

#### **Business & Financial Review**

May 2016

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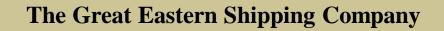
#### **Forward Looking Statements**

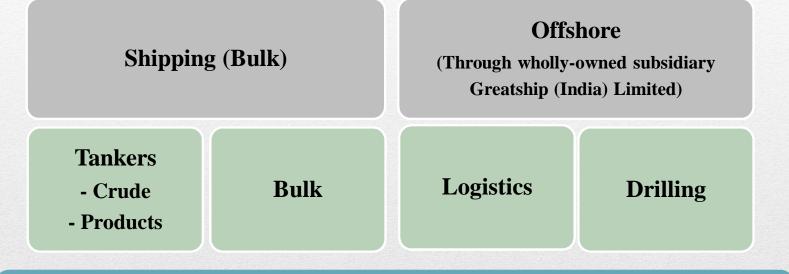
Except for historical information, the statements made in this presentation constitute forward looking statements. These include statements regarding the intent, belief or current expectations of GE Shipping and its management regarding the Company's operations, strategic directions, prospects and future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

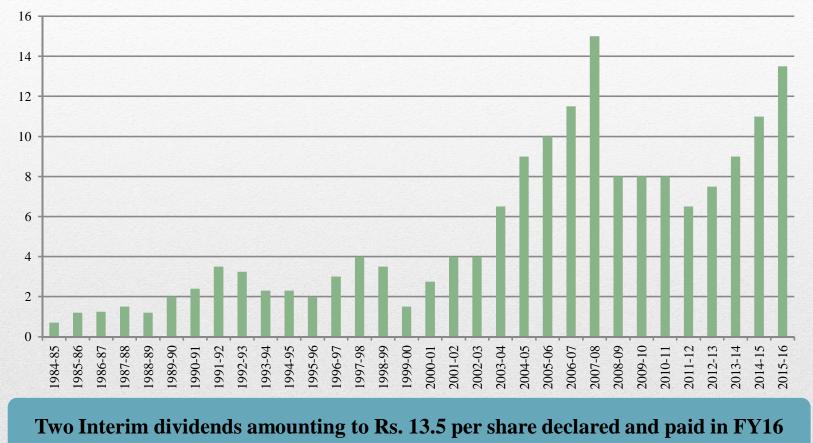




India's largest private sector shipping company. Over 67 years of experience

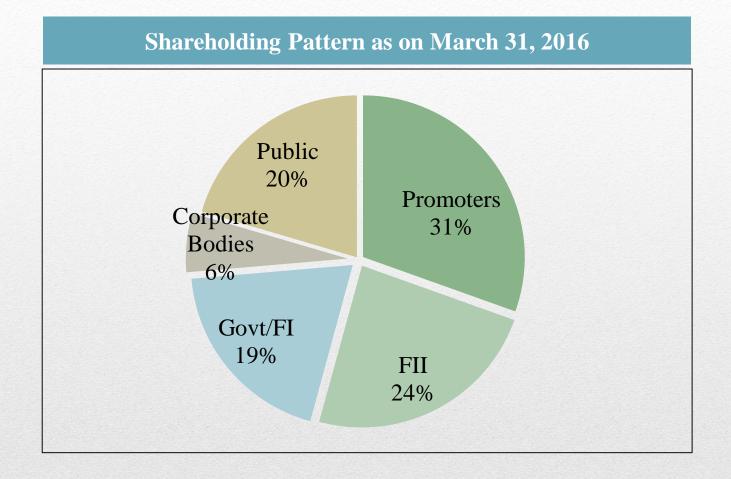
#### **Uninterrupted dividend for 30 years**

