

THE GREAT EASTERN SHIPPING CO. LTD.

Regd. Office: Ocean House, 134-A, Dr. Annie Besant Road, Mumbai-400 018.

UNAUDITED FINANCIAL RESULTS (STANDALONE) FOR THE QUARTER ENDED DECEMBER 31, 2008.

(Rs. in Crores)

Quarter Ended on		% Inc/ (dec)		Nine Months Ended on		% Inc/ (dec)	Year Ended on 31.03.2008 (AUDITED)
31.12.2008 (UNAUDITED)	31.12.2007 (UNAUDITED)			31.12.2008 (UNAUDITED)	31.12.2007 (UNAUDITED)		
			1. Income -				
701.72	604.29		(a) Freight & Charter hire	2268.25	1842.73		2580.71
27.05	49.03		(b) Gain on sale of ships	280.97	243.74		289.42
728.77	653.32		Total	2549.22	2086.47		2870.13
			2. Expenditure -				
75.98	61.27		(a) Employees Cost (ashore and floating)	205.40	171.75		232.12
59.38	43.20		(b) Repairs & Maintenance-Fleet	148.72	135.06		176.52
214.85	104.21		(c) Direct operating expenses	538.34	307.00		435.14
3.63	64.21		(d) Hire of chartered ships	60.20	231.20		309.86
43.44	41.12		(e) Other expenses	109.98	116.89		156.63
397.28	314.01		Total	1062.64	961.90		1310.27
331.49	339.31	-2.3%	3. (a) Operating Profit (PBIDT)	1486.58	1124.57	32.2%	1559.86
304.44	290.28	4.9%	(b) Operating Profit (PBIDT) (excluding gain on sale of ships)	1205.61	880.83	36.9%	1270.44
82.30	87.84		4. Depreciation	240.04	257.95		340.95
249.19	251.47	-0.9%	5. Profit from Operations before Other Income, Interest and Exceptional Items [3(a) - 4]	1246.54	866.62	43.8%	1218.91
48.10	68.54		6. Other Income	193.43	147.17		186.41
297.29	320.01	-7.1%	7. Profit before Interest and Exceptional Items [5 + 6]	1439.97	1013.79	42.0%	1405.32
44.40	38.56		8. Interest	118.77	104.08		149.28
252.89	281.45	-10.1%	9. Profit after interest but before Exceptional Items [7 - 8]	1321.20	909.71	45.2%	1256.04
(14.85)	22.42		10. Exceptional items (see note 2)	(153.42)	186.49		146.97
238.04	303.87	-21.7%	11. Profit from Ordinary Activities before tax [9 + 10]	1167.78	1096.20	6.5%	1403.01
5.00	10.30		12. Tax expense -				
(7.99)	-		- current tax including fringe benefit Tax	41.00	38.80		46.20
(2.99)	10.30		- for prior years	(7.99)	-		-
				33.01	38.80		46.20
241.03	293.57	-17.9%	13. Net Profit after tax [11 - 12]	1134.77	1057.40	7.3%	1356.81
152.29	152.27		14. Paid-up Equity Share Capital (Face Value Rs.10/-)	152.29	152.27		152.27
			15. Reserves excluding revaluation reserves				4005.10
16.80	17.81		16. (a) Earnings per share excluding exceptional item (in Rs.)				
16.77	17.70		- Basic	84.59	57.20		79.45
			- Diluted	84.42	56.86		78.80
15.83	19.28		(b) Earnings per share including exceptional item (in Rs.)				
15.79	19.10		- Basic	74.52	69.44		89.11
			- Diluted	74.36	69.04		88.37
106231363	107531536		17. Public Shareholding -				
69.76	70.62		- Number of Shares	106231363	107531536		106969942
			- Percentage of shareholding	69.76	70.62		70.25

THE GREAT EASTERN SHIPPING CO. LTD.

Regd. Office: Ocean House,134-A, Dr.Annie Besant Road, Mumbai-400 018.

