

The Great Eastern Shipping Co. Ltd.

Business & Financial Review

August 2011

Forward Looking Statements

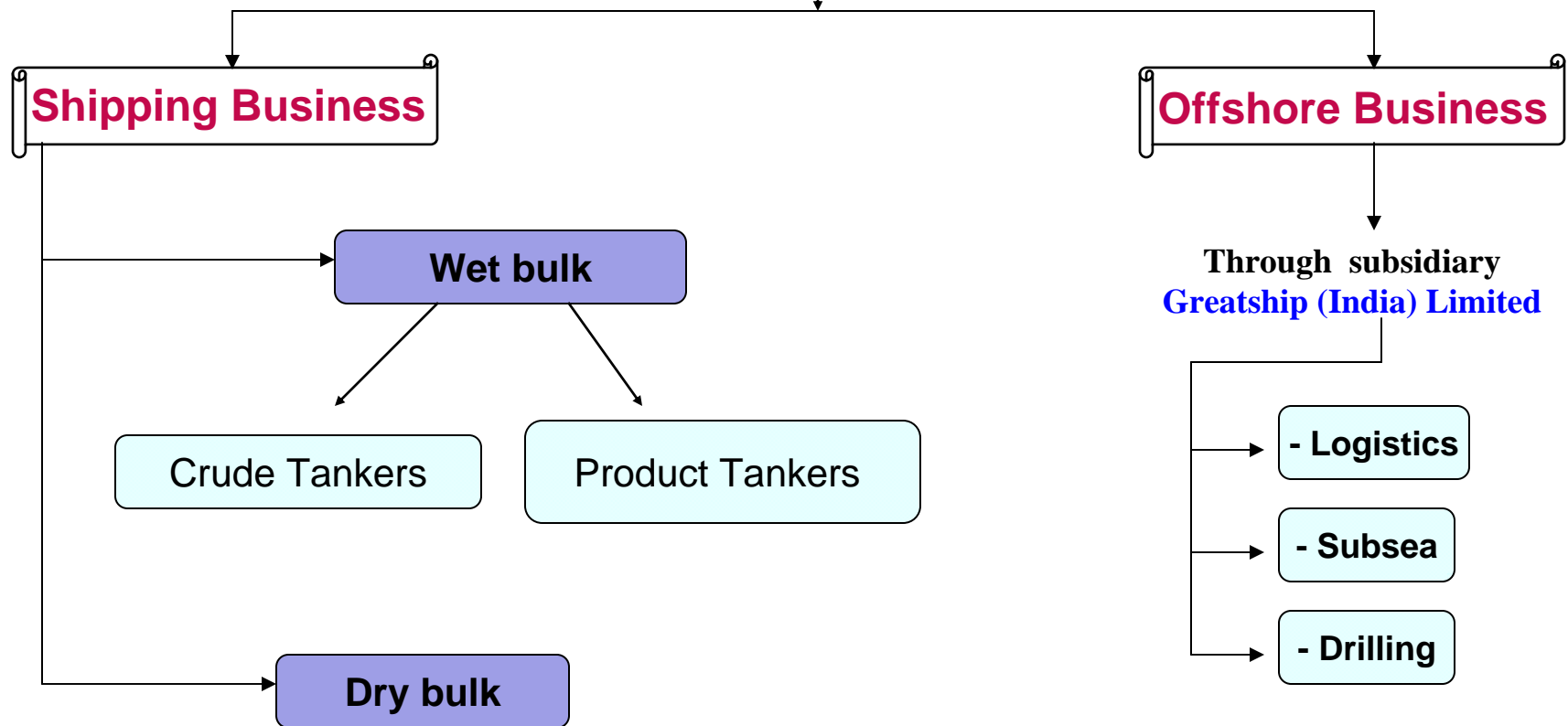
Except for historical information, the statements made in this presentation constitute forward looking statements. These include statements regarding the intent, belief or current expectations of GE Shipping and its management regarding the Company's operations, strategic directions, prospects and future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

