

The Great Eastern Shipping Co. Ltd.

Business & Financial Review

April 2018





CORPORATE PROFILE

India's largest non-government shipping company

**The Great
Eastern
Shipping
Company**

Commodity Shipping

Tankers

- Crude

- Products/LPG

Dry Bulk

Offshore Oilfield Services

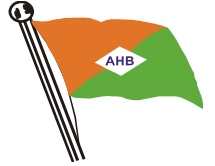
**(Through wholly-owned
subsidiary**

Greatship (India) Limited)

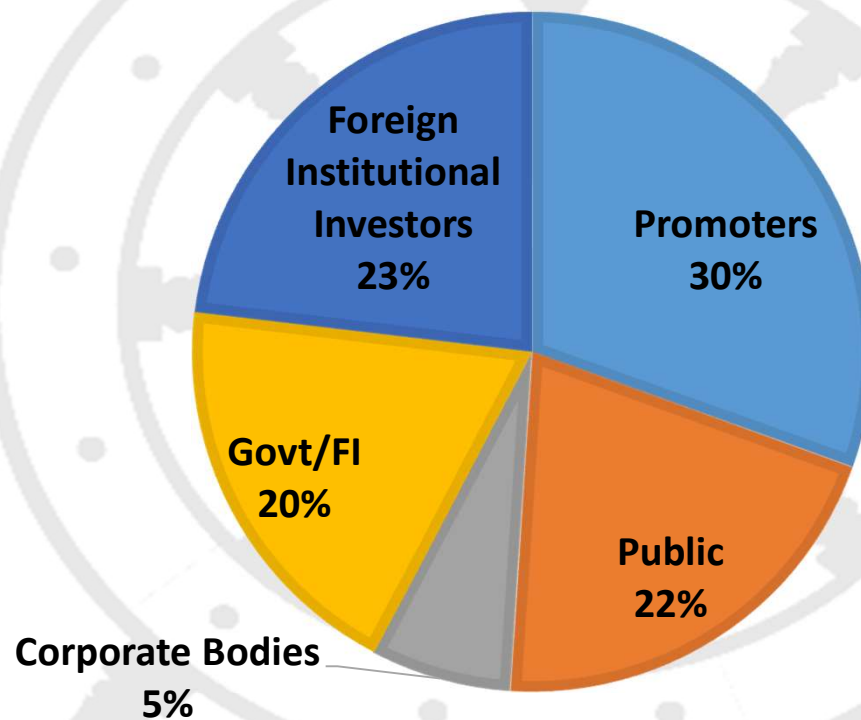
Drilling

Logistics

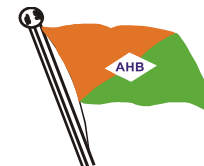
SHAREHOLDING PATTERN



Shareholding Pattern as on December 31, 2017



Market Cap: USD 783 Mn (As on 17th April 2018)

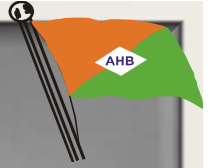


FLEET PROFILE (SHIPPING)

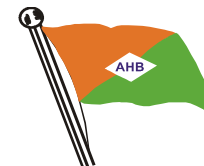
Shipping			
Fleet	DWT	Number of ships	Average Age
Crude Carriers	1,608,683	12	12.53
Suezmax	1,076,376	7	13.39
Aframax	532,307	5	10.78
Product Carriers	987,207	17	10.44
Long Range 2	105,900	1	8.84
Long Range 1	299,400	4	9.12
Medium Range	581,907	12	11.41
LPG Carriers	180,549	4	19.03
VLGC	153,652	3	18.80
MGC	26,897	1	20.79
Dry Bulk Carriers	1,159,121	15	6.03
Capesize	179,250	1	6.81
Kamsarmax	651,116	8	3.67
Supramax	328,755	6	10.27
Total	3,935,560	48	10.39

