

The Great Eastern Shipping Co. Ltd.

Business & Financial Review

August 2010

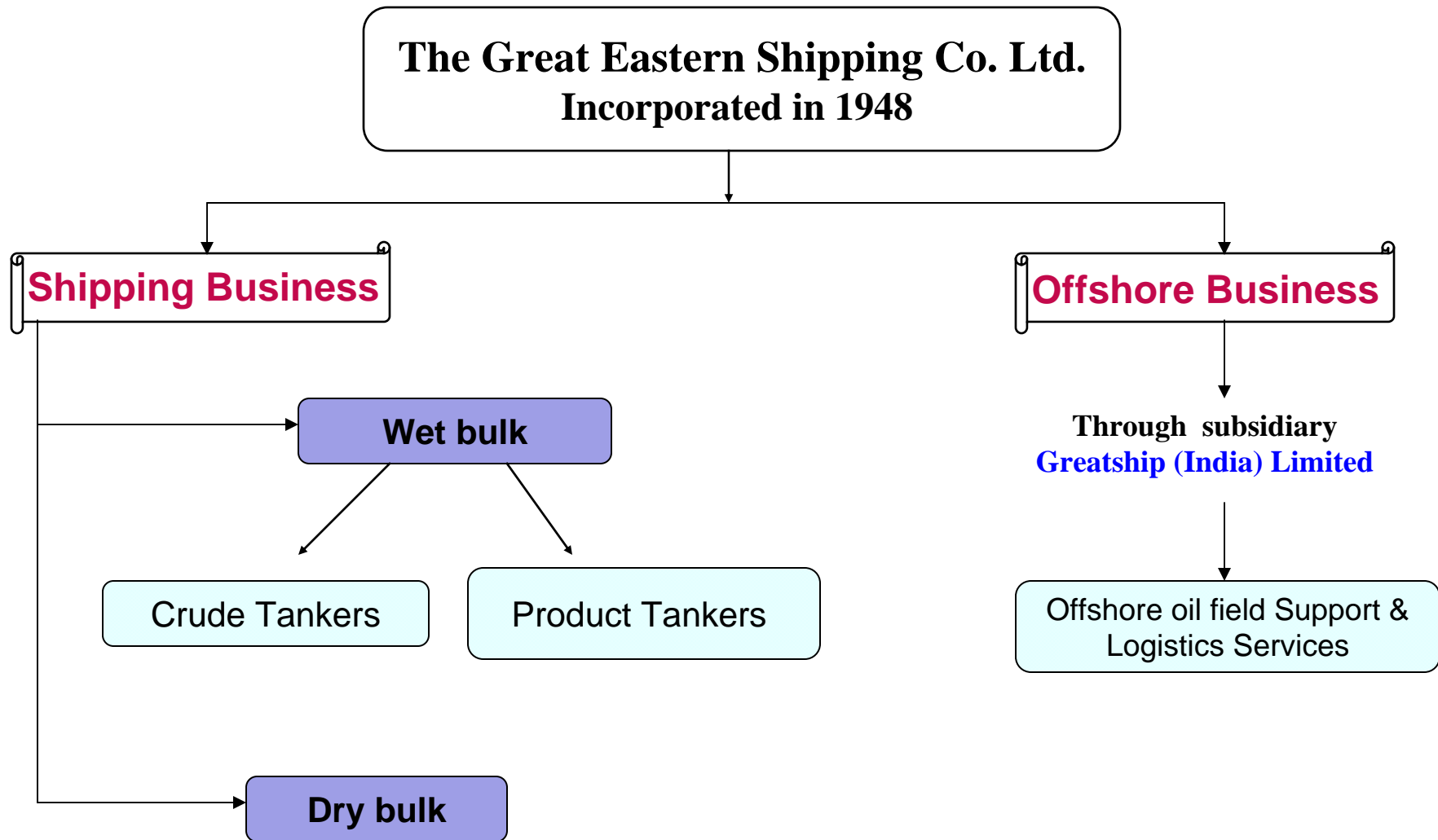
Forward Looking Statements

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.