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Corporate Profile

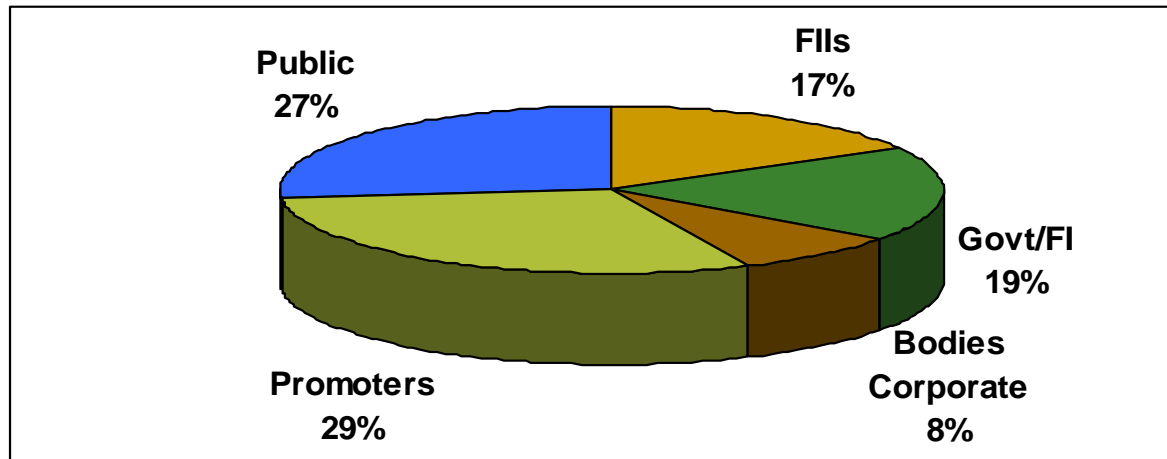
The Great Eastern Shipping Co. Ltd.
Incorporated in 1948



Company at a glance

- ✦ *India's largest private sector Shipping Company*
- ✦ *Diverse asset base with global operations*
- ✦ *Completed 63 years of operations*
- ✦ *More than 27 years of uninterrupted dividend track record*

Shareholding Pattern as on June 30, 2011



Shipping business-owned fleet

- ❑ **35 ships aggregating 2.61 Mn dwt, avg.age 8.6 years**
 - ❑ **26 Tankers** avg.age 8.9 years (75% in tonnage terms)
 - **9 Crude carriers (4 Suezmax, 5 Aframax)** avg.age 8.6 years
 - **16 Product tankers (4 LR1, 8 MR, 4 GP)** avg.age 9.0 years (1 single hull – double sided)
 - **1 LPG carrier** – avg.age 20 years
 - ❑ **9 Dry bulk carriers** avg.age 7.9 years
 - **1 Capesize** - avg.age 15.0 years
 - **2 Kamsarmax** - avg.age 0 years
 - **1 Panamax** - avg.age 16.0 years
 - **4 Supramax**- avg.age 4.3 years
 - **1 Handymax** - avg.age 14.0 years

Committed CAPEX – Shipping Business

Committed Capex of around USD 55 Mn

- 1 new building contracts aggregating 0.08 mn. dwt

To be delivered in:

✓ FY 2012

- 1 NB, Kamsarmax Dry Bulk Carrier (SPP Shipbuilding Co.Ltd)

Stage payments already made : around US\$33 mn of the total CAPEX

Offshore business- Fleet Profile

➤ **Current Owned Fleet**

- ✓ **2 350ft Jack Up Rigs**
- ✓ **4 Platform Supply Vessels (PSV)**
- ✓ **7 Anchor Handling Tug cum Supply Vessels (AHTSV)**
- ✓ **3 Multipurpose Platform Supply and Support Vessels (MPSSV)**
- ✓ **3 Platform / ROV Support Vessels (ROVSV)**

Committed CAPEX – Offshore Business

➤ Committed Capex of around USD 450 Mn

To be delivered in:

✓ FY 2012

- 2 NB MSVs (Mazagon Dock)
- 2 NB 150T AHTSV (Drydock World, Singapore)
- 1 NB Platform / ROV Support Vessel (CDL)

✓ FY 2013

- 2 NB Platform / ROV Support Vessels (CDL)
- 1 Jackup Rig (350 feet) (Lamprell Energy, Dubai)

