

The Great Eastern Shipping Co. Ltd.

Business & Financial Review **November-December 2010**

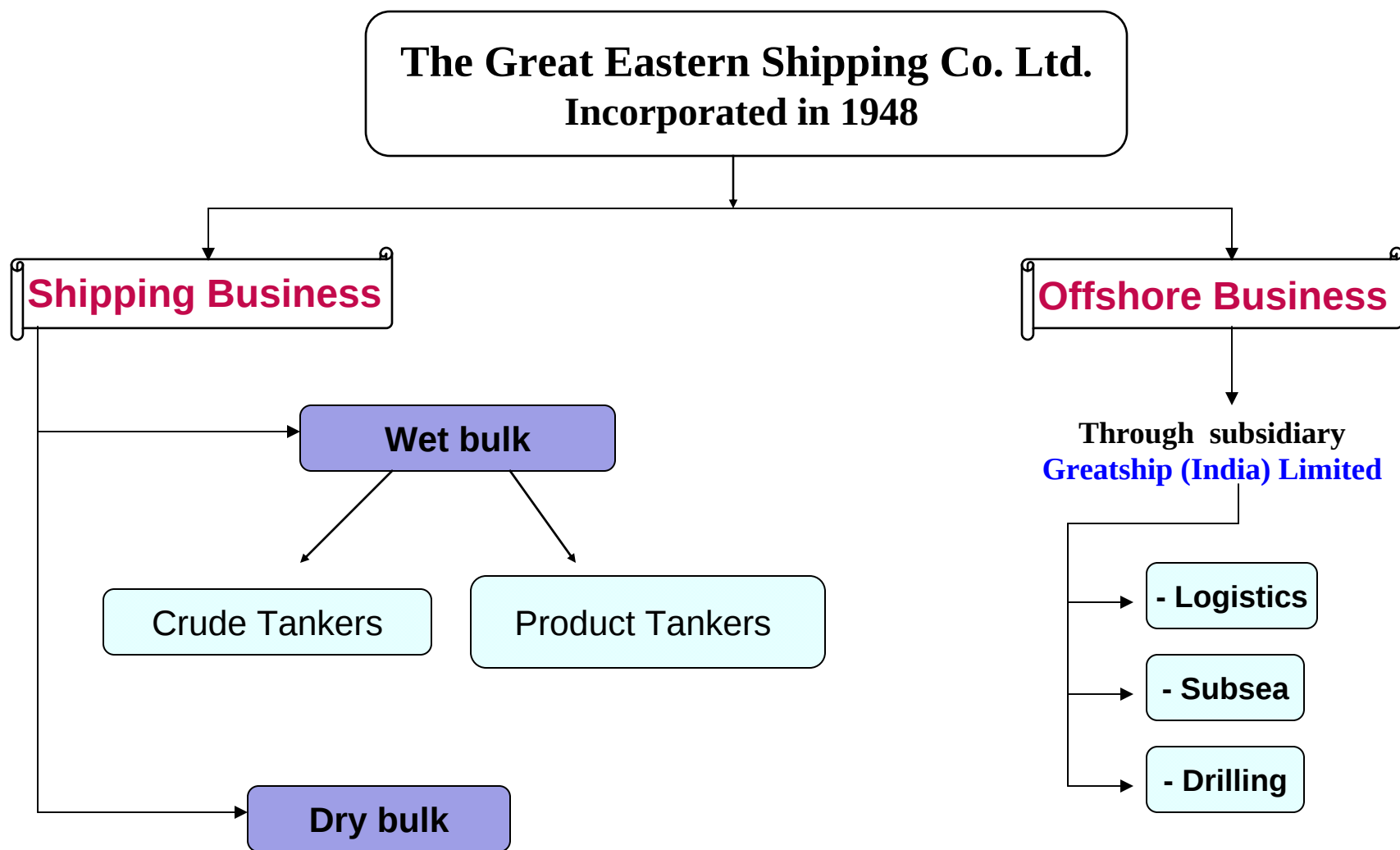
Forward Looking Statements

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.

