

The Great Eastern Shipping Co. Ltd.

Business & Financial Review

April 2010

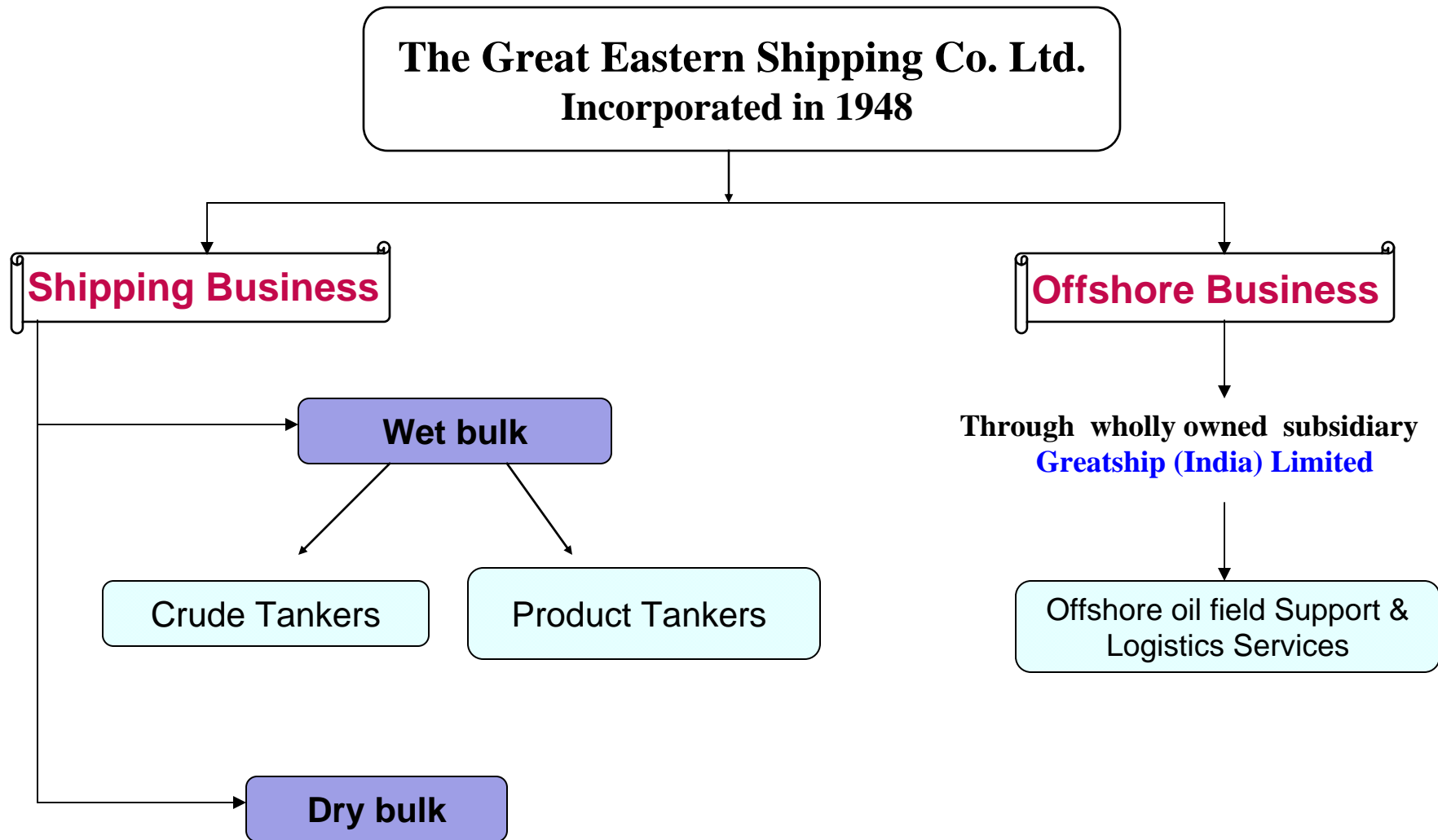
Forward Looking Statements

Except for historical information, the statements made in this presentation constitute forward looking statements. These include statements regarding the intent, belief or current expectations of GE Shipping and its management regarding the Company's operations, strategic directions, prospects and future results which in turn involve certain risks and uncertainties.