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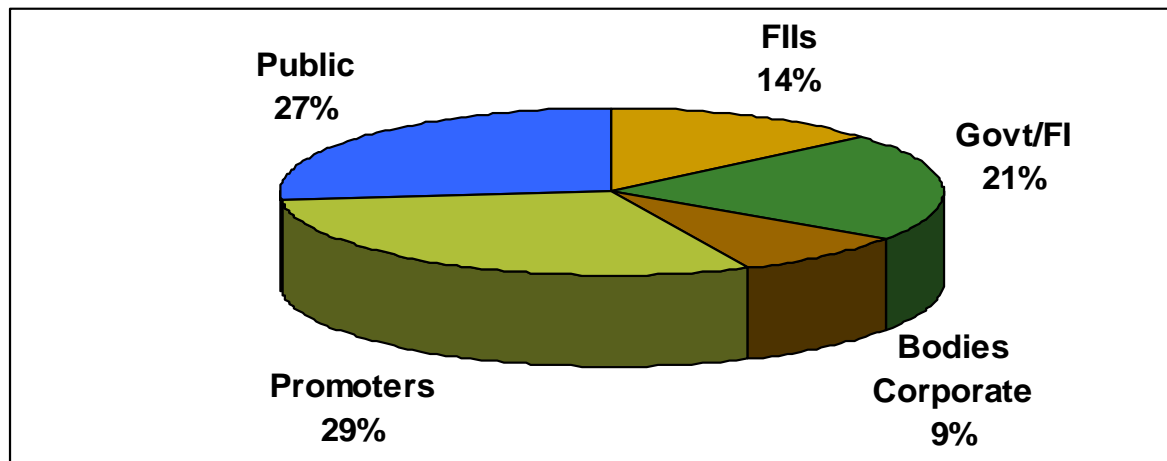
Corporate Profile



Company at a glance

- ✦ *India's largest private sector Shipping Company*
- ✦ *Diverse asset base with global operations*
- ✦ *Completed 62 years of operations*
- ✦ *More than 26 years of uninterrupted dividend track record*

Shareholding Pattern as on June 30, 2010



Shipping business-owned fleet

- ❑ **35 ships aggregating 2.66 Mn dwt, avg.age 10.5 years**
 - ❑ **29 Tankers** avg.age 10.2 years (85% in tonnage terms)
 - **11 Crude carriers (5 Suezmax, 6 Aframax)** avg.age 10.1 years (2 single hull – both double sided)
 - **17 Product tankers (4 LR1, 9 MR, 4 GP)** avg.age 9.2 years (3 single hull – 2 double sided)
 - **1 LPG carrier** – avg.age 19 years

Double hull status – 23 tankers representing 84% 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 573 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)
- 2 NB, Very Large Crude Carriers (VLCC) (Hyundai Heavy Industries)

✓ FY 2013

- 1 NB, Very Large Crude Carrier (VLCC) (Hyundai Heavy Industries)

Stage payments already made : US\$207 mn of the total CAPEX

Offshore business- Fleet Profile

➤ **Current Owned Fleet**

- ✓ 1 350ft Jack Up Rig
- ✓ 4 Platform Supply Vessels (PSV)
- ✓ 7 Anchor Handling Tug cum Supply Vessels (AHTSV)
- ✓ 2 Multipurpose Platform Supply and Support Vessel

➤ **Current Inchartered Fleet**

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

Committed CAPEX – Offshore Business

➤ **Delivery Schedule of the Committed Capex**

To be delivered in:

✓ **FY 2011**

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

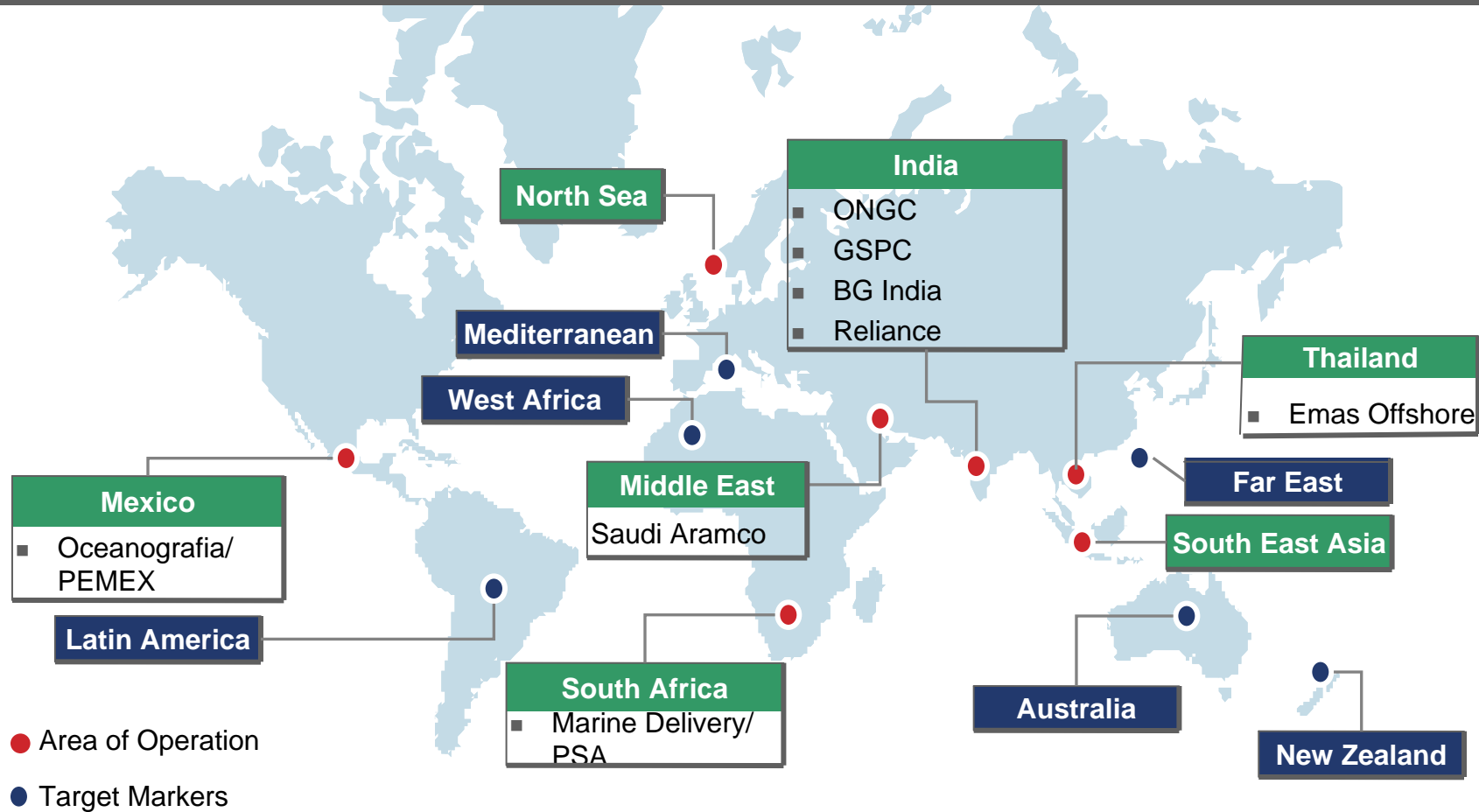
✓ **FY 2012**

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

Fleet Growth	FY2008	FY2009	FY2010	FY2011E	FY2012E
Fleet (in nos)	4	9	15	20	22

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



Q1FY'11 Financial Highlights

Standalone			Consolidated	
Q1FY'11	Q1FY'10	(Amount in Rs. crs)	Q1FY'11	Q1FY'10
Income Statement				
453.24	629.02	Revenue	727.58	885.61
259.49	264.59	EBITDA	385.21	318.98
105.94	126.28	Net Profit	171.80	154.17
Balance Sheet				
9020.02	8196.02	Total Assets	11127.34	10066.41
5429.07	5185.15	Equity	5827.73	5491.4
3590.95	3010.87	Long Term Debt (Gross)	5299.61	4575.01
274.15	820.81	Long Term Debt (Net of Cash)	1428.04	2071.72
Key financial figures				
57.25%	42.06%	EBITDA Margin (%)	52.94%	36.02%
7.90%	10%	Return on Equity (ROE) (%)	11.91%	11.50%
7.70%	7.80%	Return on Capital Employed (ROCE) (%)	9.54%	8.13%
0.66	0.58	Debt/Equity Ratio (x)	0.91	0.82
Share related figures				
6.96	8.29	Earnings per share, EPS (Rs)	11.28	10.12
6.94	8.28	Diluted earnings per share (Rs)	11.26	10.10
12.18	13.75	Cash Profit per share (Rs)	18.16	16.44

NAV as on 1 Aug'10 Rs.368

Q1FY11 Performance Highlights

Breakup of revenue days

Revenue Days	Q1'FY11	Q1'FY10
Owned Tonnage	3,315	3,393
Inchartered Tonnage	-	88
Total Revenue Days	3,315	3,481
Total Owned Tonnage (mn.dwt)	2.66	2.88

