

The Great Eastern Shipping Co. Ltd.

Business & Financial Review August 2016

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

The Great Eastern Shipping Company

Shipping (Bulk)

Offshore

(Through wholly-owned subsidiary Greatship (India) Limited)

Tankers

- Crude
- Products

Bulk

Logistics

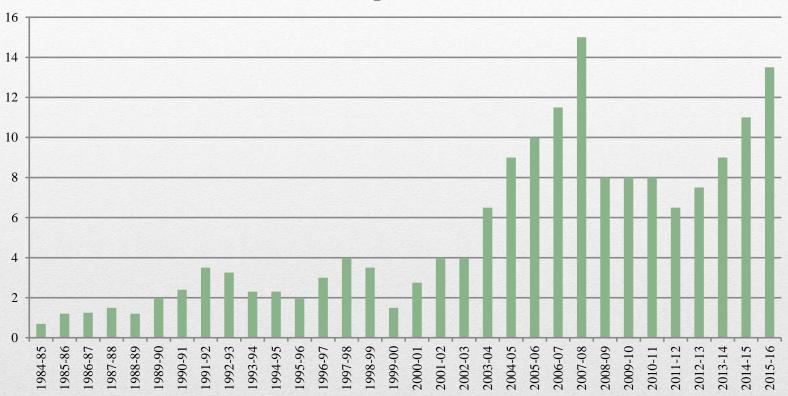
Drilling

India's largest private sector shipping company.

Over 68 years of experience

Uninterrupted dividend for 30 years

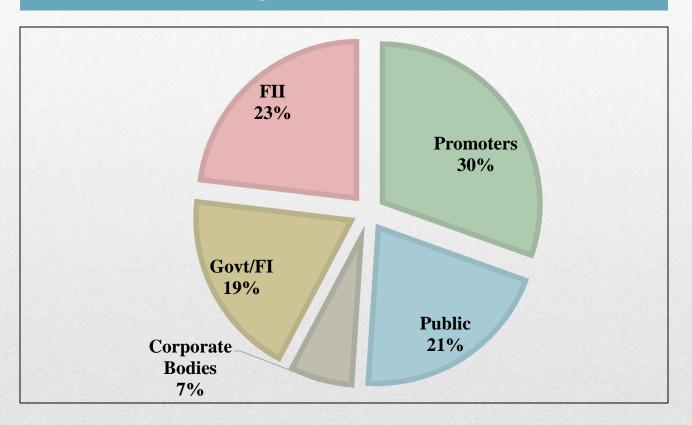




Two Interim dividends amounting to Rs. 13.5 per share declared and paid in FY16

Shareholding Pattern

Shareholding Pattern as on June 30, 2016



Shipping business - owned fleet

| Sr. No. | Vessel Name | Type |
|---------|---------------------------|----------------------|
| 1 | Jag Lalit | Suezmax |
| 2 | Jag Lok | Suezmax |
| 3 | Jag Lateef | Suezmax |
| 4 | Jag Lakshita | Suezmax |
| 5 | Jag Lyall | Aframax |
| 6 | Jag Lata | Aframax |
| 7 | Jag Lavanya | Aframax |
| | 7 Crude Carriers; Avera | ige Age – 12.8 years |
| 8 | Jag Aabha | LR1 |
| 9 | Jag Aanchal | LR1 |
| 10 | Jag Amisha | LR1 |
| 11 | Jag Aparna | LR1 |
| 12 | Jag Pahel | MR |
| 13 | Jag Pankhi | MR |
| 14 | Jag Prabha | MR |
| 15 | Jag Prakash | MR |
| 16 | Jag Pushpa | MR |
| 17 | Jag Prerana | MR |
| 18 | Jag Pranav | MR |
| 19 | Jag Pranam | MR |
| 20 | Jag Padma | MR |
| 21 | Jag Punit | MR |
| 22 | Jag Pooja | MR |
| | 15 Product Carriers; Ave. | rage Age – 8.4 years |
| | | |

