

The Great Eastern Shipping Company Ltd.



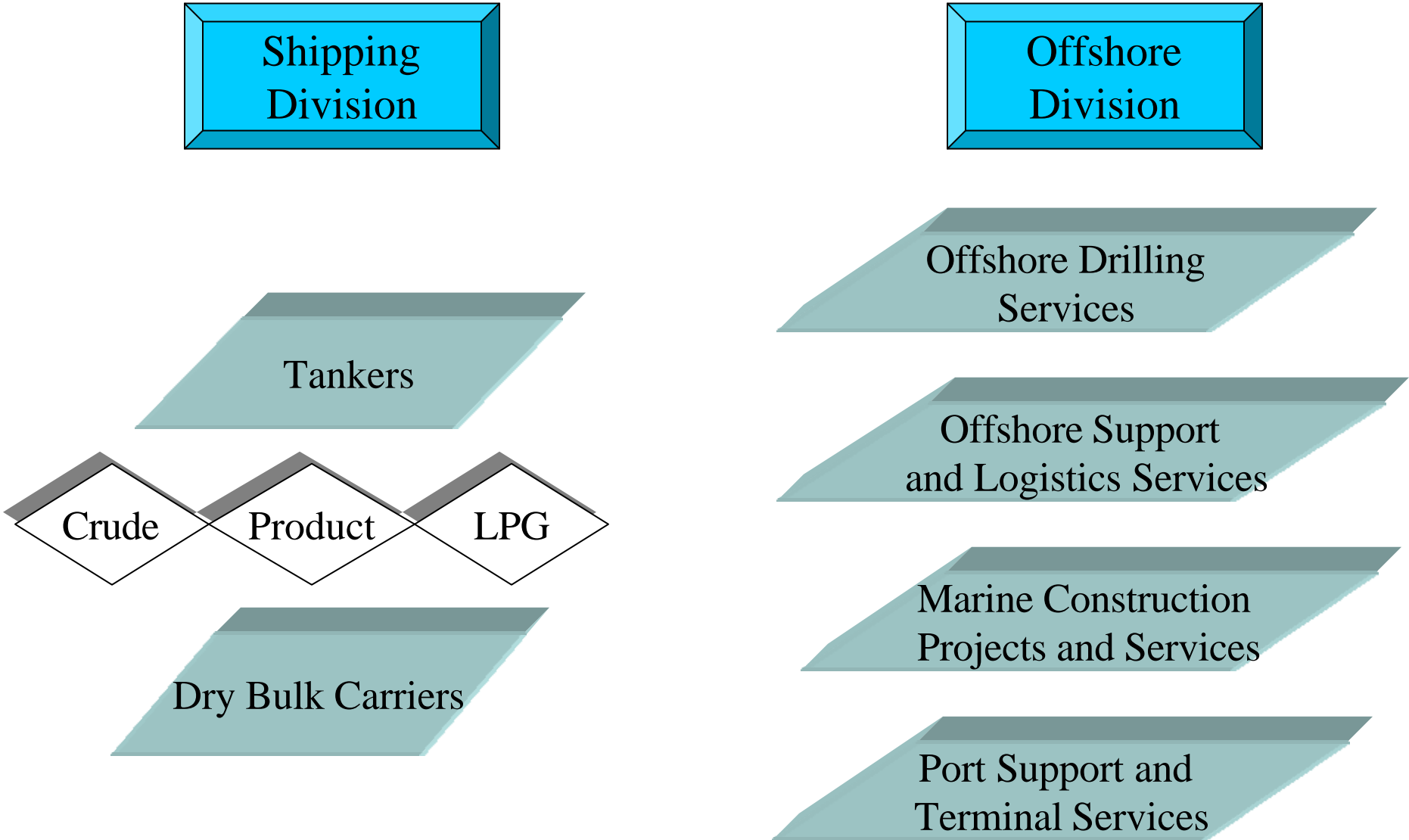
India's premier Shipping and Offshore service provider

Forward looking information

This presentation contains certain forward looking information through statements, which are based on management's current expectations and observations. The company does not 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.

Business Profile



Shipping Division Fleet profile

23 Tankers: 5 Crude oil carriers
17 Product carriers
1 LPG Carrier

9 Dry bulk carriers: 1 Panamax
3 Handymax
3 Handysize
2 MBC



On order: 4 Tankers aggregating 0.47 mn dwt
1 Aframax crude carrier
1 MR product carrier
2 Suezmax crude carriers

GES fleet average age 12.6 years

World fleet average age:12.2 years

Indian fleet average age:16.5 years

Double hull tonnage World average 52%

Double hull tonnage GES average 47%

32 ships aggregating 1.59 mn dwt

Offshore division fleet profile

2 exploratory drilling rigs

16 offshore support vessels (of which 3 cater to deep water support services)

