

The Great Eastern Shipping Co. Ltd.

Business & Financial Review

August 2009



Forward Looking Statements

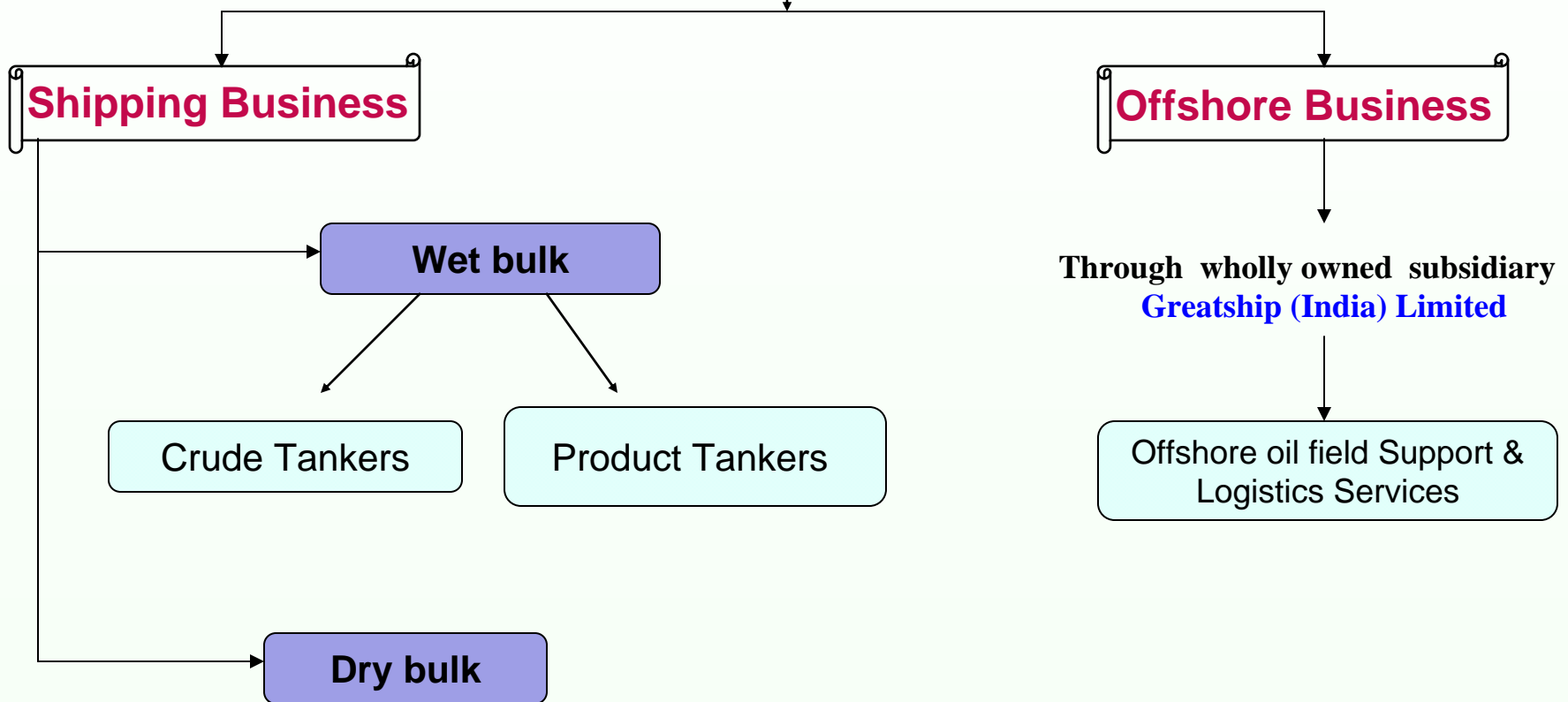
Except for historical information, the statements made in this presentation constitute forward looking statements. These include statements regarding the intent, belief or current expectations of GE Shipping and its management regarding the Company's operations, strategic directions, prospects and future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

