

Business and Financial Review
of



The Great Eastern Shipping Co. Ltd.

A leading shipping and oilfield service provider

May 2, 2003

Forward looking information

This presentation contains certain forward looking information through statements, which are based on management's current expectations and observations. The company cannot guarantee the accuracy of these assumptions.

There are a number of risks and uncertainties which may impact the actual results to differ materially from these forward looking statements. 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.

Fact Sheet

- GE Shipping is the India's largest private sector shipping and offshore service provider with a fleet size of 60 vessels
- On order 5 New building tankers aggregating 450,000 dwt:
 - 1 Product carrier and 1 Aframax crude carrier - May'03
 - 1 Aframax crude carrier- Jan '04
 - 1 Product carrier- July '04
 - 1 Suezmax crude carrier - April '05



Income Statement: Quarterly Comparison

In Rs. Cr.

	Q4 FY03	Q4FY02	% Change
Income from Ops.	266.44	256.01	4
Total Income	281.85	258.45	9
EBDIT	145.53	106.95	36
Interest	8.90	9.48	(6)
PBT	96.98	48.97	98
Net Profit *	93.11	24.18	285
Cash Profit	132.76	72.68	83

* includes prior period adjustments

Income Statement: Sequential Quarters

In Rs. Cr.

	Q4 FY03	Q3FY03	% Change
Income from Ops.	266.44	235.70	13
Total Income	281.85	240.91	17
EBDIT	145.53	96.54	51
Interest	8.90	10.01	(11)
PBT	96.98	47.54	104
Net Profit *	93.11	47.74	95
Cash Profit	132.76	86.73	53

* includes prior period adjustments

Income Statement: Y-o-Y

In Rs. Cr.

	FY03	FY02	% Change
Income from Ops.	963.96	1,172.43	(18)
Total Income	1,015.64	1,196.35	(15)
EBDIT	52.73	504.78	(10)
Interest	39.00	50.27	(22)
PBT	245.75	252.78	(3)
Net Profit *	227.29	197.19	15
Cash Profit	395.27	398.92	(1)