Certain factors may cause actual results to differ materially from those contained in the forward looking statements; including changes in freight rates; global economic and business conditions; effects of competition and technological developments; changes in laws and regulations; difficulties in achieving cost savings; currency, fuel price and interest rate fluctuations etc.

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.

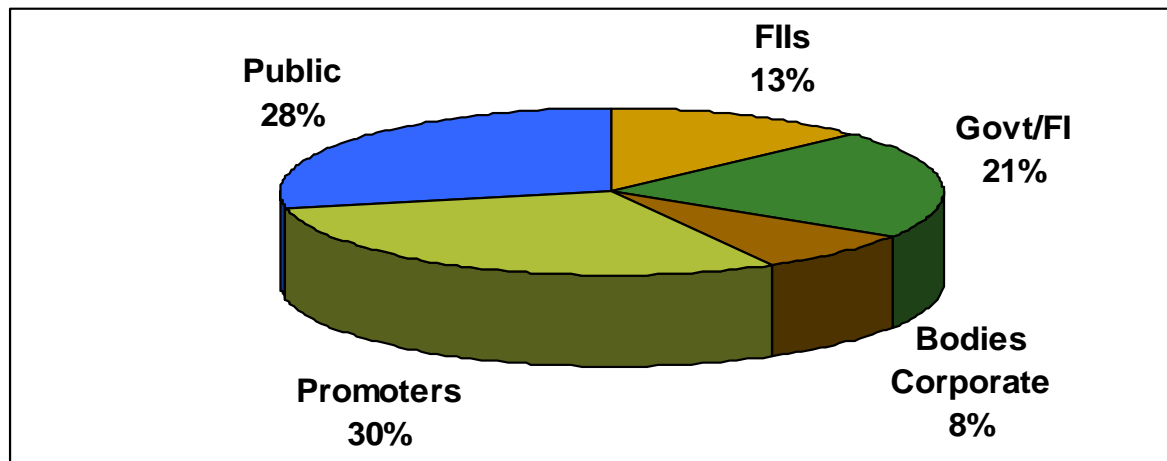
Corporate Profile



Company at a glance

- ✦ *India's largest private sector Shipping Company*
- ✦ *Diverse asset base with global operations*
- ✦ *Completed 61 years of operations*
- ✦ *More than 26 years of uninterrupted dividend track record*

Shareholding Pattern as on Mar 31, 2010



Shipping business-owned fleet

- ❑ **37 ships aggregating 2.74 Mn dwt, avg.age 10.9 years**
 - ❑ **31 Tankers** avg.age 10.4 years (85% in tonnage terms)
 - ❑ **11 Crude carriers (5 Suezmax, 6 Aframax)** avg.age 10.1 years (2 single hull – both double sided)
 - ❑ **19 Product tankers (4 LR1, 10 MR, 5 GP)** avg.age 10.6 years (5 single hull – 2 double sided)
 - ❑ **1 LPG carrier** – avg.age 19 years
 - Double hull status – 23 tankers representing 81% in dwt terms**
 - ❑ **6 Dry bulk carriers** avg.age 13.6 years
 - ❑ **1 Capesize** - avg.age 14 years
 - ❑ **1 Panamax** - avg.age 15 years
 - ❑ **2 Supramax**- avg.age 8 years
 - ❑ **1 Handymax** - avg.age 13 years
 - ❑ **1 Handysize** - avg.age 30 years

Committed CAPEX – Shipping Business

Committed Capex of around USD 577 Mn

- 8 new building contracts aggregating 1.31 mn. dwt

To be delivered in:

✓ FY 2011

- 1 NB, Kamsarmax Dry Bulk Carrier (STX Shipbuilding Co. Ltd)
- 2 NB, Supramax Dry Bulk Carriers(Cosco (Zhoushan) Shipyard Co. Ltd)

✓ FY 2012

- 2 NB, Kamsarmax Dry Bulk Carrier (1 in STX Shipbuilding Co. Ltd & 1 in SPP Shipbuilding Co.Ltd)
- 3 NB, Very Large Crude Carriers (VLCC) (Hyundai Heavy Industries)

Year wise addition to the gross block

<i>(Amt in US\$ mn)</i>	<i>FY11</i>	<i>FY12</i>
Total CAPEX : US 577 mn	136	441

US\$118 mn of the total CAPEX has been paid

Offshore business- Fleet Profile

➤ **Current Owned Fleet**

- ✓ 1 350ft Jack Up Rig
- ✓ 5 Platform Supply Vessels (PSV)*
- ✓ 8 Anchor Handling Tug cum Supply Vessels (AHTSV)
- ✓ 1 Multipurpose Platform Supply and Support Vessel