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Corporate Profile

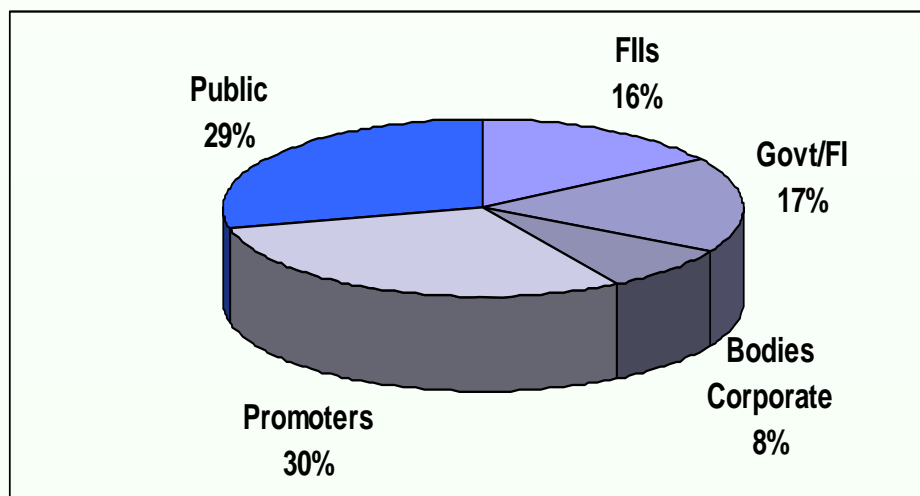
The Great Eastern Shipping Co. Ltd.
Incorporated in 1948



Company at a glance

- ✎ *India's largest private sector Shipping Company*
- ✎ *Diverse asset base with global operations*
- ✎ *Completed 61 years of operations*
- ✎ *More than 26 years of uninterrupted dividend track record*

Shareholding Pattern as on June 30th, 2009





Shipping business-owned fleet

- ❑ **37 ships aggregating 2.84 Mn dwt, avg.age 10.0 years**
 - ❑ **31 Tankers** avg.age 9.5 years (85% in tonnage terms)
 - ❑ **12 Crude carriers (6 Suezmax, 6 Aframax)** avg.age 9.5 years (2 single hull – both double sided)
 - ❑ **18 Product tankers (4 LR1, 9 MR, 5 GP)** avg.age 9.4 years (5 single hull – 2 double sided)
 - ❑ **1 LPG carrier** – avg.age 18 years (single hull)
 - Double hull status – 23 tankers representing 81% in dwt terms**
 - ❑ **6 Dry bulk carriers** avg.age 12.6 years
 - ❑ **1 Capesize** - avg.age 13 years
 - ❑ **1 Panamax** - avg.age 14 years
 - ❑ **2 Supramax**- avg.age 7 years
 - ❑ **1 Handymax** - avg.age 12 years
 - ❑ **1 Handysize** - avg.age 29 years



Shipping business – Inchartered fleet

**Total Inchartered Fleet : 4 ships
(including in subsidiaries)**

- **Tankers : 2**
 - ✓ **2 Suezmax Crude Carriers**

- **Dry Bulk : 2**
 - ✓ **2 Supramax Bulk Carriers**



Committed CAPEX – Shipping Business

Committed Capex of around USD 437 Mn

- 7 new building contracts aggregating 0.68 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, Suezmax Tankers (Hyundai Heavy Industries)



Offshore business- Fleet Profile

➤ **Current Owned Fleet**

- ✓ 5 Platform Supply Vessels (PSV)
- ✓ 7 Anchor Handling Tug cum Supply Vessel (AHTSV)

➤ **Current Inchartered Fleet**

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

***JV between Greatship (I) Ltd & DOF Subsea, Norway
- focus on subsea projects in the Indian subcontinent***

Committed CAPEX – Offshore Business

➤ Committed Capex of around USD 686 Mn

To be delivered in:

✓ FY 2010

- 1 NB 80T AHTSV (Labroy)
- 4 NB MPSVs (Keppel Singmarine)
- A New Building 350 ft Jack Up Rig (Keppel)
- 1 NB Construction Support Vessel (CDL)

✓ FY 2011

- 3 NB Construction Support Vessel (CDL)
- 2 NB MSVs (Mazagon Dock)
- 1 NB 150T AHTSV (Drydock World, Singapore)

