

4QE-Dec-2010: Investor Presentation

Allcargo Global Logistics Limited

Forward Looking Statement

ALLCARGO GLOBAL LOGISTICS LIMITED



This presentation contains forward-looking statements which may be identified by their use of words like “plans,” “expects,” “will,” “anticipates,” “believes,” “intends,” “projects,” “estimates” or other words of similar meaning. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements.

Forward-looking statements are based on certain assumptions and expectations of future events. The companies referred to in this presentation cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements.

These companies assume no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events, or otherwise.



- 1 About Us : Allcargo Global Logistics Limited
- 2 Corporate Milestones, Awards and Accolades
- 3 Strong Management Team
- 4 Proven Acquisition Track Record
- 5 Strong Balance-sheet and consistent growth to leverage opportunities
- 6 Business Model
- 7 Industry Growth Drivers
- 8 Financial Overview

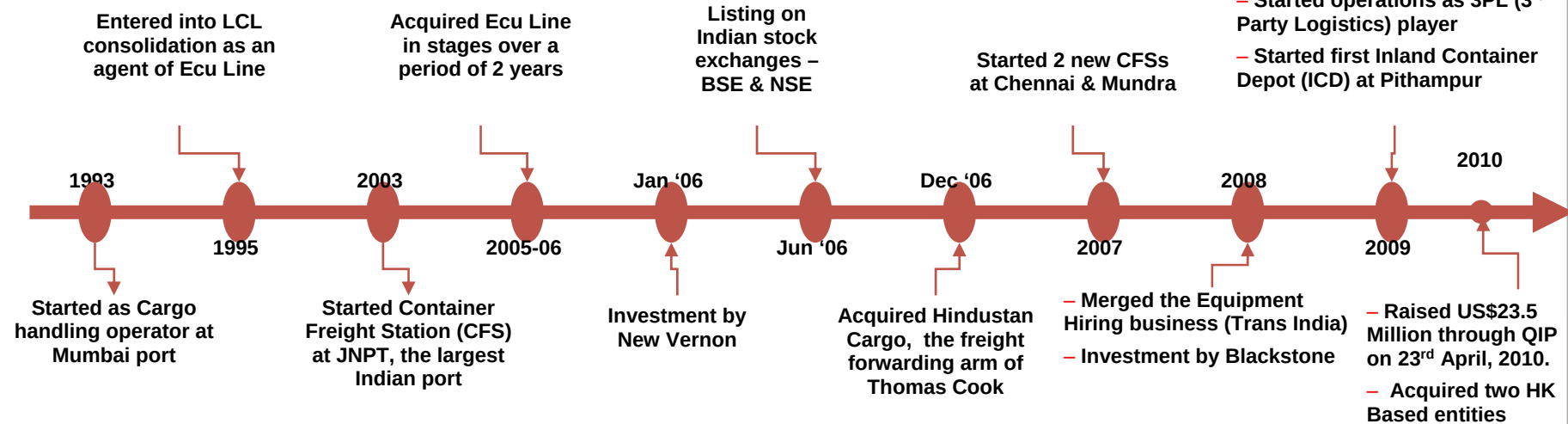


- India's first Integrated Logistics Multinational
- Global presence with operations spread over 60 countries covering over 5,000 destinations
- Diversified presence across many logistics sectors
 - One of the dominant players in the CFS/ICD business in India
 - One of the leading integrated Projects & Engineering solution providers
 - Global network of LCL Consolidation
 - Freight forwarding and Air-cargo business



Corporate Milestones

ALLCARGO GLOBAL LOGISTICS LIMITED



Recognized in Forums at National and Global Level

- 2010 - Logistics Company of the year – Maritime and Logistics Awards
 - Maritime Gateway Award – Best Private CFS Operator in India
 - Chairman WON – E&Y Entrepreneur of the Year – Services Category
 - ELSC – Face of Logistics Industry
- 2009 - Logistics Company of the year – NDTV Business Leadership Awards
- 2008 - Logistics Company of the year – Maritime Gateway Awards
- 2007 – Logistics Company of the year – Awarded by Lloyd's List



Strong Management Team



Mr. Shashi Kiran Shetty
Chairman & Managing Director

- Mr. Shashi Kiran Shetty, who is the promoter of the Company, holds a Bachelor of Commerce degree.
- Started his career in the logistics industry in 1978 with Inter-modal Transport and Trading Systems Private Limited, Mumbai from where he moved to Forbes Gokak, a TATA Group Company.
- In 1982 – set-up TransIndia Freight Services to cater to liner shipping services. He has served as ex-trustee of Mumbai Port Trust and is presently the Vice-Chairman of the Association of Multimodal Transport Operators of India (AMTOI).

