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THE GREAT EASTERN
SHIPPING COMPANY LIMITED

OCEAN HOUSE, 134/A, Dr. Annie Besant Road, Worli, Mumbai - 400 018, INDIA. Tel.: +91(22) 6661 3000 / 2492 2100 Fax : +91(22) 2492 5900

Our Ref.: S/0215/2012/JMT

May 03, 2012

Bombay Stock Exchange
1st Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI – 400 001

Fax No.22723121/3719

Dear Sir,

Further to our letter dated May 03, 2012 (Ref: S/0210/2012/JMT), we enclose herewith Press Release to be issued pertaining to the audited Financial Results for the year ended March 31, 2012.

You are requested to take note of the above.

Thanking You,
Yours faithfully,
For The Great Eastern Shipping Co. Ltd.

for **Jayesh M. Trivedi**
Vice President (Secl. & Legal) & Company Secretary

CC: National Stock Exchange, Mumbai Fax No.26598237

CC: Wholesale Debt Market,
National Stock Exchange, Mumbai Fax No.: 26598238

CC: Luxembourg Stock Exchange, LUXEMBOURG.
Attn: Mr. Braun – Commercial Dept. Fax No. 00(352) 477 936 275.

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PRESS RELEASE

GE Shipping FY12 consolidated Net Profit at Rs.316.55 crs
Proposes final dividend of Rs.3.50 per share

The Board of Directors of The Great Eastern Shipping Company Ltd. (G E Shipping) today approved the Audited Results for the financial year ended 31 March 2012.

KEY HIGHLIGHTS:

Standalone			Consolidated	
FY'12	**FY'11**	**(Amount in Rs. crs)**	**FY'12**	**FY'11**
		Income Statement		
2016.23	1662.06	Revenue (including other income)	3239.84	2762.80
781.26	829.20	EBITDA (including other income)	1363.78	1274.95
143.34	266.46	Net Profit	316.55	468.70
		Balance Sheet		
9927.51	9608.28	Total Assets	13685.14	12660.14
5130.51	5504.06	Equity	5997.19	6030.66
3874.42	3615.82	Total Debt (Gross)	6407.15	5957.43
874.75	1111.78	Long Term Debt (Net of Cash)	2858.13	2832.46
		Cash Flow		
204.25	662.24	From operating activities	871.36	979.03
420.07	(1,210.13)	From investing activities	(99.01)	(1,936.09)
(254.32)	(419.11)	From financing activities	(482.71)	141.44
370.00	(967.00)	Net cash inflow/(outflow)	289.64	(815.62)
		Key financial figures		
38.75%	49.89%	EBITDA Margin (%)	42.09%	46.15%
2.70%	4.90%	Return on Equity (ROE) (%)	5.34%	8.62%
4.67%	4.53%	Return on Capital Employed (ROCE) (%)	6.16%	6.13%
0.76	0.66	Gross Debt/Equity Ratio (x)	1.07	0.99
0.17	0.20	Net Debt/Equity Ratio (x)	0.48	0.47
47.56	45.54	Exchange rate USD/INR, average (Rs)	47.56	45.54
50.88	44.59	Exchange rate USD/INR, end of period (Rs)	50.88	44.59
		Share related figures		
9.41	17.50	Earnings per share, EPS (Rs)	20.79	30.78
9.39	17.46	Diluted earnings per share (Rs)	20.74	30.71
31.48	43.02	Cash Profit per share (Rs)	56.73	64.01
6.50	8.00	Dividend per share (Rs)	6.50	8.00

Performance Review of Q4 FY 2011-12:

Break up of Revenue days (Shipping):

Q4'FY12	Q4'FY11	Revenue Days	FY12	FY11
3,022	2,827	Owned Tonnage	12,155	12,097
183	23	Inchartered Tonnage	786	148
3,205	**2,850**	**Total Revenue Days**	**12,941**	**12,245**
2.62	**2.63**	Total Owned Tonnage (mn.dwt)	**2.62**	**2.63**

Average TCY's earned in various categories:

Average (TCY $ per day)	Q4'FY12	Q4'FY11	% Chg
Crude Carriers	19,829	23,072	(14)%
Product Carriers (Incl. Gas)	13,353	15,556	(14)%
Dry Bulk	15,130	18,153	(17)%

FLEET DEVELOPMENT:

Sale & Purchase Activities during Q4 FY2011-12:

During the quarter:

- The Company took delivery of two Very Large Crude Carriers (VLCCs) namely "Maneklal Ujamshi Sheth" and "Ardeshir Bhiwandiwalla" from Hyundai Heavy Industries Ltd, South Korea and subsequently delivered both the vessels to the new buyer.

MARKET COMMENTARY:

On the back of increased production from OPEC, inventory built up due to potential Iran supply disruption and seasonal demand strength, freight rates especially for crude tankers remained firm throughout the quarter. This was also supported by slow steaming of vessels and increase in long haul shipments. But steady fleet growth capped any significant spurt in the freight rates. Scrapping of younger tonnage (< 20 years) is on the rise as a result of the difficult commercial environment. Net fleet growth during the quarter in crude and product tanker segment was about 1%. Due to the tough commercial and financial

environment, asset values (for modern 5year old) has declined by roughly 5% to 14% across the tanker segment.

