

February 8, 2012

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Essar Shipping Limited

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Sirs,

Sub: Press Release

As per Clause 36 of the Listing Agreement, we forward herewith a copy of the Press Release issued by the Company in relation to the Quarterly Un-Audited Financial Results of the Company.

Request you to kindly take the same on record and acknowledge the same.

Yours faithfully

For Essar Shipping Limited


Vinayak Joshi
Company Secretary



Encl: a/a

Essar Shipping Q3 profit jumps 43% to Rs 48.6 crore

Highlights:

1. **Net Profit stood at Rs 48.6 crore from Rs 33.9 crore in Q3FY11**
2. **EBITDA for the quarter was Rs 242.3 crore from Rs 173.6 crore in Q3FY11**
3. **Revenue for the quarter was Rs 729.2 crore from Rs 658.8 crore in Q3FY11**
4. **The company took delivery of 2 new Mini-Capesize Vessels recently**
5. **Essar Wildcat deployed for an 18 month contract with Conoco Phillips starting from September 2011 at a day rate of USD 285,000.**
6. **Most of the fleet are on long-term contracts with minimal exposure to spot markets**

Mumbai, February 8, 2012: Essar Shipping Limited (ESL) part of the Essar Group today announced its Quarter three results for the quarter ended FY12. This is for the first time Essar Shipping is announcing its results after having listed on bourses on October 20, 2011 post demerger from erstwhile ESPLL.

Results:

Essar Shipping Limited registered PAT (Profit after Tax) had increased by 43% to Rs 48.6 crore for the quarter ended December 31, 2011, as against Rs 33.9 crore for the corresponding quarter last year.

EBITDA of the company had increased by over 39% to Rs. 242.3 crore as against 173.6 crore for the corresponding quarter last year.

Revenues of the company had increased by 11% to Rs. 729.2 crore as against Rs. 658.8 crore for the corresponding quarter last year.

Speaking on the results, **Mr. A R Ramakrishnan, Managing Director, Essar Shipping Limited**, said: "Despite tough market conditions such strong performance is primarily because of the company's strategy to enter into long term charter of the vessels which provides a natural hedge against the cyclical nature of the industry and ensures long-term visibility of revenues and profitability."

The Sea Transportation business registered revenue of Rs. 317.4 crore in Q3 FY2012 as compared to Rs 264.3 crore for the corresponding period in the previous year. The EBITDA for Q3 FY2012 stood at Rs 135.5 crore as compared to Rs 113.2 crore in Q3 FY2011.

The Oilfields Services revenues had increased by 56.9% to Rs 143.9 crore as compared to Rs 91.7 crore for the corresponding period in the previous year. The EBITDA for Oilfield services had increased by 102% and stood at Rs 96.4 crore as compared to Rs 47.8 crore for the corresponding period in the previous years.



The Logistics business registered revenue of Rs 283.9 crore for Q3 FY2012 as compared to Rs 338.5 crore for corresponding period in the previous year. The EBITDA for Q3 FY2012 stood at Rs 21.0 crore as compared to Rs 31.9 crore for the corresponding period in the previous year.

About Essar Shipping

Essar Shipping Limited has a diversified fleet of 25 vessels, including VLCCs, Capesizes, Supramaxes, mini bulk carriers and tugs. The company has on order 10 new ships, which are expected to join the fleet over the next 18 months. A sizeable part of the capacity is deployed on long-term contracts and COAs, insulating the company from the volatility of spot markets.

The Oilfields Services Business provides contract drilling services to oil & gas companies across the globe. This business owns one semi-submersible rig and 12 land rigs. The Company has ordered two new jack-up rigs, which will be joining the fleet over the next 18 months.

The Logistics Business provides end-to-end logistics services – from ships to ports, lighterage services to plants, intra-plant logistics and dispatching finished products to the final customer. This business owns transshipment assets to provide lighterage support services, and onshore & offshore logistics services. It manages a fleet of over 5,000 trucks for inland transportation of steel and petroleum products.

For Media Queries

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