➤ **Current Inchartered Fleet**

- ✓ 1 350ft Jack Up Rig
- ✓ 1 Platform Supply Vessel (PSV)

***JV between Greatship (I) Ltd & DOF Subsea, Norway
- focus on subsea projects in the Indian subcontinent***

* Contracted to sell 1 PSV - expected delivery Q1FY11

Committed CAPEX – Offshore Business

➤ Committed Capex of around USD 362 Mn

To be delivered in:

✓ FY 2011

- 3 NB Platform / ROV Support Vessels (CDL)
- 2 NB MPSV (Keppel Singmarine)
- 2 NB MSVs (Mazagon Dock)

✓ FY 2012

- 2 NB 150T AHTSV (Drydock World, Singapore)

Year wise addition to the gross block

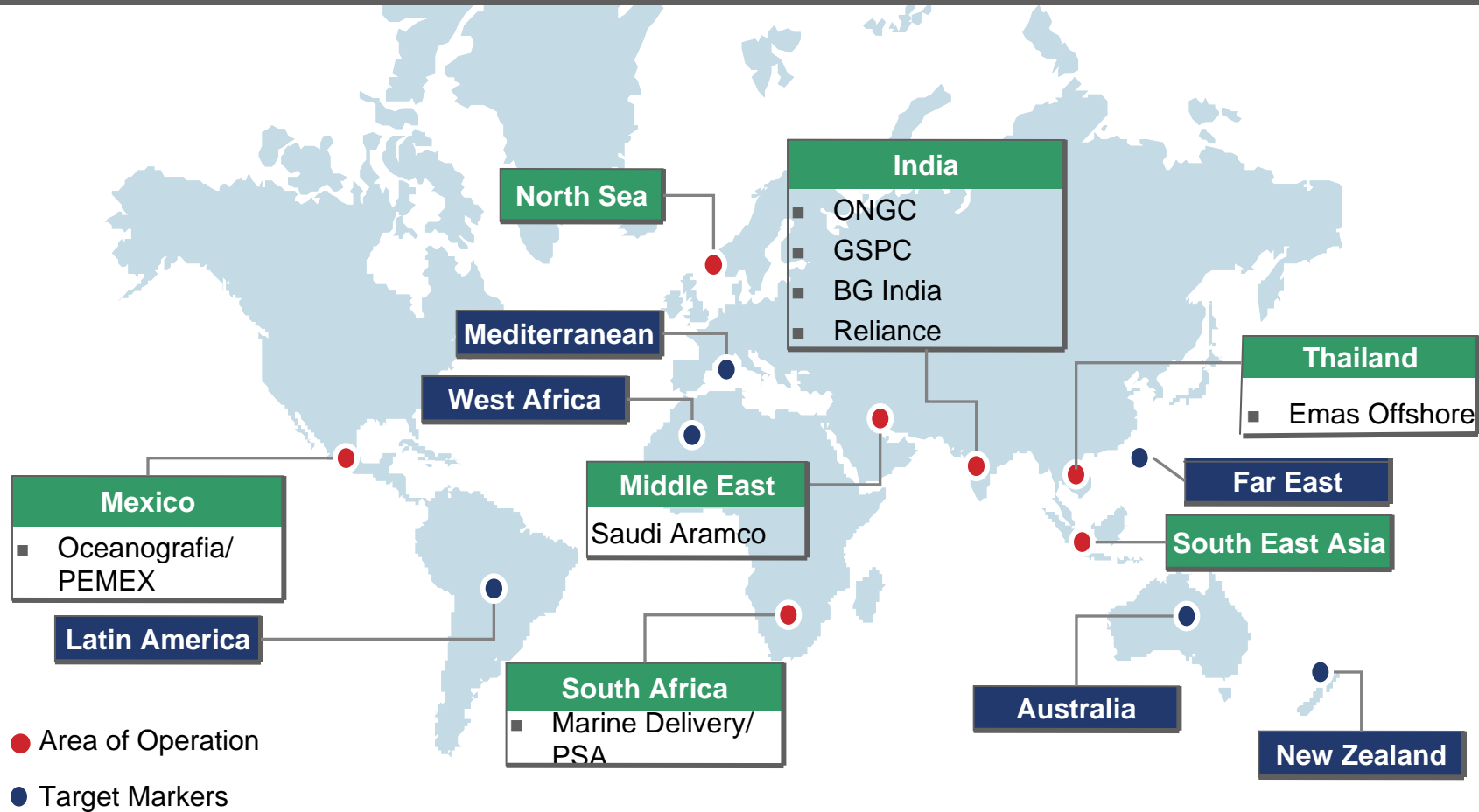
<i>(Amt in US\$ mn)</i>	<i>FY11</i>	<i>FY12</i>
Total CAPEX : US\$ 362 mn	326	36