For the Dry Bulk market, the quarter started with Baltic Dry Index (BDI) falling to its lowest level in decades on the back of Chinese New Year holidays, weather related issues in key exporting ports of Brazil & Australia and increase in newbuilding deliveries. The Chinese iron ore & coal inventories also remained at high levels resulting in lower import of these commodities, which further depressed the freight rates. Even though some improvement in freight rates was seen in the smaller asset segments, the net fleet growth of around 3% coupled with lower cargo movement kept the charter rates under pressure. During the quarter, asset prices (for modern 5 yr old) softened by 6% to 14% across the dry bulk segment.

FLEET PROFILE: as on date

Categories	No. of ships	Avg age (years)
Crude Carriers	9	9.6
Product Carriers	14	8.8
Gas Carrier	1	21.0
TANKERS TOTAL	**24**	**9.4**
Capesize	1	16.0
Kamsarmax	3	0.7
Panamax	1	17.0
Supramax	4	5.3
Handymax	1	15.0
DRY BULK TOTAL	**10**	**7.9**
TOTAL FLEET (2.62 mn dwt)	**34**	**8.9**

OUTLOOK:

Tanker Market:

For 2012, IEA has forecast a modest 0.9% growth in world oil demand to 89.9 mn bpd. This is on back of uncertain economic recovery, high crude oil prices and structural changes in trade. On the supply side, newbuilding cancellations and delays are expected to become more prevalent as the financing environment gets even tougher. Any further escalation of the Iran dispute can have a significant impact on the tanker trade economics going forward. On the demand side, the key positive factors to watch out for

will be a stronger than expected US economic recovery and increase in long haul voyages which can result in stronger fleet utilization and freight rates.

Dry Bulk Market:
With broader market fundamentals expected to remain under stress due to demand supply mismatch, increase in scrapping activities is required to offset the newbuilding pressure. On back of tough financing environment, order cancellations and slippages in deliveries are also likely to remain high easing some pressure on the supply side. On the demand side, global seaborne commodity movement is expected to improve as a result of increased imports into Asia. But a slowdown in China or prolonged recession in Europe could possibly result in downward revision of this demand, which can have a large negative impact on freight rates.

REVENUE VISIBILITY:
The revenue visibility for the balance part of FY 2012-13 is around Rs.274 crores. Crude tankers and product carriers (incl Gas carrier) are covered to the extent of around 46% and 29% of their operating days respectively. In case of dry bulk carriers, they are covered to the extent of around 20% of the fleet's operating days.

DEVELOPMENTS IN THE SUBSIDIARIES:

Greatship (India) Limited (GIL):

GIL and its subsidiaries currently own and operate assets in the following categories.

Categories	No. of assets
Offshore Logistics	
-Platform Supply Vessels (PSV)	4
- Anchor Handling Tug cum Supply Vessels (AHTSV)	9
- Multipurpose Platform Supply and Support Vessels (MPSSV)	3
- Platform/ ROV Support Vessels (ROVSV)	3
Drilling Services	
-350 ft Jackup Rigs	2
Total	**21**

GIL and its subsidiaries have a total capex commitment of around US$ 261 mn for an order book of three Platform/ ROV Support Vessels (ROVSV) in Sri Lanka and one 350 feet jack up rig in Dubai.

Sale & Purchase Activities during Q4 FY2011-12:

During the quarter:

- GIL and Greatship Global Offshore Services Pte. Ltd, a Singapore subsidiary of GIL, each took delivery of one new building 150T Anchor Handling Tug cum Supply Vessel (AHTSV), "Greatship Vidya" and "Greatship Vimla" respectively from Drydocks World, Singapore.
- Greatship Global Offshore Services Pte. Ltd, a Singapore subsidiary of GIL cancelled the shipbuilding contract for one of the Multipurpose Support Vessels with Mazagon Dock Limited, Mumbai. The said cancellation is disputed by the yard.

OUTLOOK:

Firm oil prices, the resultant higher E&P spending, and strong demand especially from West Africa & South American region are creating a much better demand-supply scenario. Utilisation levels picked up during the quarter across all the asset classes, and this trend is expected to continue going forward. Improved utilization resulted in higher day rates for modern drilling units.

However, economic uncertainties, recent focus on austerity measures from Europe and US along with subdued growth in emerging markets can lead to lower oil demand growth. If this scenario pans out, it may have a negative impact on oil prices and E&P spending, which could, in turn result in lower asset utilizations.

REVENUE VISIBILITY:

The revenue visibility for the balance part of FY 2012-13 is around Rs.889 crores. PSVs and AHTSVs are covered to the extent of around 49% and 60% of their operating days respectively. ROVSVs and MPSSVs have coverage of around 74% and 23% for the balance part of FY2013. In case of Jackup rigs, they are covered to the extent of 100% of the operating days.

Place: Mumbai
Date: 3rd May, 2012