Vessels on Committed Order & Expected Delivery

Vessel	Expected Delivery
1 Secondhand Medium Gas Carrier	Q1FY19



BUSINESS PHILOSOPHY



4 KEYS TO OUR SUCCESS



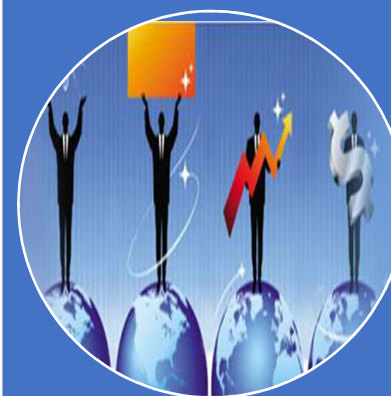
Dynamically
managing
cycles



Diversified
Fleet



In-House
technical &
commercial
management



Strong
balance
sheet





STRENGTH & FLEXIBILITY

Strong Cash & Liquidity Position

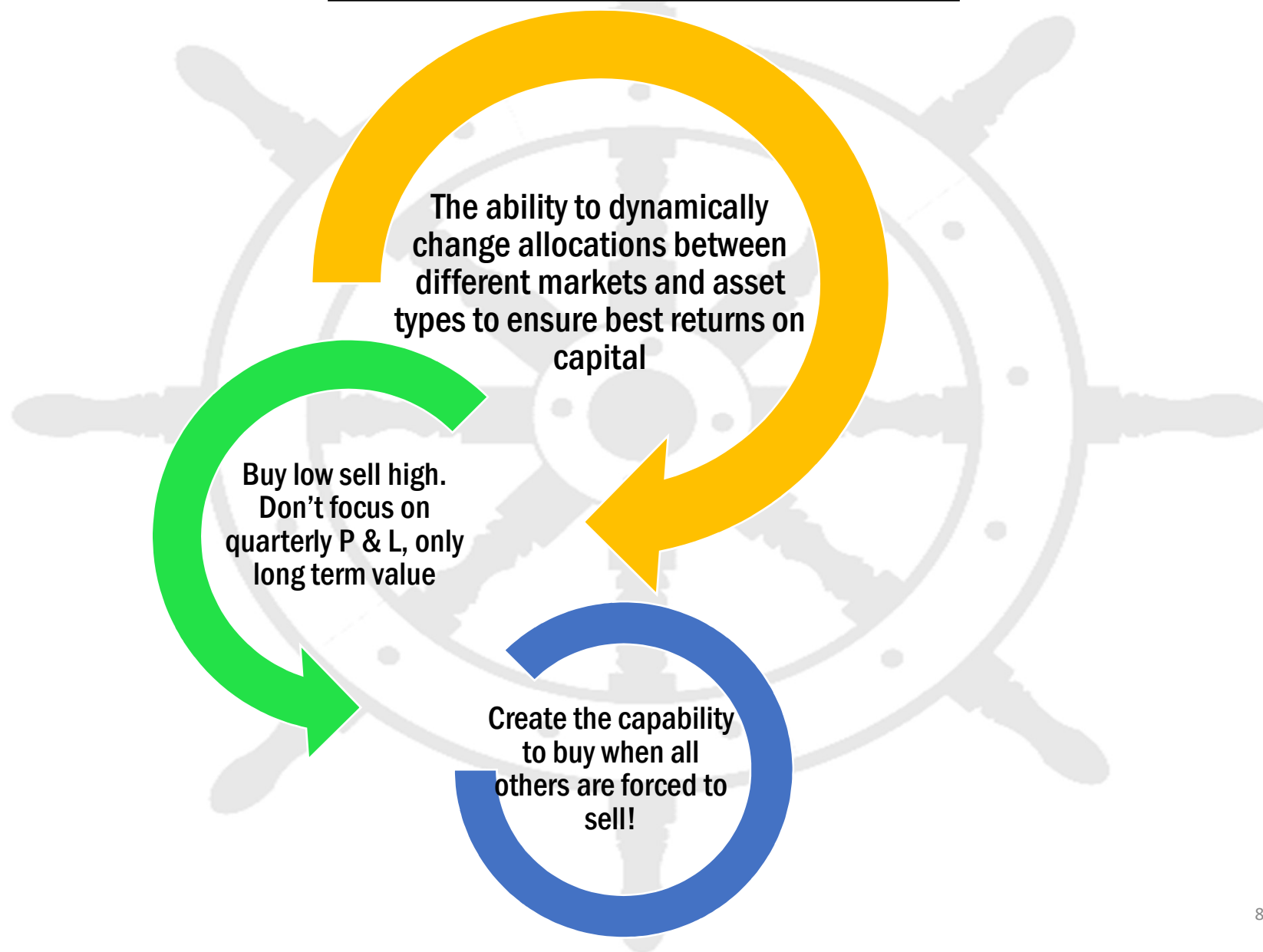
Low cost of debt capital

Strong relationships with charterers, shipyards & lenders

Stringent adherence to Risk Management policies



CAPITAL ALLOCATION

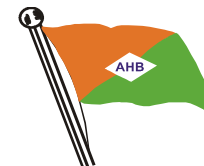




HISTORICAL PERFORMANCE



DIVIDEND/SHARE (30+ YEARS CONTINUOUS DIVIDEND)



