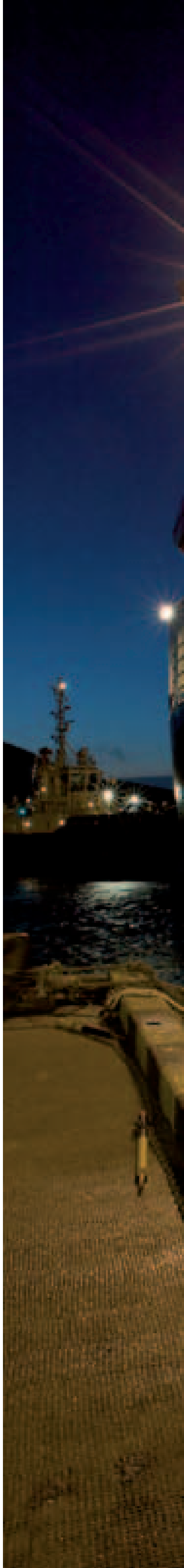
Description	December 31, 2008	December 31, 2007	Change
Revenue from sales and services	9,169,327	8,208,676	960,651
Other revenue and income	545,367	1,072,533	(527,166)
	9,714,694	**9,281,209**	**433,485**

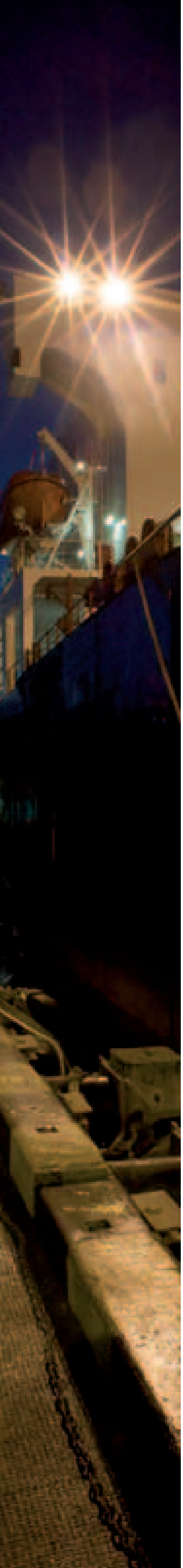
Revenues by category of activity

Category	December 31, 2008	December 31, 2007	Change
Services rendered: ship charter		695,186	(695,186)
Services rendered: miscellaneous assistance	9,169,327	7,513,490	1,655,837
Lease receivables: property leases		144,504	(144,504)
Insurance payouts	152,045	799,278	(647,233)
Other revenue	393,322	128,751	264,571
	9,714,694	**9,281,209**	**433,485**

The above tables details the increase in revenue resulting from the ship management activity, while there are no longer any revenue from operating vessels (a small percentage of which was included in the 2007 figure, following on from the end of 2006) and property leases.

A breakdown of revenue by geographic area was not deemed necessary, given the very specific nature of the company's business activity.





B. Operating and Administrative Costs

December 31, 2008	December 31, 2007	Change
13,407,451	11,873,756	1,533,695

Description	December 31, 2008	December 31, 2007	Change
Services	5,445,595	4,884,171	561,424
Leased assets	88,427	748,038	(659,611)
Salaries and wages	4,917,532	3,942,870	974,662
Social security contributions	1,349,136	1,132,117	217,019
Employee Severance Indemnity	377,677	309,507	68,170
Pension fund and similar obligations	135,000		135,000
Amortisation of intangible assets	697,770	498,010	199,760
Amortisation of property, plant and equipment	355,986	293,859	62,127
Other operating costs	40,328	65,184	(24,856)
	13,407,451	**11,873,756**	**1,533,695**

Raw, subsidiary and consumable materials and goods and Service costs

All the above costs are directly related to Revenue (both operational and financial) and to the details provided in the Directors' Report and in the business outlook, and the relative increases can be regarded as normal. It should be pointed out, as previously mentioned under revenue, the decrease in the Leased Assets due to the exit from maritime activities managed until the end of 2006.
It should also be pointed out that Employee Severance provision underwent reclassification in 2008 and that details of this reclassification can be found under the description of the provision. In 2007, such provision was recorded under 'services' resulting in a difference between the two years of almost 700 thousand Euro.
There are no other significant events to report.

C. Financial Income and Expenses

December 31, 2008	December 31, 2007	Change
53,410,714	21,293,946	32,116,768

Description	December 31, 2008	December 31, 2007	Change
Investment income	52,354,051	21,749,415	30,604,636
Other income	345,995	207,552	138,443
Interest and other financial expenses	(547,324)	(491,080)	(56,244)
Exchange gains (and losses)	1,257,992	(171,941)	1,429,933
	53,410,714	**21,293,946**	**32,116,768**

Investment income derives from dividends received subsidiary companies (50 million Euro from d'Amico International, 1.7 million from telemar and 400 thousand from d'Amico Ship Management Germany) and approximately 250 thousand from investments in Other companies.
Other financial income includes 120 thousand Euro in interest on the shareholder loan to the subsidiary Mida Maritime Limited and approximately 250 thousand Euro from various credit institutions.

Interest and other financial charges

Description	Subsidiaries	Other costs	Total
Bank interest		176,473	176,473
Miscellaneous interest		5	5
Medio Credito interest		213,944	213,944
Financial charges		60,319	60,319
Loan interest	96,582		96,582
Rounding		1	1
	96,582	**450,742**	**547,324**

The above table includes financial costs including those arising from bank current accounts, financing for the real estate in piazza Sallustio and its leasing (Medio Credito), loans from subsidiary companies (financing) and bank fees (financial charges).

Exchange gains and losses

This item relates to exchange differences relating to balance sheet entries in currencies other than Euro and to the conversion of accounts payable and receivable in foreign currencies at the year-end.
In line with the previous year end, amounts deriving from this latter valuation are monitored to assess their impact in both taxable terms and in terms of their impact on reserves.
As previously mentioned under balance sheet entries, exchange risk fluctuations subsequent to the year-end are not taken into consideration.