✓ FY 2012

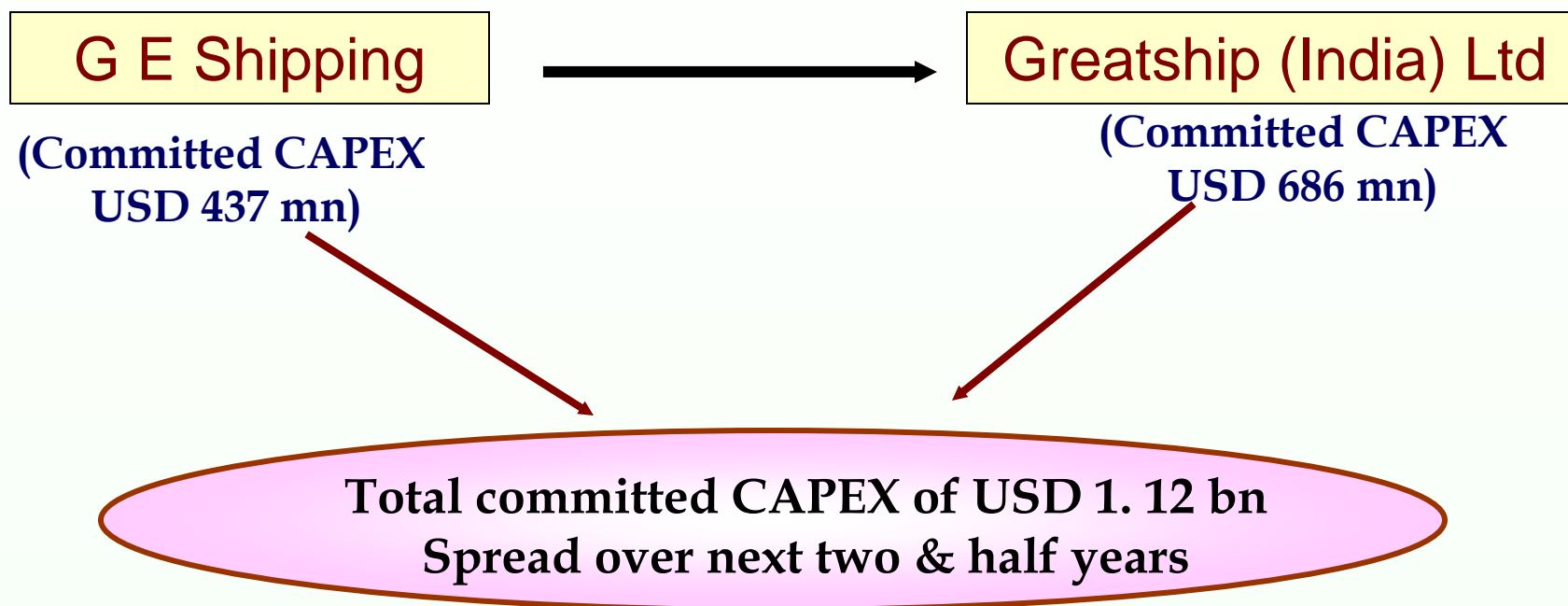
- 1 NB 150T AHTSV (Drydock World, Singapore)

Fleet Growth*	FY2008	FY2009	FY2010E	FY2011E	FY2012E
Fleet (in nos)	4	8	19	25	26
Average Age (yrs)	3.3	2.7	1.8	2.1	3.0

* basis current committed capex & no sale envisaged

Committed Capex for the Group

Total Investment Rs.1,116 crs
Equity (Rs852 crs) + Pref (Rs.264 crs)



To be financed with a mix of debt & internal accruals

Group D/E ratio around 1.2:1 (at the peak)



Financial Review

Financial Highlights of Q1FY10 Performance

(Rs.crs)	Standalone				Consolidated			
	Q1FY10	Q1FY09	% chg	FY09	Q1FY10	Q1FY09	% chg	FY09
Freight & Charter hire	468	702	(33)%	2,829	721	897	(19)%	3,792
Gain on sale of ships	119	254	(53)%	254	119	254	(53)%	254
Total Income	587	956	(38)%	3,083	840	1,151	(27)%	4,046
Total Expenditure	364	457	(20)%	1,276	566	610	(7)%	2,168
Operating Profit (incl. Gain on sale of ships)	223	499	(55)%	1,807	274	541	(49)%	1,878
Operating Profit (excl. Gain on sale of ships)	104	245	(57)%	1,552	154	286	(46)%	1,623
Net Profit	126	387	(67)%	1,384	154	427	(64)%	1,417
Diluted EPS (in Rs)	8.3	25.2		91.7	10.1	27.8		93.8