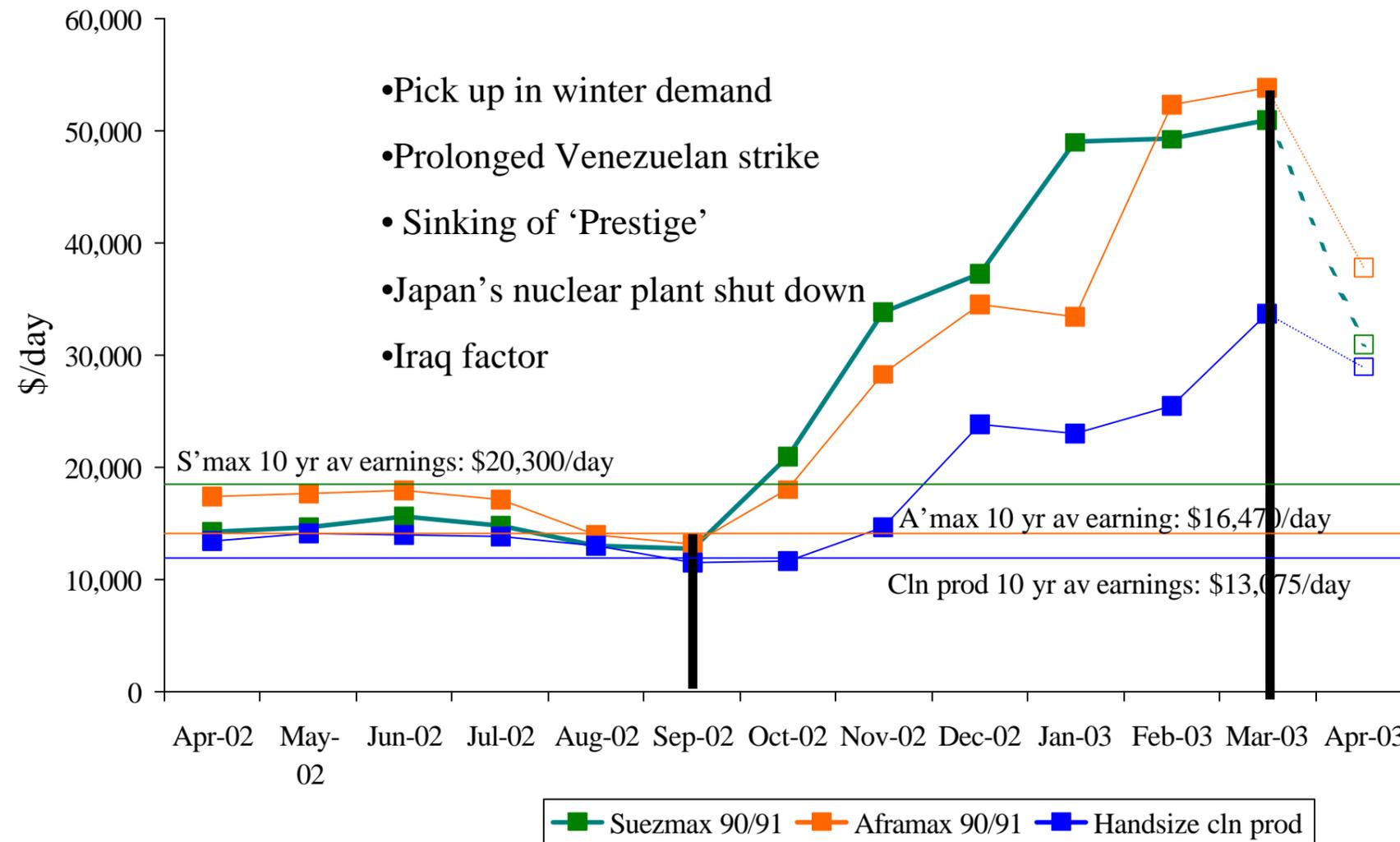
* includes prior period adjustments

Financial Highlights: FY03

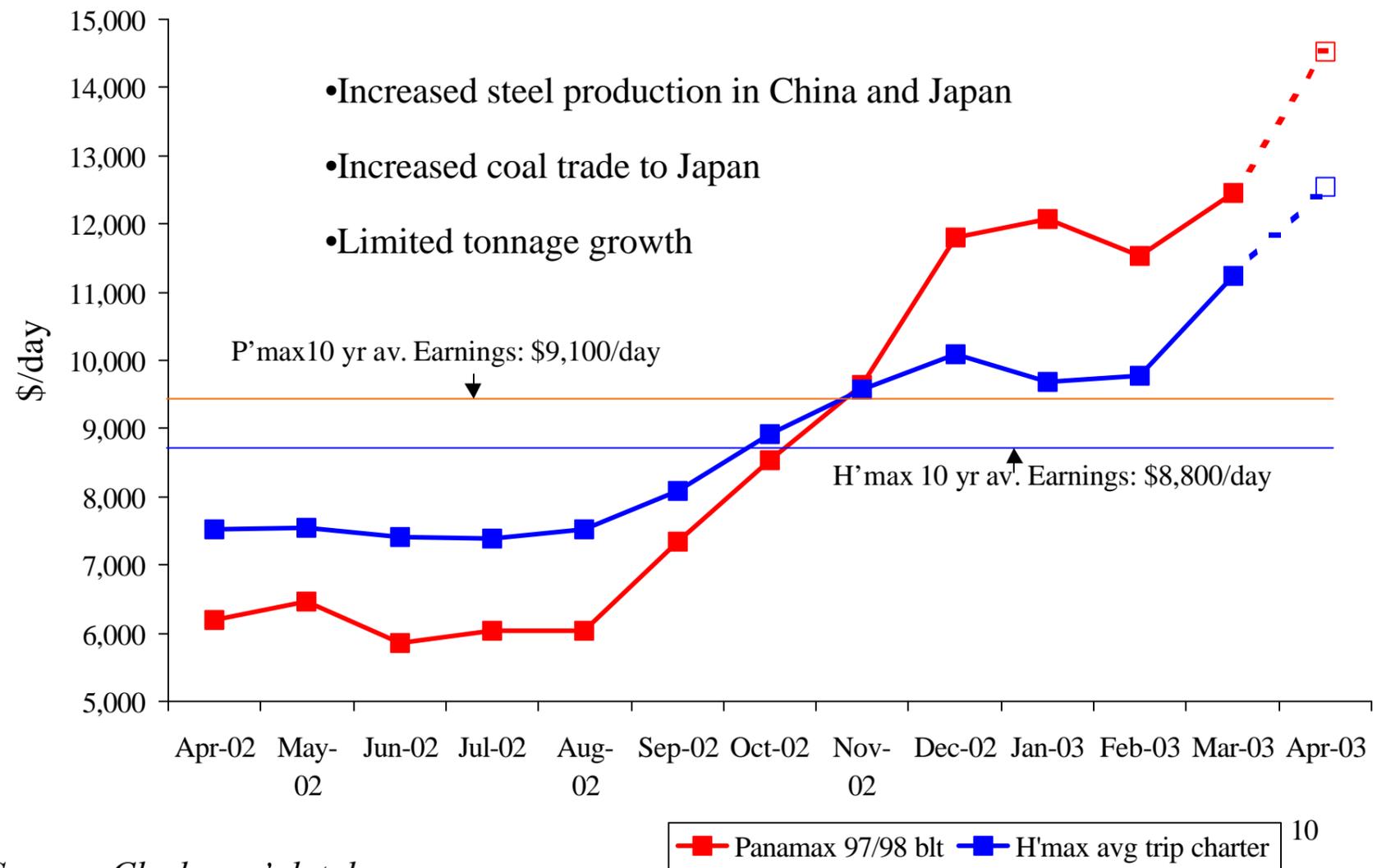
- EPS of Rs. 11.40 per share an increase of 29 %
- Cash EPS of Rs. 20.10 per share an increase of 10 %
- Recommended equity dividend Rs. 4 per share
- Book value of Rs. 61 per share an increase of 17 %
- Return on average capital employed 12.25%
- Return on average net worth 20.40%
- Debt Equity Ratio 0.94:1