E. Extraordinary Income and Charges

December 31, 2008	December 31, 2007	Change
247,527	1,343,870	(1,096,343)

Description	December 31, 2008	December 31, 2007
Capital gain on disposals	500	1,827,959
Miscellaneous	465,838	430,181
Total income	466,338	2,258,140
Capital loss on disposals	(428)	(410,635)
Miscellaneous	(218,383)	(503,635)
Total charges	(218,811)	(914,270)
	247,527	**1,343,870**

Two vehicles were removed from the accounts in 2008. These event impacted the capital gains and capital losses items. Nothing worth mentioning for the other extraordinary items.

Income taxes for the year

December 31, 2008	December 31, 2007	Change
144,146	232,268	(88,122)

Current taxes	December 31, 2008	December 31, 2007	Change
IRAP	144,146	232,268	(88,122)
	144,146	**232,268**	**(88,122)**

Profits for the year consist almost entirely of dividends from subsidiaries with limited deductibility therefore the taxable result for the purposes of IRES can be considered as essentially even as covered by the Tax losses deriving from the tax return submitted for the previous year. No provision was therefore made for such taxes. Amounts recorded in the year, relate exclusively to IRAP tax estimates.
Under the terms of point 14) of art. 2427 of the italian civil code, we would like to highlight that the recording of prepaid or deferred taxes was not deemed necessary since, in relation to the former, there is no reasonable certainty of their existence at the time in which temporary differences occur and the requirements of the accounting principles for the recording of future tax benefits have not been met, while recognition of deferred taxes was not deemed relevant.

Cash flow statement

For details of the cash flow statement, please refer to the relevant annex.

Post-balance sheet events

For details of post-balance sheet events, please refer to the Directors' Report providing further information on the business activity and business outlook.

Other Information

It should be noted that the company issued no financial instruments and that there was no segregation of assets for a specific business transaction in the year.

As is required by law, overall director and statutory Board of auditor remuneration is detailed below.

Position	Remuneration
Directors	541,756
Board of Statutory Auditors	65,066

The Financial statements, comprising a Balance Sheet, Income Statement and these Notes, provide a true and fair view of the company's profit and loss for the year and of its financial position at the year end and the figures correspond to those in the accounting records.

Cash Flow Statements

Changes in Working Capital as of December 31, 2008

Sources of finance	
Net Profit	49,821,338
Depreciation and amortisation	1,053,756
Employee severance indemnity provisions	377,677
Allocations to provisions for liabilities and charges	343,973
Net working capital from operating activities	**51,596,744**
Net residual value of disposals	284,394
Decrease in receivables and other fixed financial assets	87,143
Other sources	3
Total sources	**51,968,284**
Investing activities	
Acquisition of fixed assets	
- intangible assets	*854,391*
- property, plant and equipment	*1,068,178*
- financial assets	*9,722,766*
Dividends distributed	30,000,000
Utilisation of provisions for liabilities and charges	19,361
Decrease arising from employee severance indemnity payouts	513,982
Decrease in financial, trade and other long term liabilities	259,532
Total cash flow from investing activities	**42,438,210**
Net working capital increase	**9,530,074**
Change in net working capital components	
Short term assets	
Receivables falling due within 12 months	(3,973,267)
Liquid assets	3,842,649
Prepayments and accrued income	67,506
	(63,112)
Short term liabilities	
Change in financial, trade and other payables falling due within 12 months	(9,593,185)
	(9,593,185)
Change in net working capital components	**9,530,073**

Net Cash Flow for the year ended as of December 31, 2008

Net Profit	49,821,338
Depreciation and amortisation	1,053,756
Capital gain from the disposal of fixed assets	(72)
Employee severance indemnity provisions	377,677
Allocations to provisions for liabilities and charges	135,000
Utilisation of provisions for liabilities and charges	(19,361)
Decrease in employee severance indemnity payouts	(305,009)
Total	**51,063,329**
Change in accounts receivable	4,060,410
Change in prepayments, accrued income, accruals and deferred income	(67,506)
Change in trade and other payables falling due within 12 months	(9,584,312)
Total	**45,471,921**

Cash Flow Statement for the year ended December 31, 2008

Cash and cash equivalents at the beginning of the period	**1,081,764**
Sources	
Internal sources	
1. Net cash flow from operating activities	*45,471,921*
2. Sale of property, plant and equipment	*284,466*
Total	**45,756,387**
External sources	
4. Other sources (rounding reserve)	*3*
Total	**3**
Total sources	**45,756,390**
Investing activities	
Acquisition of fixed assets	
1. Intangible assets	*854,391*
2. Property, Plant and Equipment	*1,068,178*
3. Financial assets	*9,722,766*
Total	**11,645,335**
Other investments	
1. Repayment of loans	*259,532*
2. Distribution of profits and reserves	*30,000,000*
Total	**30,259,532**
Total cash flow from investing activities	**41,904,867**
Net increase in cash and cash equivalents	3,851,522
Cash and cash equivalents at the year end	**4,933,286**

Report of the Board of Statutory Auditors

Dear Shareholders,

The financial statements of December 31, 2008 showing a net Euro profit of 49.821.338, as submitted for your approval by the Management, have been prepared in line with legal requirements.

The company's Financial Statements are prepared by the Board of Directors and are audited by Independent Auditors who give their professional opinion thereon.

We on the other hand, verified that the general layout, content and structure are compliant with legal provisions and the data is in line with the facts and information we reviewed.

Details are provided below:

Balance Sheet	Euro
Assets	140,581,439
Liabilities	7,605,909
- *Shareholders' Equity (excluding net profit)*	*83,154,192*
- Net Profit	**49,821,338**
Commitments, risks and other memorandum accounts	84,656,542

Income Statement	Euro
Sales of services	9,714,694
Cost sales and services	13,407,451
Difference	**(3,692,757)**
Financial income and expenses	53,410,714
Extraordinary income and expenses	247,527
Profit before tax	49,965,484
Income tax	144,146
Net Profit	**49,821,338**

In preparing the Financial Statements, Management did not breach the requirements of art 2423, par.4 and art. 2423 bis, par.2 of the Italian Civil Code.

In their Report on operations, the Board of Directors provided information on general performance in 2008, highlighting Company activities and performance in the areas in which the company operates.

The Directors' Report on operations was prepared in compliance with the law and we have no specific comment to make in this regard.

