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THE GREAT EASTERN
SHIPPING COMPANY LIMITED

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November 02, 2012

Our ref: S/471/2012/JMT

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

Fax no.22723121/3719

Dear Sir,

Further to our letter dated November 02, 2012 (Ref: S/470/2012/JMT), we enclose herewith Press Release to be issued pertaining to the Unaudited Financial Results (Provisional) for the quarter ended September 30, 2012.

You are requested to take note of the above.

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

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 H1FY13 consolidated Net Profit at Rs.262.19 crs
GE Shipping Q2FY13 consolidated Net Profit at Rs.81.20 crs

The Board of Directors of The Great Eastern Shipping Company Ltd. (G E Shipping) today approved the Unaudited Financial Results (Provisional) for the second quarter of FY2012-13, ended 30th Sept 2012.

KEY HIGHLIGHTS:

Standalone				Consolidated		
Q2FY'13	Q2FY'12	H1FY'13	(Amount in Rs. crs)	Q2FY'13	Q2FY'12	H1FY'13
			Income Statement			
433.25	503.88	1015.41	Revenue (including other income)	773.06	736.60	1,675.73
77.02	198.01	353.75	EBITDA (including other income)	292.65	323.73	753.37
(38.13)	2.56	61.43	Net Profit	81.20	27.31	262.19
			Balance Sheet			
9,839.07	10,098.52	9,839.07	Total Assets	13,782.23	1,3455.3	13,782.23
5,154.68	5,418.13	5,154.68	Equity	6,265.69	6,106.87	6,265.69
3,780.19	3,990.00	3,780.19	Long Term Debt (Gross)	6,338.06	6,376.03	6,338.06
617.80	1,402.95	617.80	Long Term Debt (Net of Cash)	2,474.14	3,098.84	2,474.14
			Cash Flow			
155.35	70.70	204.14	From operating activities	598.08	320.97	784.95
99.92	(138.71)	229.29	From investing activities	(62.23)	(192.80)	40.09
(153.93)	9.60	(380.09)	From financing activities	(318.41)	(137.08)	(642.14)
101.34	(58.41)	53.34	Net cash inflow/(outflow)	217.44	(8.91)	182.90
			Key financial figures			
17.78%	39.30%	34.84%	EBITDA Margin (%)	37.86%	43.95%	44.96%
-3.00%	0.18%	2.39%	Return on Equity (ROE) (%)	5.21%	1.77%	8.55%
-0.22%	4.04%	3.76%	Return on Capital Employed (ROCE) (%)	4.37%	5.32%	7.00%
0.73	0.74	0.73	Gross Debt/Equity Ratio (x)	1.01	1.04	1.01
0.12	0.26	0.12	Net Debt/Equity Ratio (x)	0.39	0.51	0.39
55.53	44.86	54.32	Exchange rate USD/INR, average (Rs)	55.53	44.86	54.32
52.86	48.97	52.86	Exchange rate USD/INR, end of period (Rs)	52.86	48.97	52.86
			Share related figures			
-2.50	0.17	4.03	Earnings per share, EPS (Rs)	5.33	1.79	17.22
-2.50	0.17	4.03	Diluted earnings per share (Rs)	5.32	1.79	17.18
2.83	6.56	15.95	Cash Profit per share (Rs)	14.41	10.91	36.37
-	-	-	Dividend per share (Rs)	-	-	-

Performance Review of Q2 FY 2012-13:

Break up of Revenue days (Shipping):

Revenue Days	Q2'FY13	Q2'FY12
Owned Tonnage	2,509	3,026
Inchartered Tonnage	107	224
Total Revenue Days	**2,616**	**3,250**
Total Owned Tonnage (mn.dwt)	**2.60**	**2.69**

Average TCY's earned in various categories:

Average (TCY $ per day)	Q2'FY13	Q2'FY12	% Chg
Crude Carriers	18,331	17,254	6%
Product Carriers (Incl. Gas)	12,804	16,323	(22)%
Dry Bulk	11,708	14,223	(18)%

FLEET DEVELOPMENT:

Sale & Purchase Activities during Q2 FY2012-13:

During the quarter:
- The Company took delivery of a 1990 built Very Large Gas Carrier (VLGC) "Jag Vidhi".