LOGISTICS LIMITED



Mr. Adarsh Hegde
Executive Director

- Director on Board of Allcargo and heads Corporate Marketing.
- Mechanical Engineering degree and has over 18 years of experience in the logistics industry.
- Mr. Hegde is currently also the President of the Container Freight Station Association of India.

- Heads the Group Finance & Accounts function.
- Chartered Accountant with 27 years of work experience in industries like Consulting, Pharmaceutical, Engineering, Shipping & Logistics and Telecom



Mr. S. Suryanarayanan
Group CFO



Mr. Umesh Shetty
Executive Director – Projects & Engg Solutions

- Head Projects and Engg Division
- Holds a Bachelor of Commerce degree and has a wide and rich experience of more than 17 years in logistic business.
- Director in ECU Line Companies.

- Director – Human at Allcargo.
- Holds a Master's Degree in Production Management and MBA from IIM A with 24 years experience .
- An Executive Director of ECU Hold NV, the subsidiary of Allcargo.



Mr. Ashit Desai
Director - HR



Mr. Ken Eccles
CEO – Logistics Division

- Heads Logistics Division and is responsible for the domestic CFS, ICD and 3PL business
- Has experience of over 25 years in logistics industry in management roles with many shipping and Logistics Companies

- CEO for the global NVOCC business
- Holds a degree in shipping and logistics with 27 years of experience in the shipping, logistics and NVOCC industries.
- Has been associated with the ECU Line group since the last 20 years.



Mr. Kris DeWitte
CEO- NVOCC



Mr. Marc Stoffelen
COO - NVOCC

- COO for the global NVOCC Business
- Holds a degree in shipping and logistics with 27 years of experience in the shipping, logistics and NVOCC industries.
- Has been associated with the ECU Line group since the last 18 years.
- Director on board for ECU Hold NV.

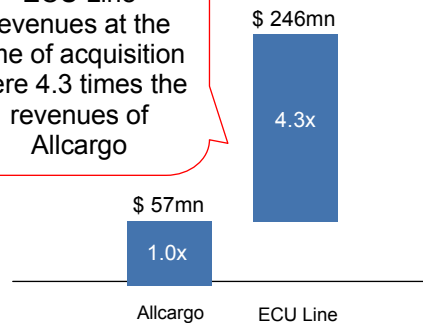
- Heads the Shipping Service division.
- Master mariner with 28 years of experience in shipping & marine services.
- Set up Hyundai Merchant Marine India and headed its India operations till 2007 followed by his stint at Jindal Waterways, the shipping arm of Jindal Saw Ltd.



Capt. Ashok S
Sr VP – Shipping Services

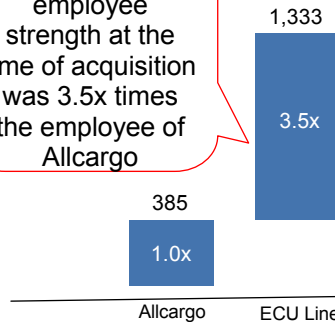
Proven Track-record of Acquisition and Turn-around ECU-Line – Strategic Network Enhancement

ECU Line revenues at the time of acquisition were 4.3 times the revenues of Allcargo



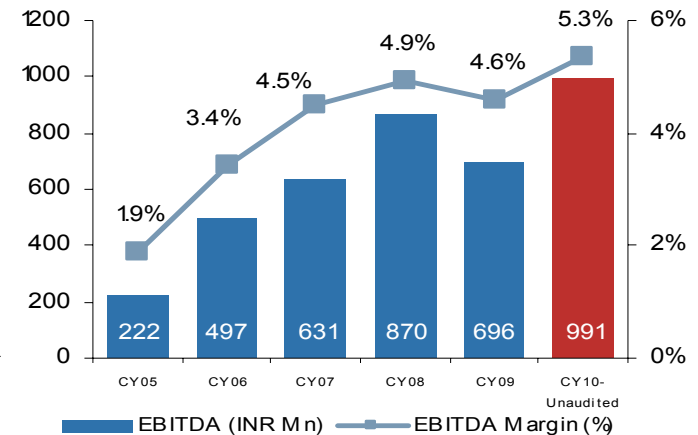
Revenue Comparison

ECU Line employee strength at the time of acquisition was 3.5x times the employee of Allcargo