| Sr. No. | Vessel Name | Type |
|-------------|--------------------|----------------------|
| 23 | Jag Vishnu | VLGC |
| 24 | Jag Vidhi | VLGC |
| 2 Gas | Carriers; Age - 21 | l years |
| 25 | Jag Anand | Capesize |
| 26 | Jag Aarati | Kamsarmax |
| 27 | Jag Aditi | Kamsarmax |
| 28 | Jag Arya | Kamsarmax |
| 29 | Jag Arnav | Kamsarmax |
| 30 | Jag Ajay | Kamsarmax |
| 31 | Jag Aalok | Kamsarmax |
| 32 | Jag Ratan | Supramax |
| 33 | Jag Rahul | Supramax |
| 34 | Jag Rishi | Supramax |
| 35 | Jag Rani | Supramax |
| 36 | Jag Roopa | Supramax |
| 12 Bulk Car | riers; Average Ag | e – 5.1 years |

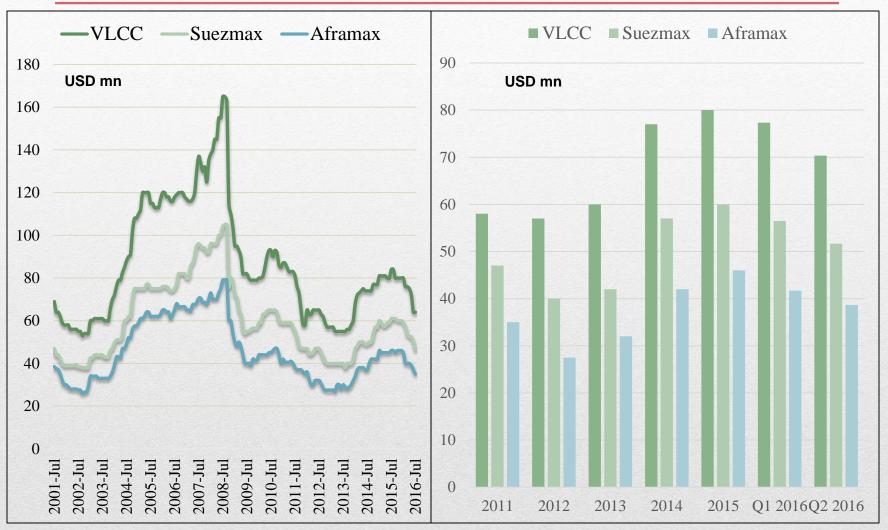
36 Vessels Average Age – 9.19 years Total dwt - 2.80 mn

Vessels on Order & Capital Expenditure

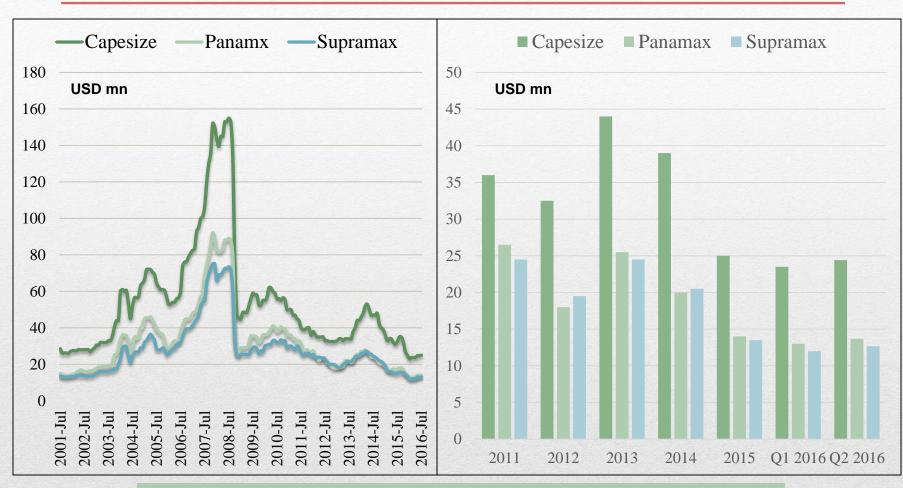
Committed Capex - \$45-50 mn

Vessels on Order & Expected Delivery Vessel Yard Expected Delivery 2 Kamsarmax Dry Bulk Carriers Jiangsu New Yangzi Shipbuilding Co. Ltd, China

Tankers – Asset Prices (5-year old)