Market Review

Global tanker market - spot earnings



Global dry bulk market - spot earnings



Source: Clarksons' database

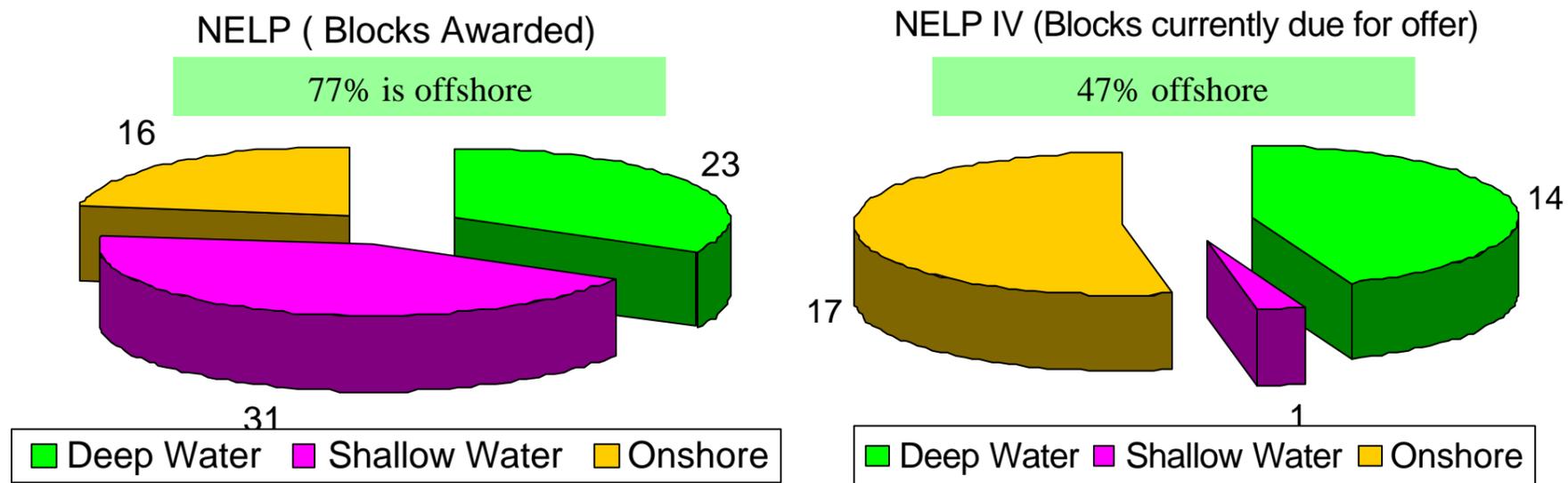
Oilfield services global developments

- Worldwide offshore business is conducted along the coast & governed by local legislations
 - Disconnect between rising oil and gas prices and fresh E&P investments
 - Thrust in developmental drilling
 - Deepwater exploratory drilling slowed down

India is not fully influenced by global trends

Domestic developments

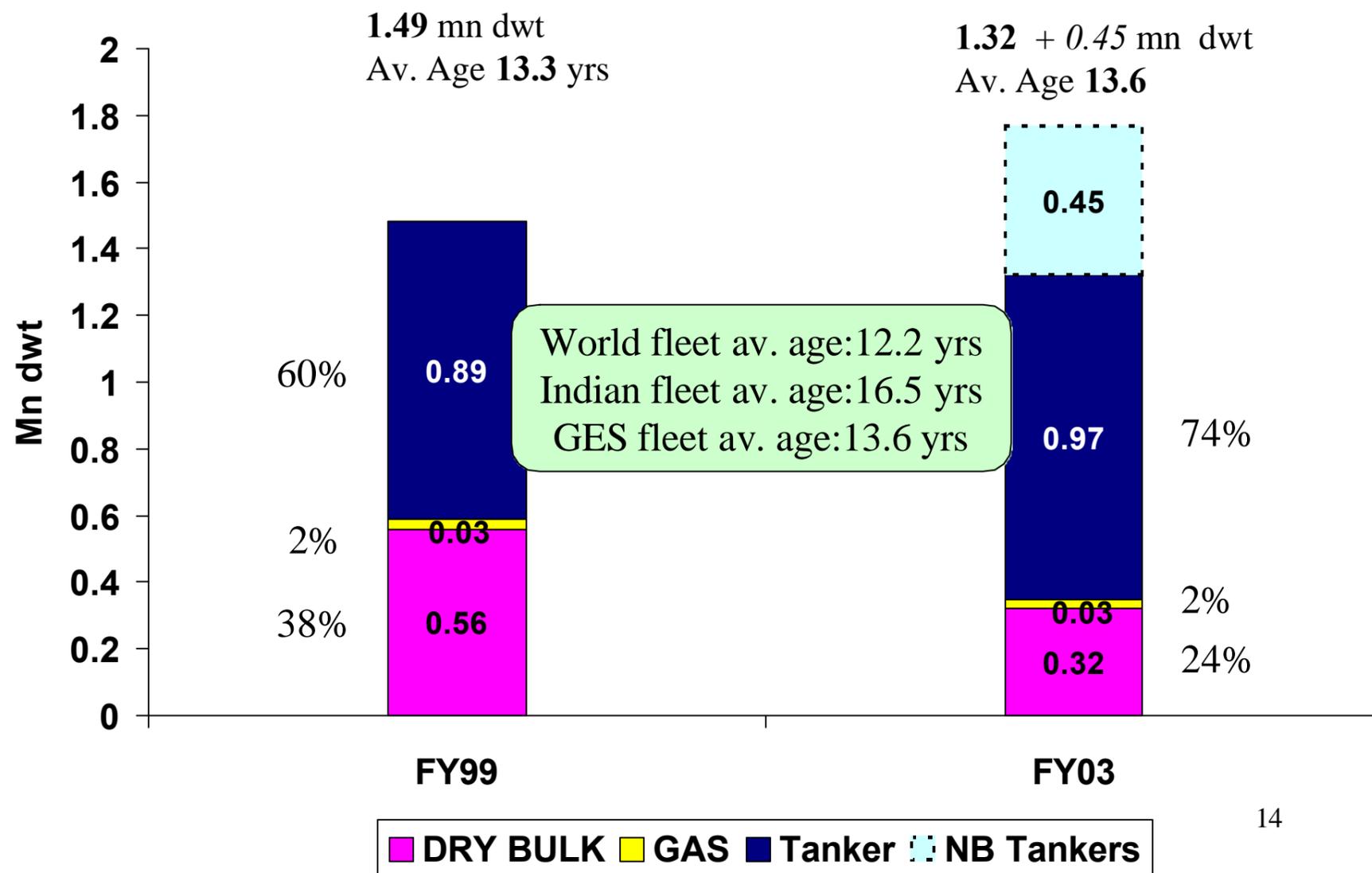
- Increased Government emphasis on E & P activities
 - New discoveries in West coast and KG basin
 - Redevelopment efforts in Bombay High South & North fields
 - Major users redefining existing tender norms