1 construction barge

11 Harbour tugs



On order 3 OSVs capable of deep water support services

2 Anchor Handling Tug Supply Vessels

1 Platform Supply Vessel

Only Indian company to own PSVs and first Indian Co. to operate in the North Sea

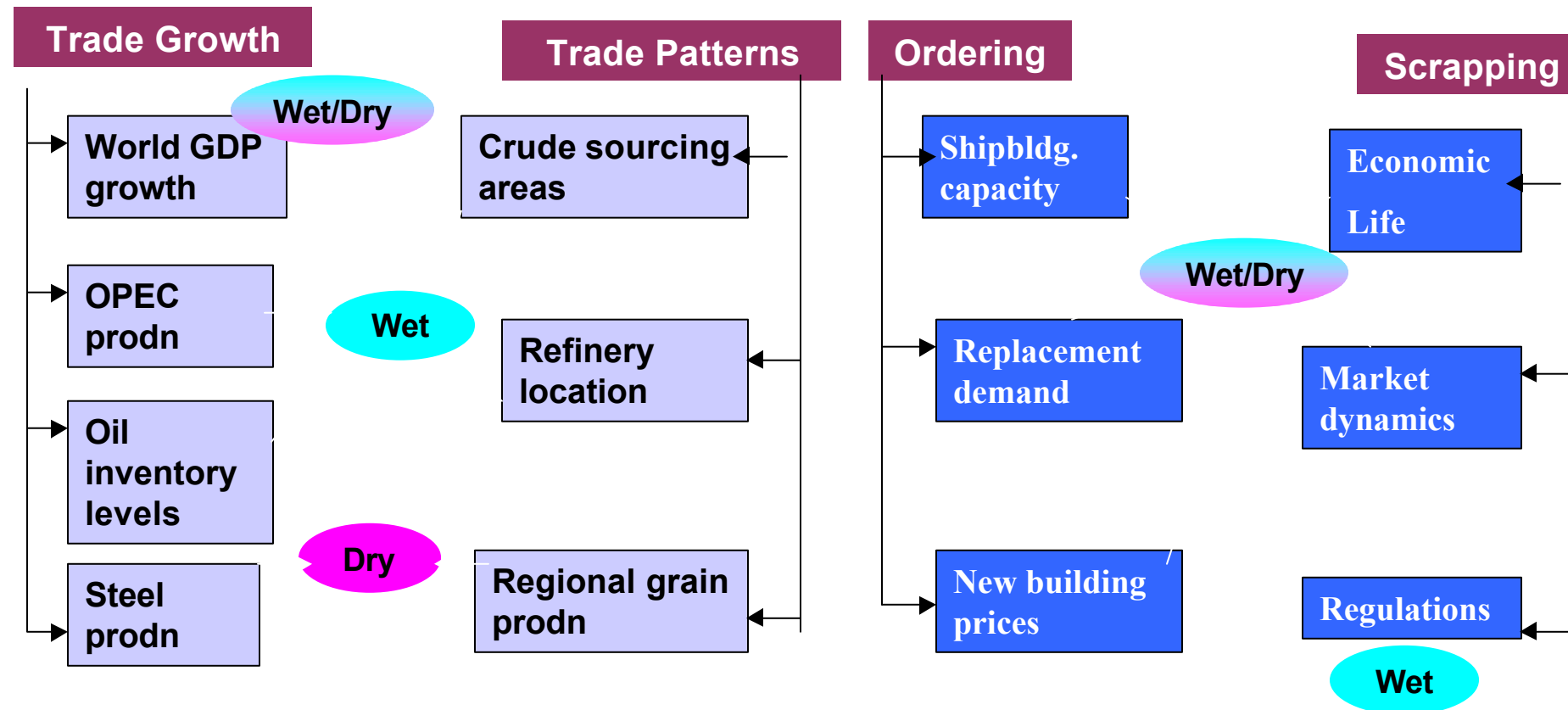
30 Offshore units catering to diverse offshore oil field services