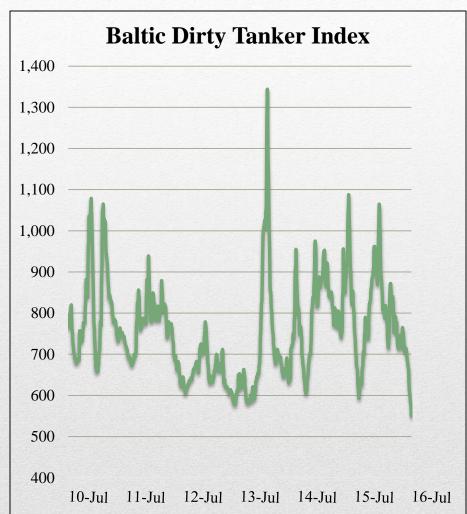


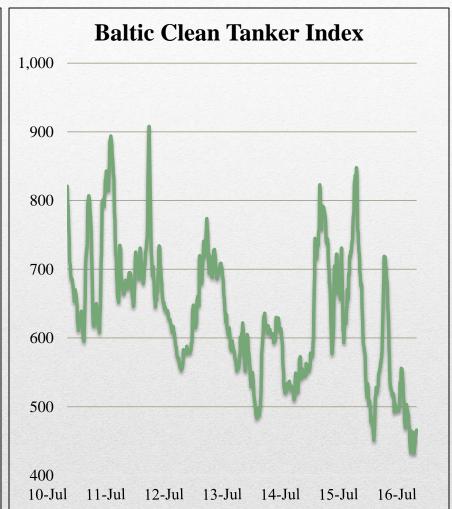
Bulkers – Asset Prices (5-year old)