GE Shipping

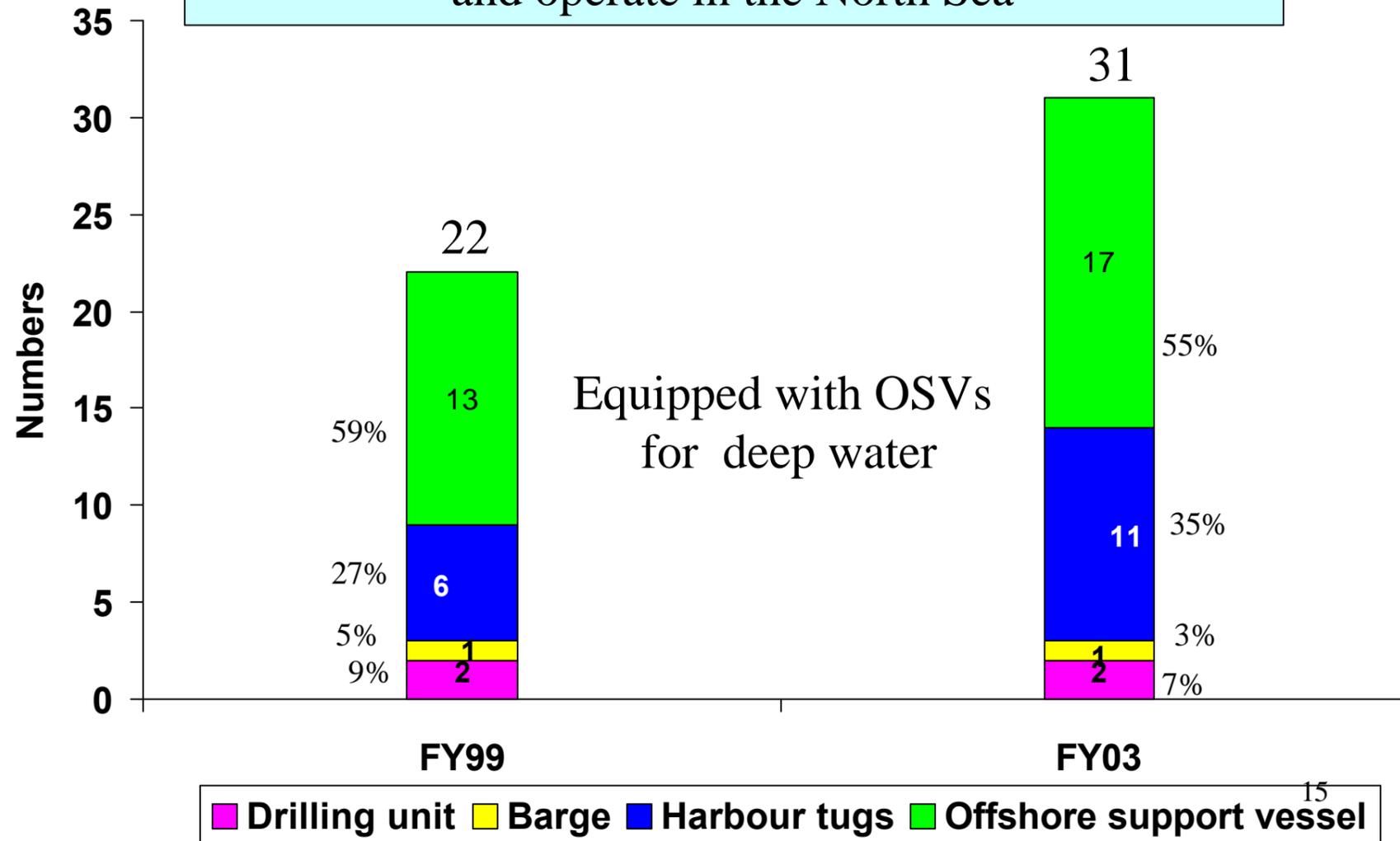
On the transformation path

Fleet composition: Shipping

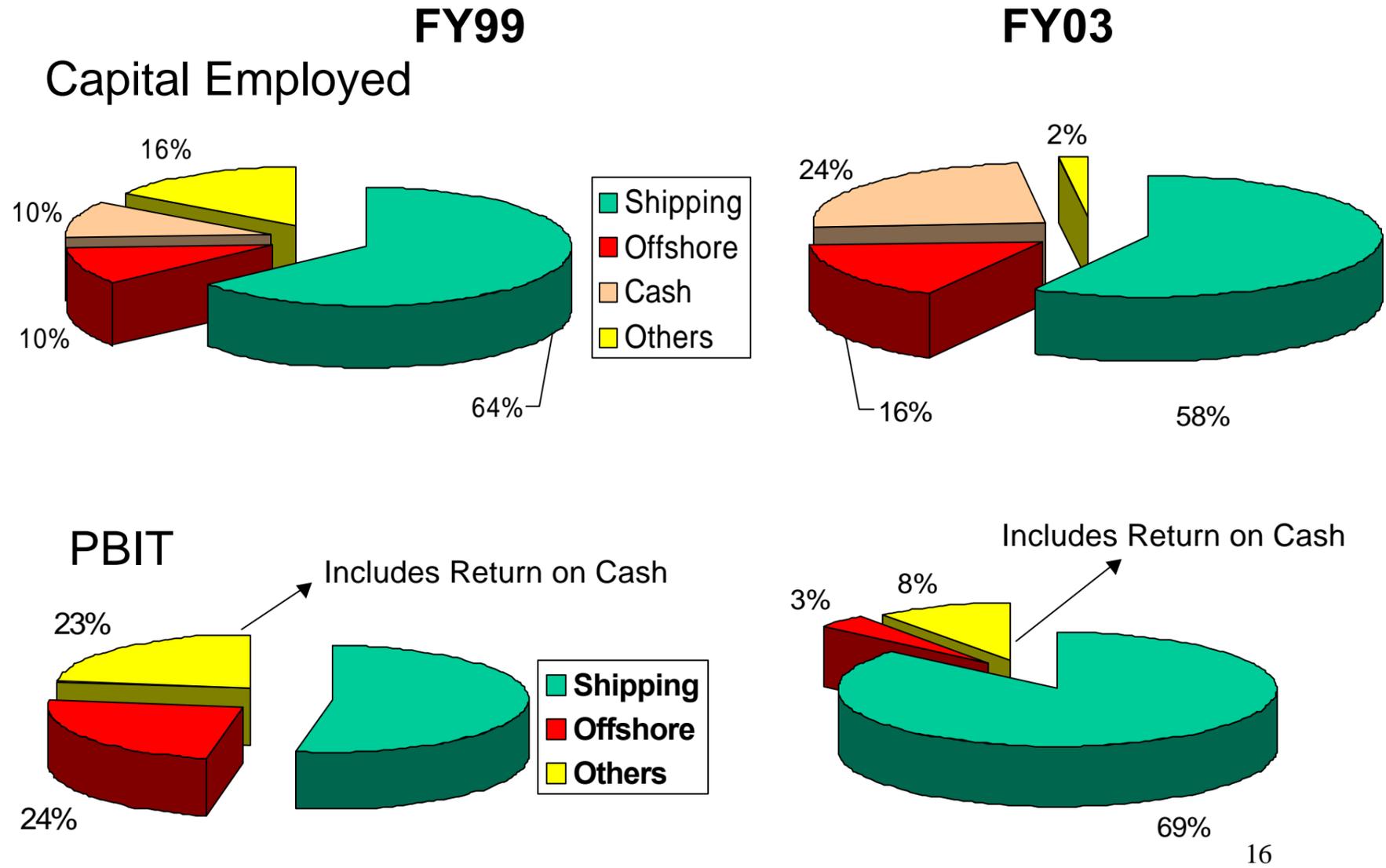


Fleet composition: Offshore