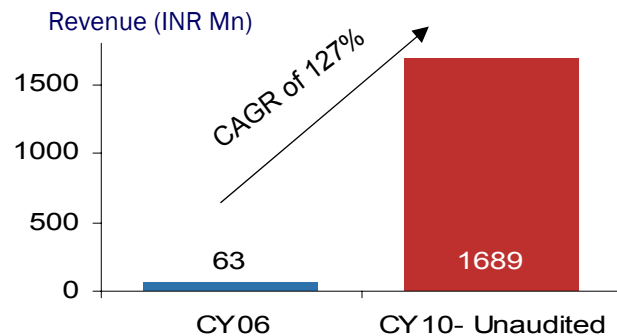


Employee Strength

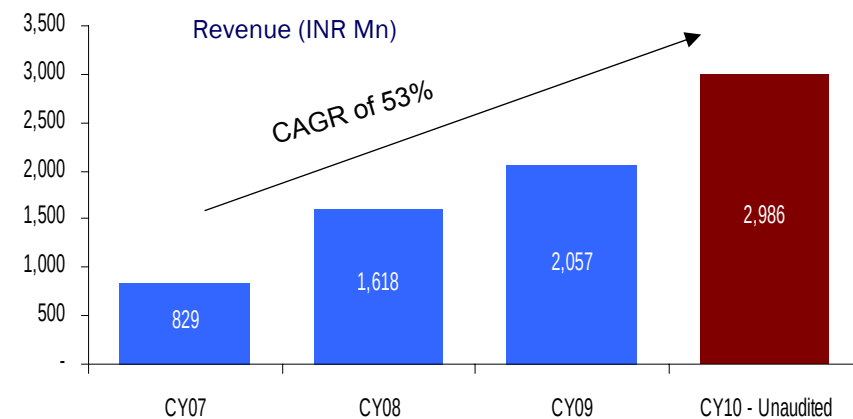
ECU Line: Improved Profitability



Hindustan Cargo Limited -Initiative to create an option to expand presence in a related business area



Merger of Projects & Engg. Solution Division





Recent Acquisitions-2010

- Acquired two companies with business interest in PRC & Hong Kong
 - Engaged in NVOCC business in China and other parts of eastern regions.
 - Total number of employees involved approx. 350 persons.
 - The acquisition is expected to give an EBITDA of \$ 3.6 M annually.
 - Total purchase consideration is 6.2 multiple of CY09 EBITDA.
 - Significant value addition to network as China is expected remain as volume-driver in foreseeable future

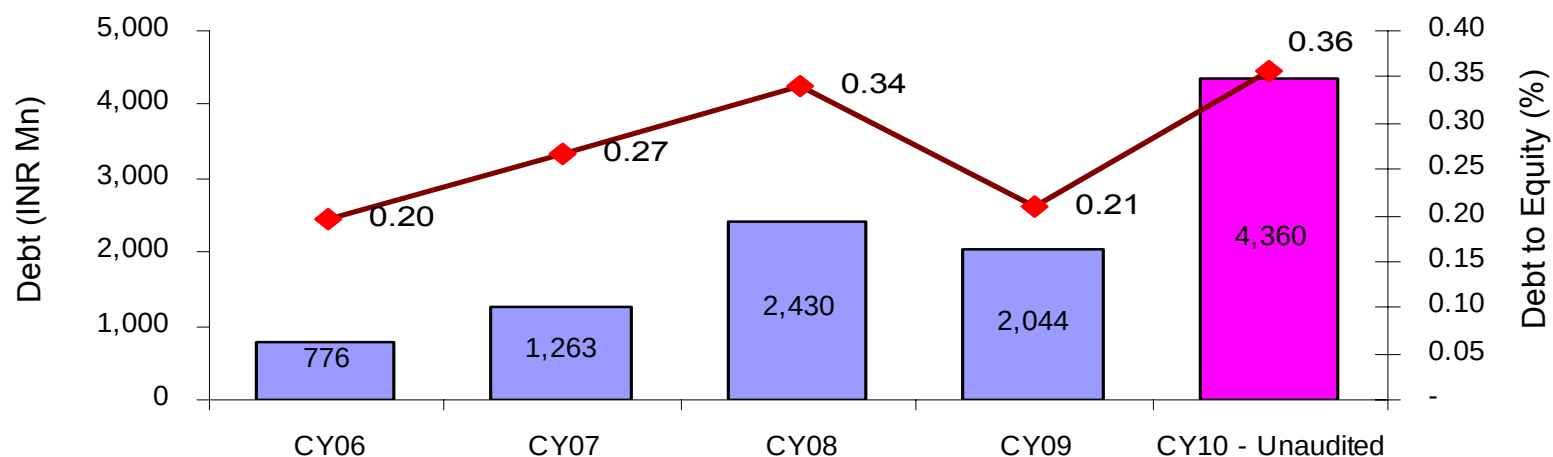
Controlling Stakes through Local Acquisitions