US\$125 mn of the total CAPEX has been paid

Fleet Growth	FY2008	FY2009	FY2010E	FY2011E	FY2012E
Fleet (in nos)	4	8	15	21	23

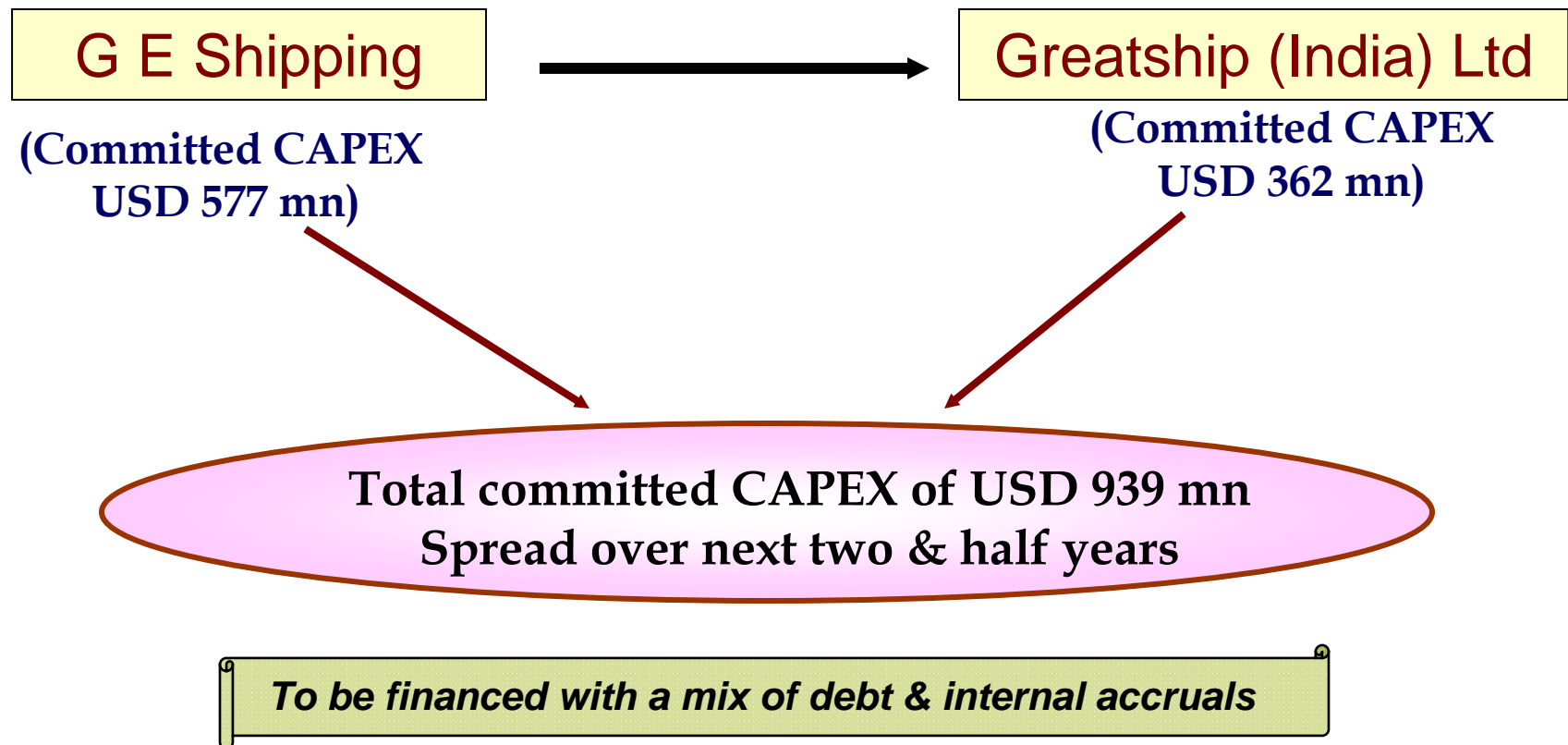
Global Presence-Risk Diversification and Profit Maximization