NOTES :

1. Even though not yet mandatory, in accordance with the recommendations of the Institute of the Chartered Accountants of India, the Company has with effect from April 01, 2008 adopted the principles enunciated in Accounting Standard (AS) 30, Financial Instruments: Recognition and Measurement in respect of hedge accounting and recognition and measurement of derivatives. Consequently, the revaluation gain/(loss) on designated hedging instruments that qualify as effective hedges has been appropriately recorded in the hedging reserve account. Designated hedging instruments include foreign currency loan liabilities and currency, interest rate and bunker derivatives. Earlier, the revaluation gain/(loss) on the foreign currency loan liabilities was recognised in the profit and loss account whereas the gain/(loss) on currency, interest rate and bunker derivatives was recognized on settlement. Consequent to the designation of foreign currency loan liabilities as hedging instruments, the profit of the Company for the quarter and nine months ended December 31, 2008 is higher by Rs. 62.60 crores and Rs. 252.18 crores respectively. Gain/(loss) on revaluation of ineffective hedge transactions and on settlement of hedge transactions is recognised in the Profit and Loss Account.
2. Exceptional item includes :
 - (a) Net Compensation (paid)/received on cancellation of vessel construction/sale contracts for the quarter and nine months ended December 31, 2008 was Rs (14.85) crores. (for the quarter and nine months ended December 31, 2007 the corresponding amount was Rs. "Nil").
 - (b) Exchange gain/(loss) on revaluation of foreign currency loan liabilities in accordance with AS-11 for the quarter and nine months ended December 31, 2008 were Rs. "Nil" and Rs (138.57) crores respectively. (for the quarter and nine months ended December 31, 2007 the corresponding amounts were Rs.22.42 crores and Rs. 186.49 crores respectively).
3. During the quarter the Company has allotted 10,000 equity shares pursuant to the option exercised by one of the non-whole time directors to convert warrants at the predetermined price of Rs. 312.75 per share. (Already reported in quarter ended September 30th, 2008).
4. (a) The Company has declared and paid 1st interim dividend of Rs. 2.50 per equity share. The outgo on this account was Rs. 44.54 crores including Tax on Dividend.

(b) The Company has declared a 2nd interim dividend of Rs. 2.50 per equity share. The outgo on this account is Rs. 44.54 crores including Tax on Dividend.
5. During the quarter under review, the Company undertook following transaction:
 - (i) took delivery of two newly built Long Range One (LR1) Product Tankers named "Jag Aabha" and "Jag Aanchal" of DWT 74500 MT each.

- (ii) sold and delivered -
 - a Handysize Drybulk Carrier named “Jag Vidya” (Year Built : 1977) of DWT 27451 MT.
 - a Handysize Drybulk Carrier named “Jag Rishi” (Year Built : 1984) of DWT 41093 MT.
 - (iii) Contracted to sell a Handymax dry bulk carrier named “Jag Rani” (Year built 1984) of DWT 41545 MT for delivery in fourth quarter of Financial Year 2008-09.
 - (iv) cancelled construction contracts of two Supramax Bulk Carrier of DWT 57000 MT each, which were scheduled for delivery in fourth quarter of Financial Year 2009-10 and first quarter of Financial Year 2010-11 respectively.
 - (v) contracted to sell a Supramax Drybulk Carrier named “Jag Rahul” (Year Built : 2003) of DWT 52364 MT for delivery in fourth quarter of Financial Year 2008-09. However the sale was not concluded on account of buyer’s default.
6. During the quarter, the Company has subscribed 2,20,00,000 7.50% Cumulative Convertible Redeemable Preference Shares of Rs. 10/- each at a premium of Rs. 20/- per share aggregating to Rs. 66 crores in its wholly owned subsidiary “Greatship (India) Ltd.”
- Subsequent to the end of the quarter, the Company has further subscribed 3,00,00,000 7.50% Cumulative Convertible Redeemable Preference Shares of Rs. 10/- each at a premium of Rs. 20/- per share aggregating to Rs. 90 crores in its wholly owned subsidiary “Greatship (India) Ltd.” The total investment in “Greatship (India) Ltd.” till date aggregates to Rs. 1008 crores.
7. The Company is mainly engaged in shipping business and there are no separate reportable segments as per Accounting Standard (AS) 17.
8. Previous period figures have been re-grouped wherever necessary.
9. Number of Investor Complaints at the beginning of the quarter were “Nil”, received during the quarter were “6”, disposed off during the quarter were “6” and lying unresolved at the end of the quarter were “Nil”.
10. The Board of Directors has approved the aforesaid results at its meeting held on January 30, 2009. These results have been subjected to a “Limited Review” by the auditors of the Company, as per the listing agreements with the Stock Exchange, Mumbai and the National Stock Exchange.

For The Great Eastern Shipping Co. Ltd.

**(K. M. Sheth)
Executive Chairman**

Place: Mumbai.
Date : 30.01.2009