Stage payments already made : around US\$77 mn of the total CAPEX

| Fleet Growth | FY2008 | FY2009 | FY2010 | FY2011E | FY2012E | FY2013E |
|-----------------|--------|--------|--------|---------|---------|---------|
| Fleet (in nos) | 4 | 9 | 15 | 19 | 24 | 27 |

Modern & Technologically Advanced Fleet

Young Fleet

- Young fleet with an average age of approx. 3 years by FY 2012
- Demand shifting to modern vessels, especially as safety becomes a major concern for oil companies

Technologically Advanced

- Specialized/technologically advanced vessels equipped with DP I/DP II (Dynamic Positioning) and FiFi I (Fire Fighting) technologies
 - Subsea vessels are SPS 2008 compliant
- Equipped to operate in challenging environments
- Efficient and versatile vessels

Revenue Efficiencies

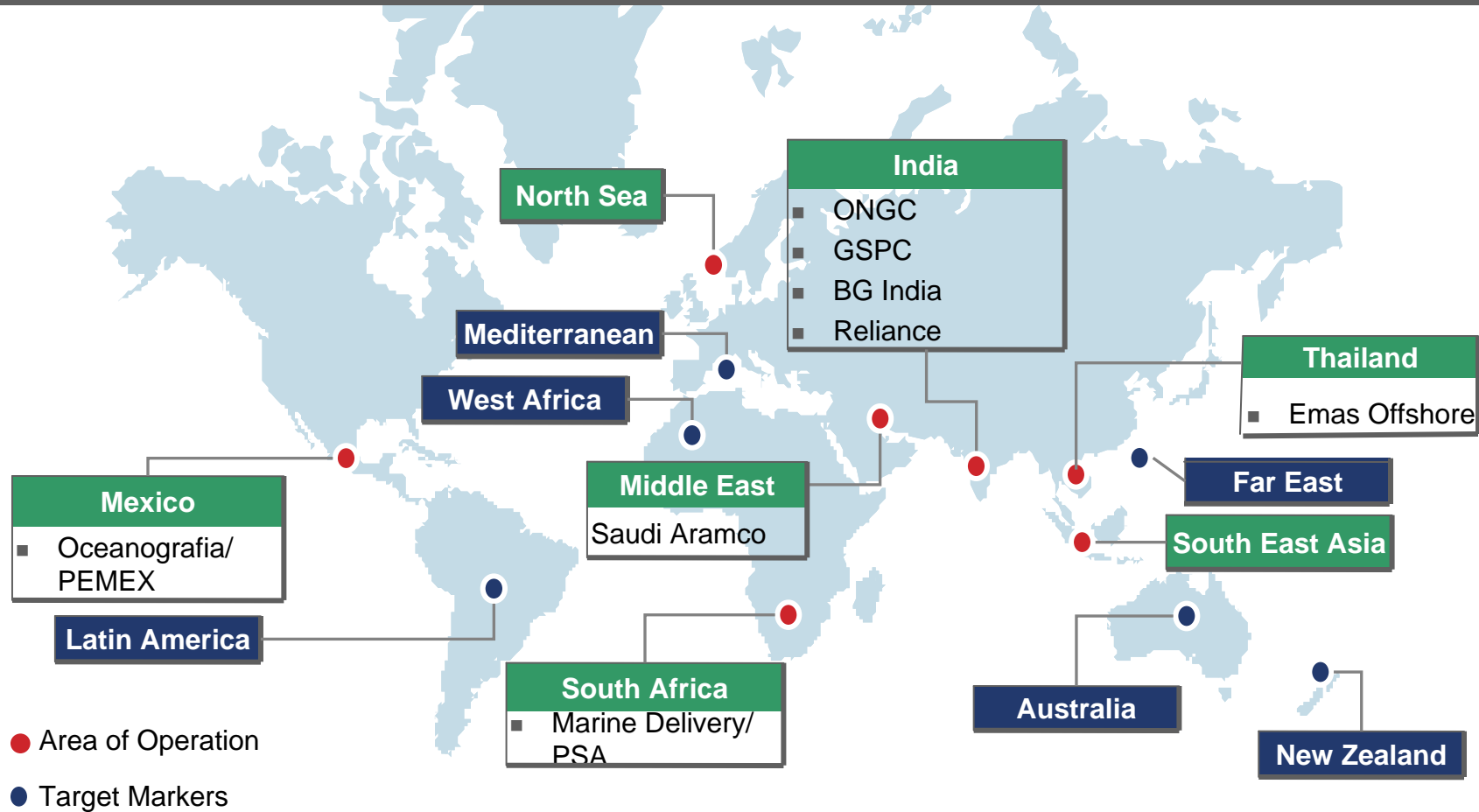
- Higher utilization rates
- Minimum down time