**Dividend per share (Rs)** 



4

### **Shareholding Pattern**



Shipping I	business -	owned fleet
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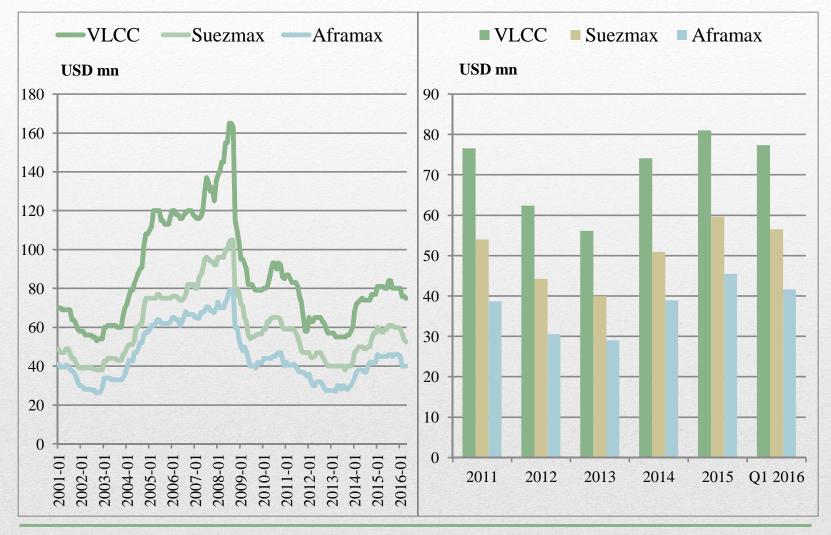
Sr. No.	Vessel Name	Туре	Sr. No.	Vessel Name	Туре
1	Jag Lalit	Suezmax	23	Jag Vishnu	VLGC
2	Jag Lok	Suezmax	1 Gas Carrier; Age - 22 years		years
3	Jag Lateef	Suezmax	24	Jag Aarati	Kamsarmax
4	Jag Lakshita	Suezmax	25	Jag Aditi	Kamsarmax
5	Jag Lyall	Aframax	26	Jag Arya	Kamsarmax
6	Jag Lata	Aframax	27	Jag Arnav	Kamsarmax
7	Jag Laxmi*	Aframax	28	Jag Ratan	Supramax
8	Jag Lavanya	Aframax	29	Jag Rahul	Supramax
	Crude Carriers ; Average		30	Jag Rishi	Supramax
			31	Jag Rani	Supramax
9	Jag Aabha	LR1	32	Jag Roopa	Supramax
10	Jag Aanchal	LR1	9 Bulk Carriers; Average Age - 6.5 years		e - 6.5 years
11	Jag Amisha	LR1			
12	Jag Aparna	LR1			
13	Jag Pahel	MR		32 Vessels	
14	Jag Pankhi	MR			
15	Jag Prabha	MR	Avera	age Age - 10.4	years
16	Jag Prakash	MR	To	otal dwt - 2.5 n	nn
17	Jag Pushpa	MR			
18	Jag Prerana	MR			
19	Jag Pranav	MR	* Contracted for se	ale with expected de	livery in O1 FV1
20	Jag Pranam	MR			
21	Jag Padma	MR			
22	Jag Punit	MR			
	Product Carriers; Avera				

#### **Vessels on Order & Capital Expenditure**

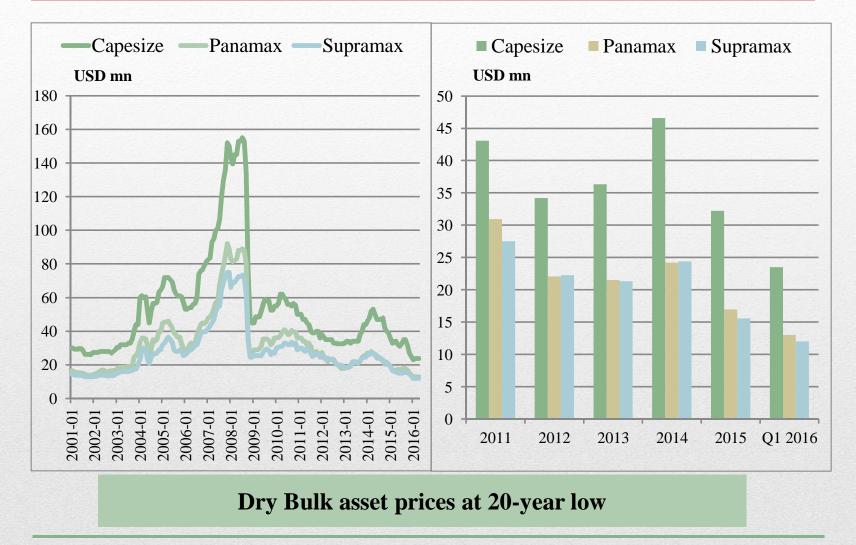
Vessels on Order & Expected Delivery			
Vessel	Yard	<b>Expected Delivery</b>	
4 Kamsarmax Dry Bulk Carriers	Jiangsu New Yangzi Shipbuilding Co. Ltd, China	Q1 FY17, Q2 FY17 & Q4 FY17	
1 Secondhand Very Large Gas Carrier (Built 1996)	Mitsubishi Heavy Industries, Nagasaki Shipyard, Japan	Q1 FY17	