Shipping Industry

Earnings' Drivers : Shipping business

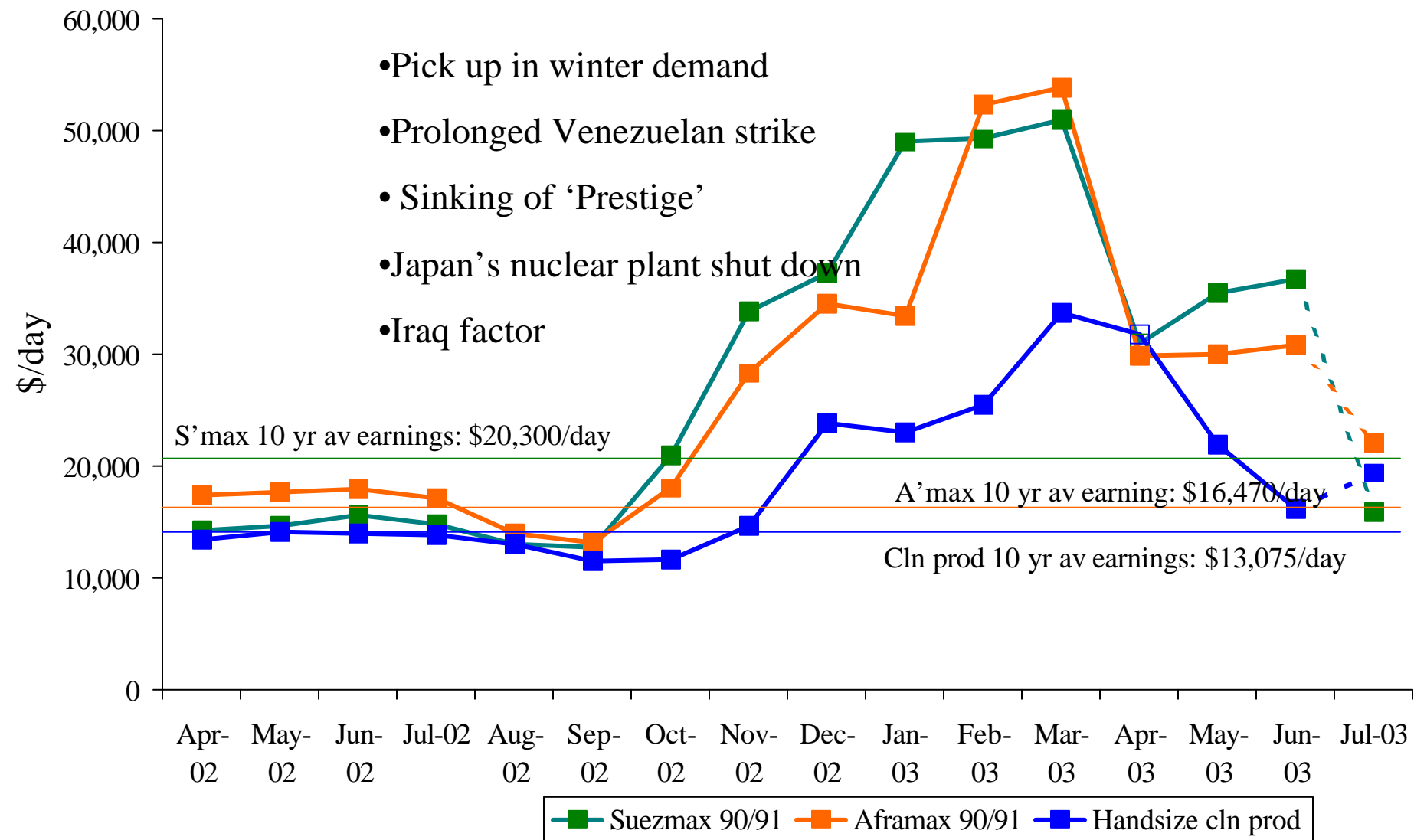
Demand Drivers

Supply Drivers



Freight Markets Movement

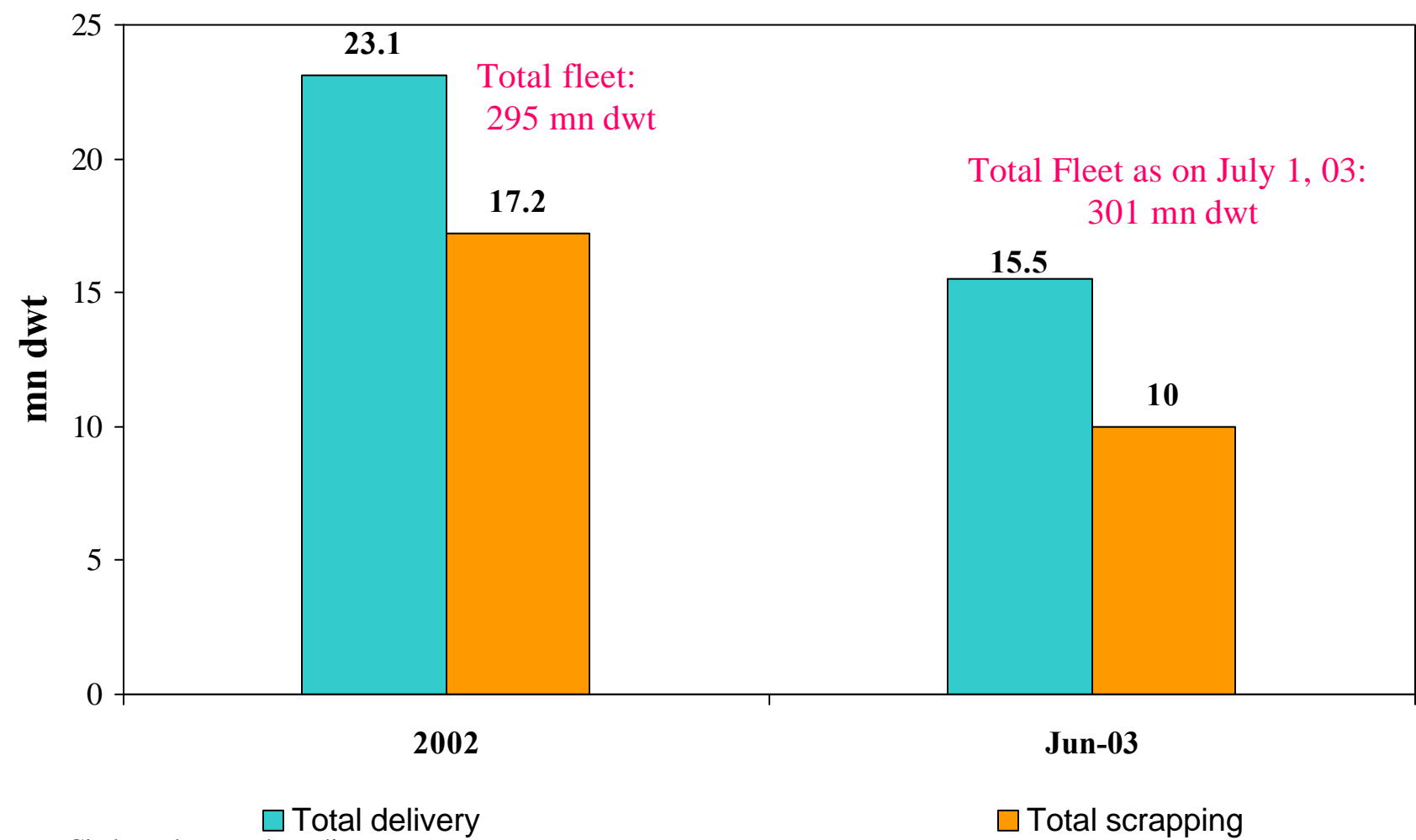
Global tanker market - spot earnings



Source: Clarksons' Research Studies, Marsoft

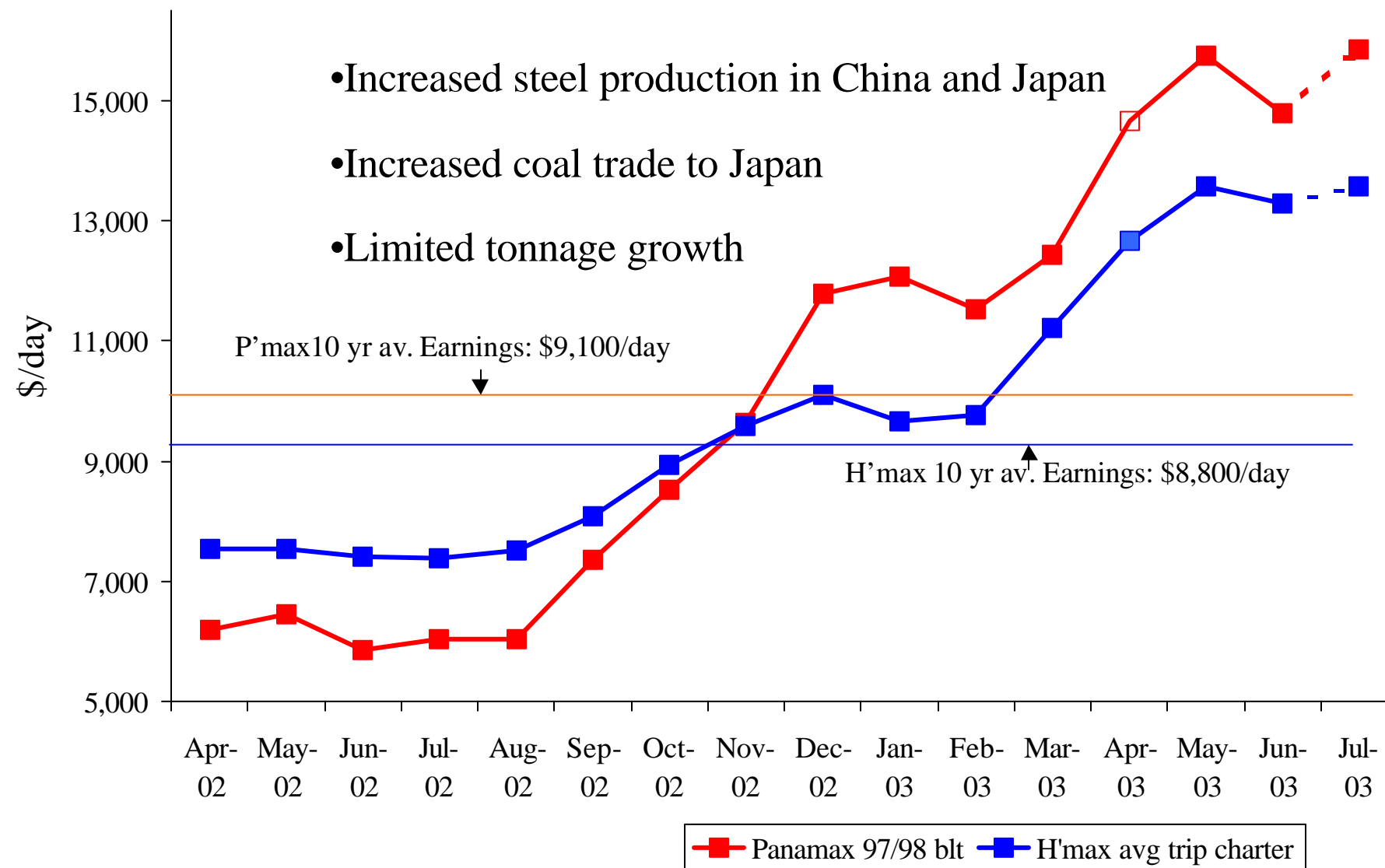
Tankers: Delivery and Scrapping

On March 31, 2003 Order book: 61.2 mn dwt
equals 20% of fleet



Source: Clarksons' research studies

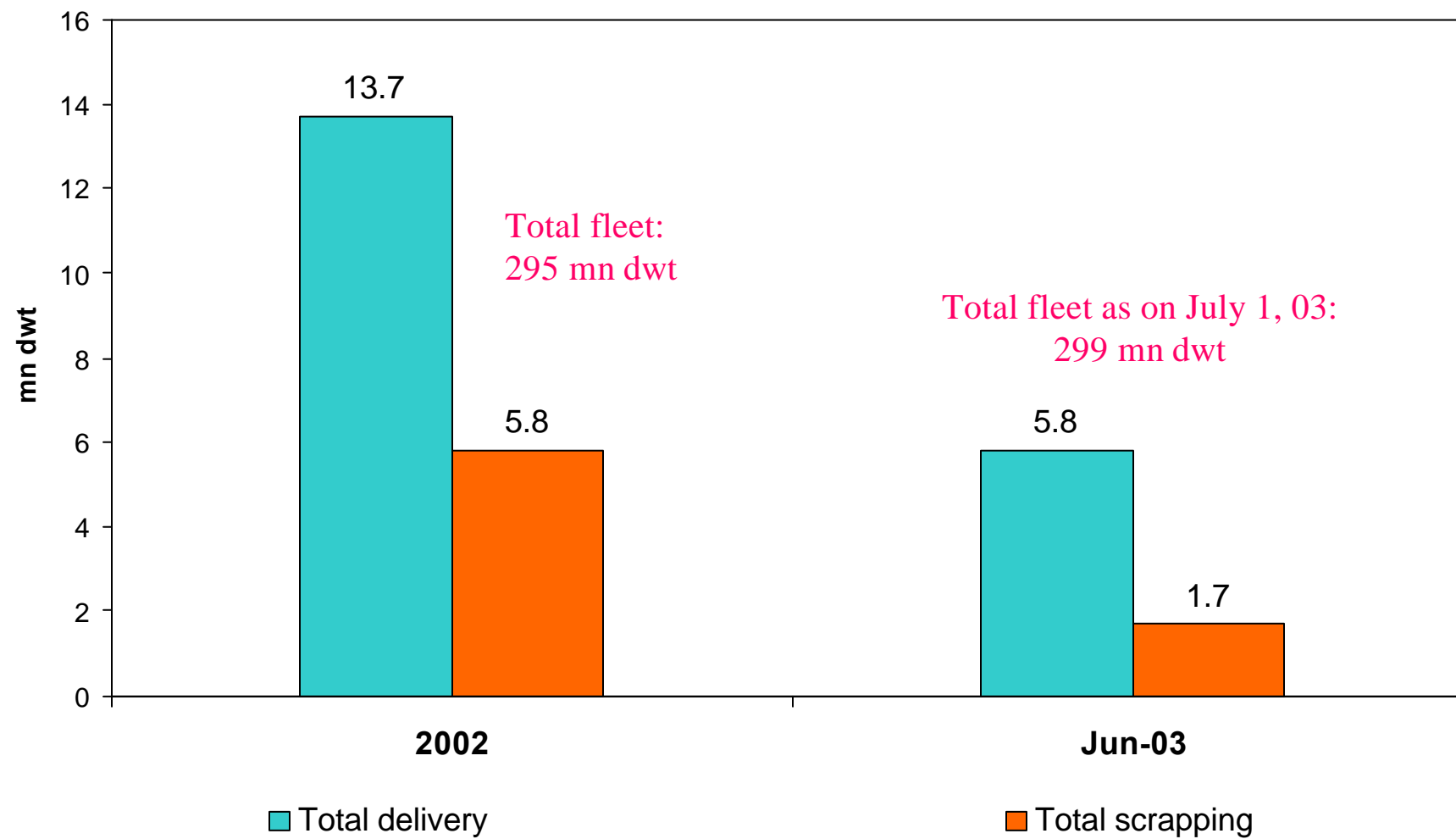
Global dry bulk market - spot earnings



Source: Clarksons' research studies, Marsoft

Dry Bulk Carriers: Delivery and Scrapping

Order book at end of FY03: 33.49 mn dwt
equals 11% of fleet



Source: Clarksons' Research Studies

Scrapping guidelines for single hull tankers

International Maritime Org.

- Cut off date 2015
- No trading exclusions

European Union

- Cut off date 2010
- Restrictions in carrying heavy oil (less than 25.7 API) in single hull tankers in EU waters from September 1, 2003

Impact on GE Shipping's fleet

One crude carrier may lose her economic life basis scrapping at 23 years

One crude carrier will lose her economic life basis scrapping at 18 years

Offshore Oil field services

Characteristics of the industry

- Activities conducted within the EEZ of each country
- Influenced by government regulations
- Dependent on oil & gas prices and global E&P activities

Earnings' drivers

Exploration

- **Geological prospects**
- **Success ratio in the recent past**
- **Price of oil & gas**
- **Demand supply gap of twin hydrocarbons**

Production

- **Demand supply gap of twin hydrocarbons**
- **Price of oil and gas**
- **Accretion of proven reserves**

Global developments in 2002

- Disconnect between rising oil and gas prices and fresh E&P investments
- Thrust in developmental drilling
- Deepwater exploratory drilling slowed down