Cost Efficiencies

- Lower Operating costs
- Reduced maintenance capex & opex

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



Offshore Service Value Chain

| | Exploration | Development | Production |
|-------------------------|--|---|--|
| Length of Typical Cycle | - 3 to 5 years | - 2 to 4 years | - 5 to 55 years |
| Description | <ul style="list-style-type: none"> - Collection of survey data - Analysis & interpretation - Identification of oil & gas reserves | <ul style="list-style-type: none"> - Construction & installation of production platforms, pipelines & equipment - Preparation for production | <ul style="list-style-type: none"> - Management of oil & gas production - Operations & Maintenance - Retrofit work |
| Vessels | <ul style="list-style-type: none"> - AHTV, AHTSV, MPSSV, Tugs - PSV/ Supply, Crewboats - ROV Support Vessels - Seismic survey & support hydrographic survey (for pipeline routes) - Chase boats | <ul style="list-style-type: none"> - AHTV, AHTSV, MPSSV, Tugs - PSV/ Supply, Crewboats - Derrick/ Crane Vessels - Cable & pipe-lay vessels - Heavy Lift Transport - Offshore Dredgers - Accommodation units | <ul style="list-style-type: none"> - AHTSV, - PSV/ Supply - MPSSV/ Production Support Vessels - Emergency Rescue & Response Vessels - Crewboats - Accommodation units |

Q1FY'12 Financial Highlights

| Standalone | | | Consolidated | |
|------------------------------|---------|---------------------------------------|--------------|----------|
| Q1FY'12 | Q1FY'11 | (Amount in Rs. crs) | Q1FY'12 | Q1FY'11 |
| Income Statement | | | | |
| 518.83 | 453.24 | Revenue (including other income) | 784.75 | 727.58 |
| 244.68 | 259.49 | EBITDA (including other income) | 384.12 | 385.21 |
| 101.90 | 105.94 | Net Profit | 162.59 | 171.80 |
| Balance Sheet | | | | |
| 9805.06 | 9020.02 | Total Assets | 12893.87 | 11127.34 |
| 5687.32 | 5429.07 | Equity | 6259.72 | 5827.73 |
| 3647.93 | 3590.95 | Long Term Debt (Gross) | 5921.42 | 5299.61 |
| 1043.36 | 274.15 | Long Term Debt (Net of Cash) | 2683.96 | 1428.04 |
| Key financial figures | | | | |
| 47.16% | 57.25% | EBITDA Margin (%) | 48.95% | 52.94% |
| 7.28% | 7.90% | Return on Equity (ROE) (%) | 11.62% | 11.91% |
| 6.31% | 7.70% | Return on Capital Employed (ROCE) (%) | 7.79% | 9.54% |
| 0.64 | 0.66 | Gross Debt/Equity Ratio (x) | 0.95 | 0.91 |
| 0.18 | 0.05 | Net Debt/Equity Ratio (x) | 0.43 | 0.25 |
| Share related figures | | | | |
| 6.69 | 6.96 | Earnings per share, EPS (Rs) | 10.68 | 11.28 |
| 6.68 | 6.94 | Diluted earnings per share (Rs) | 10.65 | 11.26 |
| 12.15 | 12.18 | Cash Profit per share (Rs) | 18.77 | 18.16 |

NAV as on 30 Jun'11 Rs. 445

Q1FY'12 Performance Highlights

Breakup of revenue days

| Revenue Days | Q1 FY12 | Q1 FY11 |
|------------------------------|--------------|--------------|
| Owned Tonnage | 3,178 | 3,315 |
| Inchartered Tonnage | 213 | 19 |
| Total Revenue Days | 3,391 | 3,334 |
| Total Owned Tonnage (mn.dwt) | 2.55 | 2.66 |