Mix of Spot & Time

Average TCY Details

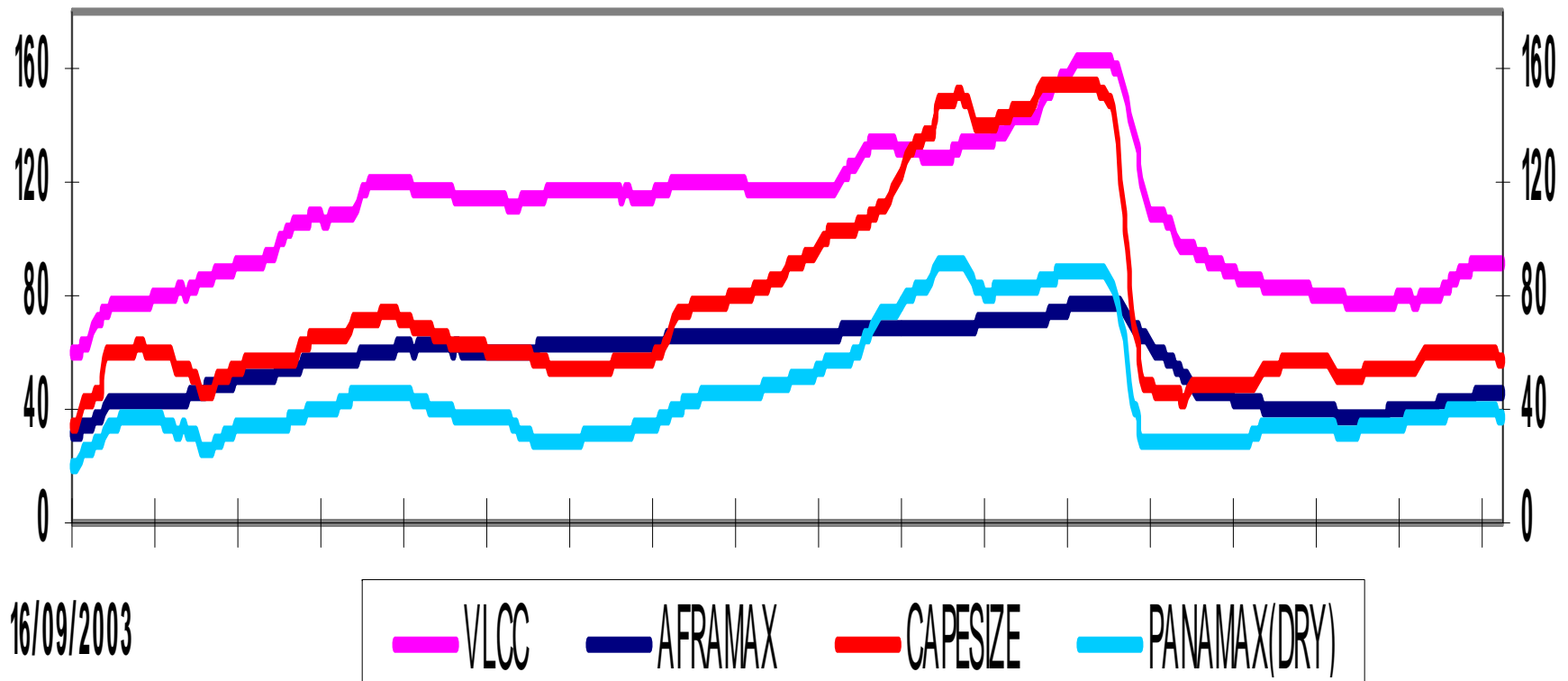
Average (TCY \$ per day)	Q1'FY11	Q1'FY10	% Chg
Crude Carriers	20,444	23,819	(14)%
Product Carriers (Incl. Gas)	15,485	17,088	(9)%
Dry Bulk	24,484	19,489	25%

Q1 FY11	Q1 FY10	Days (in %)	FY10	FY09
51%	74%	<u>Dry Bulk</u>		
49%	26%	Spot %	63%	72%
		Time %	37%	28%
47%	51%	<u>Tankers</u>		
53%	49%	Spot %	47%	52%
		Time %	53%	48%
47%	55%	<u>Total</u>		
53%	45%	Spot %	49%	57%
		Time %	51%	43%

Asset Price Movement (5 yr old)