- Qingdao, PRC;
- Sri Lanka;
- Shanghai;
- Indonesia
- SHE Maritime - UK

Acquiring Minority Stakes

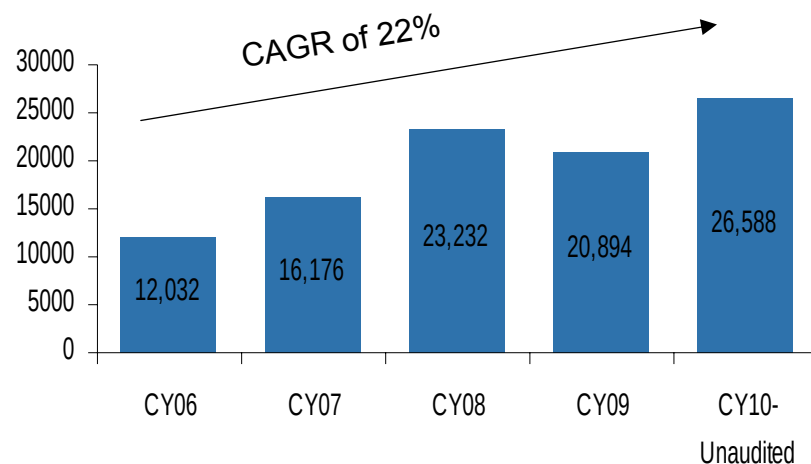
- Hong Kong / China
- Argentina

Strong Balance-sheet and continuous Growth for leveraging opportunities

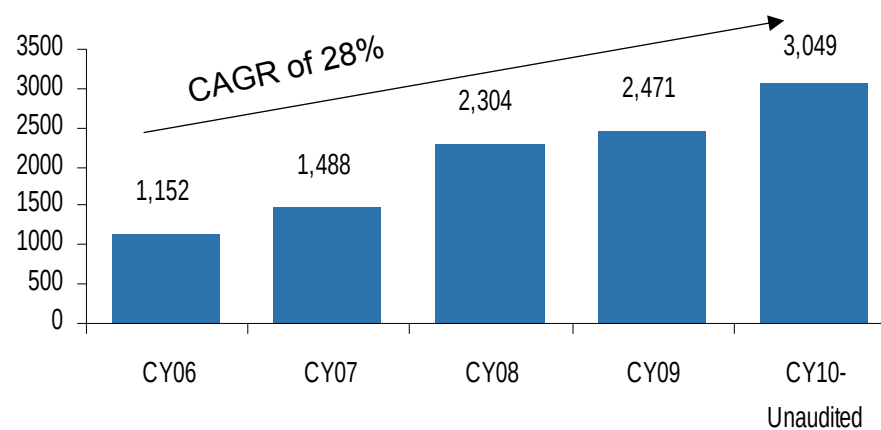


Strong Consolidated Balance Sheet

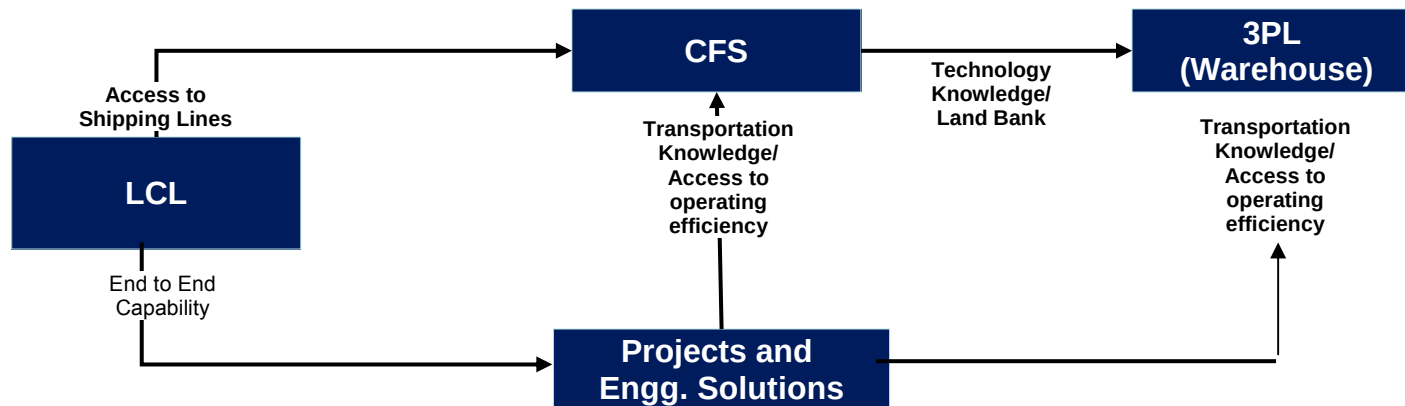
Consolidated Revenue (INR Mn)



Consolidated EBITDA (INR Mn)



Unique Synergized Business Model



- Unique business-model with tremendous synergy in all the businesses.

Industry Growth Drivers

ALLCARGO GLOBAL LOGISTICS LIMITED

India's macroeconomic and logistics infrastructure scenario - India



- Expected GDP growth of 8 - 9% over the next decade 2010-20¹
- About 2.5 to 3 times growth in freight movement during 2010-20²
- Infrastructure development will be a critical economic growth enabler²
- About 2/3rd of infrastructure network capacity yet to be built in India²

Long-term Logistics industry growth drivers - India

- Increase in infrastructure spend by GoI to 8.4% of GDP in F2012 from 7.5% of GDP in F2009¹
- Infrastructure investments in F2013-17 will rise to a cumulative US\$1trn compared while it was US\$542bn in F2007-12¹
- About \$500 billion expected to be spent in logistics infrastructure development in the coming decade²
- Introduction of GST
- FDI in retail marketing and distribution – Will increase opportunities for intermediary logistics service providers²

