PRESS RELEASE

GE Shipping FY11 consolidated Net Profit at Rs.469 crs
Proposes final dividend of Rs.4.50 per share

The Board of Directors of The Great Eastern Shipping Company Ltd. (G E Shipping) today approved the Audited Financial Results for the financial year ended 31 March 2011. The consolidated Net Profit for the year was Rs.469 crs after taking into account an impairment of Rs.85.70 crs towards vessels under construction.

KEY HIGHLIGHTS:

Standalone			Consolidated	
FY'11	**FY'10**	**(Amount in Rs. crs)**	**FY'11**	**FY'10**
		Income Statement		
1649	2245	Revenue (including other income)	2741	3322
829	921	EBITDA (including other income)	1275	1191
266	396	Net Profit	469	513
		Balance Sheet		
9596	9605	Total Assets	12653	11868
5504	5371	Equity	6031	5710
3616	3669	Long Term Debt (Gross)	5957	5370
1112	214	Long Term Debt (Net of Cash)	2832	1447
		Cash Flow		
662	919	From operating activities	977.86	1026
(1,210)	43	From investing activities	(1,938)	(737)
(419)	694	From financing activities	144	1298
(967)	1655	Net cash inflow/(outflow)	(816)	1587
		Key financial figures		
50.30%	41.03%	EBITDA Margin (%)	46.51%	35.86%
4.90%	7.68%	Return on Equity (ROE) (%)	8.62%	9.37%
4.53%	6.29%	Return on Capital Employed (ROCE) (%)	6.13%	7.02%
0.66	0.68	Gross Debt/Equity Ratio (x)	0.99	0.93
0.20	0.04	Net Debt/Equity Ratio (x)	0.47	0.24
45.54	47.67	Exchange rate USD/INR, average (Rs)	45.54	47.67
44.59	44.89	Exchange rate USD/INR, end of period (Rs)	44.59	44.89
		Share related figures		
17.50	25.99	Earnings per share, EPS (Rs)	30.78	33.67
17.46	25.93	Diluted earnings per share (Rs)	30.71	33.60
43.02	48.74	Cash Profit per share (Rs)	58.38	61.55
8.00	8.00	Dividend per share (Rs)	8.00	8.00

Performance Review of Q4 FY 2010-11:

Break up of Revenue days (Shipping):

Q4'FY11	Q4'FY10	Revenue Days	FY11	FY10
2,827	3,374	Owned Tonnage	12,097	13,269
23	-	Inchartered Tonnage	111	256
2,850	**3,374**	**Total Revenue Days**	**12,208**	**13,525**
2.63	**2.89**	Total Owned Tonnage (mn.dwt)	**2.63**	**2.89**

Average TCY's earned in various categories:

Average (TCY $ per day)	Q4'FY11	Q4'FY10	% Chg
Crude Carriers	23,072	29,322	(21)%
Product Carriers (Incl. Gas)	15,556	17,920	(13)%
Dry Bulk	18,153	23,963	(24)%

FLEET DEVELOPMENT:

Sale & Purchase Activities during Q4 FY2010-11:

During the quarter:
- The Company took delivery of new building Kamsarmax dry bulk carrier "Jag Aarati"
- The Company took delivery of new building Supramax dry bulk carrier "Jag Rishi"

Subsequent to the quarter:

- The Company has entered into a contract to sell en bloc all three VLCC's (318,000 dwt each) on order. These will be delivered to the new buyer immediately upon delivery from the yard.

- The Company took delivery of new building Kamsarmax dry bulk carrier "Jag Aditi"

Capital Expansion Plan

The Company currently has a total capex commitment of around USD 96 mn, which translates to approx. Rs.425 crores at current exchange rates. Out of this, approx USD 69 mn has already been advanced to the yards as stage payments. This will result in addition to the tonnage of about 0.14 mn dwt (1 Supramax & 1 Kamsarmax dry bulk carrier).

FLEET PROFILE: as on date

Categories	No. of ships	Avg age (years)
Crude Carriers	10	10.2
Product Carriers	16	9.0
Gas Carrier	1	20.0
TANKERS TOTAL	**27**	**9.8**
Capesize	1	15.0
Kamsarmax	2	0.0
Panamax	1	16.0
Supramax	3	5.8
Handymax	1	14.0
DRY BULK TOTAL	**8**	**8.6**
TOTAL FLEET (2.71 mn dwt)	**35**	**9.5**

MARKET COMMENTARY:

Muted demand from the western countries, unwinding of floating storages and steady supply of new vessels kept tanker freight rates under pressure throughout the quarter. Ongoing unrest in the MENA region resulted in the firming up of freight rates for short duration but were soon offset by higher supply. Also, increasing fuel costs reduced the effective day rates.