INR/Share

16.00

14.00

12.00

10.00

8.00

6.00

4.00

2.00

17%

15%

13%

11%

9%

7%

5%

3%

1%

FY2000

FY2001

FY2002

FY2003

FY2004

FY2005

FY2006

FY2007

FY2008

FY2009

FY2010

FY2011

FY2012

FY2013

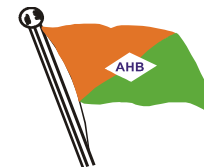
FY2014

FY2015

FY2016

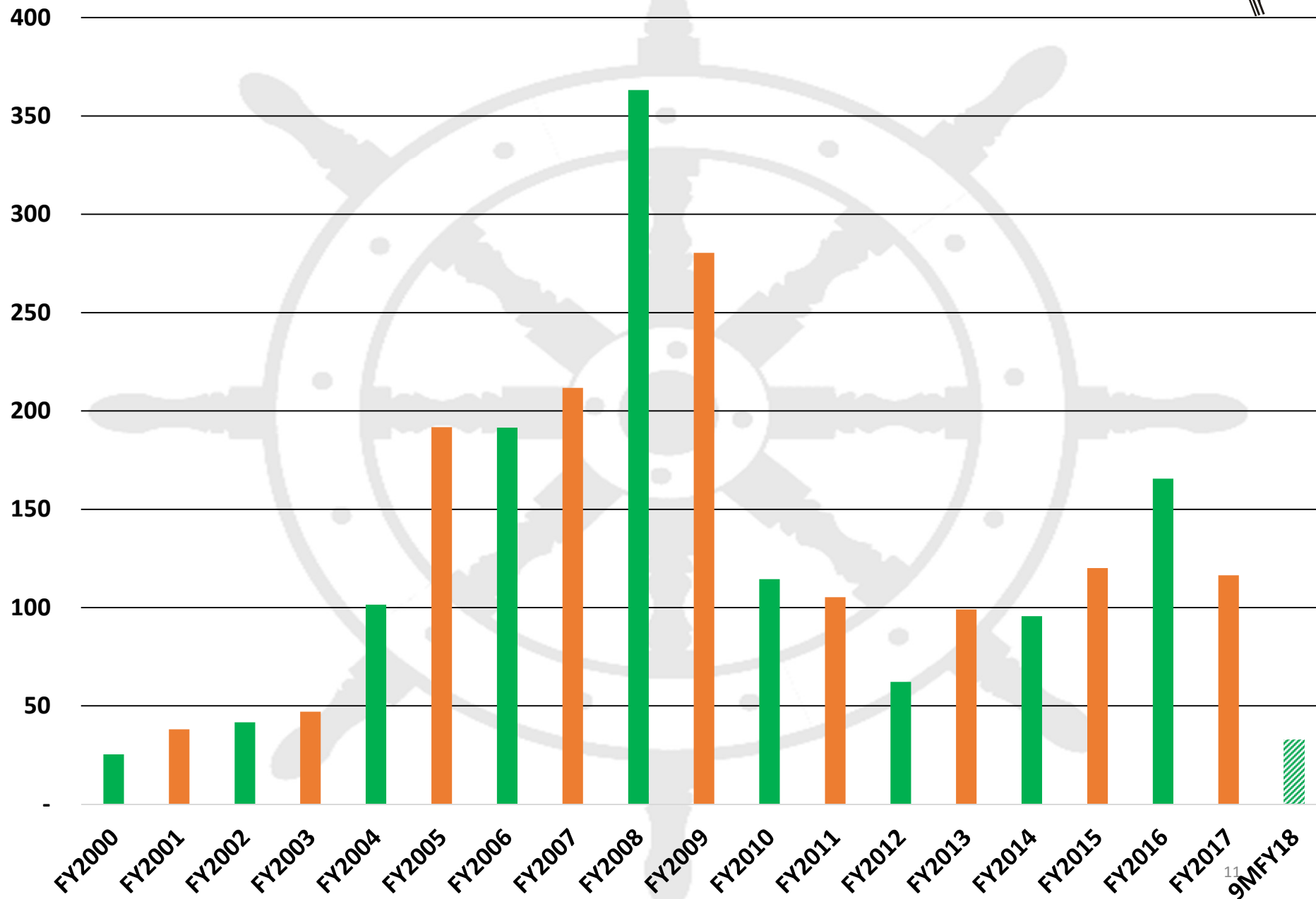
FY2017

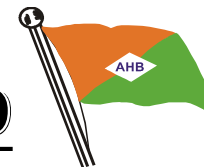
Dividend/Share Dividend Yield (RHS)