Committed Capex - \$120-130 mn

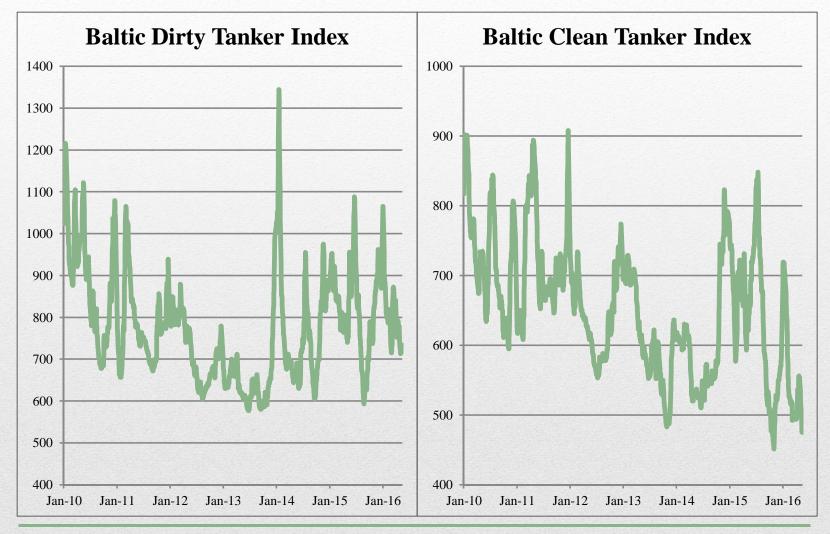
#### **Tankers – Asset Prices (5-year old)**



#### **Bulkers – Asset Prices (5-year old)**



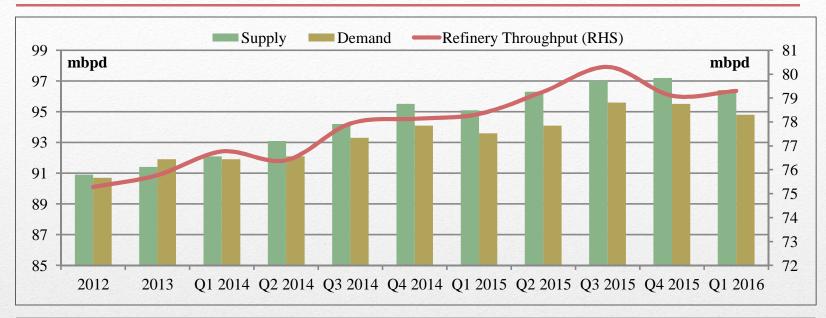
#### Low oil prices positively impacted tanker rates



Source – Industry Reports

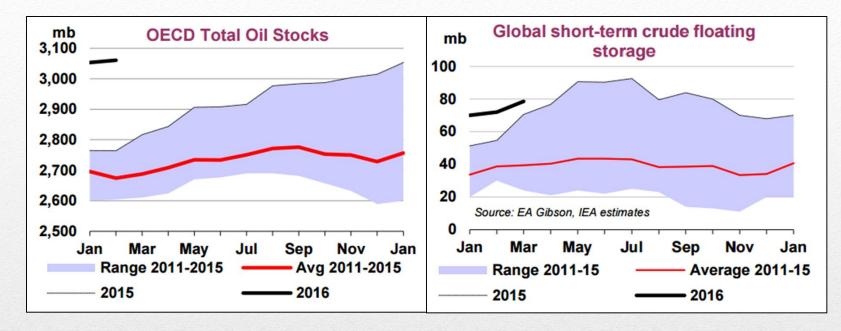
#### Lower oil prices, leading to increased demand & refinery

