

The Great Eastern Shipping Co. Ltd.

Q2 FY04-05

Earnings' call

October 29, 2004

Forward Looking Statement

This presentation contains certain forward looking information through statements, which are based on management's current expectations and observations. The Company cannot guarantee the accuracy of these assumptions.

There are a number of risks and uncertainties which may impact the actual results to differ materially from these forward looking statements. The Company assumes no responsibility with regard to publicly amending, modifying or revising the statements based on any subsequent developments, information or events that may occur.

Quarter Highlights

Financial Comparison

In Rs. Cr.

	Q2 FY05	Q2 FY04	% change
Total Income	497.78	291.60	70 %
EBIDTA	244.31	133.72	83 %
Interest	17.38	10.43	
Depreciation	71.21	46.06	
PBT	155.72	77.23	102 %
Net Profit *	167.18	80.12	109 %

Interim Dividend of Rs.3.50 per share

* includes prior period adjustments

Business Scenario - Offshore

EXTERNAL

- Domestic Exploration & Production (E&P) Scenario
 - Focus predominantly on ‘P’
 - Improving awareness on significance of ‘E’

INTERNAL

- Higher average utilisation and better realisations/
day rates
- Significant contribution from- Marine Construction
activity

Outlook for balance Qs of FY 2004-05

EXTERNAL

- Increased E&P spending expected
 - Higher budgetary allocation towards ‘E’
 - Precursor to increased activities

INTERNAL

- Enhanced asset utilisation envisaged
 - Corporate commitment towards E&P to percolate into business with a lag

Business Scenario - Shipping

EXTERNAL

Tanker demand supply balance remained very tight

- Buoyant oil demand growth for the quarter 82.05 mbd v/s 79.16 mbd
- Increase in oil demand met principally from “long haul” OPEC sources
- In spite of a net tanker fleet growth of around 5% rates high due to increased tonne mile demand

Drybulk demand supply balance also very tight

- Global Steel production increased by 10% to 260 mmt
- Dry bulk rates firm due to increased iron-ore movement

INTERNAL

- Operating capacity increased by 71% to 2.80 mn dwt
- Revenue days increased by 29% to 3475 days
- Spot days increased by 65% to 1512 days

Outlook for balance Qs of FY 2004-05

EXTERNAL

Tankers :

Tanker demand supply balance to remain very tight

- Moving into winter months with low inventories
- Mandatory scrapping deadline approaching

Dry bulk :

- Iron ore, coal trade expected to be firm.

INTERNAL

- Improvement in TCEs for “spot” traded ships
- Time charter renewals at higher rates

Volatile freight markets with firm undertone

Thank You

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