One of the few Indian companies to operate in diverse markets across the world with prestigious counterparties; helps to hedge against fluctuations in charter rates



Committed Capex for the Group

Total Investment US\$232 mn
Equity (US\$ 177mn) + Pref (US\$ 55mn)



Group D/E ratio around 1.2:1 (at the peak)

Financial Highlights of Q3FY10 Performance

(Rs.crs)	Standalone			Consolidated		
	Q3FY10	Q3FY09	9mFY10	Q3FY10	Q3FY09	9mFY10
Freight & Charter hire	467	702	1,369	706	967	2,090
Gain on sale of ships	-	27	173	-	27	173
Total Income	467	729	1,542	706	994	2,263
Total Expenditure	335	394	977	543	593	1,612
Operating Profit (incl. Gain on sale of ships)	132	335	565	163	401	651
Operating Profit (excl. Gain on sale of ships)	132	308	392	163	374	478
Net Profit	75	241	298	94	294	357
Diluted EPS (in Rs)	4.9	15.8	19.6	6.2	19.3	23.4

NAV as on 31 Dec'09 Rs.303

Q3 FY09 Performance Highlights

Breakup of revenue days

<i>Revenue Days (standalone)</i>	<i>Q3 FY10</i>	<i>Q3 FY09</i>	<i>% chg</i>
Owned Tonnage	3,346	3,517	(5)%
Inchartered Tonnage	56	110	(49)%
Total revenue days	3,402	3,627	(6)%

<i>Particulars (Rs crs)</i>	<i>GE Shipping</i>	<i>Sharjah</i>	<i>Greatship*</i>	<i>Group Total</i>
Debt as on 31/12/09	3,487	-	2,099	5,586
Cash as on 31/12/09	3,214	117	264	3,595
Gross Gearing (x)	0.65	-	2.01	0.94

Loan Repayment Schedule

<i>(Amt in US\$ mn)</i>	<i>FY11</i>	<i>FY12</i>	<i>FY13</i>
GE Shipping	101	92	70
Greatship*	48	67	71

* Includes Greatship (I) Ltd & its subsidiaries

Earnings Mix

GE Shipping Average TCY Details

<i>Average TCY (\$ per day)</i>	<i>Q3 FY10</i>	<i>Q3 FY09</i>	<i>% change</i>
Crude Carriers	17,718	37,653	(53)%
Product Carriers (incl. gas)	19,131	23,120	(17)%
Dry Bulk Carriers	20,964	30,816	(32)%