Globally, Future Centre of Gravity for container-volume growth will be Intra-Asia region driven by China. With acquisition in China and Far-east regions, we are all set to capture this growth.

Source: The Planning Commission, GoI; 2: Building India-Transforming the nation's logistics infrastructure", McKinsey & Co.

Financial Overview

1 Consolidated Performance

2 MTO Segment

3 CFS Operations Segment

4 Project & Engineering Solutions

5 Capital Expenditure Plan

6 Way Forward & Vision

7 Conclusions

Company – Performance

ALLCARGO GLOBAL LOGISTICS LIMITED



- Consolidated Net sales grown by 26% in 4Q over the year-ago quarter
- Consolidated PAT has grown by 134% in 4Q compared to the year-ago quarter
- Margins have improved at EBIT, PBT and PAT levels on consolidated basis for both the quarter and year

Rs. Million	Allcargo Global Logistics Ltd - Consolidated - Results					
	4QE-Dec-10	4QE-Dec-09	Y-o-Y Change (%)	CY 2010	CY 2009	Y-o-Y Change (%)
Net Sales	7,037	5,592	26%	26,329	20,609	28%
EBITDA	770	423	82%	2,790	2,185	28%
EBIT	587	271	116%	2,245	1,640	37%
PBT	588	228	157%	2,282	1,667	37%
PAT	419	180	134%	1,710	1,299	32%

Rs. Million	Allcargo Global Logistics Ltd - Standalone - Results					
	4QE-Dec-10	4QE-Dec-09	Y-o-Y Change (%)	CY 2010	CY 2009	Y-o-Y Change (%)
Net Sales	1,779	1,398	27%	7,006	5,168	36%
EBITDA	426	315	35%	1,680	1,435	17%
EBIT	300	207	45%	1,277	1,059	21%
PBT	350	227	54%	1,451	1,062	37%
PAT	278	223	25%	1,214	980	24%