NAV as on 30 Jun'09 Rs.317

Q1 FY09 Performance Highlights

- Substantially lower TCY rates on dry bulk & crude carriers
- Operating Profit (PBDIT) on standalone basis down 55%

Breakup of revenue days

<i>Revenue Days (standalone)</i>	<i>Q1 FY10</i>	<i>Q1 FY09</i>	<i>% chg</i>
Owned Tonnage	3,393	3,502	(3)%
Inchartered Tonnage	88	178	(50)%
Total revenue days	3,481	3,680	(5%)

<i>Particulars (Rs. Crs)</i>	<i>GE Shipping</i>	<i>Sharjah</i>	<i>Greatship*</i>	<i>Total</i>
Debt as on 30/6/09	2,989		1,547	4,536
Cash as on 30/6/09	2,190	195	269	2,654
Gearing (x)	0.58		1.76	0.83

* Includes Greatship (I) Ltd & its subsidiaries

Earnings Mix

GE Shipping Average TCY Details

<i>Average TCY (\$ per day)</i>	<i>Q1 FY10</i>	<i>Q1 FY09</i>	<i>% change</i>
Crude Carriers	23,819	40,737	(42)%
Product Carriers	17,088	21,541	(21)%
Dry Bulk Carriers	19,489	50,619	(61)%

Mix of Spot & Time

Q1 FY10	Q1 FY09	Days (in %)	FY09
74%	65%	<u>Dry Bulk</u>	
26%	35%	Spot %	72%
		Time %	28%
51%	50%	<u>Tankers</u>	
49%	50%	Spot %	52%
		Time %	48%
55%	55%	<u>Total</u>	
45%	45%	Spot %	57%
		Time %	43%