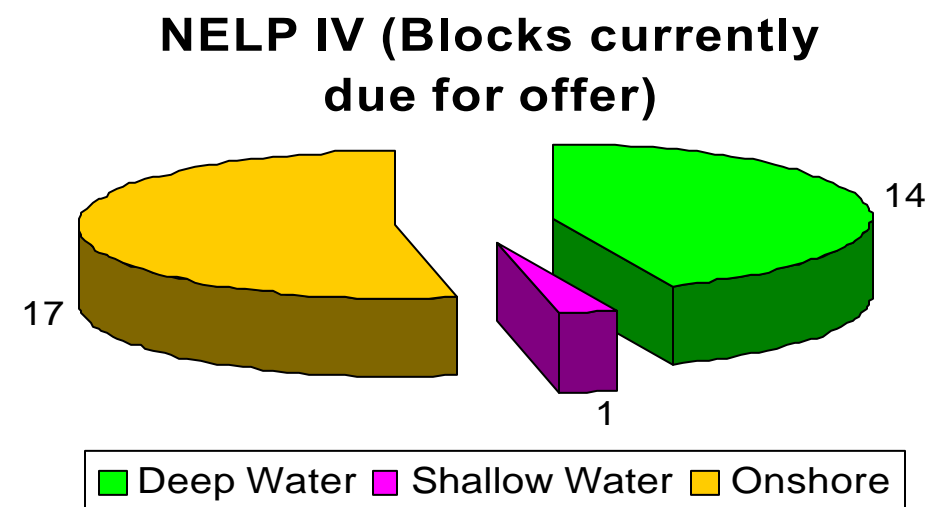
Global Developments in 2003

- Environment conducive for E&P activities
- World economies also seem to mend
- Oil majors initiated increased E&P investments

Developments in India

Increased Government emphasis on E&P activities

- Discoveries in West coast and KG basin
- Redevelopment efforts in Bombay High South & North fields
- ONGC finalised deepwater contracts worth \$ 760 mn spread over three years commencing Q1 FY04



Developments in the port and terminal sector: India

- 12 major ports handling around 360 mn metric tons
- Labour intensive
- Privatisation process tardy and time consuming
- Government considering change in regulations
- Emerging competition from private sector/ joint sector ports

Industry characteristics

- Capital intensity
 - **around 90% of capital employed is in fixed assets alone**
 - **each asset is “SBU”**
- Earnings variability
 - **within markets**
 - **within trades**
 - **within asset class**
 - **within operations**
- Asset liquidity
- Global regulatory compliance

Great Eastern's
BUSINESS STRATEGY

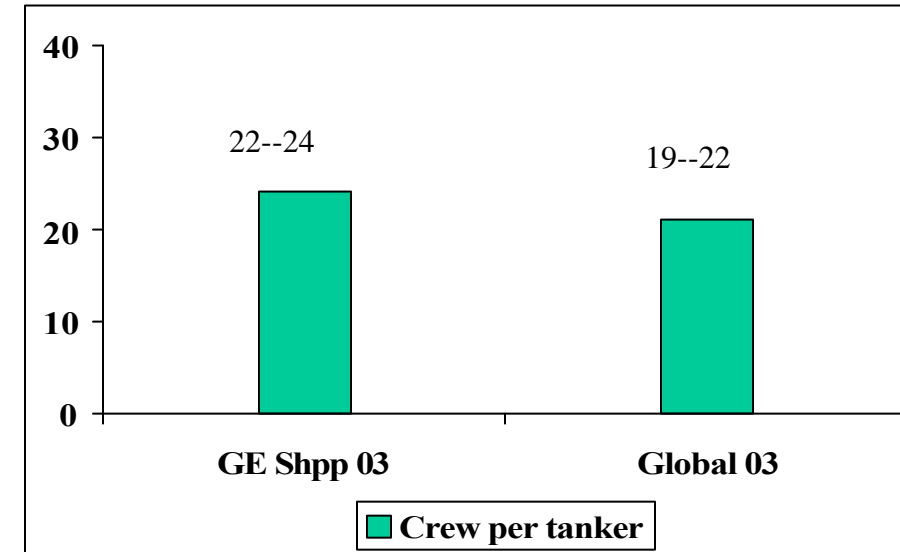
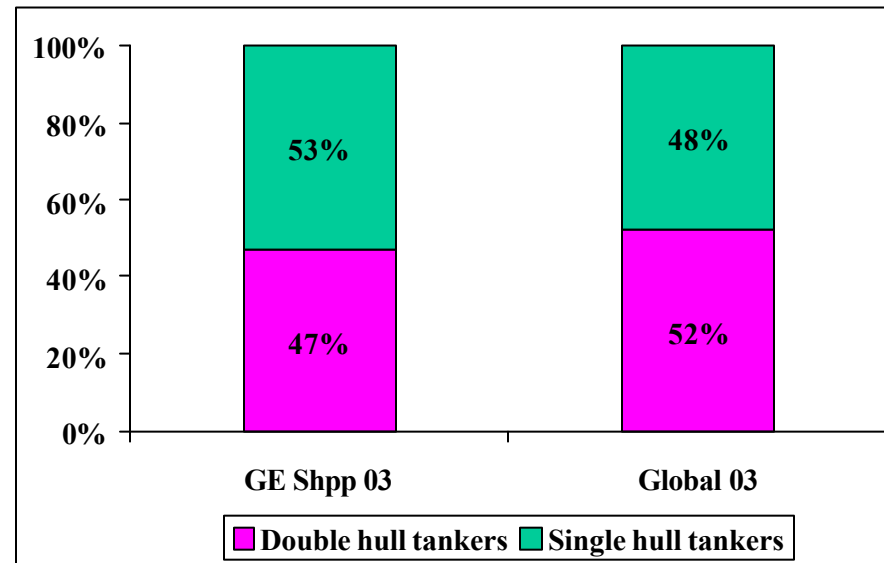
Focus on

- Energy businesses
 - Wide array of business opportunities
 - Superior long term return
- Fleet expansion and modernisation

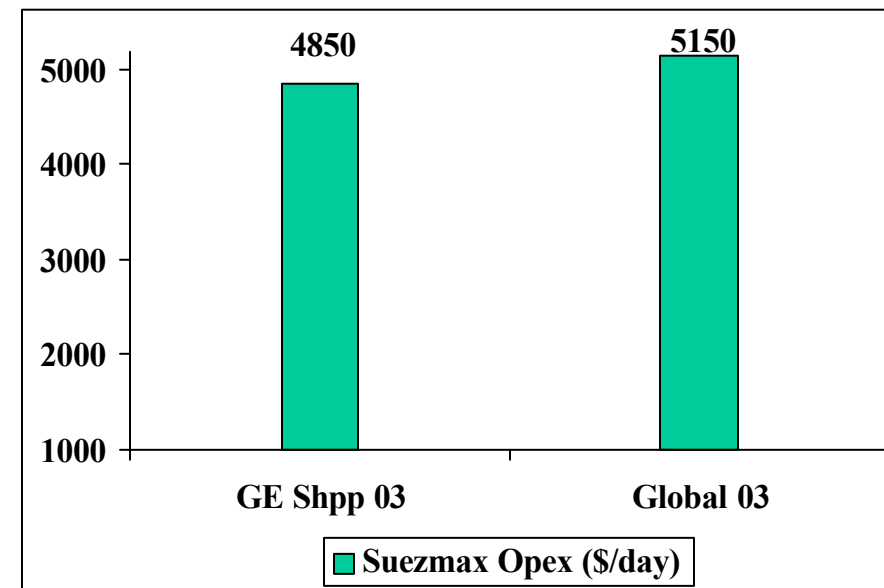
We manage our business through:

- broad based research
- continuous evaluation of fleet through judicious sale/purchase activities
- benchmarking with global standards
- derisking
 - through diverse asset base
 - long term employment

Benchmarking with Global Standards

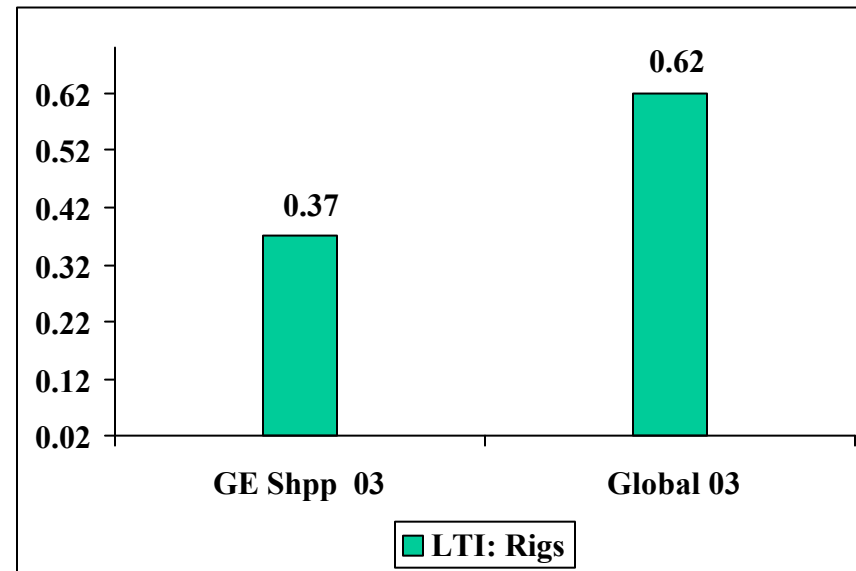


Source: Clarksons' database

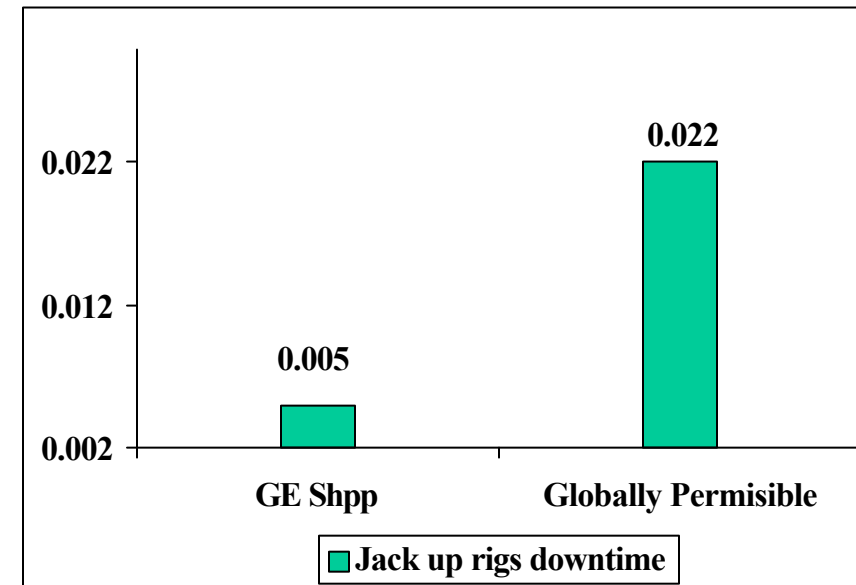


Source: MSI

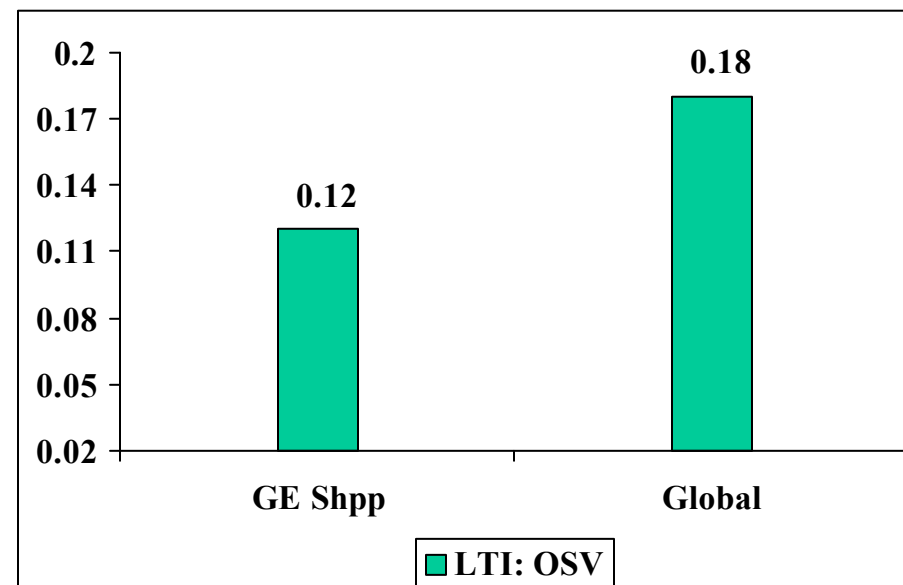
Benchmarked with Global Standards



Source: IADC, ASP

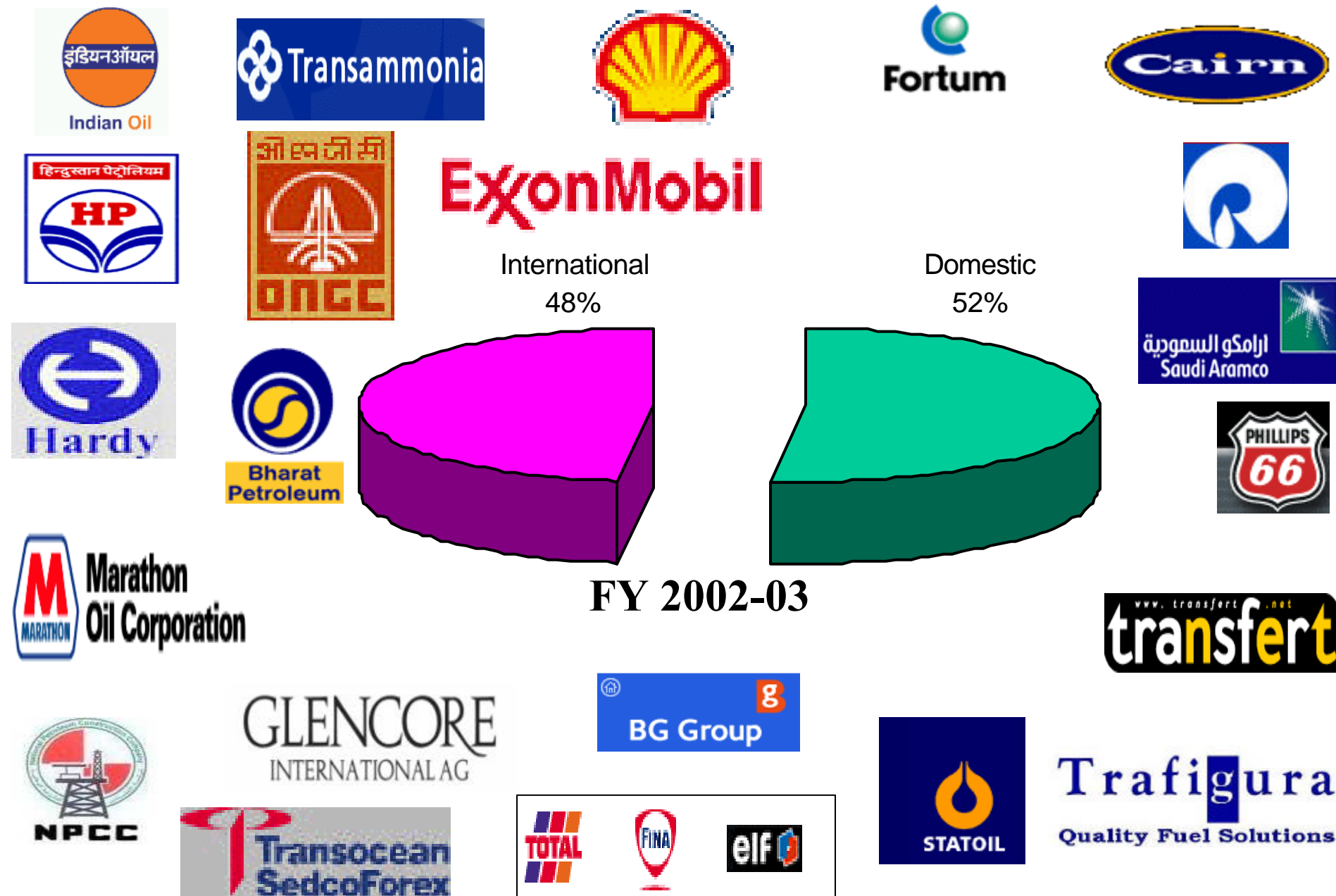


Source: IADC



Source: ISOA

Enhancing customer base



Financial Highlights

(year ended March 31, 2003)