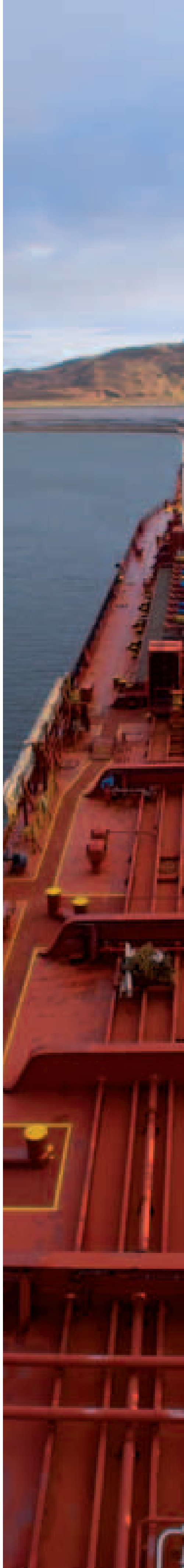
The notes to the Financial Statements provide a breakdown of Balance Sheet and Income Statement items as well as details of the valuation criteria.

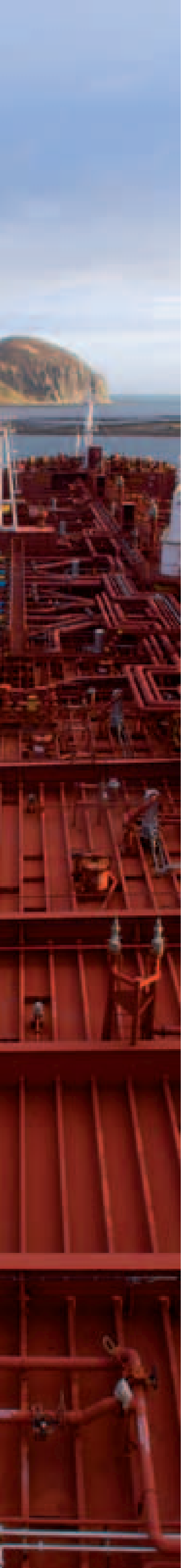
In 2008, the company followed prudent management practices as was the case in previous years; special focus was placed on the assumption of risks, in compliance with the law and the Articles of Association.

We can confirm that there were no unusual transactions likely to negatively impact the Company's
Balance Sheet, Income Statement or Cash Flow situation, or any transactions with related parties not covered by current legislation.

We have monitored the adequacy of the Company's organizational structure, partly through information collected from the managers of the various departments.

We have also monitored and assessed the adequacy of the administration and accounting systems as well as the latter's reliability in terms of correctly presenting business operations and have found no anomalies or issues worthy of mention.





During the year, the Board of Statutory Auditors monitored the business of the company assessing the adequacy of the organizational structures, the operating processes and the risk assessment and control systems. No inadequacies emerged.

The Board of Statutory Auditors received no reports or notifications pursuant to art.2408 of the Italian Civil Code in 2008.

As provided by art. 2405 of the Italian Civil Code, we attended two ordinary Shareholders' Meetings, four Board of Director Meetings and three executive Committee Meetings in 2008. We hereby confirm that all resolutions approved by the Directors were approved on the basis of sound and prudent management with the aim of improving Company operations.

No particular relevant notes emerge from the Independent Auditor reports worthy of mention in this report.
In accordance with art.2409ter of the Italian Civil Code, on completion of the Audit, the Independent Auditors provided us a copy of the Audit Report. The report does not highlight any particular finding in relation to the Financial Statements for the year.

Taking also into account the report of the independent auditors, we hereby give our favourable opinion for the approval of the financial statements for the year ending December 31, 2008 and for the allocation of the net profit for the year as proposed by the Directors.

Having now reached the end of our mandate, we would like to thank you for your confidence in our work and invite you to pass the relevant resolutions.

MOORE STEPHENS CONCORDE
REVISORI CONTABILI

Sede legale, Via Cosimo del Fante, 16
20122 Milano
Italy
Tel. +39 02 5831 0284
Fax +39 02 5831 0285

Direzione, Via E. De Amicis, 53
20123 Milano
Italy
Tel. +39 02 8339 0440
Fax +39 02 5811 0164

E-mail: msconcorde@moorestephens.it
www.bamanco.it
Uffici in Roma

FINANCIAL STATEMENTS AS OF DECEMBER 31, 2008

Auditors' Report (art. 2409-ter Civil Code)

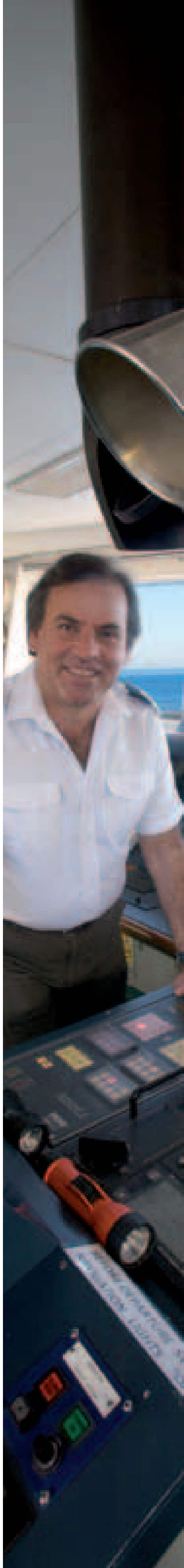
To the Shareholders of
d'Amico Società di Navigazione S.p.A.

1. We have audited the financial statements of d'Amico Società di Navigazione S.p.A. for the year ended December 31, 2008 These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with the established auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and are reliable taken as a whole. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements as well as assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion. The audit of the financial statements of controlled and associated companies with regard to investments representing about 52% and about 34% of total investments and total assets respectively, is responsibility of other auditors, of which 29% of total investments and 19% of total assets respectively, belonging to the Moore Stephens Network.

The opinion on previous year's consolidated financial statements which comparative figures are disclosed as required by the law, makes reference to our Report issued on 30th May 2008.

3. In our opinion, the financial statements of d'Amico Società di Navigazione S.p.A. as at December 31, 2008 comply with the standards which regulate their preparation and, accordingly, give a true and fair view of the financial position of the Company and of the results of its operations for the year then ended.