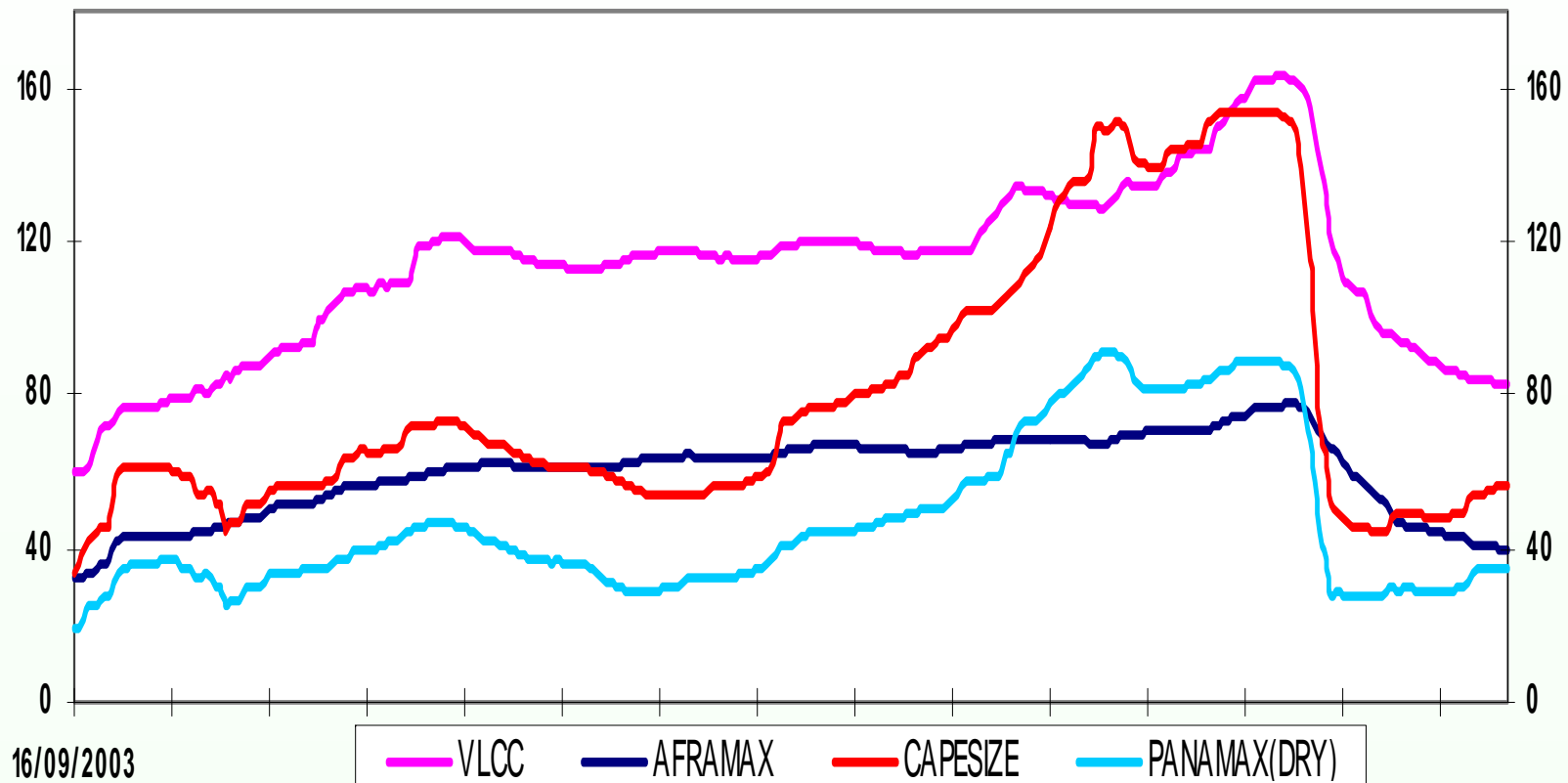


Industry Scenario

Ship prices on a downslide

Asset Price Movement (5 yr old) – Amt in US\$ mn

Timeline- Sep2003 till July 27, 2009



Source: Baltic Sale & Purchase Assessment

World Fleet Supply

	2006	2007	2008	Forecast 2009	Forecast 2010	Forecast 2011+
VLCC	3.4%	4.0%	3.8%	7.0 %	13.1%	17.5%
Suezmax	7.0%	4.6%	0.9%	12.7%	11.1%	13.6%
Aframax	5.5%	7.3%	6.1%	6.8%	10.9%	6.6%
Panamax	13.8%	12.4%	8.8%	8.4%	7.1%	9.9%
Handymax	7.9%	8.4%	10.6%	11.6%	12.1%	6.6%
Capesize	9.1%	8.5%	9.0%	16.8%	34.0%	29.4%
Panamax	8.5%	6.4%	5.7%	6.1%	18.9%	20.1%
Handymax	7.2%	7.4%	8.0%	15.8%	21.0%	15.2%
Handysize	0.6%	2.7%	1.8%	9.1%	11.3%	12.6%

Source: Clarkson

Gross World fleet addition-Shipping

World Fleet addition*	2009	2010	2011
Crude tankers	7.6%	11.6%	11.4%
Product tankers	10.4%	10.6%	6.0%
Dry bulk carriers	11.9%	22.7%	13.6%

15% of world tanker fleet single hull

*includes only new building from yards

Fleet as on 1 st Ju1'09 (in mn dwt)	Scrapping (in mn dwt)	CY2008	H1CY09
303.3	Crude	1.3	0.7
121.8	Product	1.5	1.3
432.4	Bulk	3.6	7.5

19% of world dry bulk fleet > 25 years

Source: Clarkson

Tanker Market

■ Crude:

- Demand for oil to be weaker in 2009, but is expected to increase in 2010
- Contraction in world output likely to depress energy consumption
- High fleet growth to put excessive pressure

■ Product:

- Low refining margins & depressed demand keeping product tanker rates down

*Large US oil inventories coupled with new building deliveries
expected to keep tanker rates under pressure*

But...