Mix of Spot & Time

Average TCY Details

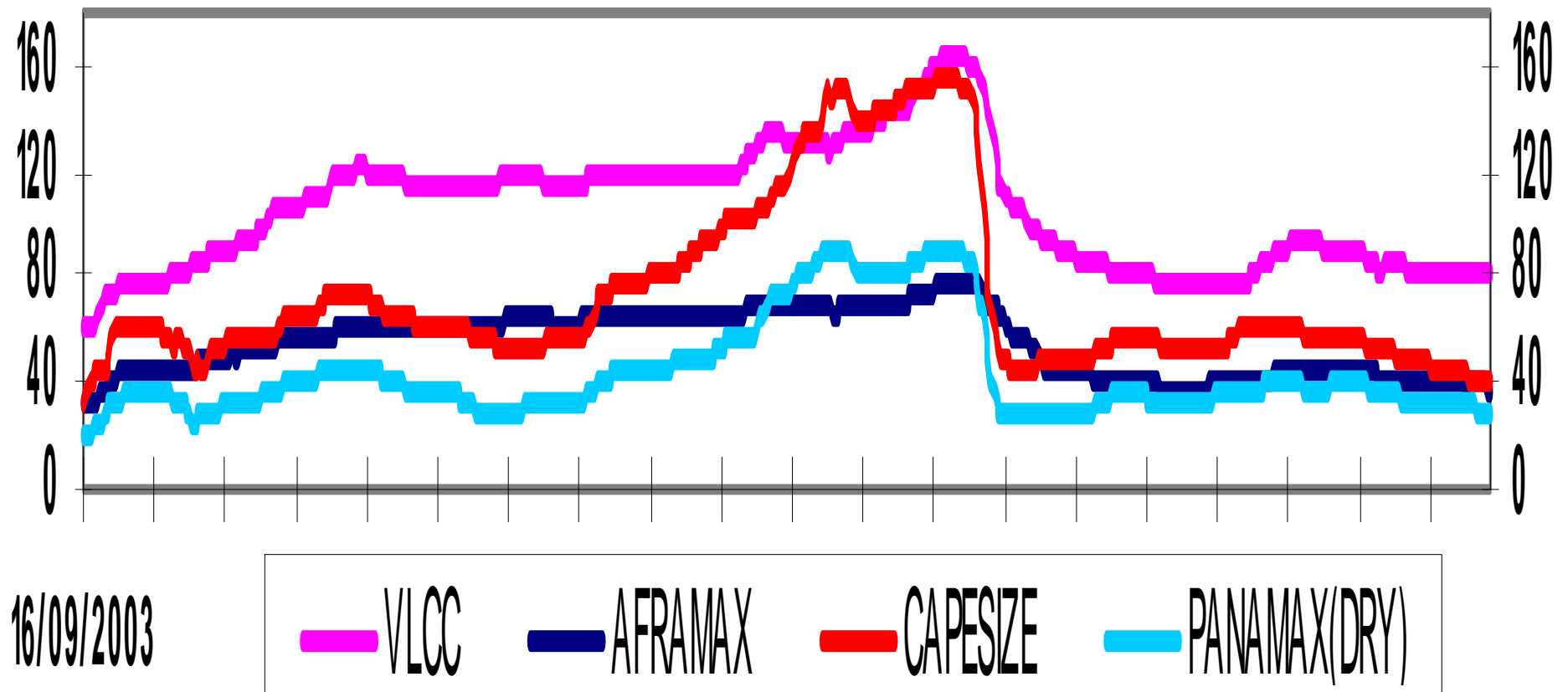
| Average (TCY \$ per day) | Q1'FY12 | Q1'FY11 | % Chg |
|------------------------------|---------|---------|-------|
| Crude Carriers | 20,097 | 20,444 | (2)% |
| Product Carriers (Incl. Gas) | 16,326 | 15,485 | 5% |
| Dry Bulk | 16,569 | 24,484 | (32)% |

| Q1 FY12 | Q1 FY11 | Days (in %) | FY11 | FY10 |
|------------|---------|-----------------|------|------|
| 59% | 51% | Dry Bulk | | |
| 41% | 49% | Spot % | 52% | 63% |
| | | Time % | 48% | 37% |
| 50% | 47% | Tankers | | |
| 50% | 53% | Spot % | 46% | 47% |
| | | Time % | 54% | 53% |
| 52% | 47% | Total | | |
| 48% | 53% | Spot % | 47% | 49% |
| | | Time % | 53% | 51% |