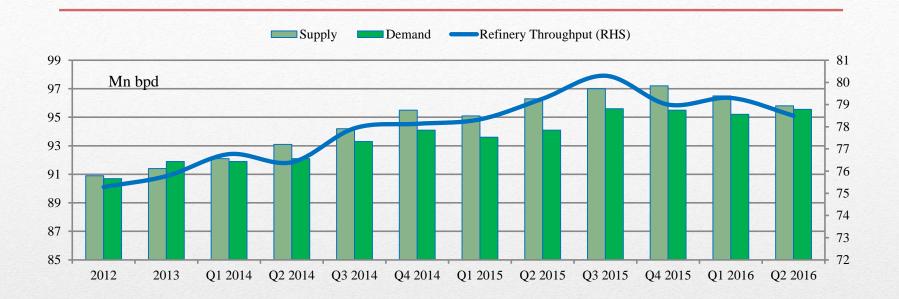
Dry Bulk asset prices at 20-year low

Lower margins impacted tanker rates



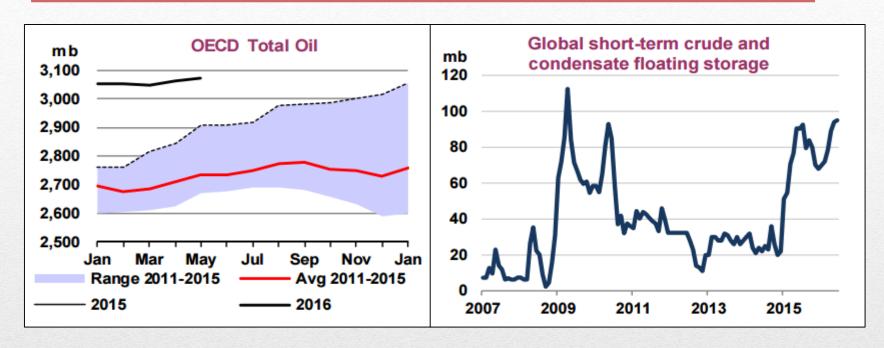


Low margins leading to low refinery throughput



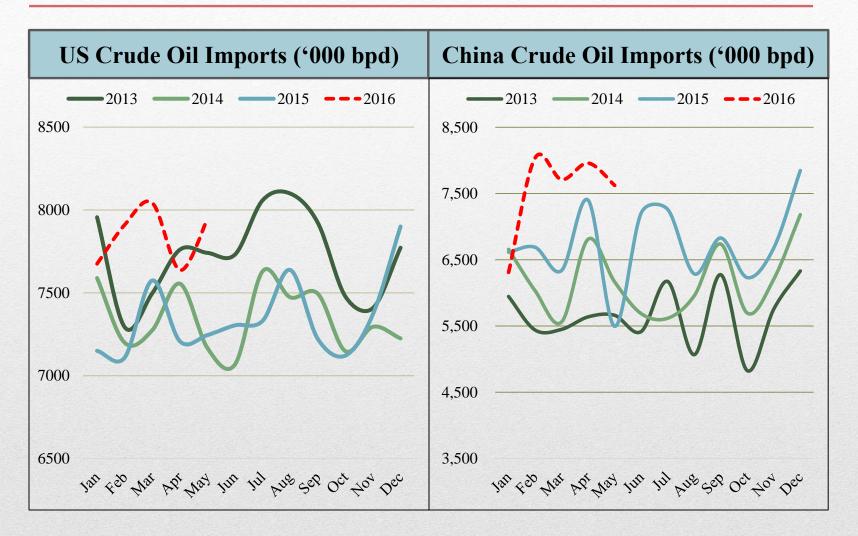
- Crude tankers rates have softened notably due to oversupply leading to forced storage, robust fleet growth and recent oil supply issues in West African Region.
- Product tanker rates fell steadily on account of warm winter in the west,
 refinery margins going down further and increase in fleet during the quarter.

Rising supply, contango led to commercial stocking, SPR filling and forced storage



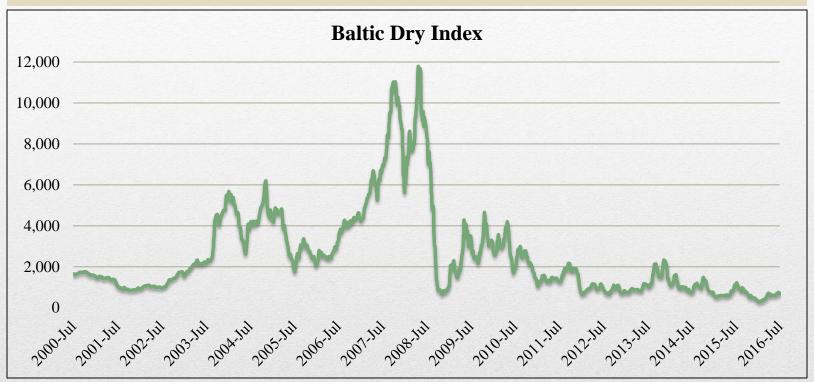
- Lower crude oil prices SPR filling and increase in commercial inventory
- Forced storage of oil products due to product-specific oversupply and logistical constraints

CY2016 has seen higher imports due to low oil price



Baltic Dry Index (Jan 2000 – Jul 2016)

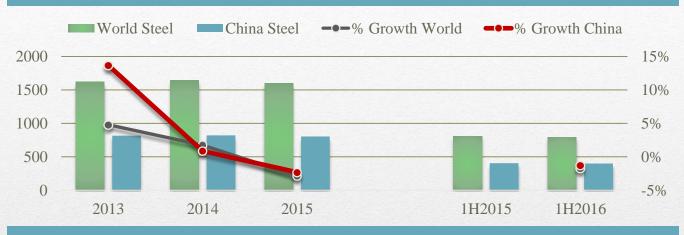
Dry Bulk freight rates improved during the quarter



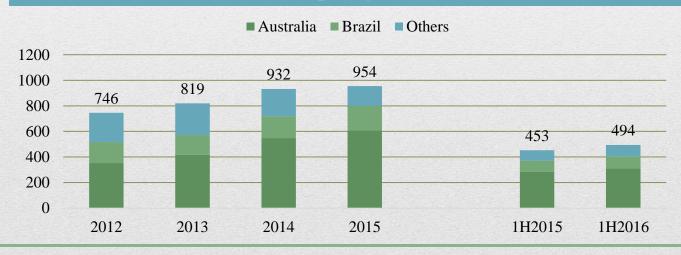
Despite improvement during the quarter, dry bulk rates remain close to historic lows