MTO – Performance

MTO Operations Segment - Consolidated Business Volume Performance (LCL + FCL)						
Volume in CBM	4QE-Dec-10	4QE-Dec-09	Y-o-Y Change (%)	CY 2010	CY 2009	Y-o-Y Change (%)
Export - CBM	749,775	664,600	13% ↑	3,024,818	2,052,406	47% ↑
Import - CBM	802,776	717,436	12% ↑	3,151,569	2,120,323	49% ↑
Total	1,552,551	1,382,036	12% ↑	6,176,387	4,172,729	48% ↑

- MTO volume has increased both in import and export sub-segments during the fourth quarter and the year compared to year-ago quarter and year.
- Overall MTO segment financial performance has improved during the fourth quarter and for the year over the last year.

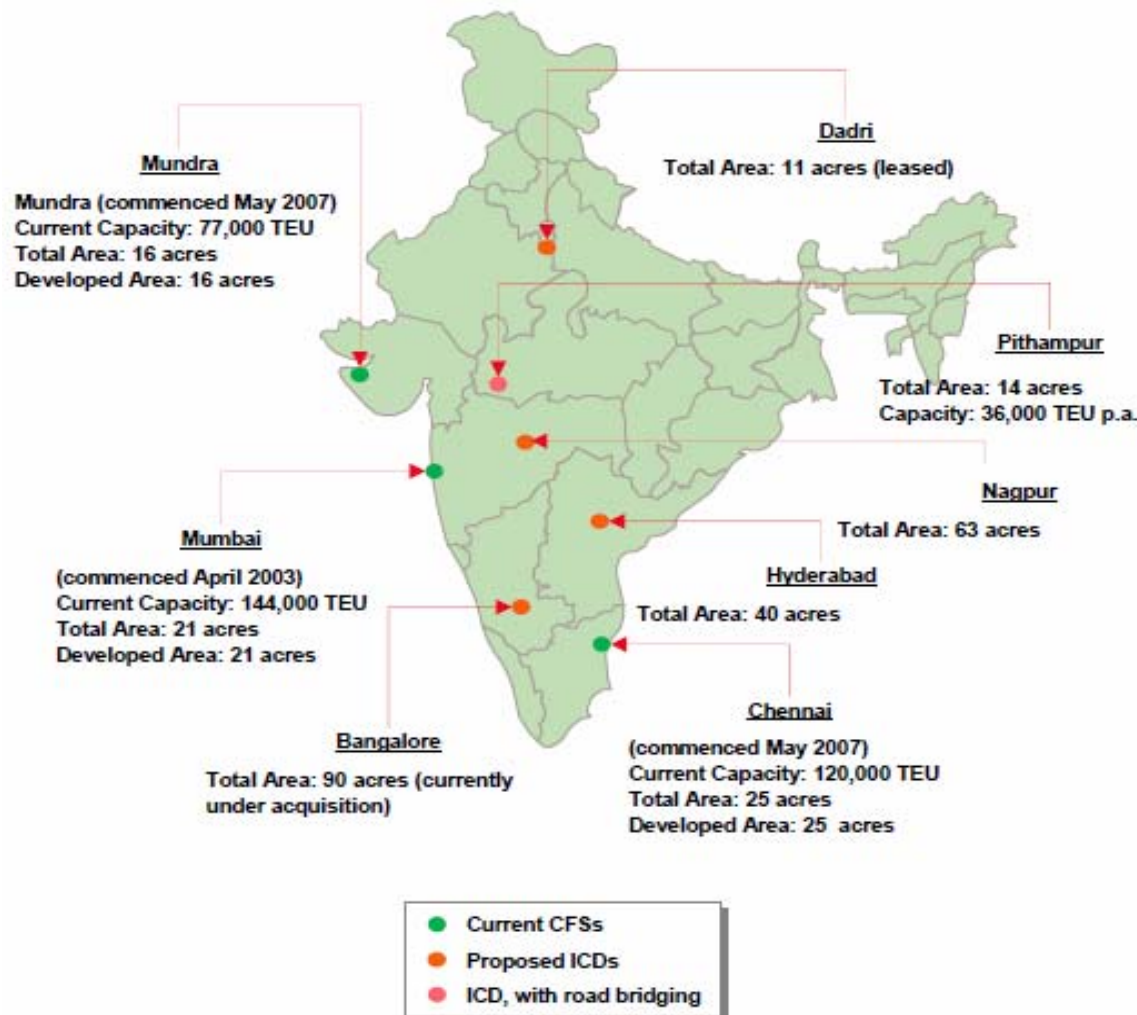
Rs. Million	MTO Operations Segment - Consolidated Financial Performance					
	4QE-Dec-10	4QE-Dec-09	Y-o-Y Change (%)	CY 2010	CY 2009	Y-o-Y Change (%)
Net Sales	6,108	4,605	33% ↑	22,493	18,016	25% ↑
EBIT	273	73	271% ↑	1,096	837	31% ↑