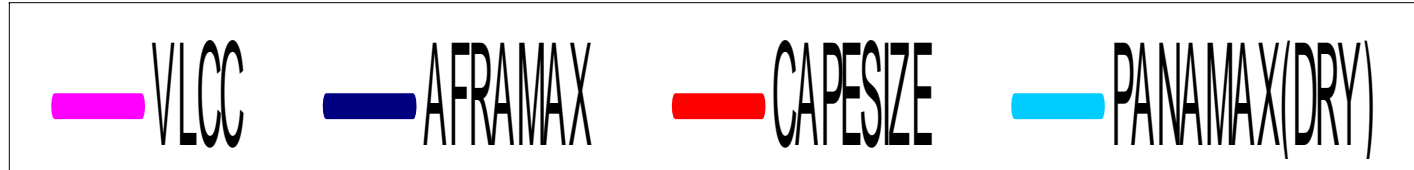
Asset Price Movement (5 yr old)

Timeline- Sep2003 till August 01, 2011

Amt in US\$ mn

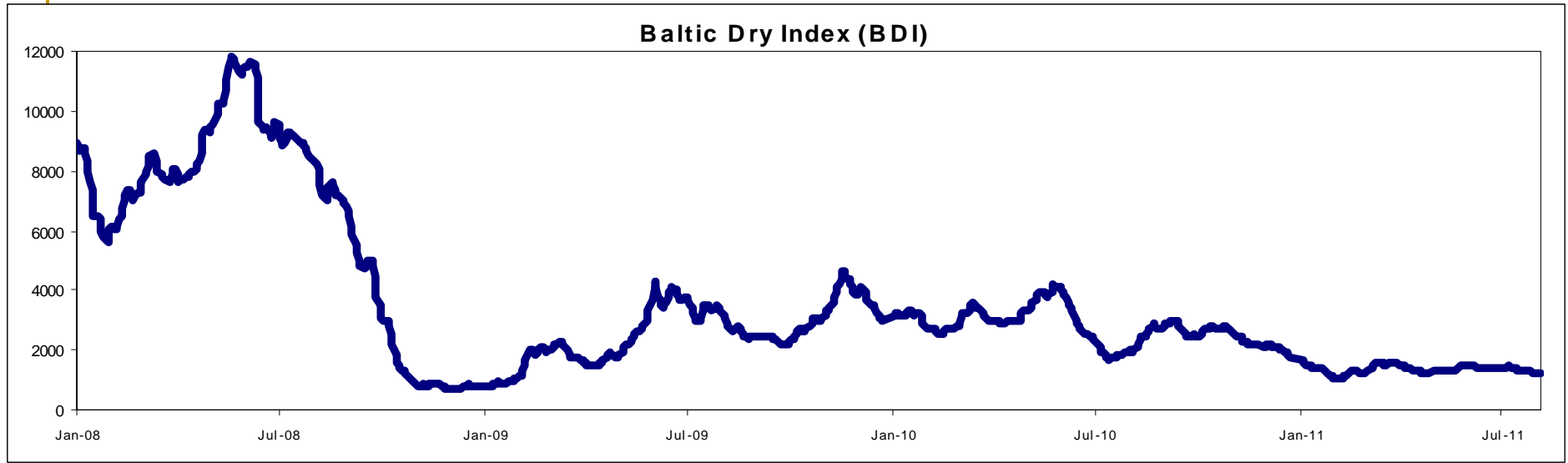


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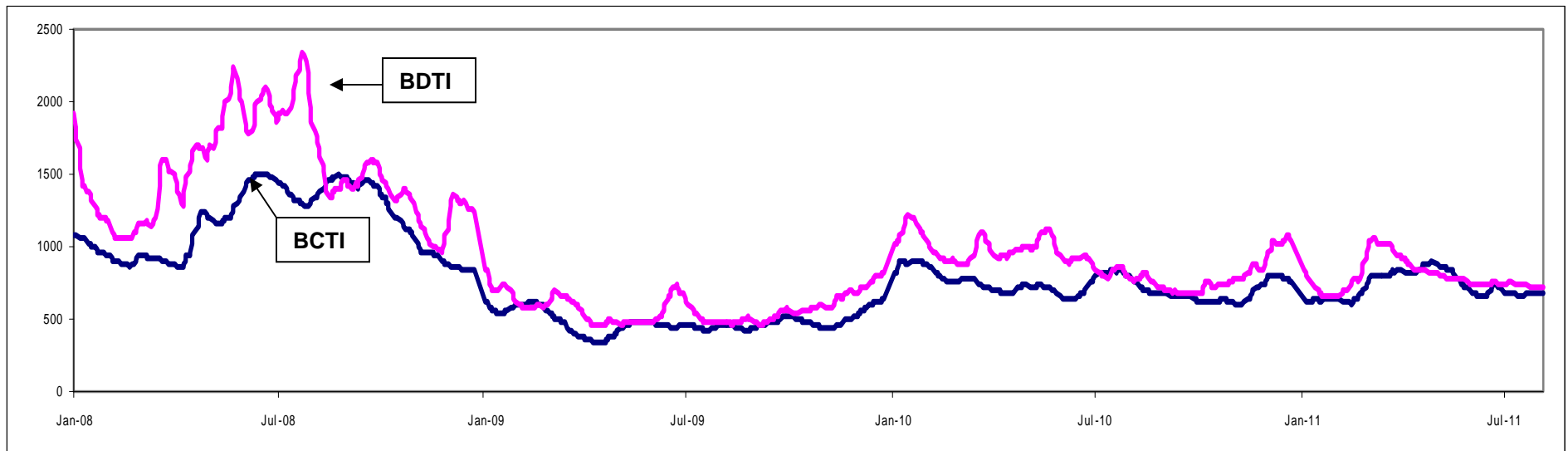


Source: Baltic Sale & Purchase Assessment

Indices Movement - Timeline Jan'08 to 5 Aug'11



Baltic Dirty Tanker Index (BDTI) & Baltic Clean Tanker Index (BCTI)



Source: Baltic Exchange

Total Seaborne trade at a glance... Dry Bulk

Seaborne Bulk trade

| (in mn. tonnes) | 2008 | 2009 | 2010 | 2011(F) | % chg (CY11 over CY10) |
|----------------------|-------------|-------------|-------------|-------------|---------------------------|
| Iron ore | 841 | 907 | 970 | 1043 | 8% |
| Steam Coal (Thermal) | 578 | 590 | 654 | 680 | 4% |
| Coking Coal | 221 | 215 | 264 | 298 | 13% |
| Grains | 244 | 236 | 248 | 254 | 2% |
| Bauxite | 86 | 66 | 79 | 86 | 9% |
| Sugar | 49 | 50 | 53 | 50 | 6% |
| Agri. Bulks | 114 | 115 | 117 | 120 | 3% |
| Fertilizers | 80 | 71 | 87 | 88 | 1% |
| Other minor bulks | 736 | 622 | 695 | 748 | 8% |