China's iron ore import growth picked up

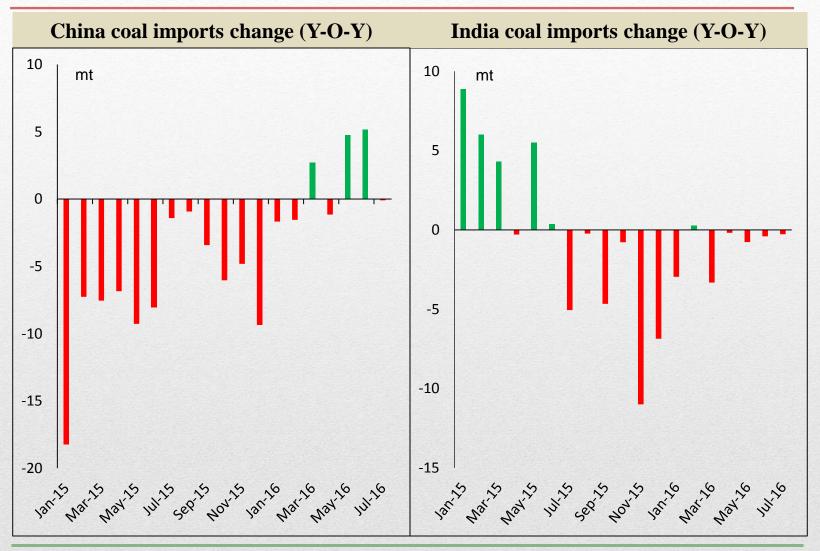




China's iron ore import grew 4% in Q1 2017

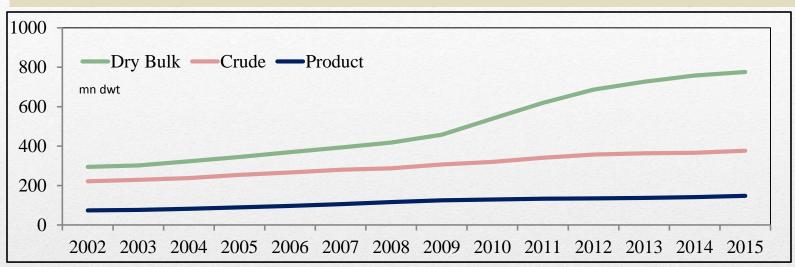


Coal imports by top importers shows signs of recovery



World Fleet Growth





| Fleet | | | |
|-------------|--------------------------------|--|--|
| July 16 | CY2016 | CY2017 | CY2018+ |
| (in mn dwt) | | | |
| 341 | 7% | 8% | 5% |
| 144 | 7% | 6% | 2% |
| 783 | 9% | 4% | 3% |
| | July 16 (in mn dwt) 341 144 | July 16 (in mn dwt) 341 7% 144 7% | July 16 CY2016 CY2017 (in mn dwt) 8% 341 7% 8% 144 7% 6% |

Accelerated scrapping in Dry Bulk

| Scrapping as % of world fleet (year-wise) | | | | | |
|---|-------------|------------------------|-------|-------|-------|
| Vessel | Fleet as on | Scrapping | | | |
| Category | July 16 | 2016 YTD | 2015 | 2014 | 2013 |
| | (in mn dwt) | (% of beginning fleet) | | | |
| Crude | 341 | 0.14% | 0.23% | 1.60% | 2.40% |
| Product | 144 | 0.40% | 0.61% | 1.19% | 1.69% |
| Dry Bulk | 783 | 2.94% | 4.03% | 2.25% | 3.36% |

Greatship (India) Limited

(a 100% subsidiary)

Business Review
August 2016

Offshore business- Fleet Profile

The Greatship Group

> Current Owned Fleet

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

High Fleet Utilization

| Category | Extent of coverage of fleet's operating days (per cent) (FY17) |
|-------------|--|
| PSV | 48 |
| ROVSV | 69 |
| AHTSV | 94 |
| MPSSV | 36 |
| Jackup Rigs | 92 |

^{*} Includes Greatship Ragini (ROVSV) which has been contracted for sale with expected delivery in H2FY17