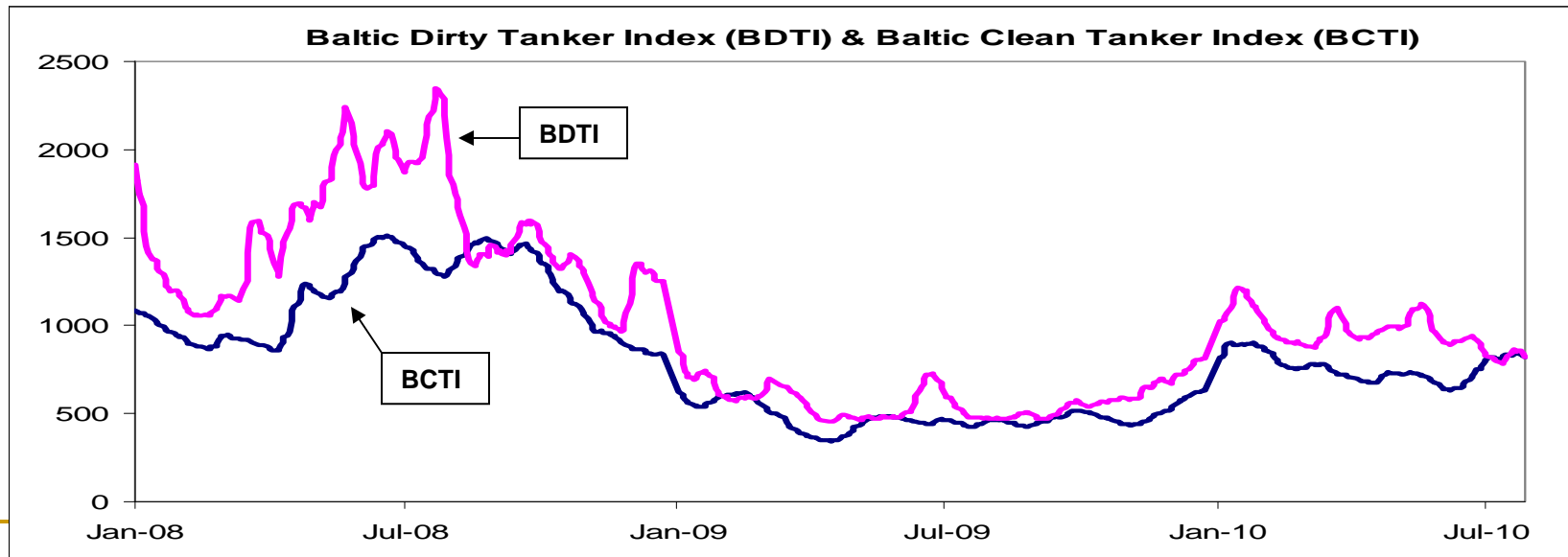
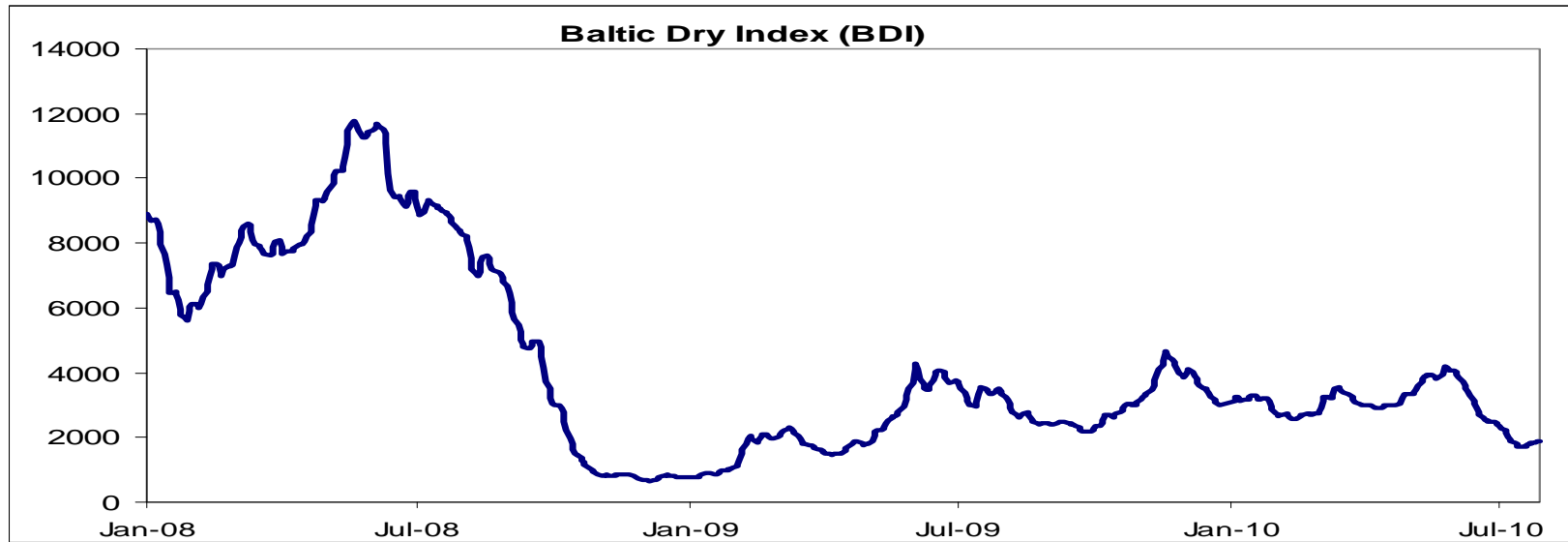
Timeline- Sep2003 till Jul 26, 2010