| Total | 2949 | 2872 | 3167 | 3367 | 6% |

Source: Clarksons

Total Seaborne iron ore trade at a glance

Seaborne Iron Ore Imports

| mn. tonnes | 2008 | 2009 | 2010 | 2011(F) | % chg (CY10 over CY09) |
|------------------|------------|------------|------------|-------------|---------------------------|
| W. Europe | 131 | 81 | 112 | 114 | 2% |
| China | 436 | 615 | 603 | 652 | 8% |
| Asia (Ex. China) | 211 | 164 | 215 | 220 | 2% |
| ROW | 56 | 48 | 52 | 54 | 4% |
| Total | 834 | 908 | 982 | 1040 | 6% |

Chinese iron ore imports in Jan to June '11: 334 mn tons

Global Oil Demand

| mn.bpd | 2008 | 2009 | 2010 | 2011 (F) | % chg (CY11 over CY10) |
|--------------------------------|-------------|-------------|-------------|-------------|---------------------------|
| N.America | 24.2 | 23.3 | 23.9 | 23.9 | - |
| OECD Europe | 15.4 | 14.5 | 14.5 | 14.4 | (1)% |
| OECD Pacific (Japan& Korea) | 8.0 | 7.7 | 7.8 | 7.8 | - |
| Asia (Non OECD) | 17.4 | 18.4 | 19.8 | 20.6 | 4% |
| Other Non OECD | 21.0 | 20.9 | 22.1 | 22.7 | 3% |
| Total | 86.0 | 84.8 | 88.1 | 89.1 | 1% |