Greatship's Modern & Technologically Advanced Fleet & High Visibility

Young Fleet

- Young jack-up fleet with an average age of approx. **4.5 years**
- 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
- Equipped to operate in challenging environments
- Efficient and versatile vessels

Revenue Efficiencies

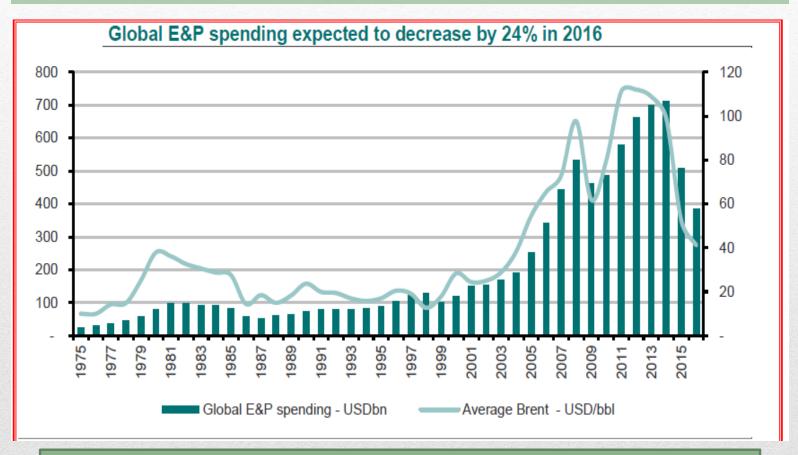
- Customer stickiness
- Higher visibility
- Minimum down time

Cost Efficiencies

- Lower Operating costs
- Reduced maintenance capex & opex

Double-digit decline in capex spending in 2016

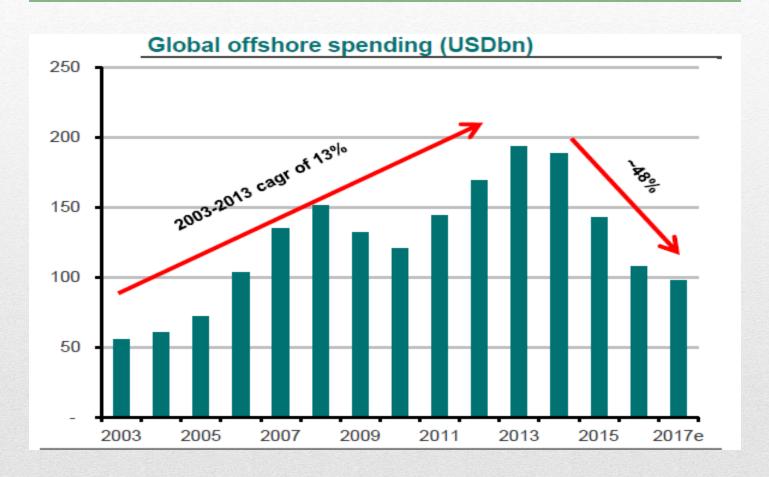
2 years of continuous decline in capex spending (last occurred in '80s)



Absolute capex down to levels last seen in 2006

Steep decline in global offshore spending since 2013

Offshore spending has halved over last 3 years



Global Fleet Supply – Offshore

Fleet & Orderbook

| (Nos) | Jackup Rigs | AHTSVs | PSV |
|---------------------------|-------------|--------|------|
| Current Fleet | 455 | 1975 | 1467 |
| Orderbook | 112 | 183 | 223 |
| % of O/B to current fleet | 25% | 9% | 15% |

- YTD actual deliveries have been far lower than scheduled. Due to bleak employment scenario owners have refrained from taking delivery. A lot of deliveries due in 2016 have now been pushed back to 2017.
 - o Going forward slippage is expected to remain high.
- Asset utilisation levels continue to come off. For premium Jack ups, lack of contract renewals
 has resulted in utilisation levels coming down from around 90% at the start of 2014 to sub
 60% as on date.
- In case of PSVs and AHTSVs more than half the fleet is either idle/stacked or working in spot market at a very low utilisation.

