

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name DIANA CONTAINERSHIPS INC.		2 Issuer's employer identification number (EIN) 98-1220963	
3 Name of contact for additional information ANDREAS MICHALOPOULOS	4 Telephone No. of contact 0030-216-600-2400	5 Email address of contact	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact PENDELIS 18, 175 64 PALAIO FALIRO		7 City, town, or post office, state, and Zip code of contact ATHENS, GREECE	
8 Date of action SEE BELOW		9 Classification and description COMMON STOCK	
10 CUSIP number SEE BELOW	11 Serial number(s)	12 Ticker symbol NASDAQ: DCIX	13 Account number(s)

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

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ During the calendar year ended December 31, 2015, Diana Containerships Inc. (the "Company") declared the following cash distributions per share to common stock shareholders of record on the dates specified below:

Date of Record:	Amount per Share:	Date Paid:
March 11, 2015	\$0.0025	March 26, 2015
May 26, 2015	\$0.0025	June 10, 2015
August 18, 2015	\$0.0025	September 9, 2015
November 24, 2015	\$0.0025	December 9, 2015

CUSIP Numbers: Y2069P101, Y2069P119, 252789201

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

Based on current and accumulated earnings and profits of the Company, the total cash distribution paid per share to common shareholders during the year, as of the dates of record, will reduce the basis in each common stock shareholder as shown below:

- \$-0.0025 per share on March 11, 2015
- \$-0.0025 per share on May 26, 2015
- \$-0.0025 per share on August 18, 2015
- \$-0.0025 per share on November 24, 2015

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

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ IRC Section 301(c)(2) and 316(a)

18 Can any resulting loss be recognized? ▶ For US federal income tax purposes, the distributions will not result in any tax losses for the common stock shareholders or the Company.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The reportable tax year is 2015.
Shareholders as of the below dates should reduce their basis in each common stock share held on these dates, by the following amounts per share:

-\$0.0025 per share on March 11, 2015

-\$0.0025 per share on May 26, 2015

-\$0.0025 per share on August 18, 2015

-\$0.0025 per share on November 24, 2015

The reduction in basis is cumulative such that a shareholder who was a common stock shareholder on the date of record for all of the above mentioned distributions in 2015 would be required to reduce its basis by a total of \$-0.01 per share.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ [Handwritten Signature] Date ▶ 10/2/2016
Print your name ▶ A. MICHALOPOULOS Title ▶ CFO

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Chris Kealy	<u>[Handwritten Signature]</u>	February 15, 2016		P00764390
Firm's name ▶	Ernst & Young U.S. LLP		Firm's EIN ▶	34-6565596
Firm's address ▶	777 Woodward Ave. Ste 1000, Detroit, MI 48226-5495		Phone no.	313-628-7100