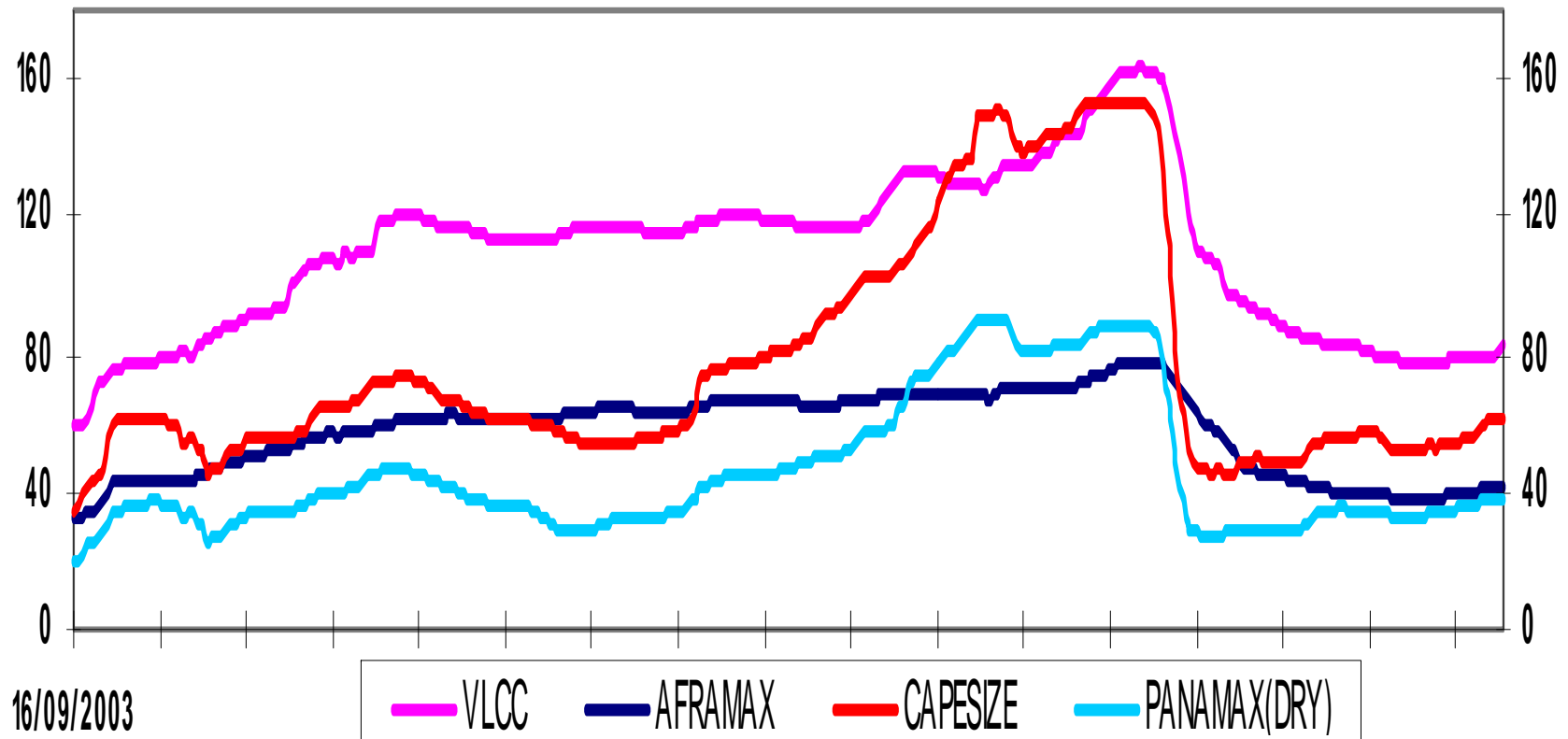
Mix of Spot & Time

Q3 FY10	Q3 FY09	Days (in %)	FY09
54%	74%	<u>Dry Bulk</u>	72%
46%	26%	Spot %	28%
		Time %	
40%	53%	<u>Tankers</u>	52%
60%	47%	Spot %	48%
		Time %	
43%	59%	<u>Total</u>	57%
57%	41%	Spot %	43%
		Time %	

Asset Price Movement (5 yr old)

Timeline- Sep2003 till April 22, 2010

Amt in US\$ mn



Source: Baltic Sale & Purchase Assessment

Gross World fleet addition-Shipping

World Fleet addition*	CY2010	CY2011	CY2012
Crude tankers	11%	12%	3%
Product tankers	12%	8%	1%
Dry bulk carriers	23%	17%	8%

**11% of world
tanker fleet
single hull**

*includes only new building from yards

Fleet as on 1 st Apr'10	Scrapping (in mn dwt)	CY2008	CY2009	CY2010 YTD
(in mn dwt)				
314.3	Crude	1.3	5.1	2.86
127.8	Product	1.5	3.3	1.55
475.3	Bulk	3.6	10.0	1.01

**17% of
world dry
bulk fleet >
25 years**

Source: Clarkson

Slippages... to be a decisive factor

CY 2009 (in mn dwt)	VLCC	Suezmax	Aframax	Panamax	MR	GP	Total
Orderbook as in 1 Jan'09	20.8	10.9	11.9	4.1	10.6	2.1	60.5
Actual Deliveries CY09	16.7	7.1	10.5	2.8	7.2	1.4	45.9
Slippages/ cancellations	4.1	3.8	1.3	1.2	3.4	0.7	14.6
Slippages/ cancellations as % of orderbook as on 1 Jan'09	19.9%	34.7%	11.3%	29.8%	32.1%	33.5%	24.2%

CY 2009 (in mn dwt)	Capesize	Panamax	H'max	H'size	Total
Orderbook as in 1 Jan'09	31.3	11.2	17.9	9.2	69.8
Actual Deliveries CY09	21.1	6.6	9.7	4.5	42.1
Slippages/ cancellations	10.2	4.6	8.2	4.7	27.7
Slippages/ cancellations as % of orderbook as on 1 Jan'09	32.6%	40.9%	45.7%	51.1%	39.7%

Tanker Market

- **Crude:**

- Demand outlook for the medium term to be weak
- High fleet growth to put excessive pressure

- **Product:**

- Low refining margins & depressed demand keeping product tanker rates down

*Large US oil inventories coupled with new building deliveries
expected to keep tanker rates under pressure*

But...