runs



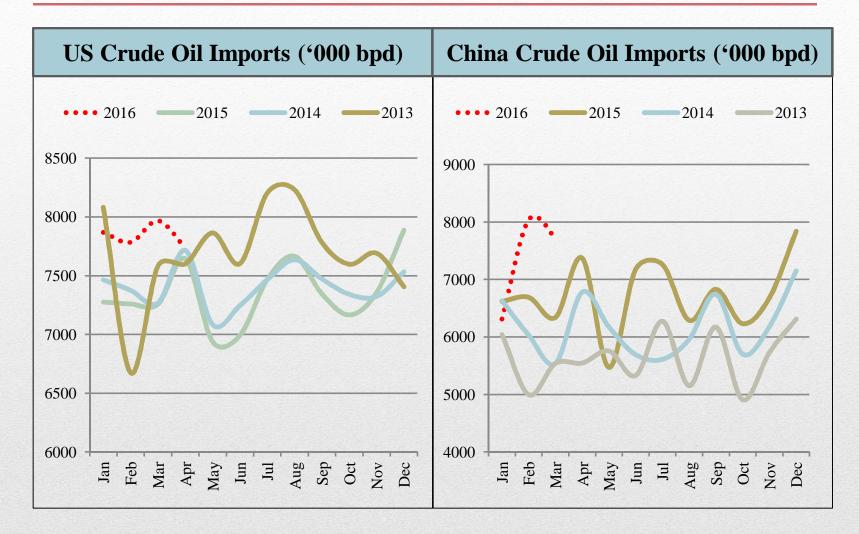
- Crude tanker rates, although lower than Q4 2015 levels, remained healthy led by an increase of close to 1 mbpd in refinery throughput & port congestions
- Product tanker rates fell marginally on account of warm winter in the west, a blip down in refinery margins and increase in fleet during the quarter.

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

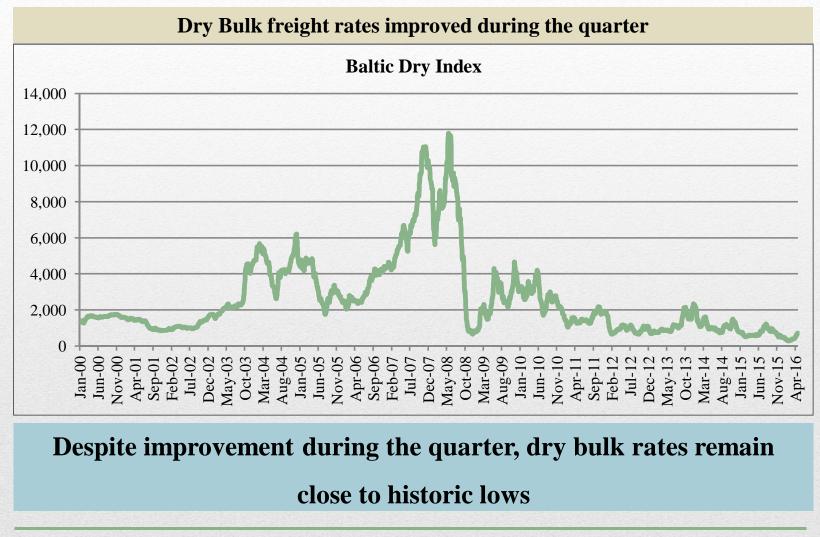


- Lower crude oil prices SPR filling and increase in commercial inventory
- Forced storage of oil products due to product-specific oversupply and logistical constraints