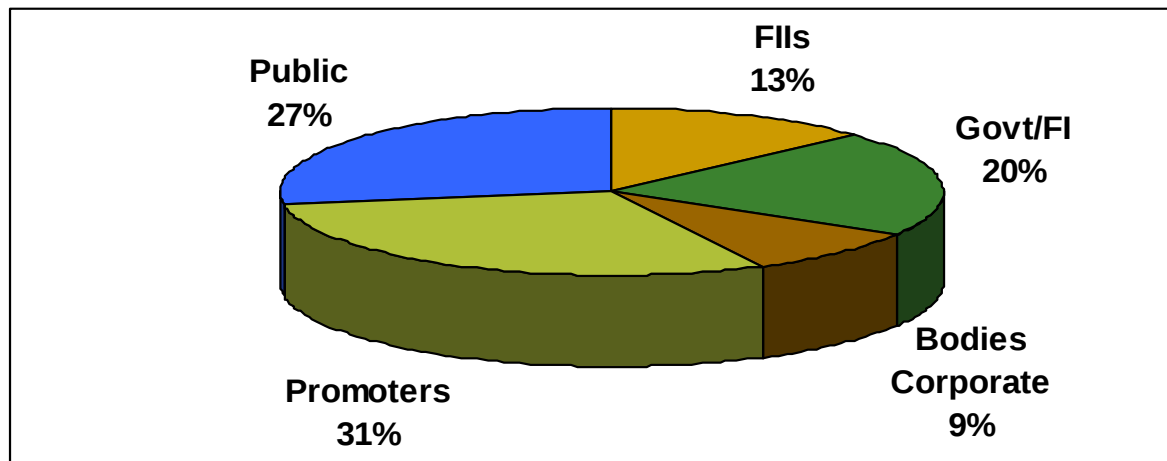
Corporate Profile



Company at a glance

- ✎ *India's largest private sector Shipping Company*
- ✎ *Diverse asset base with global operations*
- ✎ *Completed 62 years of operations*
- ✎ *More than 26 years of uninterrupted dividend track record*

Shareholding Pattern as on Sep30, 2010



Shipping business-owned fleet

- ❑ **32 ships aggregating 2.49 Mn dwt, avg.age 9.4 years**

- ❑ **27 Tankers** avg.age 8.88 years (84% in tonnage terms)

- **10 Crude carriers (5 Suezmax, 5 Aframax)** avg.age 9.2 years (1 single hull – double sided)
 - **16 Product tankers (4 LR1, 8 MR, 4 GP)** avg.age 8.2 years (2 single hull – both double sided)
 - **1 LPG carrier** – avg.age 19 years

- Double hull status – 23 tankers representing 90% in dwt terms**

- ❑ **5 Dry bulk carriers** avg.age 12.4 years

- **1 Capesize** - avg.age 14 years
 - **1 Panamax** - avg.age 15 years
 - **2 Supramax**- avg.age 8 years
 - **1 Handymax** - avg.age 13 years

Committed CAPEX – Shipping Business

Committed Capex of around USD 573 Mn

- 8 new building contracts aggregating 1.31 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, Very Large Crude Carriers (VLCC) (Hyundai Heavy Industries)

✓ FY 2013

- 1 NB, Very Large Crude Carrier (VLCC) (Hyundai Heavy Industries)

Stage payments already made : US\$234 mn of the total CAPEX

Offshore business- Fleet Profile

➤ **Current Owned Fleet**

- ✓ 1 350ft Jack Up Rig
- ✓ 4 Platform Supply Vessels (PSV)
- ✓ 7 Anchor Handling Tug cum Supply Vessels (AHTSV)
- ✓ 3 Multipurpose Platform Supply and Support Vessel (MPSSV)
- ✓ 1 Platform / ROV Support Vessel (ROVSV)

