

Essar Shipping registered Q3 profit at Rs 17.85 crore

Highlights:

- 1. Revenue for 9 months ended Dec 2012 increased by 25.21%**
- 2. EBITDA for 9 months ended Dec 2012 increased by 37.23%**
- 3. Net Profit for 9 months ended Dec 2012 reported at Rs 35.75 crore**

Mumbai, January 30, 2013: Essar Shipping Limited (ESL) part of the Essar Group today announced its Quarter 3 results for the quarter ended 31st December 2012.

Nine Months FY13 Highlights:

Revenue increased by 25.21% to Rs 2,515.79 crore in 9 months ended Dec 2012 as against Rs 2,009.30 crore in the corresponding period in the previous year.

EBITDA increased to Rs 691.91 crore in 9 months ended Dec 2012, as against Rs 504.21 crore in the corresponding previous period, registering an increase of 37.23%, largely contributed by better realisation in the Oilfields Services business.

The Company reported a net profit at Rs 35.75 crore in 9 months ended Dec 2012 as against a loss of Rs 18.17 crore in the corresponding period in the previous year.

Quarter 3 FY13 Highlights:

For Q3 FY13, the Company reported revenue of Rs 792.66 crore, EBITDA of Rs. 221.68 crore and Net Profit of Rs 17.85 crore as compared to revenue of Rs 729.20 crore, EBITDA of Rs. 242.29 crore and Net Profit of Rs 48.65 crore during the corresponding quarter of the previous year.

The reduction in the profitability during the quarter has been on account of subdued freight rates in the Crude Oil transportation segment of the Sea Transportation business.

Operational highlights:

Essar Shipping Limited was awarded winner of “Bulk Operator of the Year” at Sea Trade Middle East & Indian Sub- Continent Awards at Dubai in 2012 and the First Runner-up at Gujarat Star Awards in the category ‘Shipping Line of the Year – Coastal Operator’.

The Company has inducted two more MiniCapes Vessels into its growing Fleet increasing the tonnage to 2 million DWT.

The semi-submersible rig Essar Wildcat continues to perform with ConocoPhillips in Indonesia.

Speaking on the results, Mr. A R Ramakrishnan, Managing Director, Essar Shipping Limited, said: “The shipping freight markets continue to face challenges and the company is focused



on operational efficiencies and optimization of voyage parameters and costs. The Oilfields services business is maintaining its strong performance and is gearing for higher growth in the days to come”.

The Sea Transportation business registered revenue of Rs 377.27 crore in Q3 FY2013 as compared to Rs 298.30 crore for the corresponding period in the previous year. The EBITDA for Q3 FY2013 stood at Rs 92.24 crore as compared to Rs 129.81 crore in Q3 FY2012.

The freight markets were challenging, the Baltic index has fallen by more than 60% when compared with the same period previous year. 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 Oilfield Services revenues stood at Rs 177.50 crore for Q3 FY2013 as compared to Rs 140.66 crore for the corresponding period in the previous year. The EBITDA for Oilfield services increased by 20.37 % and stood at Rs 116.10 crore as compared to Rs 96.45 crore for the corresponding period in the previous year.

The Logistics business registered revenue of Rs 240.92 crore for Q3 FY2013 as compared to Rs 276.92 crore for corresponding period in the previous year. The EBITDA for Q3 FY2013 stood at Rs 20.53 crore as compared to Rs 21.04 crore for the corresponding period in the previous year.

About Essar Shipping

The Shipping Business of Essar Shipping Limited operates a diversified fleet of 26 vessels, including VLCCs, Capesizes, MiniCapes, Supramaxes, mini bulk carriers and tugs. 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 two new jack-up rigs on order.

The Logistics business provides end-to-end logistics services, including intermodal transportation. It manages a fleet of over 4,200 trucks

For Media Queries

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