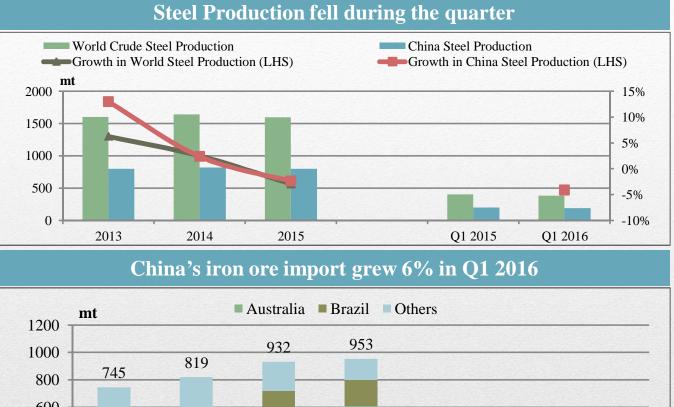
#### **US and China Crude Oil Imports**



#### Baltic Dry Index (Jan 2000 – Apr 2016)



## China's iron ore import growth picked up



 mt
 Australia
 Brazil
 Others

 1200
 932
 953

 1000
 745
 819

 600
 932
 953

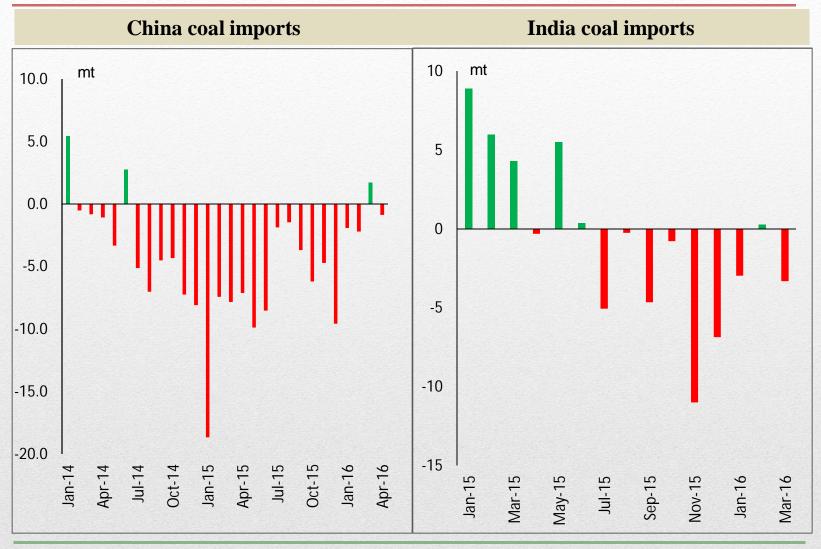
 600
 932
 953

 600
 932
 953

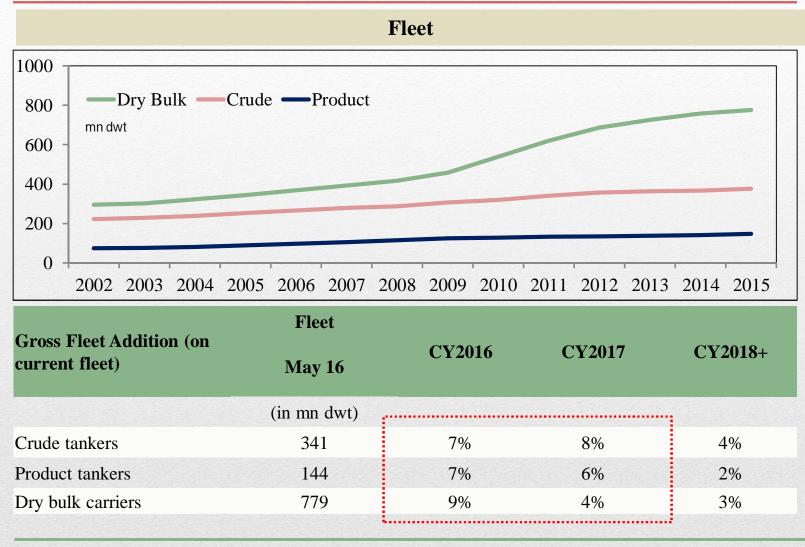
 200
 227
 242

 200
 2012
 2013
 2014
 2015
 Q1 2015
 Q1 2016

#### **Coal imports by top importers on a declining trend**



### **World Fleet Growth**



### **Accelerated scrapping in Dry Bulk**

Scrapping as % of world fleet (year-wise)					
Vessel	Fleet as on	Scrapping			
Category	May 16	2016 YTD	2015	2014	2013
	(in mn dwt)	(% of beginning fleet)			
Crude	341	0.1%	0.2%	1%	2%
Product	144	0.3%	0.2%	1%	2%
Dry Bulk	779	2%	4%	2%	3%