CONSOLIDATED NET PROFIT

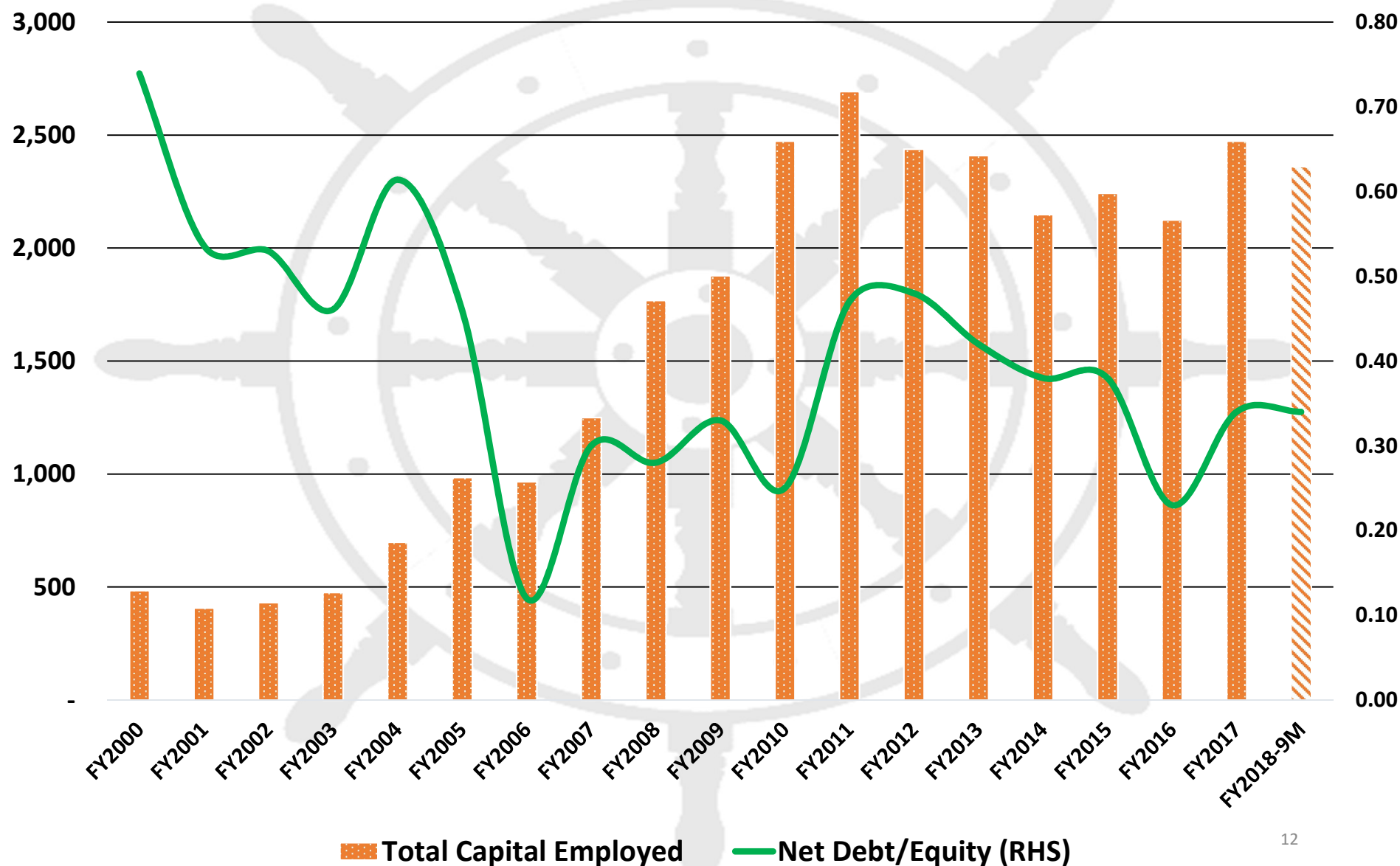
USD Mn

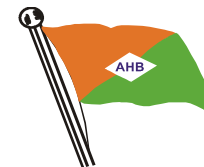




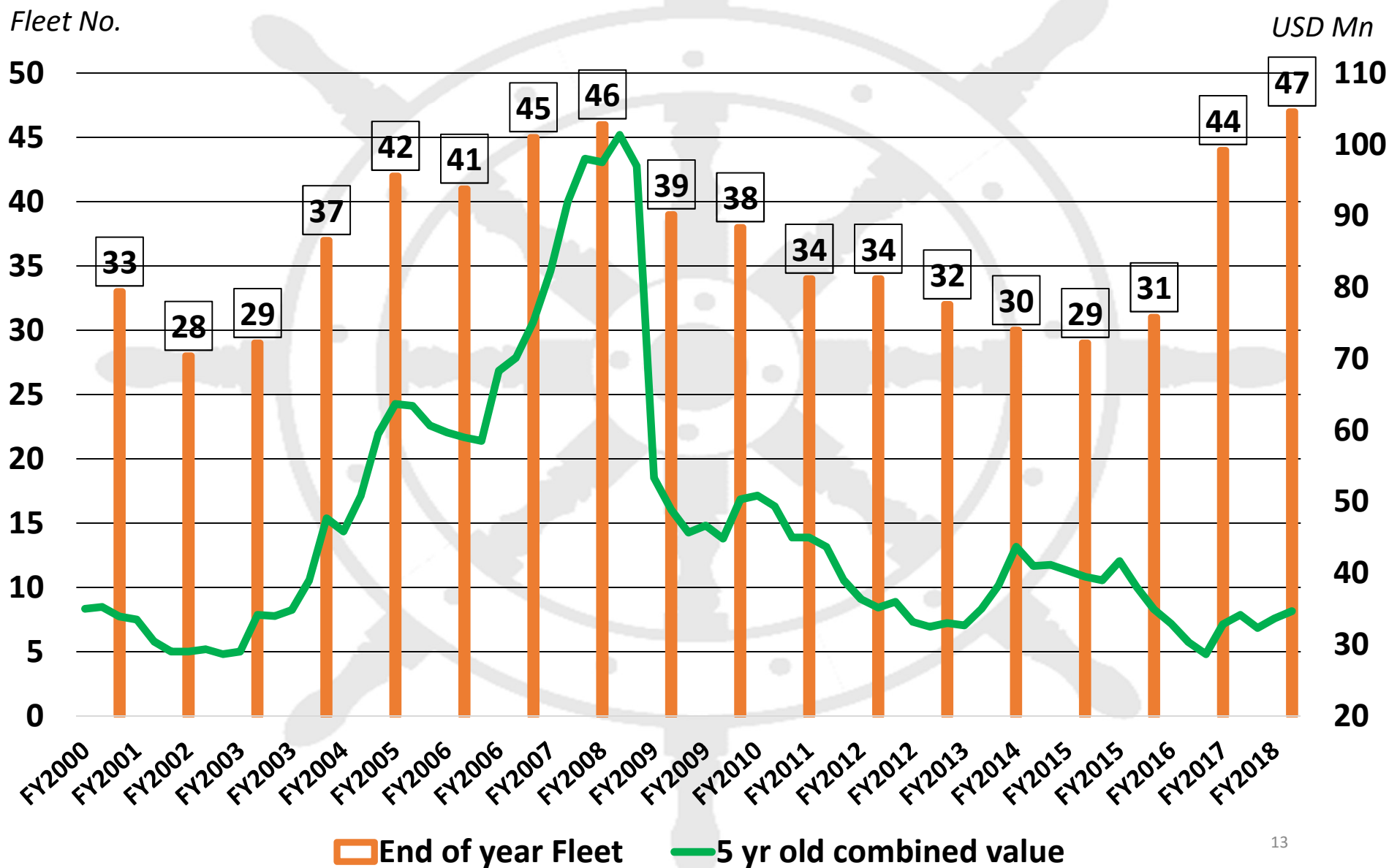
NET DEBT/EQUITY & TOTAL CAPITAL EMPLOYED (CONSOLIDATED)