MOORE STEPHENS CONCORDE
REVISORI CONTABILI

4. Responsible for the management report, in accordance with the rules of law, are the Company's managers. Our responsibility is to express an opinion on the consistency of the management report with the financial statements, as required by article 156, paragraph 4-bis, d) letter of D.Lgs 58/98 and by article 2409 – ter, paragraph 2, e) letter of Civil Code. To this we have performed the procedures specified by the PR 001 auditing standard, issued by the Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili and recommended by the Consob Commission. In our opinion the management report is consistent with the financial statements of d'Amico Società di Navigazione S.p.A. endend December 31, 2008.

5. For a better understanding of the financial statements, we draw attention to the following:

5.1 The Company has investments in subsidiaries and, in compliance with the legal requirements, has prepared the consolidated financial statements of the Group. Such financial statements represent an integration of the financial statements in order to give a better information of the financial position and the results of operations of the Company and of the Group. The consolidated financial statements have also been examined by us and, together wtih our audit report, presented to the Shareholders meeting for the approval.

Milan, 27th May 2009

Moore Stephens Concorde S.r.l.
Giuseppe A. Barranco
Chairman

(English translation from the Italian original report issued in accordance with the Italian practice)

Shareholders’ Meeting Resolutions

Extract from the minutes of the Shareholders’ Meeting held on June 12, 2009

The general assembly, having acknowledged the content of the documentation provided to those attending the meeting, together with the favourable opinions of the Board of Statutory Auditors and the Independent Auditors, and after much deliberation, the Shareholders’ Meeting unanimously resolved:

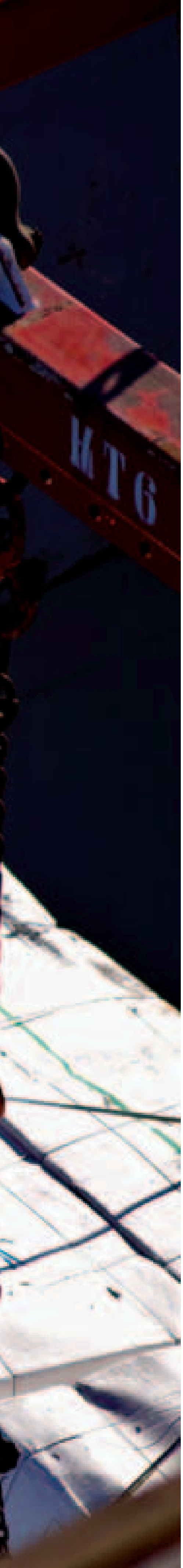
- to approve the Financial Statements as of December 31, 2008 and all such documents as it comprises;
- to allocate the net profit for the year of Euro 49,821,338 = (Euro forty-nine million eight hundred and twenty-one thousand three hundred and thirty-eight) as follows:
- Euro 2,000,000 = (Euro two million), the minimum amount required by law, to the legal reserve;
- Euro 930,148 = (Euro nine hundred and thirty thousand one hundred and fifty-eight) to the non-distributable exchange gains reserve;
- a total of Euro 30,000,000 = (Euro thirty million), equivalent to Euro 3.00 = (Euro three) per share held, to be distributed as dividends to the shareholder;
- Euro 16,891,180 = (Euro sixteen million eight hundred and ninety-one thousand one-hundred and eighty) to the extraordinary reserve.

Financial Statements of the Subsidiary Companies

Financial Statements of d'Amico Shipping Italia SpA – Italy

Statement of Assets

(Euro)		December 31, 2008	December 31, 2007
B. Fixed Assets			
I. Intangible assets			
7. Other assets		*3,974,537*	*3,112,528*
		3,974,537	3,112,528
II. Property, Plant and Equipment			
2. Fleet		*102,769,513*	*87,601,030*
3. Fixtures and fittings, tools and equipment		*1,496*	*1,632*
4. Other assets		*18,733*	*7,167*
		102,789,742	87,609,829
III. Financial assets			
2. Receivables			
d) Other receivables			
- over 12 months	*3,950*		*4,020*
		3,950	4,020
Total Fixed Assets		**106,768,229**	**90,726,377**
C. Current Assets			
I. Inventories			
1. Raw, subsidiary and consumable materials		*1,297,665*	*778,988*
		1,297,665	778,988
II. Accounts receivable			
1. Receivables from customers			
- within 12 months	*3,150,772*		*1,626,702*
		3,150,772	1,626,702
4. Receivables from parent companies			
- within 12 months	*43,739*		*519,811*
		43,739	519,811
4-bis. Taxes receivable			
- within 12 months	*565,709*		*426,340*
		565,709	426,340
5. Other receivables			
- within 12 months	*950,347*		*1,173,442*
		950,347	1,173,442
		4,710,567	**3,746,295**
III. Current financial assets			
IV. Liquid assets			
1. Bank and postal deposits		*48,306,217*	*14,437,733*
3. Cash in hand and other cash equivalents		*218,713*	*226,468*
		48,524,930	14,664,201
Total Current Assets		**54,533,162**	**19,189,484**
D. Prepayments and Accrued Income			
- miscellaneous	*512,789*		*1,199,839*
		512,789	1,199,839
TOTAL ASSETS		**161,814,180**	**111,115,700**