### Greatship (India) Limited (a 100% subsidiary)

**Business Review** 

May 2016

### **Offshore business- Fleet Profile**

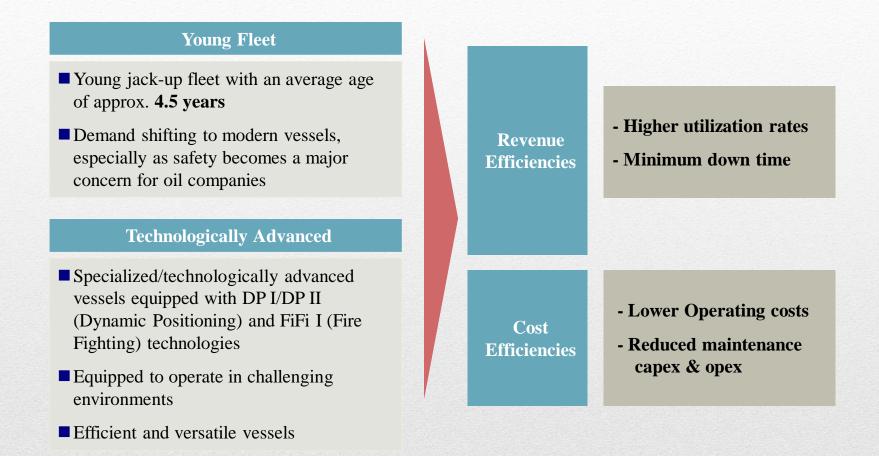
#### **The Greatship Group**

- 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	25	
ROVSV	31	
AHTSV	88	
MPSSV	44	
Jackup Rigs	95	

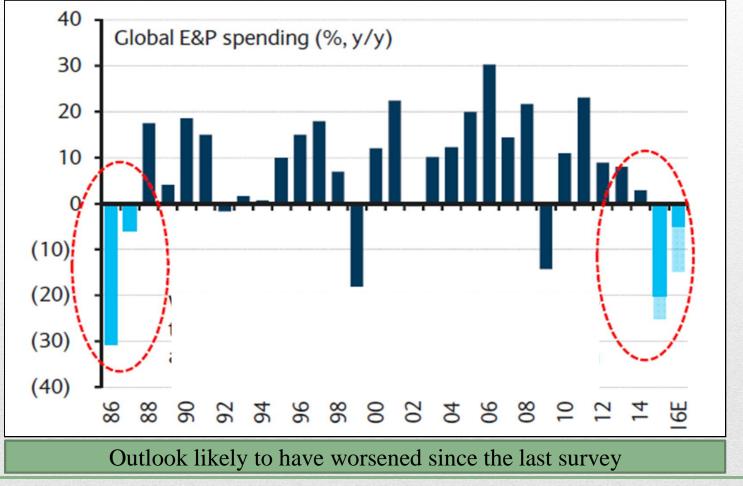
\* Includes Greatship Ragini (ROVSV) which has been contracted for sale with expected delivery in H2FY17

#### **Greatship's Modern & Technologically Advanced Fleet & High Utilization**



#### **Double-digit decline in capex spending in 2016**

#### 2 years of continuous decline in capex spending



Source - Industry Reports

#### **Global Fleet Supply – Offshore**

Fleet & Orderbook				
(Nos)	Jackup Rigs	AHTSVs	PSV	
Current Fleet	464	1942	1439	
Orderbook	120	191	234	
% of O/B to current fleet	26%	10%	16%	

- 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.
  - Going forward slippage is expected 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 around 65% 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.