Source: Clarksons

Total Seaborne crude trade

Seaborne Crude Imports

| mn bpd | 2008 | 2009 | 2010 | 2011 (F) | % chg (CY11 over CY10) |
|------------------------------|-------------|-------------|-------------|-------------|---------------------------|
| Asia | 15.9 | 16.1 | 17.6 | 18.4 | 5% |
| EU | 10.9 | 10.3 | 10.0 | 10.0 | - |
| N. America (incl. Canada) | 7.0 | 6.9 | 6.8 | 7.0 | 3% |
| ROW | 5.7 | 5.0 | 4.8 | 4.9 | 2% |
| Total | 39.5 | 38.3 | 39.2 | 40.3 | 3% |
| of which | | | | | |
| Long Haul Trades | 15.0 | 13.8 | 14.2 | 15.0 | 6% |
| | 38% | 36% | 36% | 37% | |

Source: Clarksons

Gross World fleet addition-Shipping

| World Fleet addition* | Fleet (as on 1 Aug'11) | CY2011 | CY2012 | CY2013 + |
|-----------------------|---------------------------|--------|--------|----------|
| | (in mn dwt) | | | |
| Crude tankers | 334.5 | 7% | 9% | 4% |
| Product tankers | 132.6 | 7% | 5% | 2% |
| Dry bulk carriers | 576.2 | 13% | 17% | 7% |

Source: Clarksons

*includes only new building from yards

- 4% of world tanker fleet is single hull

Global Fleet – Scrapping Details

| Fleet as on 1 st Jun'11 | | Scrapping (in mn dwt) | CY2008 | CY2009 | CY2010 | CY2011 YTD |
|---------------------------------------|--|--------------------------|--------|--------|--------|---------------|
| (in mn dwt) | | | | | | |
| 334.5 | | Crude | 2.2 | 5.0 | 7.1 | 2.7 |
| 132.6 | | Product | 2.2 | 3.8 | 5.8 | 1.9 |
| 576.2 | | Bulk | 5.5 | 10.4 | 5.7 | 15.1 |

Source: Clarksons

Slippages... to be a decisive factor

| CY 2010 (in mn dwt) | VLCC | Suezmax | Aframax | Panamax | MR | GP | Total |
|---|------------|------------|------------|------------|------------|------------|------------|
| Expected orders to be delivered in CY'10 | 25.3 | 9.6 | 10.5 | 2.6 | 10.5 | 3.0 | 61.5 |
| Actual deliveries | 16.6 | 5.9 | 7.7 | 2.3 | 5.2 | 1.3 | 39.1 |
| Slippages | 8.7 | 3.7 | 2.8 | 0.3 | 5.3 | 1.7 | 22.4 |
| Slippages/ cancellations as % of expected deliveries | 34% | 38% | 26% | 12% | 50% | 57% | 36% |

| CY 2010 (in mn dwt) | Capesize | Panamax | H'max | H'size | Total |
|---|------------|------------|------------|------------|------------|
| Expected orders to be delivered in CY'10 | 62.1 | 23.6 | 25.5 | 12.8 | 123.9 |
| Actual deliveries | 37.3 | 14.8 | 17.2 | 7.8 | 77.1 |
| Slippages | 24.8 | 8.8 | 8.3 | 5.0 | 46.8 |
| Slippages/ cancellations as % of expected deliveries | 40% | 37% | 32% | 39% | 38% |

CY'09 Slippages (in mn dwt): Tankers ~ 24%, Dry Bulk ~ 40%

Global Fleet Supply -Offshore

| (Nos) | Jackup Rigs | AHTSVs | PSVs |
|---------------------------|-------------|--------|-------|
| Current Fleet | 484 | 3,157 | 2,235 |
| Orderbook | 70 | 331 | 300 |
| % of O/B to current fleet | 14% | 11% | 13% |
| Average age | 23.0 | 19.0 | 18.9 |

Source: Clarksons, Rigzone

Around half of the total offshore fleet above 25 years of age



THANK YOU

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