➤ **Current Inchartered Fleet**

- ✓ 1 350ft Jack Up Rig

Committed CAPEX – Offshore Business

➤ **Delivery Schedule of the Committed Capex**

To be delivered in:

✓ **FY 2011**

- 2 NB Platform / ROV Support Vessels (CDL)
- 2 NB MSVs (Mazagon Dock)

✓ **FY 2012**

- 2 NB 150T AHTSV (Drydock World, Singapore)
- 1 NB Platform / ROV Support Vessel (CDL)

✓ **FY 2013**

- 1 NB Platform / ROV Support Vessel (CDL)

Fleet Growth	FY2008	FY2009	FY2010	FY2011E	FY2012E	FY2013E
Fleet (in nos)	4	9	15	20	23	24

Modern & Technologically Advanced Fleet

Young Fleet

- Young fleet with an average age of approx. 3 years by FY 2012
- 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
 - Subsea vessels are SPS 2008 compliant
- Equipped to operate in challenging environments
- Efficient and versatile vessels

Revenue Efficiencies

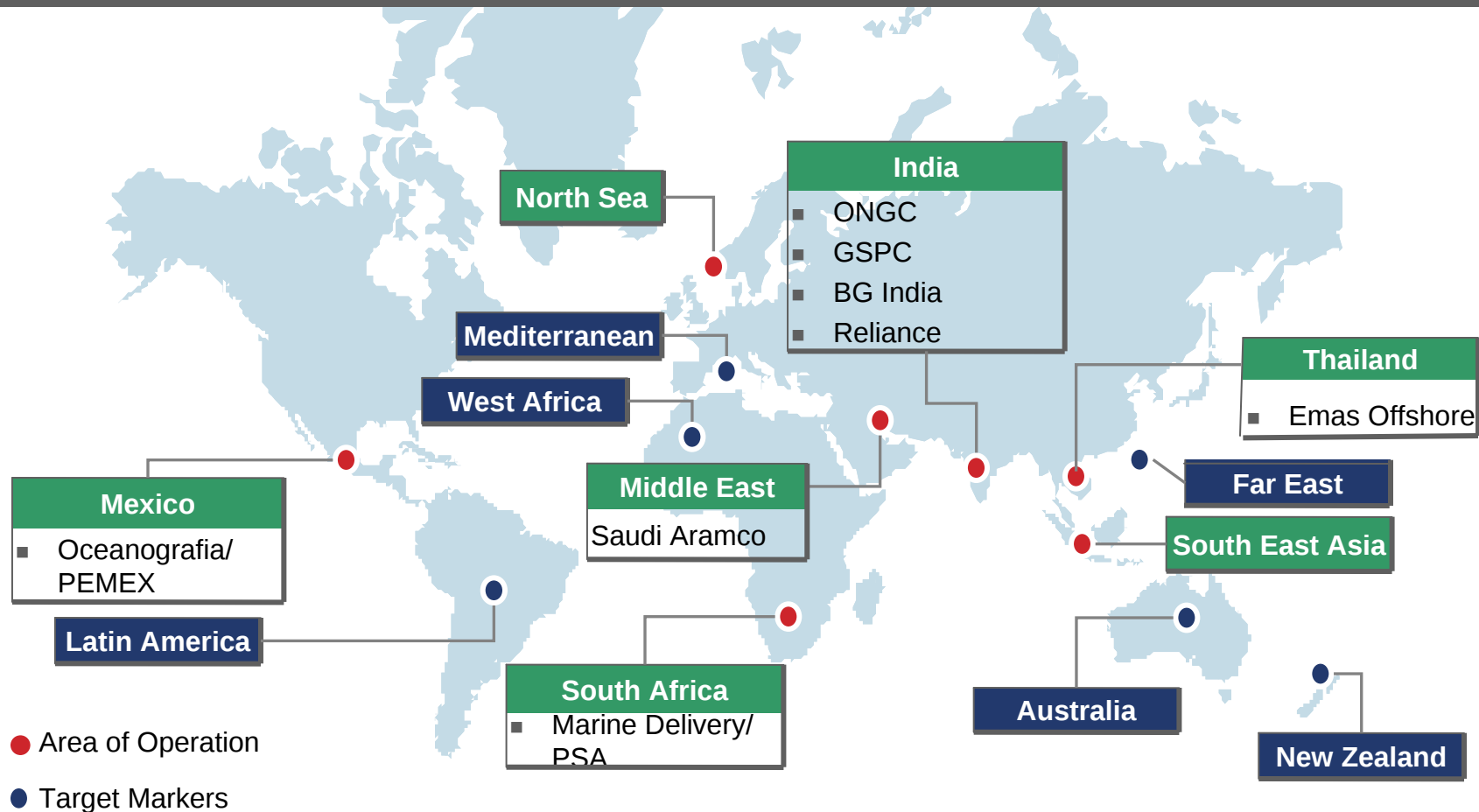
- Higher utilization rates
- Minimum down time