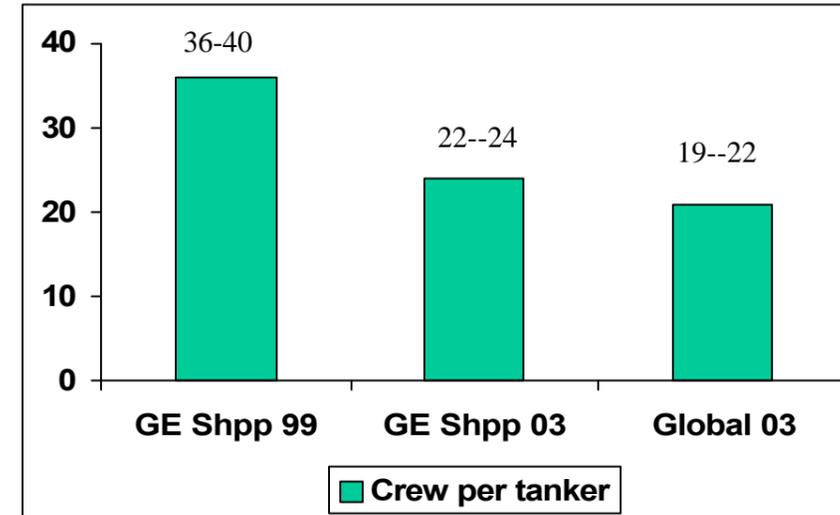
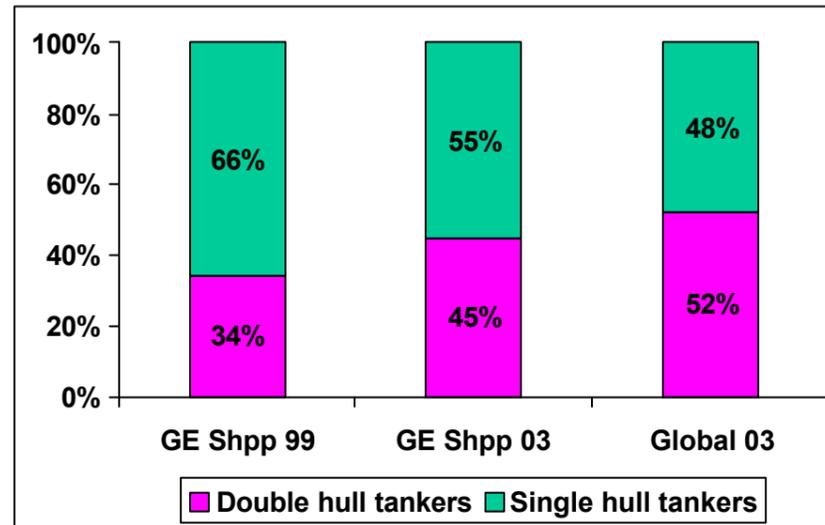
First Indian oilfield service provider to own PSVs and operate in the North Sea