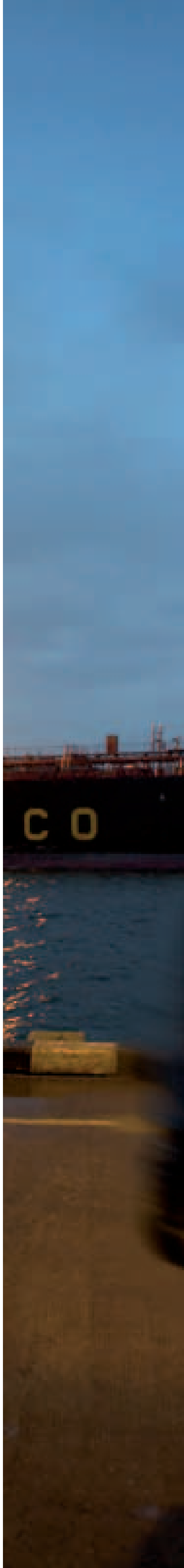


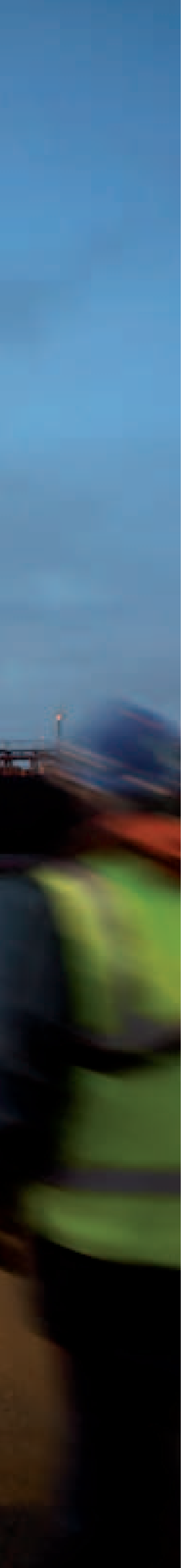
Statement of Liabilities

(Euro)		December 31, 2008	December 31, 2007
A. Shareholders' Equity			
I. Share capital			
		15,000,000	15,000,000
II. Share premium reserve			
		29,976,428	29,976,428
IV. Legal reserve			
		767,323	
VII. Other reserves			
Extraordinary reserve	*11,930,089*		
Non-distributable reserve pursuant to art. 2426	*2,134,950*		
Euro translations/rounding reserve	*3*		*1*
		14,065,042	1
VIII. Retained earnings (losses)			
			(514,097)
IX. Profit for the year			
		61,451,929	15,346,459
Total Shareholders' Equity		**121,260,722**	**59,808,791**
B. Provisions for Liabilities and Charges			
1. Provision for directors' severance		*30,000*	
Total Provision for Liabilities and Charges		**30,000**	
C. Employee Severance Indemnity			
Total Employee Severance Indemnity		**435,850**	**489,877**
D. Accounts Payable			
4. Bank borrowings			
- within 12 months	*2,835,115*		*3,497,064*
- over 12 months	*28,083,603*		*37,889,647*
		30,918,718	41,386,711
7. Trade payables			
- within 12 months	*6,423,748*		*5,644,987*
		6,423,748	5,644,987
11. Amounts owed to parent companies			
- within 12 months	*467,873*		*2,475,210*
		467,873	2,475,210
12. Taxes payable			
- within 12 months	*152,757*		*133,876*
		152,757	133,876
13. Social security and welfare contributions			
- within 12 months	*52,180*		*44,955*
		52,180	44,955
14. Other payables			
- within 12 months	*1,579,459*		*873,878*
		1,579,459	873,878
Total Accounts Payable		**39,594,735**	**50,559,617**
E. Accrued Expenses and Deferred Income			
- miscellaneous		*492,873*	*257,415*
		492,873	257,415
TOTAL LIABILITIES		**161,814,180**	**111,115,700**

Income Statement

(Euro)		December 31, 2008	December 31, 2007
A. Revenue			
1. Revenues from sales of services		*78,134,357*	*52,676,565*
5. Other revenues and income:			
- miscellaneous	*6,329,648*		*3,552,711*
		6,329,648	3,552,711
Total Revenue		**84,464,005**	**56,229,276**
B. Cost of Sales and Services			
6. Raw, subsidiary and consumable materials, consumables and goods		*6,681,129*	*3,008,341*
7. Service costs		*22,289,492*	*19,068,365*
8. Leased assets		*14,996,963*	*14,446,159*
9. Personnel costs			
a) salaries and wages	*9,775,917*		*8,727,718*
b) social security contributions	*1,325,971*		*1,090,702*
c) employee severance indemnity	*173,786*		*154,970*
d) retirement fund and similar obligations	*15,000*		
		11,290,674	9,973,390
10. Amortisation, depreciation and write downs			
a) amortisation of intangible fixed assets	*2,585,483*		*1,801,562*
b) amortisation of property, plant and equipment	*4,510,707*		*4,046,007*
d) write-down of receivables recorded under current assets and liquid assets	*13,785*		*204,393*
		7,109,975	6,051,962
11. Changes in inventories of raw and subsidiary materials, consumables and goods		*(518,678)*	*102,498*
14. Other operating costs		*1,017*	*168*
Total Cost of Sales and Services		**61,850,572**	**52,650,883**
Difference between Revenue and Cost (A-B)		**22,613,433**	**3,578,393**
C. Financial Income and Charges			
16. Other financial income			
d) other income			
- other	*798,552*		*513,124*
		798,552	513,124
17. Interest and other financial expenses			
- other	*2,489,882*		*2,895,713*
		2,489,882	2,895,713
17-bis. Foreign exchange gains and losses		*9,365,019*	*2,410,555*
Total Financial Income and Expenses (Net)		**7,673,689**	**27,966**





E. Extraordinary Income and Expenses

20. Income			
- capital gain on disposals	*31,389,934*		*11,919,250*
- miscellaneous	*72,823*		*17,498*
		31,462,757	11,936,748
21. Charges			
- miscellaneous	*297,950*		*196,648*
		297,950	196,648
Total Extraordinary Income and Expenses		**31,164,807**	**11,740,100**
Profit before Tax (A-B±C±D±E)		**61,451,929**	**15,346,459**
22. Income tax			
23. PROFIT FOR THE YEAR		**61,451,929**	**15,346,459**

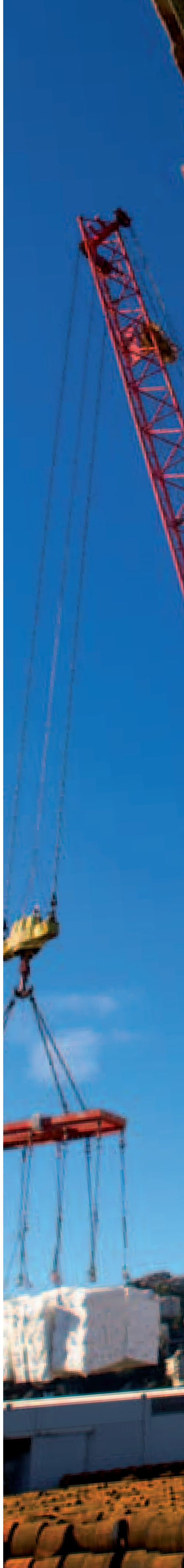
Financial Statements of d'Amico International S.A. Luxembourg