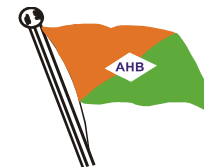
USD Mn



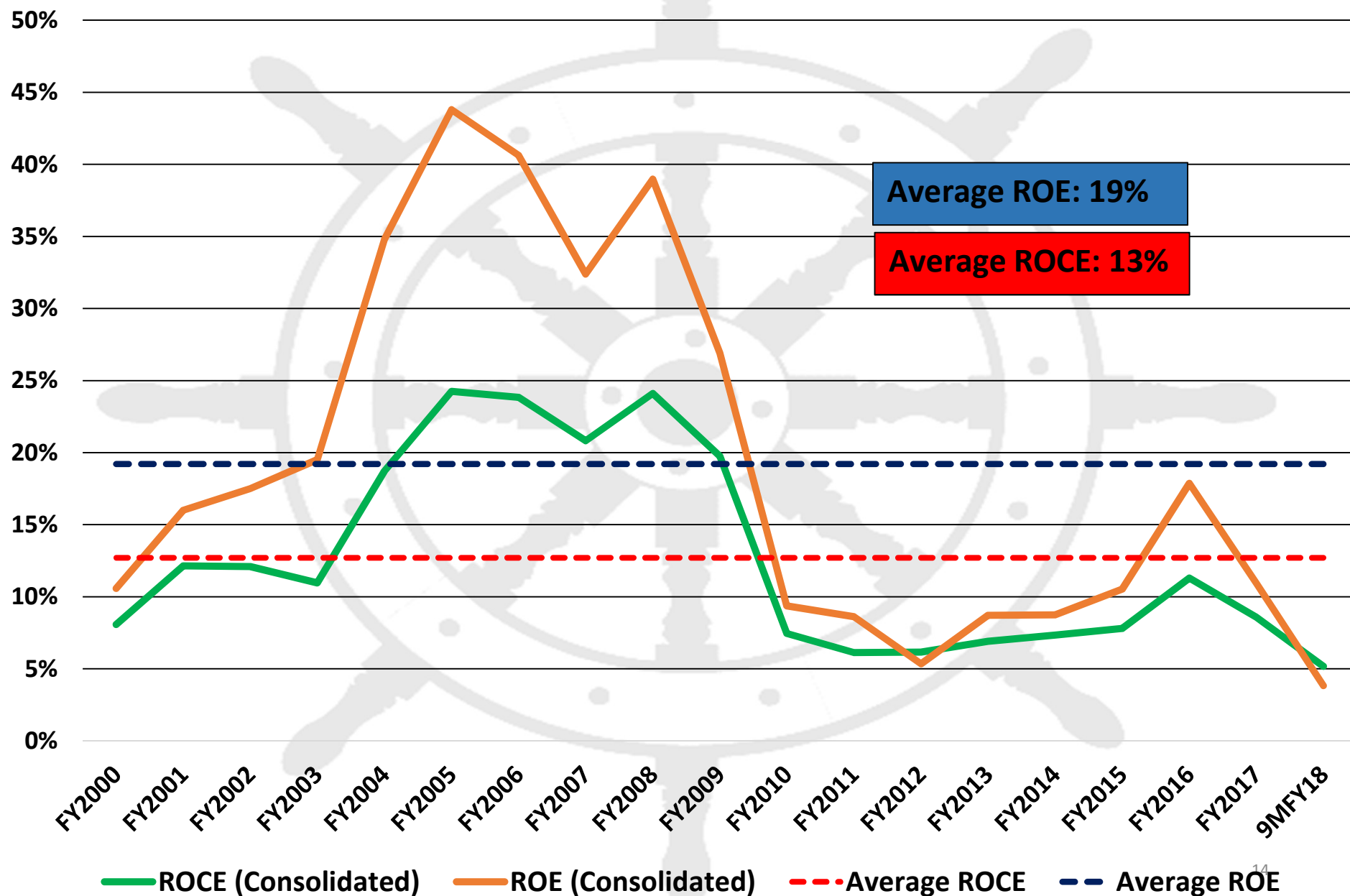


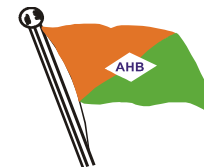
SHIPPING FLEET NUMBER (FINANCIAL YEAR) VS. ASSET PRICES