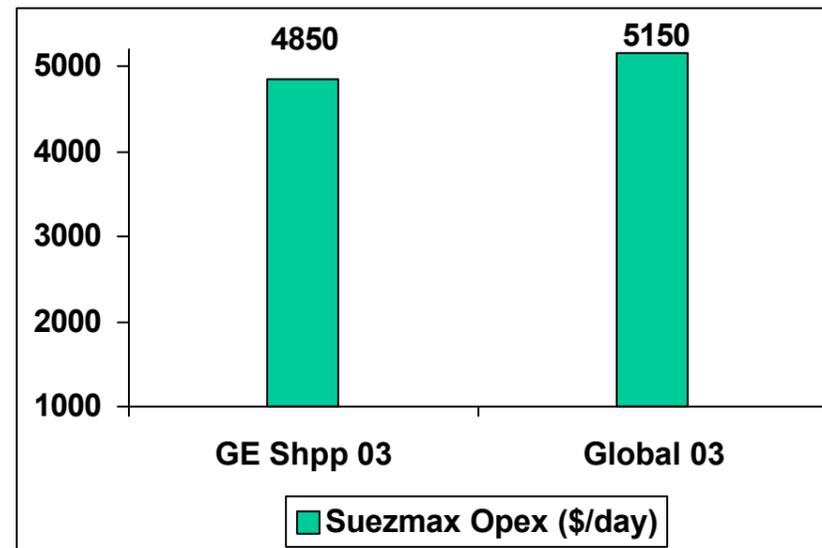
Segmentwise performance



Benchmarking with Global Standards

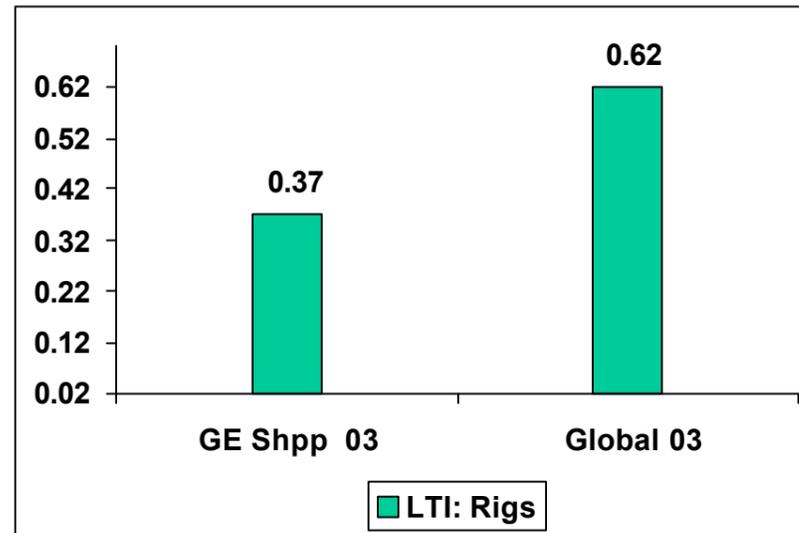


Source: Clarksons' database

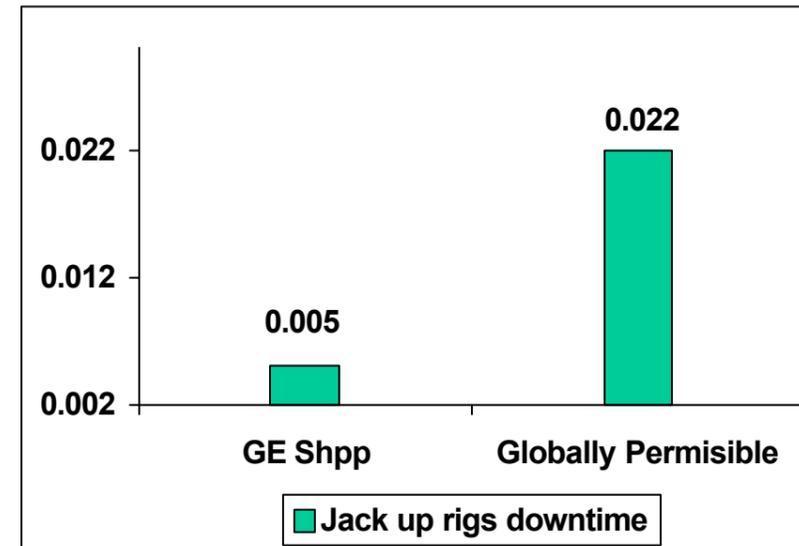


Source: MSI

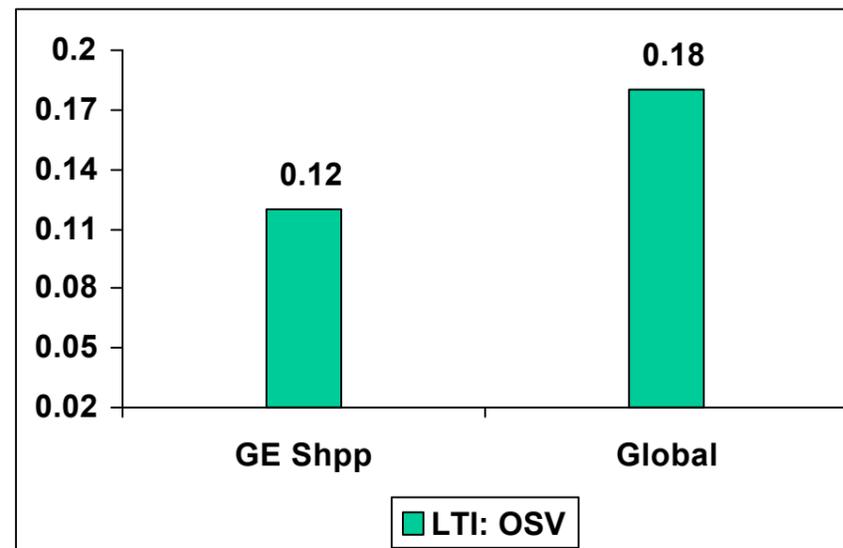
Benchmarked with Global Standards



Source: IADC, ASP

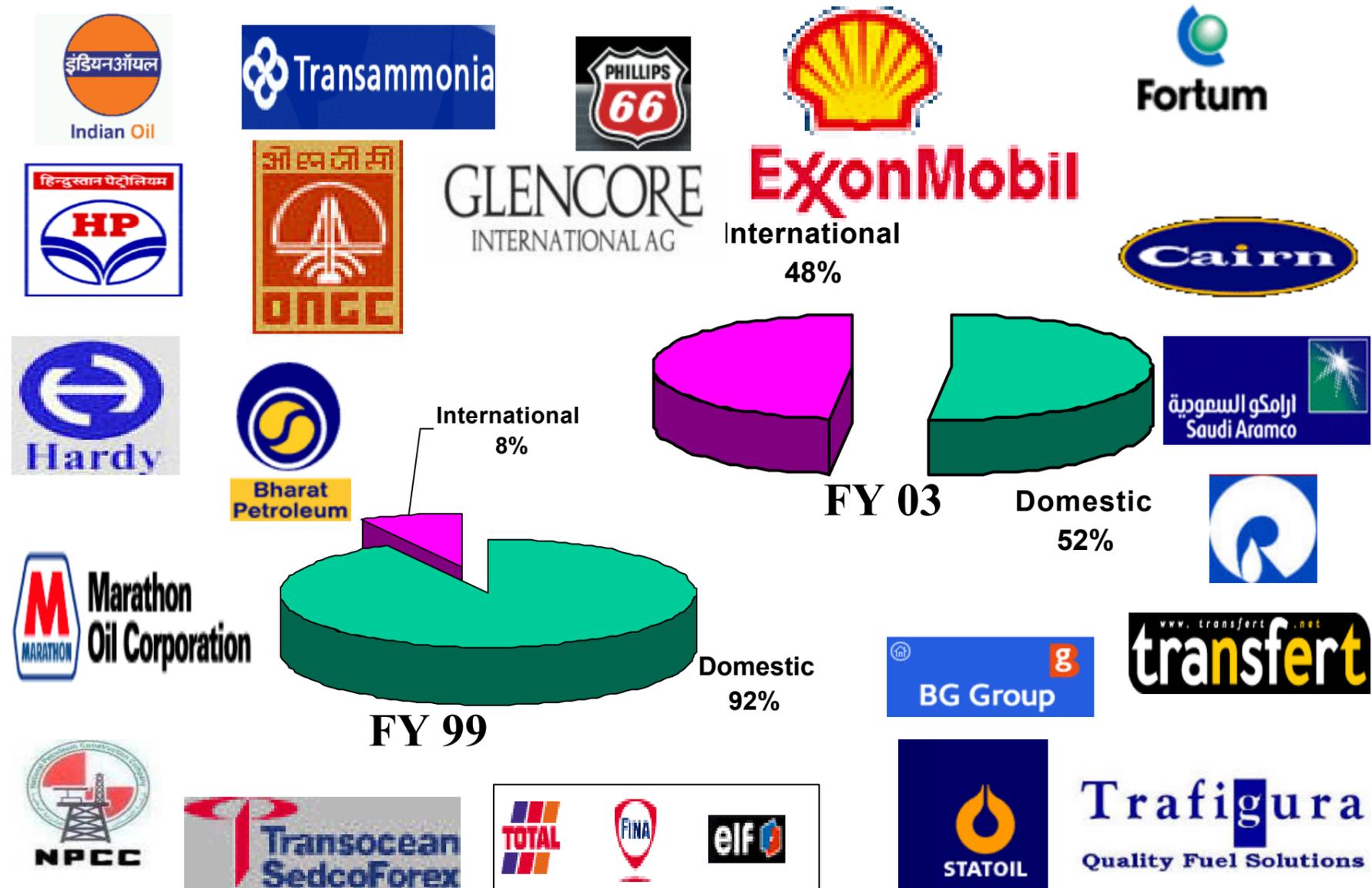


Source: IADC



Source: ISOA

Enhancing customer base



The transformation continues

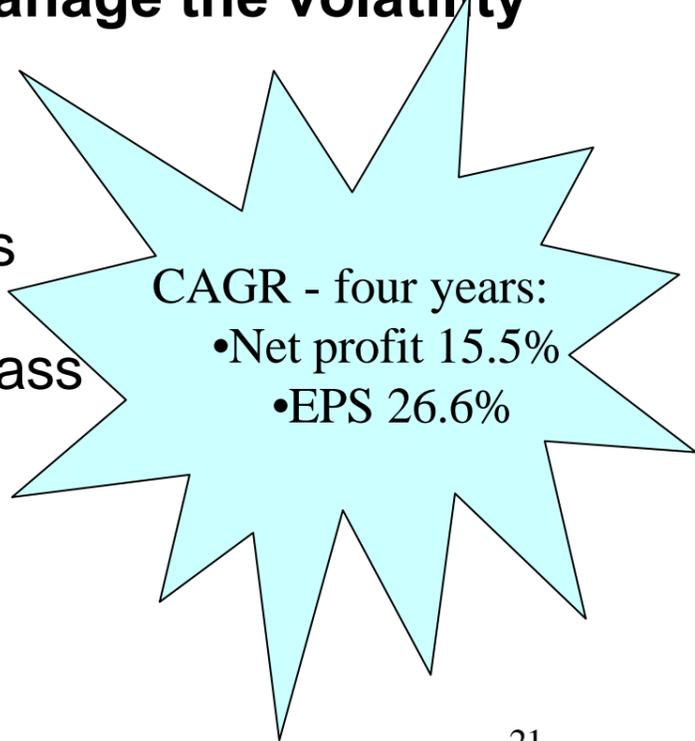
- Rejuvenating asset profile
 - tankers will continue to dominate the fleet profile