Statement of Assets

(Euro Thousands)	December 31, 2008	December 31, 2007
C. Fixed Assets		
I. Intangible assets	8	10
II. Property, Plant and Equipment	112	147
III. Financial Assets	343,046	315,470
Total Fixed Assets	**343,166**	**315,627**
D. Current Assets		
II. Accounts receivable	100	335
III. Other financial assets	84,952	50,457
IV. Liquid Assets	87,278	147,662
Total Current Assets	**172,330**	**198,454**
TOTAL ASSETS	**515,496**	**514,081**

Statement of Liabilities

(Euro Thousands)	December 31, 2008	December 31, 2007
A. Shareholders' Equity		
I. Share Capital	3,100	3,100
IV. Reserves		
1. Legal reserve	*310*	*310*
4. Revaluation Reserve	*97,843*	*97,843*
V. Retained earnings	190,864	58,746
VI. Profit for the year	53,207	152,118
VII. Dividends distributed	(50,000)	(20,000)
Total Shareholders' Equity	**295,324**	**292,117**
B. Provisions for Liabilities and Charges		
Total Provisions for Liabilities and Charges		**300**
C. Accounts Payable		
2. Bank borrowings	*0*	*1,353*
6. Group company payables	*220,003*	*220,000*
9. Other accounts payable	*119*	*271*
Total Accounts Payable	**220,122**	**221,624**
D. Accruals and Deferred Income		
Total Accruals and Deferred Income	**50**	**40**
TOTAL LIABILITIES	**515,496**	**514,081**



Income Statement

(Euro Thousands)	December 31, 2008	December 31, 2007
A. Cost of Production		
3. Personnel costs	*50*	*91*
4. Amortisation, depreciation and write-downs	*63*	*31*
5. Other administrative costs	*2,059*	*12,683*
7. Interest and other financial charges	*18,568*	*194*
10. Extraordinary charges	*18*	*0*
11. Income tax	*0*	*0*
12. Other dues and taxes	*144*	*263*
	20,902	**13,262**
B. Revenue		
5. Dividends and other income		
- from group companies	*56,977*	*37,174*
- other income from group companies	*0*	*121,531*
	56,977	158,705
7. Interest and other financial income	*17,113*	*6,675*
9. Extraordinary income	*19*	*0*
Total Revenue	**74,109**	**165,380**
Net Profit	**53,207**	**152,118**

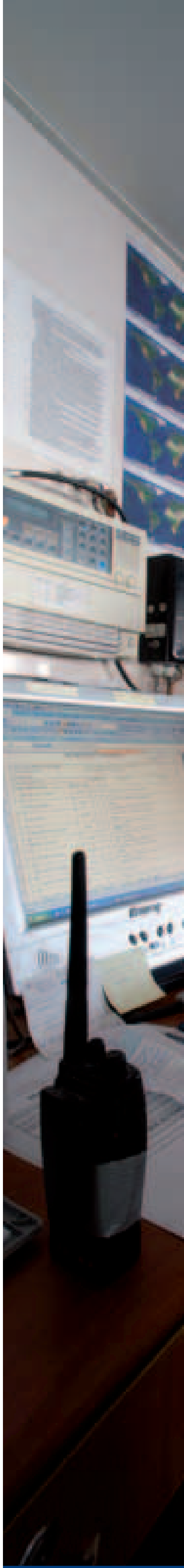
Financial Statements of d'Amico International Shipping S.A. Luxembourg

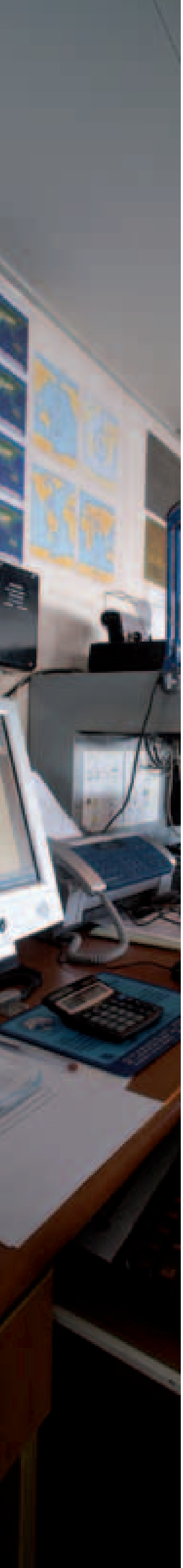
Consolidated Statement of Assets

(US$ Thousands)	December 31, 2008	December 31, 2007
Fixed assets		
Tangible assets	531,271	430,605
Financial assets	4	4
Total Fixed Assets	**531,275**	**430,609**
Current assets		
Inventories	7,010	9,300
Short-term receivables and other current assets	34,108	35,863
Short-term receivables	110,279	-
Cash and cash equivalents	41,482	24,926
Total Current Assets	**192,879**	**70,090**
TOTAL ASSETS	**724,154**	**500,699**

Consolidated Statement of Liabilities

(US$ Thousands)	December 31, 2008	December 31, 2007
Shareholders' Equity		
Share Capital	149,950	149,950
Retained earnings	195,661	75,081
Other reserves	42,228	57,658
Total Shareholders' Equity	**387,839**	**282,689**
Non-current liabilities		
Banks and other lenders	271,666	178,482
Total Non-current Liabilities	**271,666**	**178,482**
Current liabilities		
Banks and other lenders	5,784	-
Other current financial liabilities	16,546	4,355
Short-term payables and other current liabilities	41,959	35,100
Current taxes payable	360	73
Total Current Liabilities	**64,649**	**39,528**
TOTAL LIABILITIES	**724,154**	**500,699**





Consolidated Income Statement

(US$ Thousands)	December 31, 2008	December 31, 2007
Revenues	323,984	310,260
Voyage costs	(72,368)	(58,575)
Time Charter Equivalent Earnings	**251,616**	**251,685**
Charter costs	(82,248)	(92,352)
Other direct operating costs	(46,102)	(34,647)
General and administrative costs	(24,291)	(22,408)
Other operating income	3,821	3,767
Capital gains on the sale of vessel	105,621	-
Gross Operating Profit	**208,417**	**106,045**
Depreciation and amortisation	(36,690)	(29,507)
Operating Profit	**171,727**	**76,539**
Net financial income (charges)	(16,050)	(10,950)
Profit before Tax	**155,677**	**65,589**
Income taxes	(665)	9,492
NET PROFIT	**155,012**	**75,081**