Cost Efficiencies

- Lower Operating costs
- Reduced maintenance capex & opex

Global Presence-Risk Diversification and Profit Maximization

One of the few Indian companies to operate in diverse markets across the world with prestigious counterparties; helps to hedge against fluctuations in charter rates



Offshore Service Value Chain

	Exploration	Development	Production
Length of Typical Cycle	- 3 to 5 years	- 2 to 4 years	- 5 to 55 years
Description	- Collection of survey data - Analysis & interpretation - Identification of oil & gas reserves	- Construction & installation of production platforms, pipelines & equipment - Preparation for production	- Management of oil & gas production - Operations & Maintenance - Retrofit work
Vessels	- AHTV, AHTSV, MPSSV, Tugs - PSV/ Supply, Crewboats - ROV Support Vessels - Seismic survey & support hydrographic survey (for pipeline routes) - Chase boats	- AHTV, AHTSV, MPSSV, Tugs - PSV/ Supply, Crewboats - Derrick/ Crane Vessels - Cable & pipe-lay vessels - Heavy Lift Transport - Offshore Dredgers - Accommodation units	- AHTSV, - PSV/ Supply - MPSSV/ Production Support Vessels - Emergency Rescue & Response Vessels - Crewboats - Accommodation units

Q2FY'11 Financial Highlights

Standalone				Consolidated		
Q2FY'11	Q2FY'10	H1FY'11	(Amount in Rs. crs)	Q2FY'11	Q2FY'10	H1FY'11
			Income Statement			
423.99	521.08	876.88	Revenue	716.41	801.94	1443.64
199.10	242.97	458.59	EBITDA	312.41	299.96	697.62
112.98	96.77	218.92	Net Profit	168.65	108.47	340.45
			Balance Sheet			
9358.16	9244.32	9358.16	Total Assets	11747.25	11416.95	11747.25
5546.99	5239.22	5546.99	Equity	5973.75	5552.92	5973.75
3367.39	3405.96	3367.39	Long Term Debt (Gross)	5096.15	5022.12	5096.15
236.20	572.42	236.20	Long Term Debt (Net of Cash)	1397.07	1799.52	1397.07
			Key financial figures			
46.96%	46.63%	52.30%	EBITDA Margin (%)	43.61%	37.40%	48.32%
7.98%	7.43%	7.89%	Return on Equity (ROE) (%)	11.19%	7.86%	11.54%
5.49%	6.56%	6.60%	Return on Capital Employed (ROCE) (%)	7.27%	6.95%	8.43%
0.61	0.65	0.61	Debt/Equity Ratio (x)	0.85	0.90	0.85
			Share related figures			
7.42	6.35	14.38	Earnings per share, EPS (Rs)	11.07	7.12	22.36
7.40	6.34	14.34	Diluted earnings per share (Rs)	11.05	7.11	22.31
12.18	12.39	24.36	Cash Profit per share (Rs)	17.63	14.20	35.79
3.50	-	-	Dividend paid per share (Rs)	3.50	-	-