Amt in US\$ mn



Source: Baltic Sale & Purchase Assessment

Indices Movement - Timeline Jan'08 to 28'Jul10



Source: Baltic Exchange

Total Seaborne trade at a glance... Dry Bulk

Seaborne Bulk trade

(in mn. tonnes)	2008	2009	2010(F)	% chg (CY10 over CY09)
Iron ore	841	907	996	9.8%
Steam Coal (Thermal)	578	587	619	5.5%
Coking Coal	221	215	247	14.9%
Grains	244	235	230	(2.1)%
Bauxite	86	66	79	19.7%
Sugar	50	50	53	6.0%
Agri. Bulks	113	114	120	5.3%
Fertilizers	84	74	83	12.2%
Other minor bulks	841	714	779	9.1%
Total	3058	2962	3206	8.2%

Source: Clarksons

Total Seaborne iron ore trade at a glance

Seaborne Iron Ore Imports

mn. tonnes	2008	2009	2010(F)	% chg (CY10 over CY09)
W. Europe	131	81	98	21.7%
China	443	615	654	6.5%
Asia (Ex. China)	212	164	189	15.3%
ROW	56	48	55	14.6%
Total	841	907	996	9.8%

China Imports – Jan'10 to Jun'10: 309 mn tonnes

Global Oil Demand

mn.bpd	2008	2009	2010(F)	% chg (CY10 over CY09)
N.America	24.2	23.3	23.6	1.3%
OECD Europe	15.3	14.5	14.4	(0.7)%
OECD Pacific (Japan& Korea)	8.4	7.7	7.7	-
Asia (Non OECD)	17.5	18.5	19.3	4.3%
Other Non OECD	20.6	20.8	21.4	2.9%
Total	86.0	84.8	86.4	1.9%

Source: Clarksons

Total Seaborne crude trade

Seaborne Crude Imports

mn bpd	2008	2009	2010(F)	% chg (CY10 over CY09)
Asia	15.9	16.1	17.0	5.6%
EU	10.9	10.3	10.3	-
N. America (incl. Canada)	7.0	6.6	6.7	1.5%
ROW	5.7	5.0	5.2	4.0%
Total	39.5	38.0	39.2	3.2%
of which				
Long Haul Trades	15.0	13.8	14.4	4.3%
	38%	36%	37%	

Gross World fleet addition-Shipping

World Fleet addition*	Fleet (as on 1 Jul'10)	CY2010	CY2011	CY2012 +
	(in mn dwt)			
Crude tankers	319.3	8%	14%	6%
Product tankers	128.0	9%	9%	3%
Dry bulk carriers	491.9	18%	19%	14%

Source: Clarksons

*includes only new building from yards

- 9% of world tanker fleet is single hull
- 7.5% expected to phase out in 2010

Global Fleet – Scrapping Details

Fleet as on 1 st Ju1'10		Scrapping (in mn dwt)	CY2008	CY2009	CY2010 YTD
(in mn dwt)					
319.3		Crude	1.3	5.1	4.4
128.0		Product	1.5	3.3	3.4
491.9		Bulk	3.6	10.0	2.2

Source: Clarksons

World Dry Bulk Fleet:

- 17% above 25 years
- 24% above 20 years

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%

H1CY'10 Slippages (in mn dwt): Tankers ~ 30%, Dry Bulk ~ 45%

Global Fleet Supply -Offshore

OSV Fleet Summary

(Nos) (as on 1 Jul'10)	AHTSVs	PSVs	Others
Current Fleet	2,484	1,954	1,771
Orderbook	368	212	167
% of O/B to current fleet	15%	10%	9%

Source: Clarksons

✓ *Aging fleet : Half of world offshore supply fleet over 25 years*



THANK YOU

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