- Increase in global refinery capacity in next 2 years to give support to seaborne movement.
- **Increase in tonne mile demand**



Dry Bulk Market

- Demand for commodities unlikely to pick up in 2009
- Excessive fleet addition to be highest in this segment

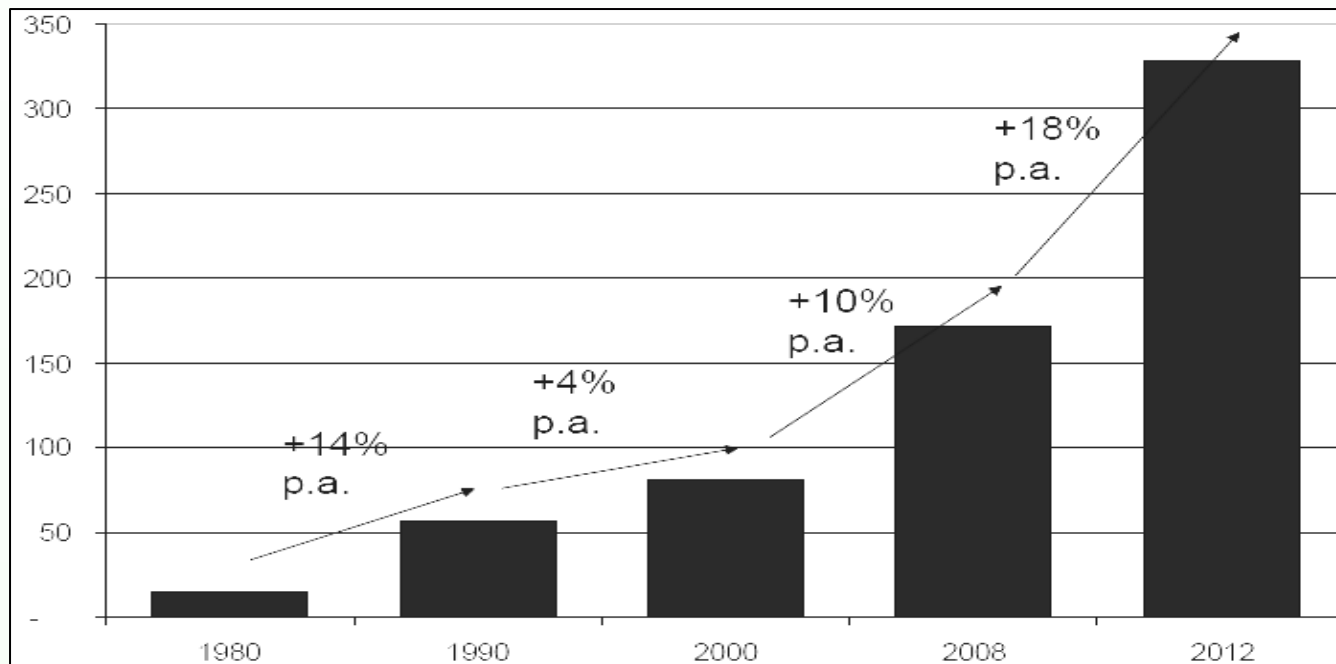
... but a ray of hope...

- Increase in level of scrapping activity
- Construction on more than one third of the existing orderbook not yet begun.
- First trigger for a market upturn will be settlement of iron ore prices & active resumption of shipments by China
- Impact of worldwide stimulus packages, viable commodity prices & simultaneous rebuilding of inventories- will help a rapid turnaround