FINANCIAL HIGHLIGHTS

Q1 FY 2016-17

Q1 FY 2016-17 Financial Highlights

Standalone Key Figures Consolidated

| Q1FY'17 | Q1FY'16 | (Amount in Rs. crs) | Q1FY'17 | Q1FY'16 |
|----------|----------|----------------------------------|-----------|----------|
| | | Income Statement | | |
| 496.10 | 491.63 | Revenue (including other income) | 892.89 | 999.65 |
| 249.64 | 238.22 | EBITDA (including other income) | 526.47 | 571.23 |
| 103.56 | 122.79 | Net Profit | 233.62 | 310.83 |
| | | | | |
| | | Balance Sheet | | |
| 9473.50 | 8729.36 | Total Assets | 15769.86 | 15017.25 |
| 4713.14 | 4472.65 | Equity | 7935.28 | 7156.69 |
| 3403.16 | 3023.04 | Total Debt (Gross) | 6239.97 | 6363.22 |
| 117.19 | 8.22 | Long Term Debt (Net of Cash) | 1870.84 | 2476.04 |
| | | | | |
| | | Cash Flow | | |
| 133.55 | 219.25 | From operating activities | 342.07 | 433.76 |
| (935.55) | (589.35) | From investing activities | (1088.98) | (525.87) |
| 455.62 | (79.09) | From financing activities | 301.99 | (300.20) |
| (346.38) | (449.19) | Net cash inflow/(outflow) | (444.92) | (392.31) |

Q1 FY 2016-17 Financial Highlights

| Standalone | | Key Figures | Cons | solidated |
|----------------------------|--------|---|---------|-----------|
| Q1FY'17 Q1FY'16 (Amount in | | (Amount in Rs. crs) | Q1FY'17 | Q1FY'16 |
| | | Key financial figures | | |
| 50.32% | 48.46% | EBITDA Margin (%) | 58.96% | 57.14% |
| 8.88% | 11.13% | Return on Equity (ROE) (%) | 11.99% | 17.75% |
| 7.99% | 8.96% | Return on Capital Employed (ROCE) (%) | 9.02% | 11.31% |
| 0.72 | 0.68 | Gross Debt/Equity Ratio (x) | 0.79 | 0.89 |
| 0.02 | 0.00 | Net Debt/Equity Ratio (x) | 0.24 | 0.35 |
| 66.65 | 63.15 | Exchange rate USD/INR, average (Rs) | 66.65 | 63.15 |
| 67.52 | 63.65 | Exchange rate USD/INR, end of period (Rs) | 67.52 | 63.65 |
| | | Share related figures | | |
| 6.87 | 8.14 | Earnings per share, EPS (Rs) | 15.49 | 20.62 |
| 6.86 | 8.13 | Diluted earnings per share (Rs) | 15.46 | 20.58 |
| 12.32 | 12.55 | Cash Profit per share (Rs) | 27.12 | 31.31 |
| - | - | Dividend per share (Rs) | - | - |

Q1 FY 2016-17 Performance Highlights

Breakup of revenue days

| Revenue Days | Q1'FY17 | Q1'FY16 |
|--------------------------------------|---------|---------|
| | | |
| Owned Tonnage | 2,794 | 2,574 |
| Inchartered Tonnage | 121 | 68 |
| Total Revenue Days | 2,915 | 2,642 |
| | | |
| Total Owned Tonnage (mn.dwt)* | 2.49 | 2.36 |

^{*} As on 30th June

Average TCY Details

| Average (TCY \$ per day) | Q1'FY17 | Q1'FY16 | % Chg |
|------------------------------|---------|---------|-------|
| | | | |
| Crude Carriers | 25,426 | 32,485 | -22% |
| Product Carriers (Incl. Gas) | 20,122 | 22,402 | -10% |
| Dry Bulk | 5,784 | 7,423 | -22% |

Mix of Spot & Time

| Days (in %) | Q1'FY17 | Q1'FY16 |
|-----------------|---------|---------|
| <u>Dry Bulk</u> | | |
| Spot % | 54% | 87% |
| Time % | 46% | 13% |
| Tankers | | |
| Spot % | 54% | 67% |
| Time % | 46% | 33% |
| <u>Total</u> | | |
| Spot % | 54% | 73% |
| Time % | 46% | 27% |

THANK YOU

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