- **EPS of Rs. 11.40 per share an increase of 29 %**
- **Cash EPS of Rs. 20.10 per share an increase of 10 %**
- **Equity dividend 40%, dividend payout ratio 38%**
- **Book value of Rs. 61 per share an increase of 17 %**
- **Return on average capital employed 12.25 %**
- **Return on average net worth 20.40 %**

Income Statement: Quarterly Comparison

(in Rs. Crores)

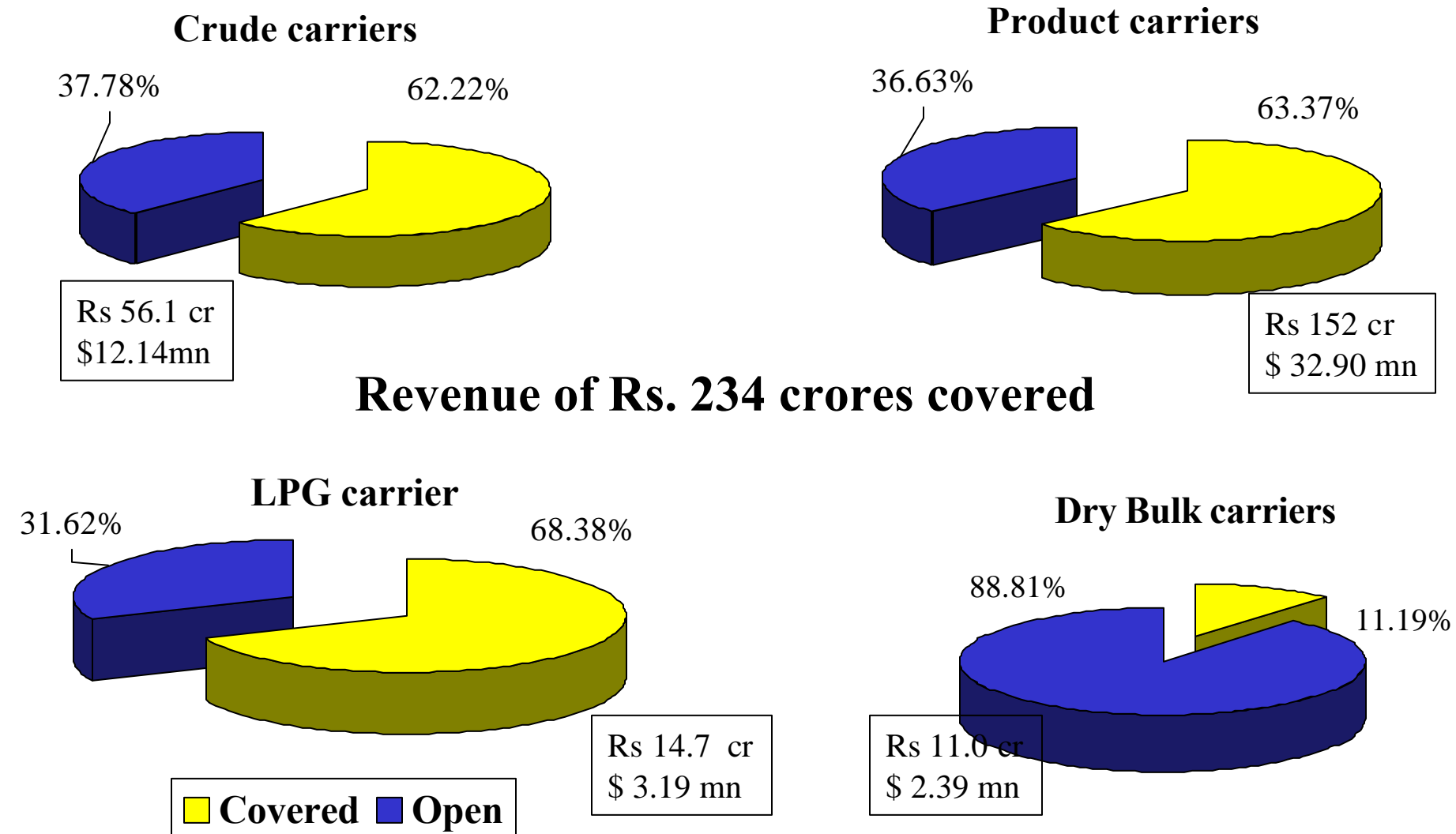
	Q1 FY04	Q1 FY03	% Change
Total Income	304.10	231.33	31
EBDIT	161.54	93.34	73
Interest	10.37	9.37	10
PBT	109.66	38.22	187
Net Profit *	96.23	29.37	227
Basic and Diluted EPS (in Rs.)	4.9	1.3	-