CFS Operations – Pan India Integrated Play

- Allcargo has leveraged its relationships with freight forwarders and major shipping lines by emerging as one of dominant CFS players in the country
- After capacity expansion, total CFS capacity is ~ 341,000 TEU p.a.
 - JNPT capacity is 144,000 TEU / annum
 - Chennai capacity is 120,000 TEU / annum
 - Mundra capacity is 77,000 TEU / annum.
- By volume; Allcargo is one of top two CFS operators at JNPT and Chennai (barring captive CFSs) and among top five at Mundra port
- Market share by volume at JNPT, Chennai and Mundra is in the range of 8-9%, 9-10% and 6-7% resp.
- ICD at Pithampur with capacity of 36,000 TEU p.a.
- Segment also provide 3PL services through two warehouses at Bhiwandi and Verna, Goa. In addition a third party warehouse is managed at Indore.
 - Combined capacity is 94,000 sq.ft.
 - Capacity utilization above 90%.

Container Freight Services / Inland Container Depots



- Allcargo has leveraged its relationships with freight forwarders and major shipping lines by entering into CFS Division
- Company has CFSs at JNPT, Chennai and Mundra with total CFS capacity of 341,000 TEUs p.a. and an ICD at Pithampur with capacity of 36,000 TEUs p.a.
- JNPT and Chennai are the key ports in India handling bulk of the container traffic. The two ports together handled ~76%(1) of the total container traffic in India in 2008

CFS Operations – Performance

ALLCARGO GLOBAL LOGISTICS LIMITED

Business volume growth continues



CFS Operations Segment - Business Volume

Volume - TEU	4QE-Dec-10	4QE-Dec-09	Y-o-Y Change (%)	CY 2010	CY 2009	Y-o-Y Change (%)
Export	9,522	10,765	-12%	39,566	35,058	13%
Import	52,115	37,391	39%	187,231	138,793	35%
Total	61,637	48,156	28%	226,797	173,851	30%

Note: TEUs – Twenty Equivalent Units of cargo

Consistent Business Growth

Rs. Million	CFS Operations Segment - Financial Performance					
	4QE-Dec-10	4QE-Dec-09	Y-o-Y Change (%)	CY 2010	CY 2009	Y-o-Y Change (%)
Net Sales	615	448	37%	2,007	1,532	31%
EBIT	279	230	21%	911	780	17%

- Dwell time is about 12 days at JNPT and 13 days at Chennai CFS
- CFS segment has maintained strong growth during quarter and for the year over the corresponding periods last year

Project & Engineering Solutions – An Integrated Approach



- The segment provides integrated project, engineering and logistics services
- Each project in this division is unique in terms of nature, size and value involving multi-modal movement by air, rail, road, sea and inland waterways
- Allcargo has recently bought two vessels to reduce ship chartering cost and to leverage on coastal cargo movement

Sample Client Base – Allcargo has successfully executed multiple projects for clients such as BHEL, British Gas, Jindal, Delhi Metro Corporation, Vedanta, Bombardier etc

Project & Engineering Solutions – Performance

ALLCARGO GLOBAL LOGISTICS LIMITED



Consistent High utilization level of All Equipments

Project & Engineering Solutions: Capacity & Capacity Utilization Levels						
	Capacity Utilization Levels (%)				Capacity Units at Dec-10	Capacity Units at Dec-09
Capacity utilization (%)	4QE-Dec-10	4QE-Dec-09	CY 2010	CY 2009		
Trailers	92%	91%	92%	92%	423	363
Cranes	92%	93%	93%	93%	101	66
Forklifts	~ 100%	~ 100%	~ 100%	~ 100%	68	72
Reach stackers	94%	96%	96%	97%	25	21