Source: Rigzone, Marinebase, Industry Reports

# **FINANCIAL HIGHLIGHTS**

# Q4 FY 2015-16

### **Q4 FY 2015-16 Financial Highlights**

ndalone	Key Figures	Consolidat	ed
FY'15	(Amount in Rs. crs)	FY'16	FY'15
	Income Statement		
2010.51	Revenue (including other income)	4078.51	3713.53
840.93	EBITDA (including other income)	2269.57	1708.74
317.30	Net Profit	1039.40	748.24
	Balance Sheet		
9335.93	Total Assets	15631.55	15535.15
4930.76	Equity	8283.90	7430.62
3069.33	Total Debt (Gross)	5794.11	6539.61
202.79	Long Term Debt (Net of Cash)	1894.42	2806.28
	Cash Flow		
530.12	From operating activities	2051.22	1448.58
489.68	From investing activities	(917.52)	(776.05)
(649.88)	From financing activities	(1694.55)	(228.28)
369.92	Net cash inflow/(outflow)	(560.85)	444.25
	FY'15         2010.51         840.93         317.30         9335.93         4930.76         3069.33         202.79         530.12         489.68         (649.88)	FY'15(Amount in Rs. crs)Income Statement2010.51Revenue (including other income)840.93EBITDA (including other income)317.30Net ProfitBalance Sheet9335.93Total Assets4930.76Equity3069.33Total Debt (Gross)202.79Long Term Debt (Net of Cash)530.12From operating activities489.68From investing activities649.88)From financing activities	FY'15         (Amount in Rs. crs)         FY'16           Income Statement         1           2010.51         Revenue (including other income)         4078.51           840.93         EBITDA (including other income)         2269.57           317.30         Net Profit         1039.40           9335.93         Total Assets         15631.55           4930.76         Equity         8283.90           3069.33         Total Debt (Gross)         5794.11           202.79         Long Term Debt (Net of Cash)         1894.42           530.12         From operating activities         2051.22           489.68         From investing activities         (917.52)           (649.88)         From financing activities         (1694.55)

### **Q4 FY 2015-16 Financial Highlights**

Standa	lone	Key Figures	Con	solidated
FY'16	FY'15	(Amount in Rs. crs)	FY'16	FY'15
		Key financial figures		
50.59%	41.83%	EBITDA Margin (%)	55.65%	46.01%
12.04%	6.52%	Return on Equity (ROE) (%)	13.23%	10.54%
9.83%	6.28%	Return on Capital Employed (ROCE) (%)	9.44%	7.81%
0.55	0.62	Gross Debt/Equity Ratio (x)	0.70	0.88
0.00	0.04	Net Debt/Equity Ratio (x)	0.23	0.38
65.30	61.13	Exchange rate USD/INR, average (Rs)	65.30	61.13
66.25	62.50	Exchange rate USD/INR, end of period (Rs)	66.25	62.50
		Share related figures		
40.45	21.04	Earnings per share, EPS (Rs)	68.94	49.63
40.37	21.00	Diluted earnings per share (Rs)	68.80	49.53
63.25	42.50	Cash Profit per share (Rs)	124.34	90.38
13.50	11.00	Dividend per share (Rs)	13.50	11.00

#### **Q4 FY 2015-16 Performance Highlights**

<b>Revenue Days</b>	Q4'FY16	Q4'FY15
Owned Tonnage	2,574	2,603
Inchartered Tonnage	85	0
<b>Total Revenue Days</b>	2,659	2,603
Total Owned Tonnage (mn.dwt)*	2.4	2.3

#### Breakup of revenue days

\* As on 31<sup>st</sup> March

#### Mix of Spot & Time

Average	TCYL	)etails
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Average (TCY \$ per day)	Q4'FY16	Q4'FY15	% Chg
Crude Carriers	33,838	30,324	12%
Product Carriers (Incl. Gas)	21,613	23,034	(6)%
Dry Bulk	4,418	7,717	(43)%

Q4'FY16	Q4'FY15			
63%	95%			
37%	5%			
66%	63%			
34%	37%			
65%	73%			
35%	27%			
	63% 37% 66% 34% 65%			

# THANK YOU

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