NAV as on 30 Sep'10 Rs.382

Q2FY11 Performance Highlights

Breakup of revenue days

Revenue Days	Q2'FY11	Q2'FY10
Owned Tonnage	3,069	3,146
Inchartered Tonnage	-	122
Total Revenue Days	3,063	3,268
Total Owned Tonnage (mn.dwt)	2.61	2.84

Mix of Spot & Time

Average TCY Details

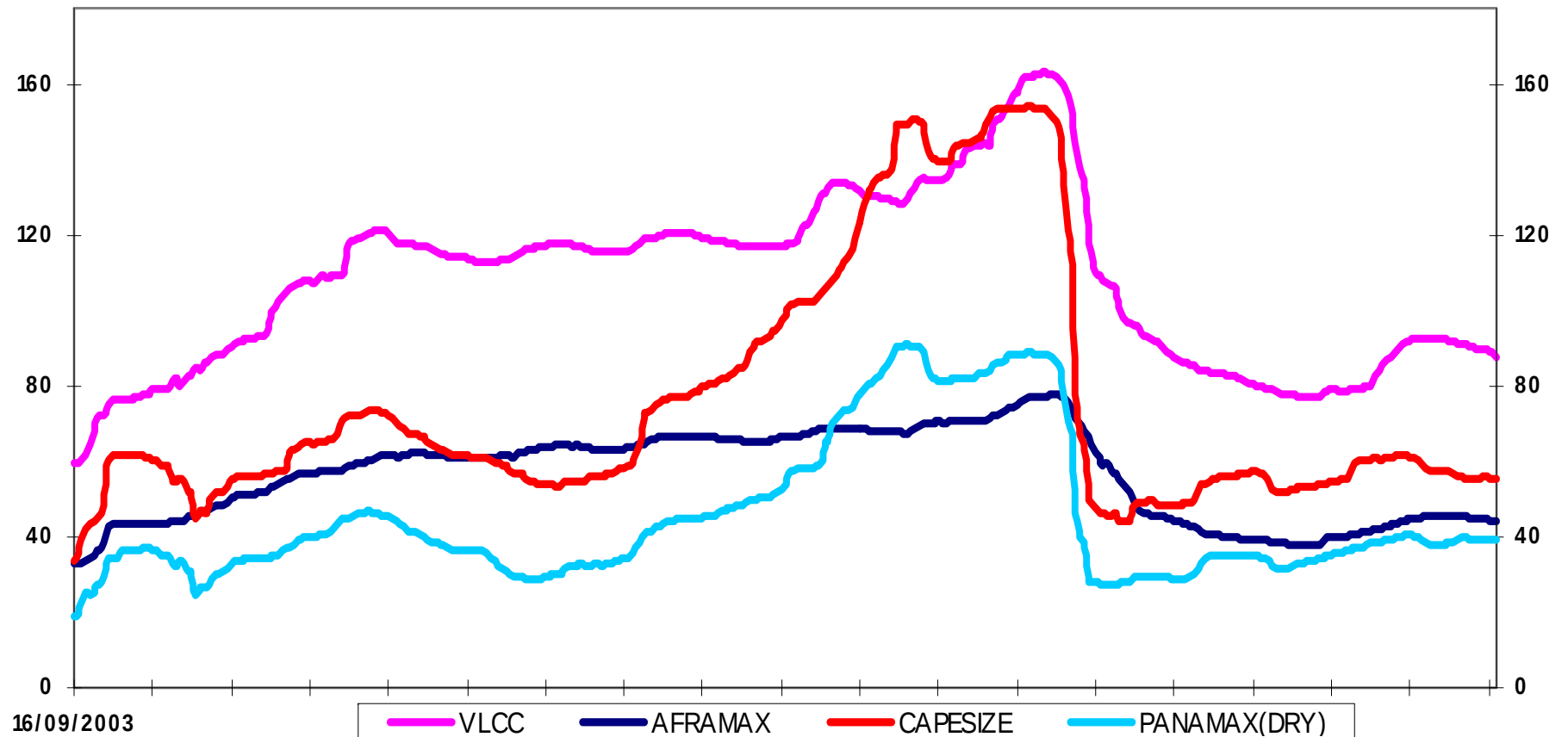
Average (TCY \$ per day)	Q2'FY11	Q2'FY10	% Chg
Crude Carriers	20,156	18,779	7%
Product Carriers (Incl. Gas)	16,953	18,865	(10)%
Dry Bulk	19,833	17,065	16%