Rs. Million	Project & Engineering Solutions Segment - Financial Performance					
	4QE-Dec-10	4QE-Dec-09	Y-o-Y Change (%)	CY 2010	CY 2009	Y-o-Y Change (%)
Net Sales	663	498	33% ↑	2,910	1,984	47% ↑
EBIT	94	89	5% ↑	603	379	59% ↑

- Segment has maintained strong growth during quarter and YTD period over the last year
- Capital employed has increased on account of equipment acquisition during the year
- The segment has an order book of ~ Rs.175 Crore

Capex plans

ALLCARGO GLOBAL LOGISTICS LIMITED

- Strength of asset light business of global LCL and Freight-forwarding enables us to capture sustainable robust growth without much incremental investments
- Cash and Bank Balances of INR 1,500 Mn as of date.
- CY 2010
 - Capex (~ INR 2,700 Mn)
 - CFS capacity expansion at Mundra & Chennai (~INR140 Mn)
 - Project & Engineering fleet expansion, including Vessel purchase (~ INR 2,310 Mn)
 - ~ INR 40 Mn for MTO Segment
 - ~ INR 210 Mn for others
 - Overseas MTO acquisition (~ INR 1,000 Mn, to be paid in phases and D:E = 70:30)
- Initial CY 2011 Capex plan (~INR 2,500 Mn)
 - CFS capacity expansion at JNPT and other ports (~INR 1,000 Mn)
 - Warehousing capacity expansion at Verna – Goa, Hosur & Nagpur (~ INR 400 Mn)
 - ICD Dadri, Hyderabad development (~INR 400 Mn)
 - Other Regular Capex (~ INR 200 Mn)
 - Projects and Engineering Fleet Expansion (~ INR 500 Mn)



CFS / ICD

- CFS – Addition of capacity at JNPT and exploring other locations through organic & inorganic growth.
- ICD - Establish a pan-India presence with expansion to Hyderabad, Dadri, Nagpur and Bangalore (land already acquired) through strategic joint venture to gain control over cargo.

Expand as 3 PL Player

- Strategically expanding into warehouses to ultimately provide integrated 3PL services through organic and inorganic growth models.
- Existing land bank in place to build warehouses.

Projects & Engineering Solutions

- Focus on high growth sectors & through investment in high-quality assets.
- Unique offering of integrated projects and engineering solutions.

Global LCL Business

- Tactical acquisitions in regions where Allcargo is present but does not have significant presence.
- Buyout of local partners (consolidation of stake) of ECU Line subsidiaries/operating companies.
- Leveraging potential opportunity for creating more profitable trade lanes through network expansion.

Conclusions

ALLCARGO GLOBAL LOGISTICS LIMITED



- Unique synergistic high-growth profitable business model
- Asset light business operations in terms of LCL / freight forwarding and 3PL
- Driven by entrepreneurial leadership and professional management
- Positioned to ride India economic growth momentum through CFS / ICD and Project & Engg. Solutions
- Sustainable and diversified global logistics business network
- Strong balance sheet and access to capital

Lifting & Erection of a Wind Turbine at a Client Site

ALLCARGO GLOBAL LOGISTICS LIMITED



Multi-axle transportation of a 375 MW power equipment to a destination in Gujarat, India.

ALLCARGO GLOBAL LOGISTICS LIMITED



Multi-axle overland transportation of transformer

ALLCARGO GLOBAL LOGISTICS LIMITED



Movement of coal-handling equipment at Gangavaram Port, Andhra Pradesh

ALLCARGO GLOBAL LOGISTICS LIMITED



Evacuation of 370 MT turbine near Pipavav, Gujarat

ALLCARGO GLOBAL LOGISTICS LIMITED



Multi-tier stacking: Containers being stacked by reach stacker at CFS, Mumbai

ALLCARGO GLOBAL LOGISTICS LIMITED



Multi-stacked containers at CFS, JNPT, Mumbai

ALLCARGO GLOBAL LOGISTICS LIMITED



Multi-stacking of 40" Containers at CFS, JNPT, Mumbai

ALLCARGO GLOBAL LOGISTICS LIMITED



Q&A