- Increase in global refinery capacity in next 2 years to give support to seaborne movement...and
- Accelerated single hull phase out could relieve some supply side pressure

Dry Bulk Market

- Chinese iron ore imports to increase by 29%, whereas rest of world to decline by 32% . Therefore, China to be a key support
- Excessive fleet addition to be a key concern

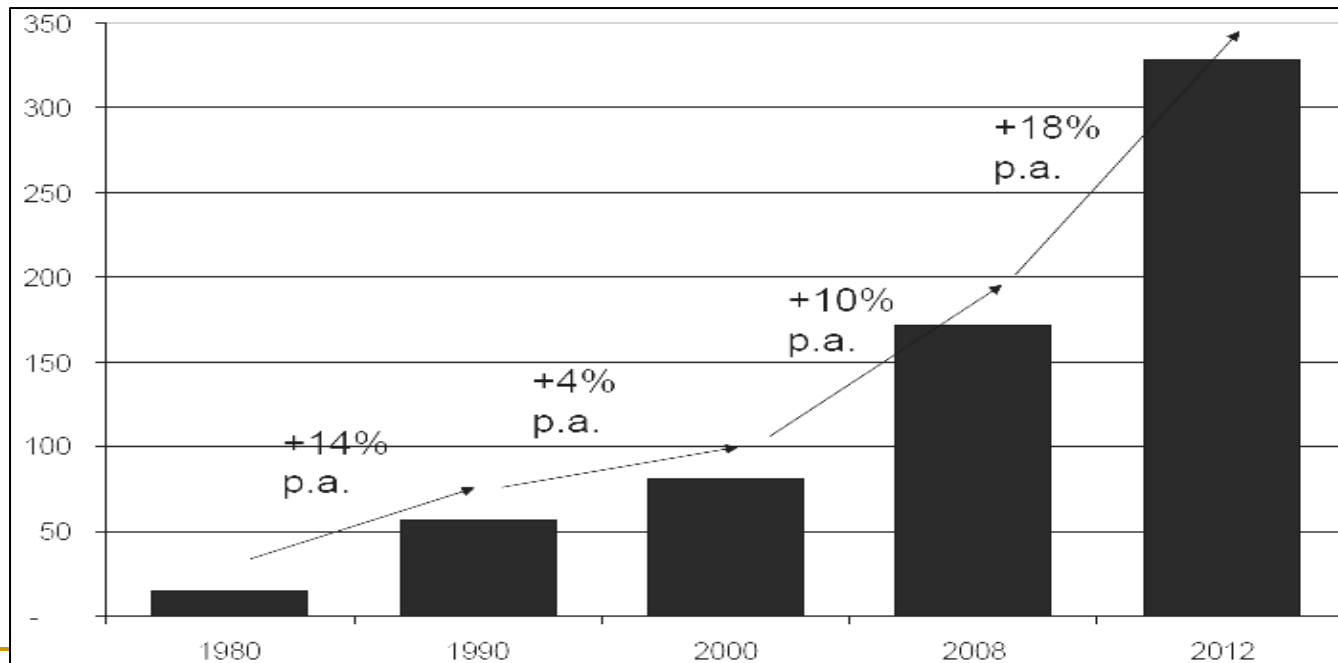
... but a ray of hope...