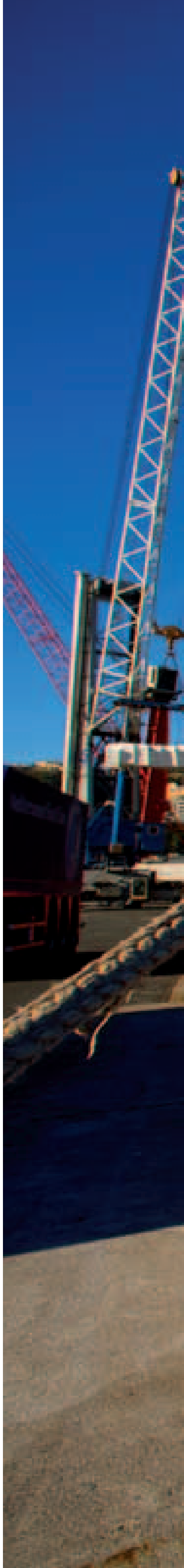
Financial Statements of d'Amico Dry Ltd. – Ireland

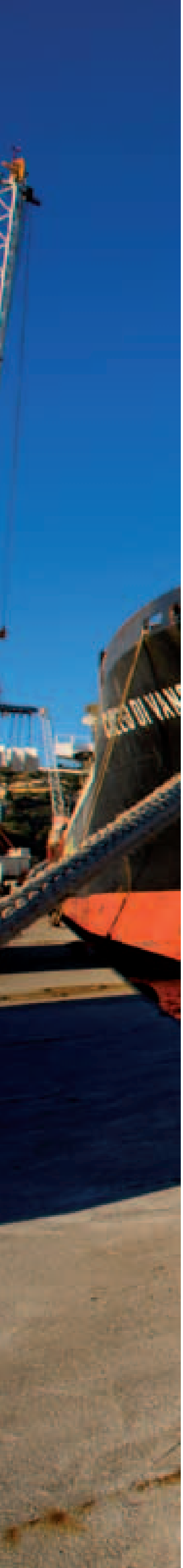
Statement of Assets

(US$ Thousands)	December 31, 2008	December 31, 2007
Fixed assets		
Tangible assets	194,185	65,889
Financial assets	9,034	-
Total Fixed Assets	**203,219**	**65,889**
Current assets		
Inventories	5,525	3,041
Tax receivables	7,826	658
Short-term receivables and other current assets	32,799	97,467
Other short-term financial receivables	24,312	1,856
Cash and cash equivalents	10,671	3,778
Total Current Assets	**81,133**	**106,800**
TOTAL ASSETS	**284,352**	**172,689**

Statement of Liabilities

(US$ Thousands)	December 31, 2008	December 31, 2007
Shareholders' Equity		
Share capital	97	97
Retained earnings	139,138	105,991
Other reserves	21,198	12
Total Shareholders' Equity	**160,433**	**106,100**
Non-current liabilities		
Banks loans	50,530	37,250
Other non-current financial liabilities	4,095	-
Total Non-current Liabilities	**54,625**	**37,250**
Current liabilities		
Short-term payables and other current liabilities	25,914	23,103
Bank loans due within 12 months	4,720	3,600
Provisions for liabilities and charges	11,092	-
Other short-term financial payables	22,286	1,787
Deferred taxes	5,282	849
Total Current Liabilities	**69,294**	**29,339**
TOTAL LIABILITIES	**284,352**	**172,689**





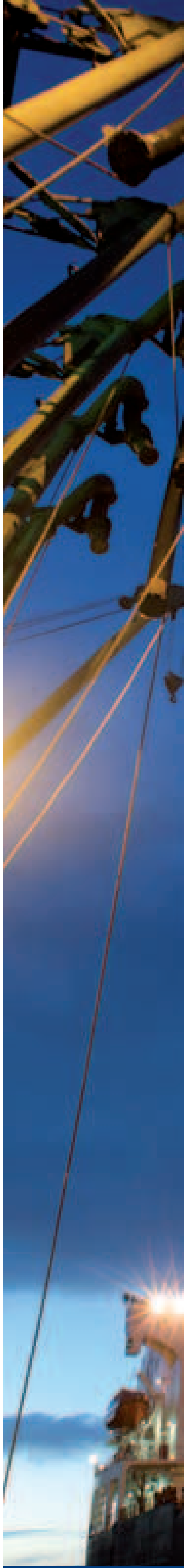
Income Statement

(US$ Thousands)	December 31, 2008	December 31, 2007
Revenues	470,454	301,470
Voyage costs	(69,130)	(32,610)
Time Charter Equivalent Earnings	**401,324**	**268,860**
Charter costs	(235,842)	(161,654)
Other direct operating costs	(13,932)	(6,054)
Gross Revenues	**151,550**	**101,152**
Depreciation of property, plant and equipment	(12,620)	-
Depreciation and amortisation	(7,082)	(2,992)
General and administrative costs	(11,667)	(7,085)
Operating Profit	**120,181**	**91,075**
Net financial income (charges)	(7,059)	2,171
Profit before Tax	**113,122**	**93,246**
Income taxes	(9,975)	(11,274)
NET PROFIT	**103,147**	**81,972**

Financial Statements of Compagnia Generale Telemar SpA Italy

Consolidated Statement of Assets

(Euro Thousands)	December 31, 2008	December 31, 2007
B. Fixed Assets		
I. Intangible assets	1,899	1,837
II. Property, Plant and Equipment	6,346	1,989
III. Financial assets	358	330
Total Fixed Assets	**8,603**	**4,156**
C. Current Assets		
I. Inventories	5,469	5,341
II. Accounts receivable	22,185	23,296
III. Current financial assets	989	717
IV. Liquid assets	15,766	14,809
Total Current Assets	**44,409**	**44,163**
D. Prepayments and Accrued Income		
Total Prepayments and Accrued Income	**1,919**	**1,607**
TOTAL ASSETS	**54,931**	**49,926**