Q2 FY11	Q2 FY10	Days (in %)	FY10	FY09
47% 53%	74% 26%	<u>Dry Bulk</u> Spot % Time %	63% 37%	72% 28%
45% 55%	42% 58%	<u>Tankers</u> Spot % Time %	47% 53%	52% 48%
45% 55%	48% 52%	<u>Total</u> Spot % Time %	49% 51%	57% 43%

Asset Price Movement (5 yr old)

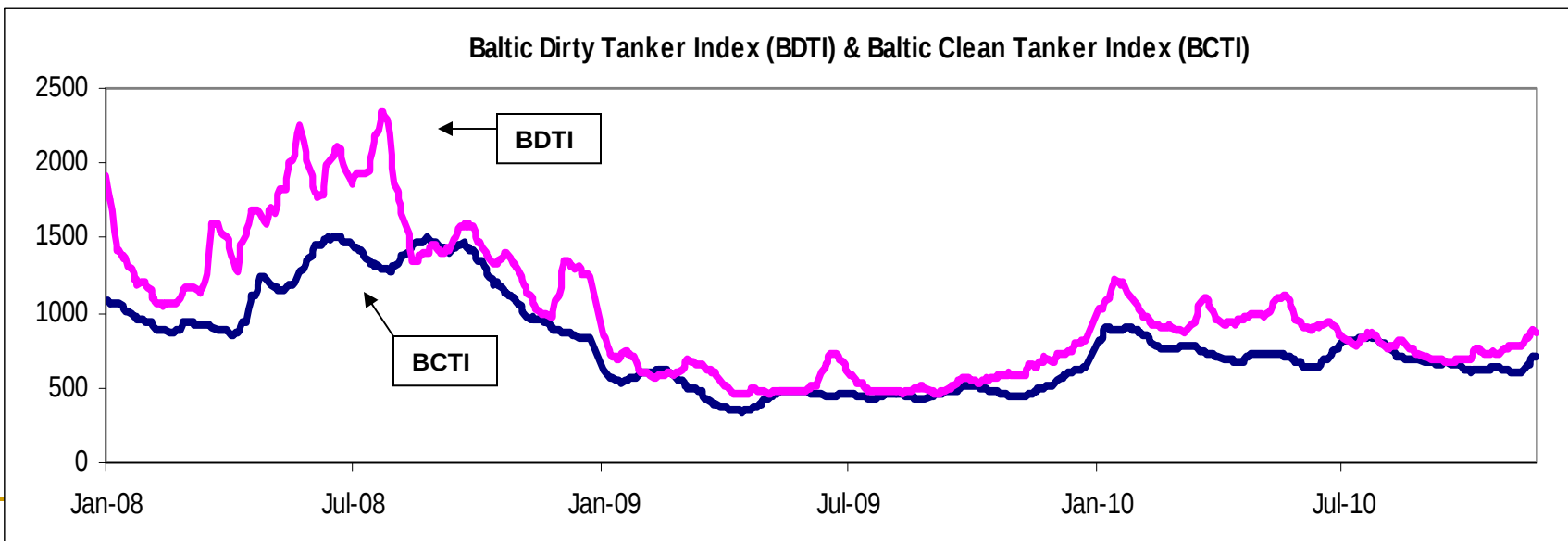
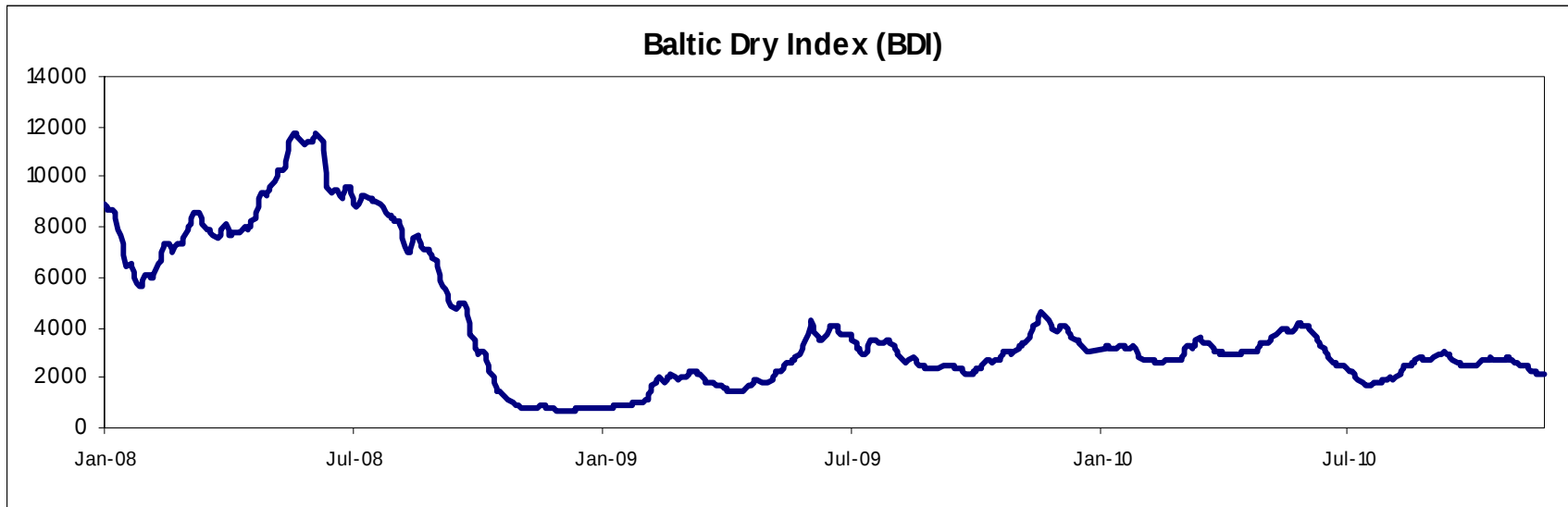
Timeline- Sep2003 till Nov 22, 2010

Amt in US\$ mn



Source: Baltic Sale & Purchase Assessment

Indices Movement - Timeline Jan'08 to 22Nov'10



Source: Baltic Exchange

Total Seaborne trade at a glance... Dry Bulk

Seaborne Bulk trade

(in mn. tonnes)	2008	2009	2010(F)	% chg (CY10 over CY09)
Iron ore	841	907	960	5.8%
Steam Coal (Thermal)	578	590	625	5.9%
Coking Coal	221	215	264	22.8%
Grains	244	235	245	4.3%
Bauxite	86	66	79	19.7%
Sugar	49	50	53	6.0%
Agri. Bulks	114	115	117	1.7%
Fertilizers	80	71	81	14.0%
Other minor bulks	840	721	804	11.5%
Total	3053	2970	3228	8.7%