- Increase in level of scrapping activity
- Construction on more than one third of the existing orderbook not yet begun.
- First trigger for a market upturn will be settlement of iron ore prices & active resumption of shipments by China
- Impact of worldwide stimulus packages, viable commodity prices & simultaneous rebuilding of inventories- will help a rapid turnaround

Offshore Market

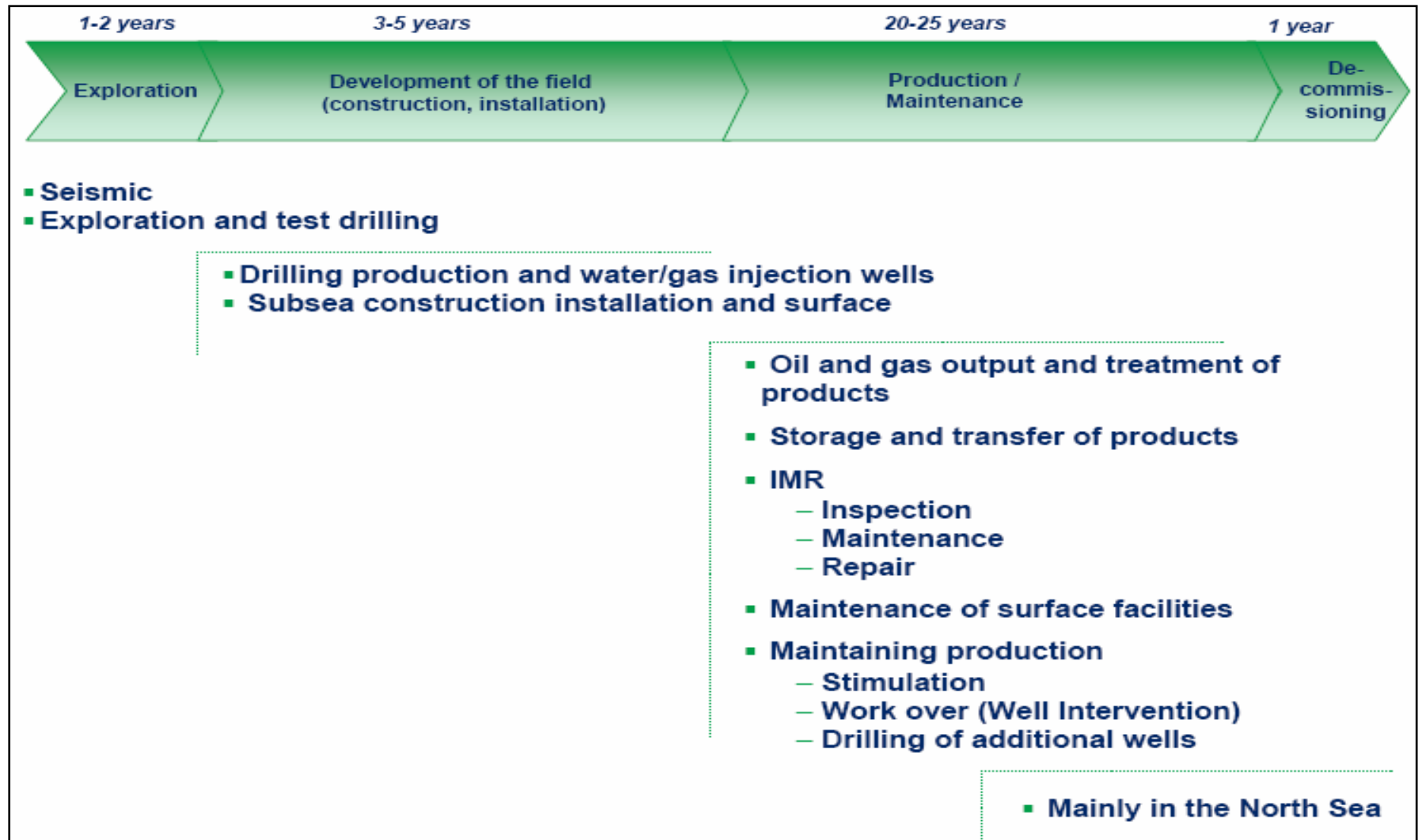
- ✓ Decline in oil & gas reserves
- ✓ Energy Security concerns high on consumer countries agenda
- ✓ Development and drilling activity in mid to deep water
- ✓ Tenders continuing to be issued for long term work

Total Subsea fleet development



Source: Offshore Research, Pareto

Life Cycle of Offshore Fields



Source: Bourbon, Feb 2008

Offshore Supply Market

OSV Fleet Summary

(Nos)	AHTSVs	PSVs	Others
Current Fleet*	2,443	1,944	1,757
Orderbook	373	205	173
% of O/B to current fleet	15%	10%	10%

* Data as on Apr'10, Source: Clarkson





THANK YOU

visit us at www.greatship.com