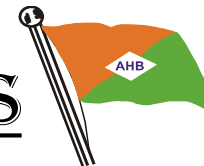
ROCE & ROE



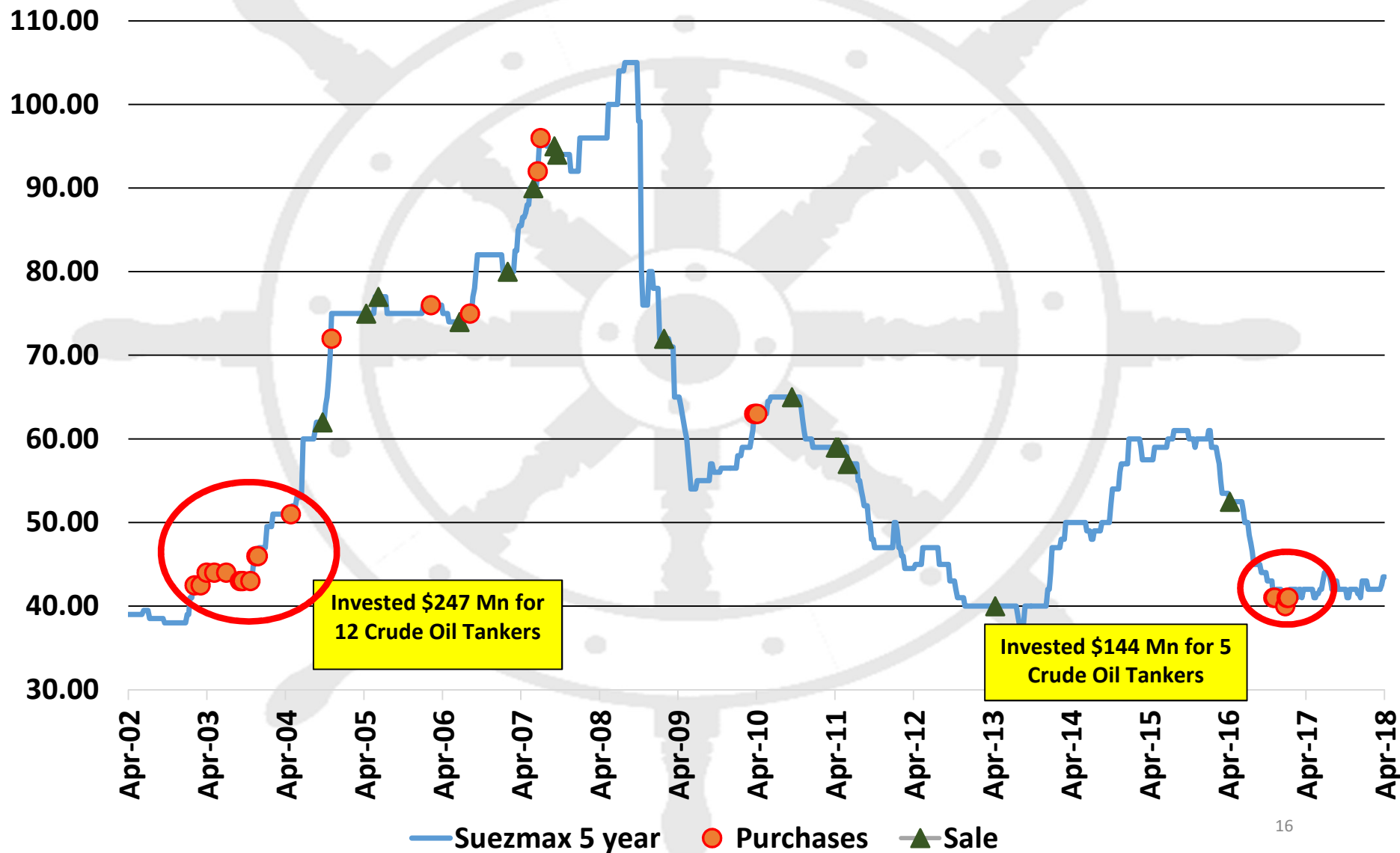


SALE & PURCHASE STRATEGY

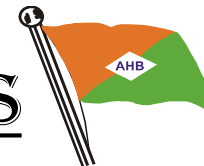
TIMING THE SALES & PURCHASE OF VESSELS



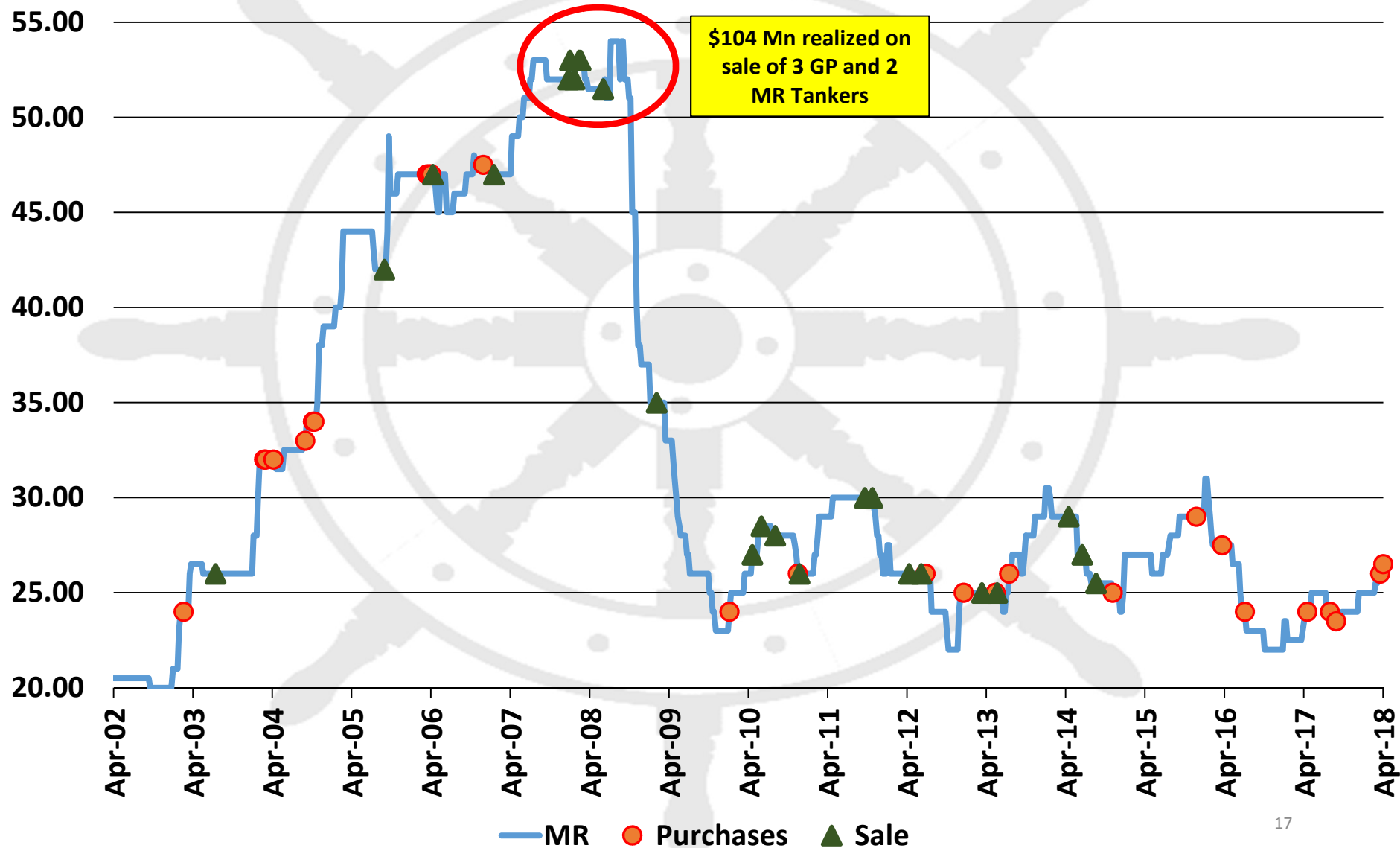
Sales & Purchase (Crude Oil Tankers) vs Suezmax 5 year old



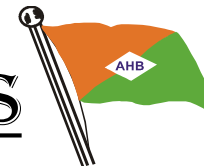
TIMING THE SALES & PURCHASE OF VESSELS



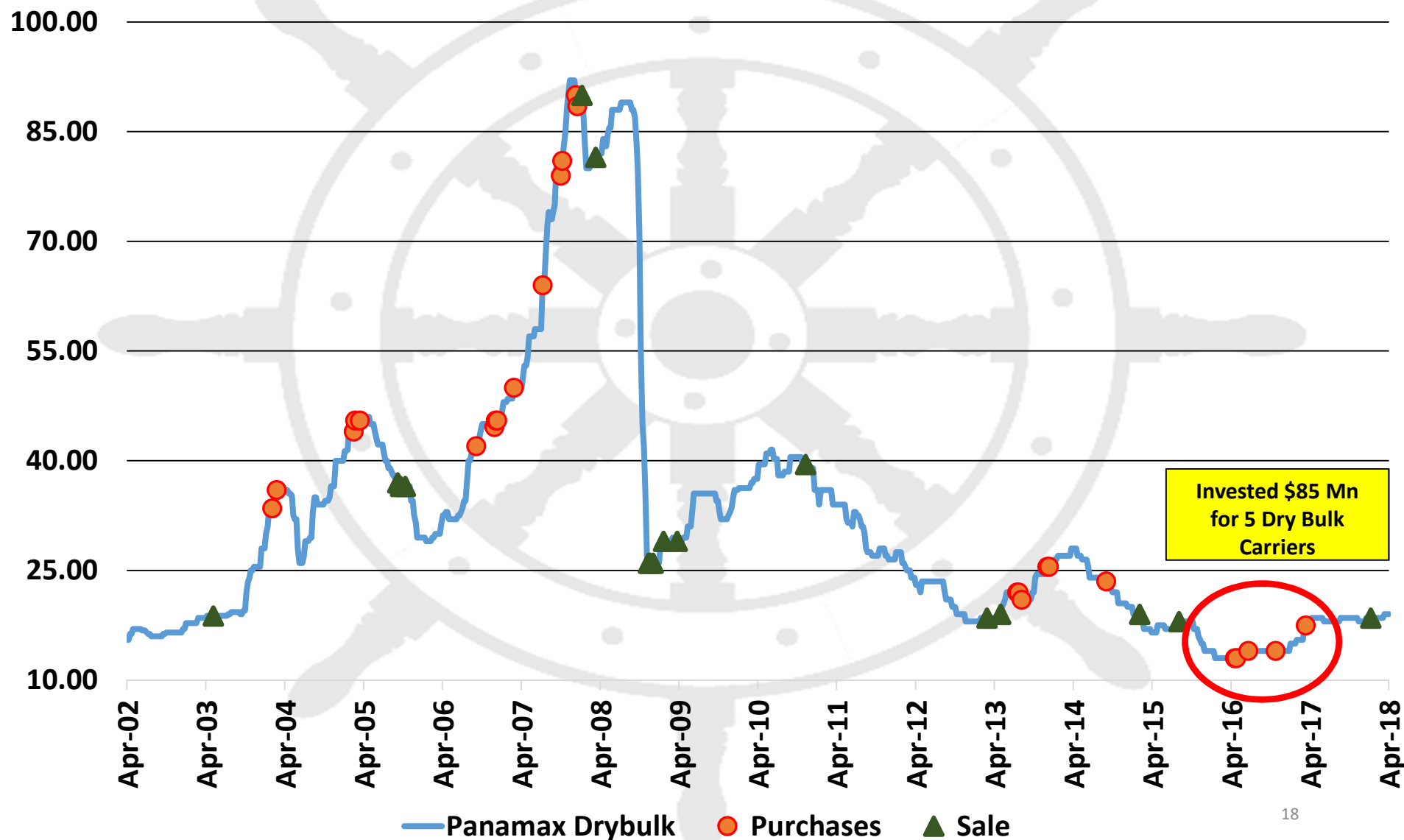
Sale & Purchase (Product Tankers) Vs MR 5 year old