Offshore Market...Still holding strong

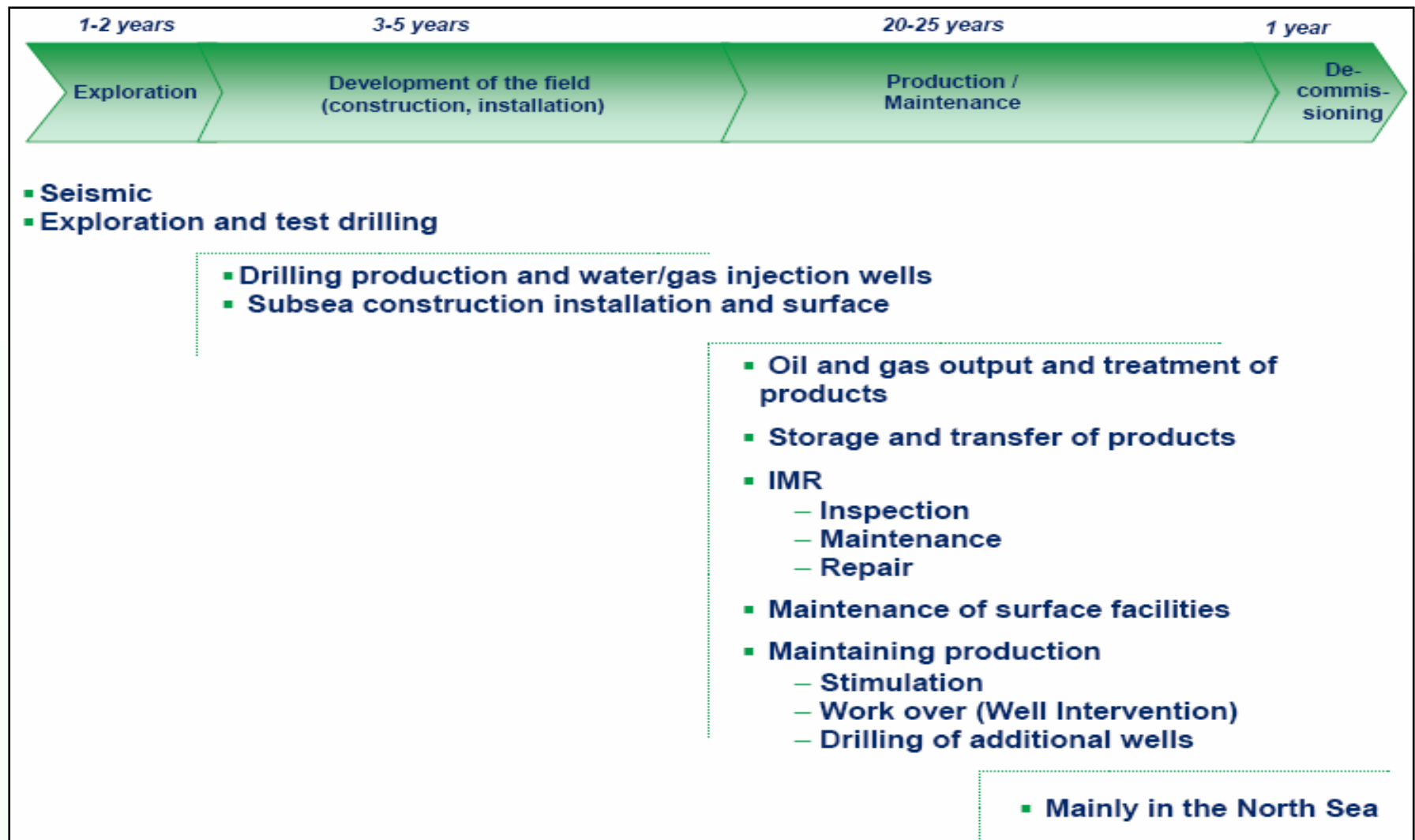
- ✓ Decline in oil & gas reserves
- ✓ Energy Security concerns high on consumer countries agenda
- ✓ Development and drilling activity in mid to deep water
- ✓ Tenders continuing to be issued for long term work

Total Subsea fleet development



Source: Offshore Research, Pareto

Life Cycle of Offshore Fields



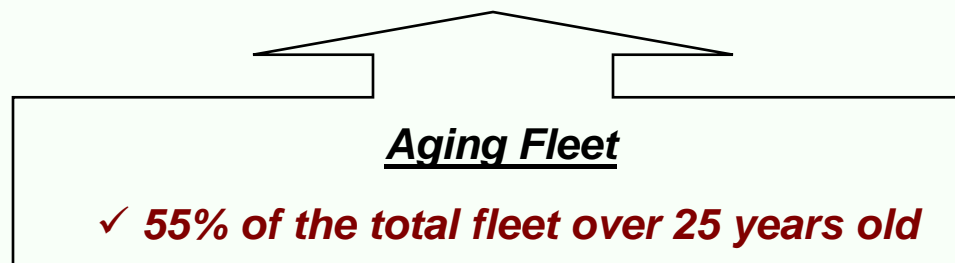
Source: Bourbon, Feb 2008

Offshore Supply Market

OSV Fleet Summary

(Nos)	AHTSVs	PSVs	Others
Current Fleet*	2,226	1,843	1,657
Orderbook	540	245	208
% of O/B to current fleet	24%	13%	12%

* Data as on Ju1'09, Source: Clarkson





THANK YOU

visit us at www.greatship.com