* includes prior period adjustments

Shipping Division's: Revenue Visibility

for balance three quarters of FY 2003-04

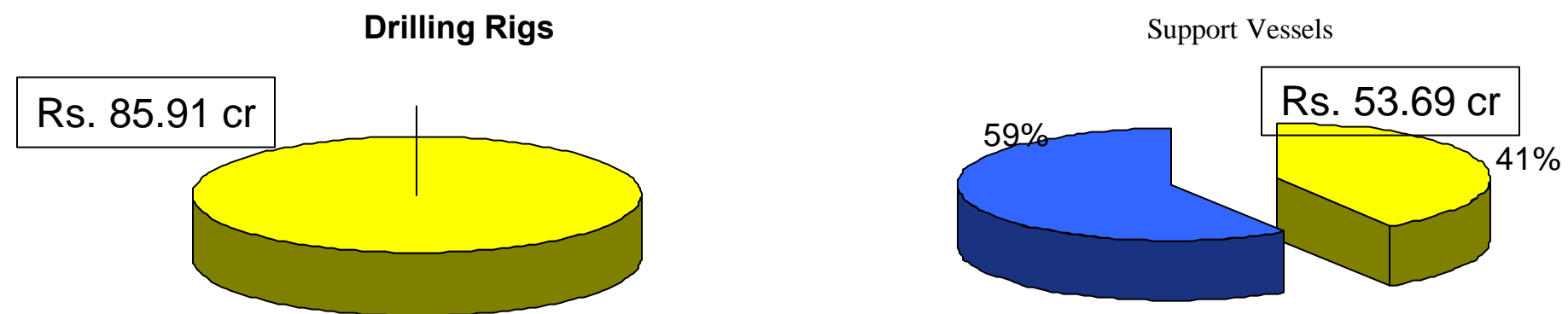
Operating days coverage as represented by Period Charters



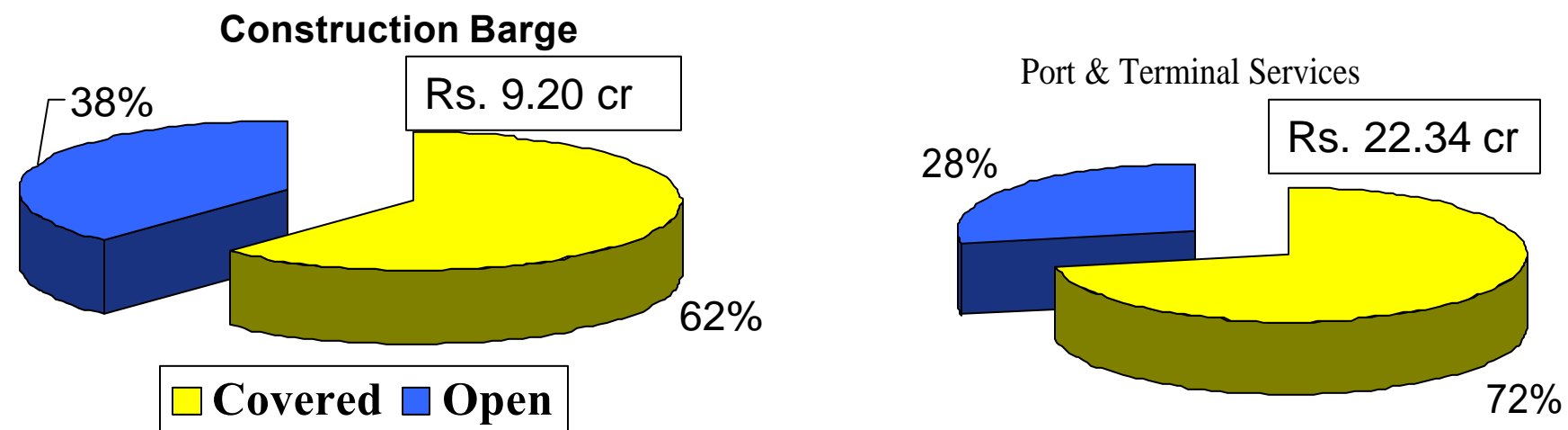
Offshore Division's: Revenue Visibility

for balance three quarters of FY 2003-04

Operating days coverage as per firm contracts



Revenue of Rs. 171 crores covered



Investment Positives

- Focussed on core areas of Shipping & Offshore with diverse stack of asset portfolio
- Modernisation and expansion in core business
- Committed capex of Rs.880 crores
- Revenue of around Rs. 405 crores covered for the balance quarters of FY 2003-04
- Strong financials backed by investor friendly approach

Earnings Outlook

- Healthy tanker earnings likely to continue
 - global oil inventories at low levels
 - winter demand
- Improved freight rates in the dry bulk sector
 - driven by Asia
- Improved rigs and OSV utilisation
 - increased Govt.'s emphasis on E & P
 - increased interest/participation of operators
(domestic & foreign)
- Project income expected to grow
 - increased marine construction activities

Committed to value creation

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