TIMING THE SALES & PURCHASE OF VESSELS

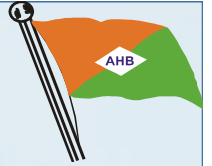


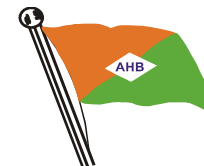
Sale & Purchase (DryBulk) Vs Capesize 5 year old



Greatship (India) Limited

**A 100% subsidiary
operating in the
Offshore Oilfield
Services sector**





FLEET PROFILE (OFFSHORE)

Offshore		
Fleet	Number of Units	Average Age
Jack-Up Rigs	4	6.34
Platform Supply Vessels	4	8.51
Anchor handling Tug Cum Supply Vessels	8	8.36
Multipurpose Platform Supply & Support Vessels	2	7.82
ROV Support Vessels	5	6.53
Total	23	



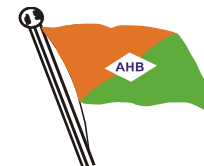
OFFSHORE HIGHLIGHTS

➤ **Investment Positives for Offshore**

- **Current fleet consists of all modern assets**
- **Market leading position in high-spec assets in Indian Offshore – a steady and growing market**
- **Contract coverage for all four rigs and a low net debt**

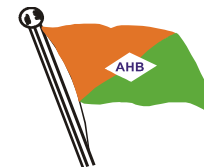
Fleet Utilization

Category	Extent of coverage of fleet's operating days (FY19)
PSV	76%
ROVSV	35%
AHTSV	91%
MPSSV	58%
Jackup Rigs	98%



Q3 FY2018

FINANCIAL HIGHLIGHTS

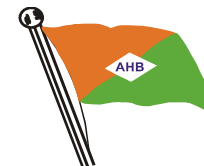


Q3 FY18 FINANCIAL HIGHLIGHTS

USD 1 = INR 63.87
(31st Dec 2017)

Standalone			Key Figures	Consolidated		
Q3 FY'18	Q3 FY'17	9M FY'18	(Amount in Rs. crs)	Q3 FY'18	Q3 FY'17	9M FY'18
			Income Statement			
676.98	511.87	1808.37	Revenue (including other income)	920.31	853.06	2576.77
271.40	338.24	793.75	EBITDA (including other income)	414.82	547.62	1248.67
55.02	171.96	173.63	Net Profit	98.19	255.18	208.61
			Balance Sheet			
10641.93	10118.52	10641.93	Total Assets	15074.60	15368.34	15074.60
5236.78	5063.31	5236.78	Equity	7318.97	7421.45	7318.97
4435.79	3830.69	4435.79	Total Debt (Gross)	6547.83	6463.56	6547.83
1638.50	322.80	1638.50	Total Term Debt (Net of Cash)	2507.59	1512.26	2507.59
			Cash Flow *			
173.90	153.15	371.55	From operating activities	308.66	397.07	730.26
(14.57)	(77.85)	(337.43)	From investing activities	(40.58)	21.10	(400.69)
(91.10)	306.41	(250.65)	From financing activities	(169.87)	190.10	(595.97)
68.23	381.71	(216.53)	Net cash inflow/(outflow)	98.21	608.27	(266.40)

***Non-GAAP measures**



Q3 FY18 FINANCIAL HIGHLIGHTS

Standalone			Key Figures	Consolidated		
Q3 FY18	Q3 FY17	9M FY18		Q3 FY18	Q3 FY17	9M FY18
			Key financial figures			
40.09%	66.08%	43.89%	EBITDA Margin	45.07%	64.19%	48.46%
4.23%	13.82%	4.45%	Return on Equity (ROE)	5.40%	13.10%	3.83%
5.59%	11.04%	5.80%	Return on Capital Employed (ROCE)	5.27%	9.78%	5.17%
0.85	0.76	0.85	Gross Debt/Equity Ratio	0.89	0.87	0.89
0.31	0.06	0.31	Net Debt/Equity Ratio	0.34	0.20	0.34
64.97	67.23	64.56	Average Exchange rate USD/INR	64.97	67.23	64.56
63.87	67.92	63.87	End of Period Exchange rate USD/INR	63.87	67.92	63.87
			Share related figures (in Rs.)			
3.65	11.40	11.52	Earnings per share, EPS	6.51	16.92	13.84
3.64	11.38	11.49	Diluted earnings per share	6.50	16.89	13.81
12.61	17.71	36.16	Cash Profit per share	20.07	29.01	52.25
-	3.60	-	Dividend per share	-	3.60	-



Q3 FY18 FINANCIAL HIGHLIGHTS

Breakup of Revenue Days

Revenue Days	Q3 FY18	Q3 FY17
Owned Tonnage	4,329	3,339
Inchartered Tonnage	141	89
Total Revenue Days	4,470	3,428
Total Owned Tonnage (mn.dwt)	3.92	3.23