 - 71% double hull tanker tonnage by 2005
 - future offshore asset focus: deep water support services
- Operational excellence and technical competence will enable us to keep and expand our global clientele
- Significant reduction in non core activities

Are earnings of our business volatile ?

YES , they are!

Yet G E Shipping has been able to manage the volatility

- diversity between businesses
- diversity amongst markets and trades
- diversity within asset category and class
- through active sale and acquisitions
- period covers



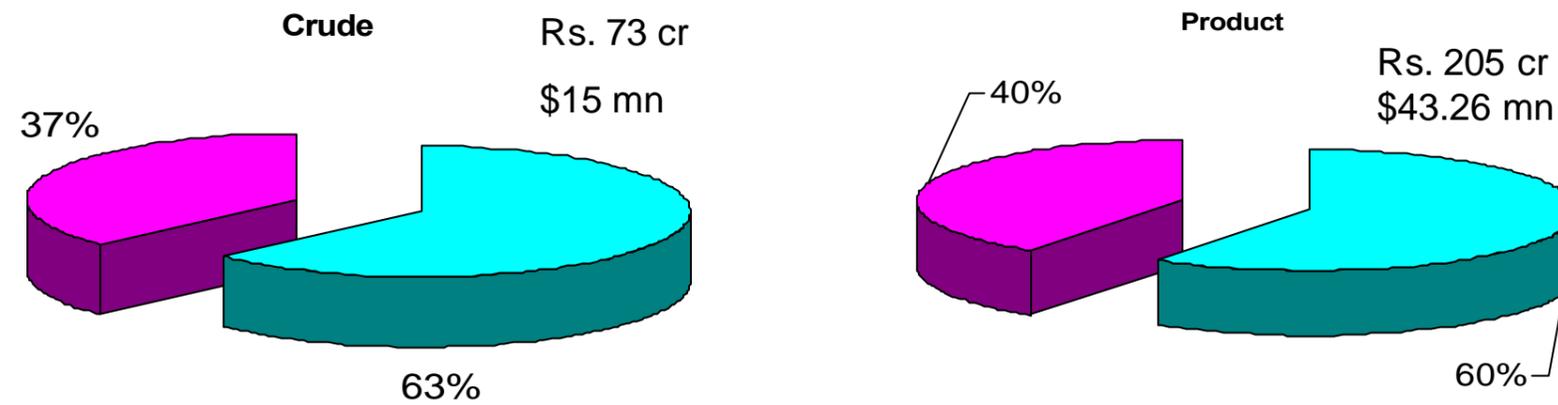
CAGR - four years:

•Net profit 15.5%

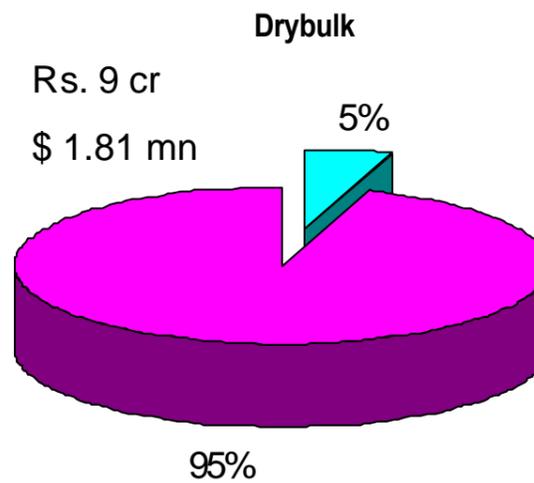
•EPS 26.6%

Shipping Division's: Revenue Visibility FY04

Operating days coverage as represented by Period Charters



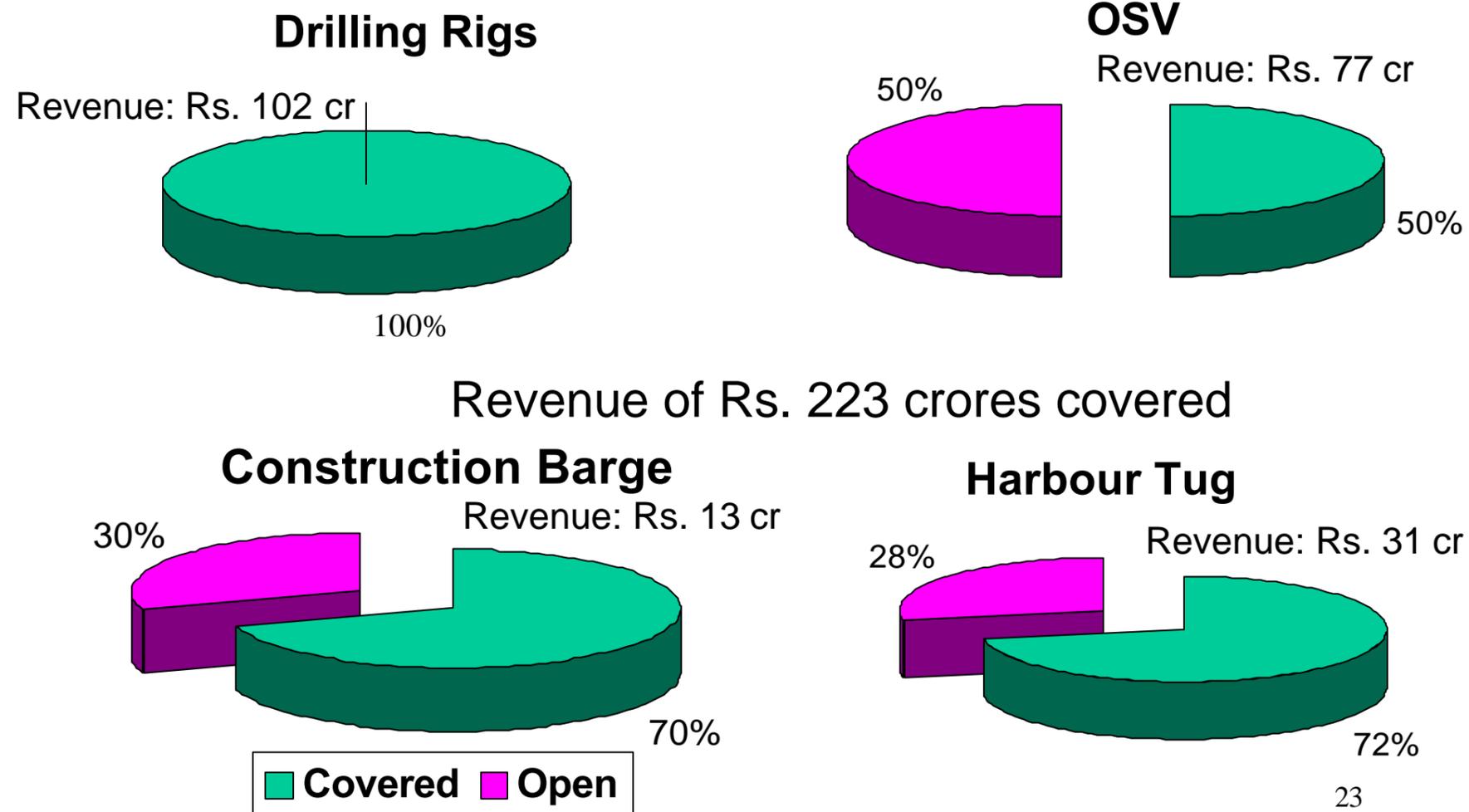
Revenue of Rs. 287 crores covered



Legend: Covered (Cyan), Open (Magenta)

Offshore Division's: Revenue Visibility FY04

Operating days coverage as per firm contracts



Earnings Outlook

- Healthy tanker earnings likely
- Dry bulk segment to benefit from improved freight rates
- Improved OSV and rig utilisation
- Project income likely to grow due to increased marine construction activities

The Way Ahead....

- Focus on energy businesses
- Fleet expansion/ modernisation
- Conscious strategy of period covers with long tenure

Committed to value creation

THANK YOU

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