The beginning of the quarter saw the after effects of the Australian floods resulting in sharp drop in the coal trade especially from Queensland. Adding to the pressure was the excessive dry bulk fleet growth which resulted in overcapacity and depressed freight rates throughout the quarter. Even though scrapping activities picked up significantly, supply side pressure kept a lid on the charter rates. Towards the quarter end, the earthquake and tsunami in Japan brought an abrupt suspension in coal and iron ore shipments, further depressing dry bulk demand.

OUTLOOK:

Tanker Market:

Even though we are witnessing some signs of improvement in oil consumption from the western economies, this is not getting converted into tanker demand growth. This scenario is largely attributed to the draw down of existing oil inventories by these countries. Also, supply side issues and decline in floating storage are expected to add pressure on the existing weak tanker charter rates.

Dry Bulk Market:

The lifting of the Karnataka iron ore export ban and normalcy returning in the activities of Australian ports can prove beneficial for improvement in the dry bulk freight rates especially for the Capesizes in the short to medium term. Steady improvement in the grain trade will keep the charter rates steady for the smaller asset classes. Slippages in the deliveries, scrapping, port congestions etc. can help in stabilizing the freight rates but with more than 20% fleet addition expected to hit the market in CY11, the dry bulk market can expect to remain under pressure.

REVENUE VISIBILITY:

The revenue visibility for the balance part of FY 2011-12 is around Rs.420 crores. Crude tankers and product carriers (incl Gas carrier) are covered to the extent of around 36% and 32% of their operating days respectively. In case of dry bulk carriers, they are covered to the extent of around 35% of the fleet's operating days.

DEVELOPMENTS IN THE SUBSIDIARIES:

Greatship (India) Limited (GIL):

GIL and its subsidiaries currently own and operate four Platform Supply Vessels (PSV), seven Anchor Handling Tug cum Supply Vessels (AHTSV), three Multipurpose Platform Supply and Support Vessels (MPSSV), three Platform/ ROV Support Vessels (ROVSV) and two 350 Feet jack up rigs. GIL and its subsidiaries have a total capex commitment of around US$ 450 mn for an order book of seven vessels - two Multi Support Vessels (MSV) in India, three Platform/ ROV Support Vessels (ROVSV) in Sri Lanka and two 150 TBP Anchor Handling Tug cum Supply Vessels (AHTSV) in Singapore and one 350 feet jack up rig in Dubai.

Sale & Purchase Activities during Q4 FY2010-11:

During the quarter:

- Greatship Global Energy Services Pte. Ltd., took delivery of 2009 built 350 feet jack up drilling rig, "Greatdrill Chetna"
- Greatship Global Offshore Services Pte. Ltd. contracted to construct one Platform/ROV Support Vessel for delivery in Q2 FY13.
- Greatship Global Energy Services Pte. Ltd. contracted to construct One Mobile Offshore Self Elevating Drilling Rig - Letourneau Super 116 (E) with Lamprell Energy Ltd. for delivery in Q3 FY13.
- Greatship (India) Ltd, took delivery of a Platform/ROV Support Vessel "Greatship Rashi"

Revenue Visibility:

The revenue visibility for the balance part of FY 2011-12 is around Rs.770 crores. PSVs and AHTSVs are covered to the extent of around 78% and 45% of their operating days respectively. ROVSVs and MPSSVs have coverage of around 91% and 24% for the balance part of FY2012. In case of Jackup rigs, they are covered to the extent of around 98% of the operating days.

The Great Eastern Chartering LLC (Sharjah):

This wholly owned subsidiary was set up with the objective of inchartering tankers as well as dry bulk vessels and the commercial operation of such inchartered tonnage. This company currently operates 1 dry bulk carrier with remaining average inchartered duration of 12 months.

Place: Mumbai
Date: 6 May, 2011

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For further details, please email us at corp_comm@greatship.com

Q4 FY11 Earnings Call scheduled at **4:30 pm (IST) on Monday, 9th May 2011**.
To participate, kindly dial **(+91) - 22 – 67914400/ 99**