MARKET COMMENTARY:

The Tanker market continued to remain under stress throughout Q2FY13. A sharp drop in tonnage demand coupled with steady fleet addition and lower Middle East crude exports kept the charter rates under pressure. Shutdown of a major refinery in Venezuela and continued decline in the US imports added to the woes resulting in lower fleet utilization.

As anticipated, the freight rates across all segments in the dry bulk sector remained under pressure. Subdued commodity demand on back of weak global sentiments and excessive new fleet growth kept a lid on any potential improvement in the freight rates.

FLEET PROFILE: as on date

Categories	No. of ships	Avg age (years)
Crude Carriers	9	9.6
Product Carriers	13	8.3
Gas Carriers	1	22.0
TANKERS TOTAL	**23**	**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 (2.60 mn dwt)	**33**	**9.0**

OUTLOOK:

Tanker Market:
IEA expects global oil demand to grow around 0.8 mb/d (0.9%) in both 2012 and 2013 on back of weak & sluggish macroeconomic scenario. This is on the back of anticipated slowing growth in the OECD, which is expected to have spillover effects on other non OECD countries like China. Changes in trading patterns will also have significant impact on the tanker trade. Even though scrapping has not picked up especially in the product tanker segment, it is expected that difficult operating environment and depressed freight rates will result in acceleration of scrapping activities going forward.

Dry Bulk Market:
The World economic growth has been recently downgraded due to uncertain & sluggish demand from key economies like US, Europe & China. Rising raw material inventories, droughts in the US & Russia and relentless fleet growth are some of the key factors which are expected to put pressure on the earnings. Even though scrapping has witnessed significant improvement, the prospect of any meaningful rise in the freight rates in the next 12 months looks unlikely because of the massive new fleet growth. The 2012 YTD scrapping number has already hit the 28mn dwt mark, which has exceeded the CY2011 numbers. But looking at the estimated additions in the next 2 years, the scrapping number does not look high enough.

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REVENUE VISIBILITY:

The revenue visibility for the balance part of FY 2012-13 is around Rs.245 crores. Crude tankers and product carriers (incl. Gas) are covered to the extent of around 59% and 46% of their operating days respectively. In case of dry bulk carriers, they are covered to the extent of around 36% 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)	2
- Platform/ ROV Support Vessels (ROVSV)	5
Drilling Services	
-350 ft Jackup Rigs	2
Total	**22**

GIL and its subsidiaries have a total capex commitment of around US$ 210 mn for an order book of one Platform/ ROV Support Vessel (ROVSV) in Sri Lanka and one 350 feet jack up rig in Dubai.

Sale & Purchase Activities during Q2 FY2012-13:

During the quarter:

- Greatship Global Offshore Services Pte. Ltd., a subsidiary of GIL took delivery of a Platform/ROV Support Vessel, "Greatship Roopa" from Colombo Dockyard Plc, Sri Lanka.

- Greatship Global Offshore Services Pte. Ltd., a subsidiary of GIL delivered its 2010 built Multipurpose Platform Supply & Support Vessel "Greatship Mamta" to the buyers.

Subsequent to the quarter:
- GIL took delivery of a Platform/ROV Support Vessel, "Greatship Rachna" built at Colombo Dockyard Plc, Sri Lanka.

OUTLOOK:

The Geopolitical developments and liquidity infused by Central banks have provided strong support to Oil in recent times. This is against a backdrop of weak fundamentals caused by falling demand from OECD nations and lower growth rates in emerging economies. While a sustained drop in oil price can impact activity in the offshore sector, demand for shallow water drilling is not likely to be impacted significantly due to lower breakeven levels.

On the demand side, E&P spending continues to grow at a good pace. Due to increased focus on safety and efficiency, utilization for modern Vessels and Rigs is expected to remain healthy in the near future. With the current world fleet profile skewed towards older fleet, replacement demand should remain strong. However excess new building capacity, exacerbated by possibility of yards switching from main fleet shipping to offshore remains a cause for concern.

REVENUE VISIBILITY:

The revenue visibility for the balance part of FY 2012-13 is around Rs.559 crores. PSVs and AHTSVs are covered to the extent of around 51% and 74% of their operating days respectively. ROVSVs and MPSSVs have coverage of around 88% and 60% 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: 2nd November, 2012

---------- Visit us at www.greatship.com ----------

For further details, please email us at corp_comm@greatship.com

Q2 FY13 Earnings Call scheduled at **4:30 pm (IST) on Monday, 5th November 2012.**
To participate, kindly dial **(+91) - 22 – 67934400**