Consolidated Statement of Liabilities

(Euro Thousands)	December 31, 2008	December 31, 2007
A. Shareholders' Equity		
I. Share capital	7,000	7,000
II. Share premium reserve		
III. Revaluation reserve	6,371	2,074
IV. Legal reserve	1,404	1,404
V. Statutory reserves		
VI. Reserve for own shares	2	2
VII. Other reserves	8,769	8,409
VIII. Retained earnings	365	179
IX. Group Profit for the year	4,536	3,946
Total Group Shareholders' Equity	**28,447**	**23,014**
Minority interests and reserves	-61	5
Profit attributable to minority interests	627	982
Total Consolidated Group Shareholders' Equity and Equity attributed to minority Interests	**29,013**	**24,001**
B. Provisions for Liabilities and Charges		
Total Provisions for Liabilities and Charges	**160**	**84**
C. Employee Severance Indemnity Fund		
Total Employee Severance Indemnity Fund	**3,017**	**3,368**
D. Accounts Payable		
Total Accounts Payable	**21,395**	**20,742**
E. Accruals and Deferred Income		
Total Accruals and Deferred Income	**1,346**	**1,731**
TOTAL LIABILITIES	**54,931**	**49,926**

Memorandum Accounts

(Euro Thousands)	December 31, 2008	December 31, 2007
Residual real estate lease liabilities	285	543
TOTAL MEMORANDUM ACCOUNTS	**285**	**543**

Consolidated Income Statement

(Euro Thousands)	December 31, 2008	December 31, 2007
A. Revenue		
Total Revenue	92,507	87,018
B. Cost of Sales and Services		
Total Cost of Sales and Services	85,178	79,874
Difference between Revenue and Cost of Sales and Services	7,329	7,144
C. Financial Income and Charges		
Total Financial Income and Charges	469	242
E. Extraordinary Income and Charges		
Total Extraordinary Income and Charges	9	445
Profit before tax	7,807	7,831
22. Income taxes	*2,644*	*2,903*
23. Profit for the year	5,163	4,928
Minority interest	627	982
GROUP PROFIT FOR THE YEAR	4,536	3,946

Publishing Project: PMS - Financial and Corporate Communications
Photo: Edward Rozzo
Graphic Design: Studio Luvié
Print: Grafica Bierre

PALERMO

REGISTERED OFFICE
Via Siracusa, 27
90141 - Palermo
Italy
Tel: +39 091 6259822
Fax: +39 091 6259822

d'Amico Società di Navigazione SpA
e-mail: sedeamm@damicoship.com

d'Amico Shipping Italia SpA
e-mail: damicoshippingroma@damicoship.com

ROME

HEADQUARTERS
Corso d'Italia, 35/B
00198 - Rome
Italy
Tel: +39 06 845 611
Fax: +39 06 855 3943

d'Amico Società di Navigazione SpA
e-mail: sedeamm@damicoship.com

d'Amico Shipping Italia SpA
e-mail: damicoshippingroma@damicoship.com

GENOA

OPERATIVE OFFICE
Via De Marini, 1 - WTC
16149 - Genoa
Italy
Tel: +39 010 4495901
Fax: +39 010 4495398

d'Amico Società di Navigazione SpA
e-mail: damico.ge@damicoship.com

d'Amico Shipping Italia SpA
e-mail: damicoshippinggenova@damicoship.com

Navimed trademark of d'Amico Shipping Italia SpA
e-mail: info@navimed.it

Medbulk trademark of d'Amico Dry Limited
e-mail: medbulk.ge@medbulk.com

Sirius Ship Management Srl
Via Renata Bianchi, 38 - 6th Floor
16152 - Genoa
Italy
Tel: +39 010 648 941
Fax: +39 010 648 9442
e-mail: info@siriusship.com

LUXEMBOURG

25/C, Boulevard Royal - 11th Floor
L-2449 - Luxembourg
Grand Duchy of Luxembourg

d'Amico International SA
Tel: +352 266324
Fax: +352 26262549
e-mail: damicolu@damicoint.com

d'Amico International Shipping SA
Tel: +352 26262929
Fax: +352 26262454
e-mail: dtllu@damicointernationalshipping.com

MONTE-CARLO

Le Saint André
20, Boulevard de Suisse
98000 - Monte-Carlo
Principality of Monaco
Tel: +377 93105270
Fax: +377 9325 4162

Cogema SAM
e-mail: hq@damicoint.com

d'Amico Tankers Monaco SAM
e-mail: dtlmc@damicotankers.com

DUBLIN

The Anchorage
17 - 19, Sir John Rogerson's Quay
Dublin 2 - Ireland
Tel: +353 1 676 1840
Fax: +353 1 676 1843

d'Amico Tankers Limited
e-mail: dtlie@damicotankers.com

d'Amico Dry Limited
e-mail: dry@damicoint.com

Medbulk Maritime Limited
e-mail: medbulk@damicoint.com

d'Amico Ireland Limited
e-mail: damico.ie@damicoint.com

d'Amico Finance Limited
e-mail: damicofinance@damicoint.com

SINGAPORE

6, Battery Road #14-07
049909 - Singapore
Singapore
Tel: +65 6586 0860
Fax: +65 6586 0879

d'Amico Shipping Singapore Pte Limited
e-mail: singapore@damicoint.com

d'Amico Tankers Singapore Pte Limited
e-mail: singapore@damicotankers.com

Ishima Pte Limited
e-mail: ishima@ishimaship.com

LONDON

2, Queen Anne's Gate Buildings
Dartmouth Street
SW 1H 9BP - London
United Kingdom
Tel: +44 20 7340 2000
Fax: +44 20 7340 2001

d'Amico Tankers UK Limited
e-mail: dtluk@damicotankers.com

d'Amico Shipping UK Limited
e-mail: london@damicoint.com

MUMBAI

A-202/203 City Point
J.B. Nagar, Andheri Kurla Road
400 059 - Andheri (E)
State of Maharashtra - Mumbai
India

d'Amico Ships (India) Pvt Limited
Tel: +91 22 4037 2222
Fax: +91 22 2823 4987
e-mail: mumbai@damicoship.com

VANCOUVER

1100-900, West Hastings Street - V6C 1E5
British Colombia - Vancouver
Canada

Anglo Canadian Shipping Company Limited
Tel: +1 604 683 4221
Fax: +1 604 688 3401
e-mail: anglo-com@anglo-vcr.com

d'Amico
Società di Navigazione S.p.A.