Average TCY Details

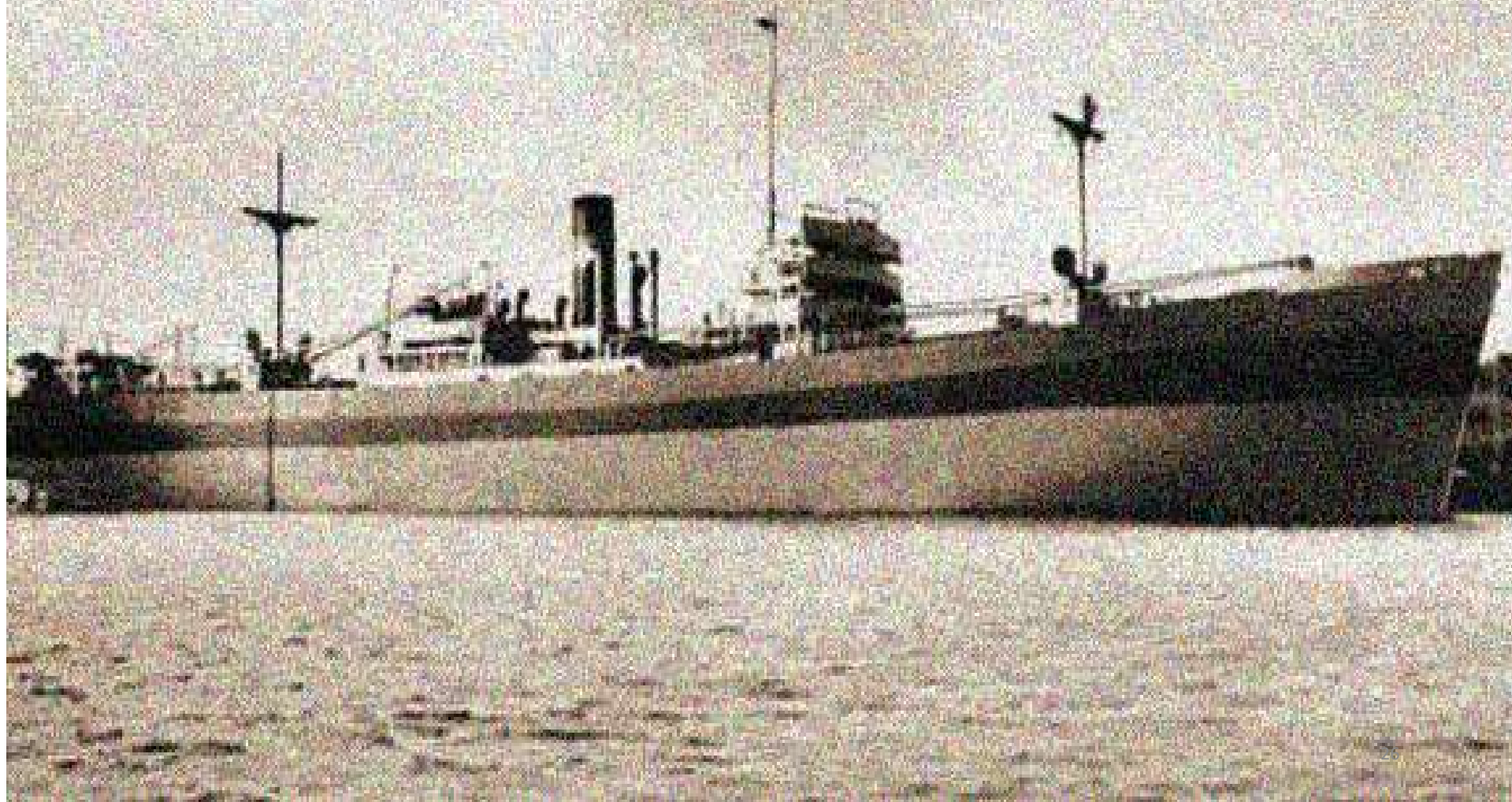
Average (TCY \$ per day)	Q3'FY18	Q3'FY17	% Change
Crude Carriers	16,811	19,231	(12.58%)
Product Carriers (Incl. Gas)	15,259	16,285	(6.3%)
Dry Bulk	12,231	6,972	75.43%

Mix of Spot & Time

Days (in %)	Q3'FY18	Q3'FY17
<u>Dry Bulk</u>		
Spot %	79%	45%
Time %	21%	55%
<u>Tankers</u>		
Spot %	76%	50%
Time %	24%	50%
<u>Total</u>		
Spot %	77%	49%
Time %	23%	51%



COMPANY HISTORY





A HUMBLE BEGINNING...

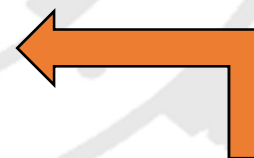
AUGUST 3RD, 1948



Period: 1948...World War II end.

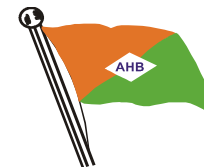
US Maritime Commission decides to auction some of its Liberty Ships.

On August 3rd, 1948, "The Great Eastern Shipping Company Ltd" was born !!!!



First Ship bought was 'S S Fort Ellice', renamed 'Jag Vijay'

... and the Voyage continues



MANY FIRSTS TO OUR CREDIT

First Indian shipping company to purchase a motor oil tanker in 1956

First Indian shipping company in the private sector to institute a Cadet Training Academy in 1975

First Indian shipping company to obtain the ISO 9002 certification for its shipping and offshore business in 1996

First Indian shipping company to start liner cargo from West coast of US and Canada to India in 1962

Globally, the first shipping company to attract direct investment from IFC, Washington at a premium in 1987

- No Equity raised for the last 20 years
- Only 2 years of reported loss since inception



MANAGEMENT

GE Shipping – Board of Directors

Mr. K. M. Sheth – Chairman

Mr. Bharat K. Sheth – Dy. Chairman and Managing Director

Mr. Ravi K. Sheth – Director

Mr. Tapas Icot – Executive Director & President – Shipping

Mr. G Shivakumar – Executive Director and CFO

Mr. Berjis Desai – Independent Director

Mr. Farrokh K. Kavarana – Independent Director

Ms. Rita Bhagwati – Independent Director

Mr. Cyrus J. Guzder – Independent Director

Mr. Vineet Nayyar – Independent Director

Dr. Shankar Acharya – Independent Director



INVESTMENT CASE

Long term history of reading the cycles along with proven capability to time the cycles

Low leverage, strong liquidity gives the ability to ride out bad markets

Cost of debt among the lowest in the industry

Maintain profitability through cycles

We are in the top 10th percentile of worldwide listed shipping companies for shareholder's returns over 20 years



THANK YOU

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