Source: Clarksons

Total Seaborne iron ore trade at a glance

Seaborne Iron Ore Imports

mn. tonnes	2008	2009	2010(F)	% chg (CY10 over CY09)
W. Europe	131	81	108	33.3%
China	436	615	596	(3.1)%
Asia (Ex. China)	211	164	200	21.9%
ROW	56	48	55	14.6%
Total	835	907	960	5.8%

China Imports – Jan'10 to Oct'10: 503 mn tons

Global Oil Demand

mn.bpd	2008	2009	2010(F)	% chg (CY10 over CY09)
N.America	24.2	23.3	23.8	2.1%
OECD Europe	15.4	14.5	14.3	(1.4)%
OECD Pacific (Japan& Korea)	8.0	7.7	7.7	-
Asia (Non OECD)	17.4	18.4	19.4	5.4%
Other Non OECD	21.0	20.9	21.7	3.8%
Total	86.0	84.8	86.9	2.5%

Total Seaborne crude trade

Seaborne Crude Imports

mn bpd	2008	2009	2010(F)	% chg (CY10 over CY09)
Asia	15.9	16.1	17.1	6.2%
EU	10.9	10.3	10.3	-
N. America (incl. Canada)	7.0	6.6	6.7	1.5%
ROW	5.7	5.0	5.2	4.0%
Total	39.5	38.0	39.3	3.4%
of which				
Long Haul Trades	15.0	13.8	14.5	5.0%
	38%	36%	37%	

Source: Clarksons

Gross World fleet addition-Shipping

World Fleet addition*	Fleet (as on 1 Nov'10)	CY2010	CY2011	CY2012 +
	(in mn dwt)			
Crude tankers	319.5	3%	14%	12%
Product tankers	129.4	4%	10%	5%
Dry bulk carriers	519.8	6%	22%	18%

Source: Clarksons

*includes only new building from yards

- 7% of world tanker fleet is single hull

Global Fleet – Scrapping Details

Fleet as on 1 st Nov'10		Scrapping (in mn dwt)	CY2008	CY2009	As on 1 st Nov10
(in mn dwt)					
319.5		Crude	1.3	5.1	6.5
129.4		Product	1.5	3.3	5.4
519.8		Bulk	3.6	10.0	5.0

Source: Clarksons

World Dry Bulk Fleet:

- 17% above 25 years
- 24% above 20 years

Slippages... to be a decisive factor

H1 CY 2010 (in mn dwt)	VLCC	Suezmax	Aframax	Panamax	MR	GP	Total
Expected orders to be delivered till end Jun'10	12.6	4.8	5.3	1.3	5.3	1.5	30.8
Actual deliveries	8.8	3.9	4.0	1.1	2.9	0.8	21.5
Slippages	3.8	0.9	1.3	0.2	2.4	0.7	9.3
Slippages/ cancellations as % of expected deliveries	30%	19%	25%	15%	45%	47%	30%

H1 CY 2010 (in mn dwt)	Capesize	Panamax	H'max	H'size	Total
Expected orders to be delivered till end Jun'10	31.0	11.8	12.7	6.4	61.9
Actual deliveries	16.9	5.8	7.9	3.5	34.1
Slippages	14.1	6.0	4.8	2.9	27.8
Slippages/ cancellations as % of expected deliveries	45%	51%	38%	45%	45%

CY'09 Slippages (in mn dwt): Tankers ~ 24%, Dry Bulk ~ 40%

Global Fleet Supply -Offshore

(Nos)	Jackup Rigs	AHTSVs	PSVs	MSV, DSV & ROV Support
Current Fleet	474	2,990	2,125	268
Orderbook	71	320	193	87
% of O/B to current fleet	15%	11%	9%	32%
% fleet over 25 years	66%	48%	40%	20%
Average age	23.0	18.9	17.6	12.7

Source: Clarksons

A decorative L-shaped line in a gold color, consisting of a horizontal segment and a vertical segment meeting at a right angle.

THANK YOU

visit us at www.greatship.com

A horizontal line in a gold color, spanning the width of the text area below the URL.