

For Immediate Release

**Essar Shipping Q3FY14 revenues at Rs. 452.77 crore and
EBITDA at Rs. 145.54 crore.**

Mumbai, February 13, 2014: Essar Shipping Limited (ESL) announced its financial results for the third quarter ended December 31, 2013. The results were taken on record at the meeting of the Board of Directors of the Company held on February 13, 2014.

Financial Performance Review

During Q3FY14, the Company registered consolidated revenue of Rs.452.77 Crore, EBITDA of Rs.145.54 Crore and Net Loss of Rs.86.24 Crore. For the corresponding quarter of last year, the Company registered consolidated revenue of Rs.792.66 Crore, EBITDA of Rs.221.68 Crore and Net Profit of Rs.17.85 Crore.

The consolidated revenue for the nine-month period ended December 31, 2013 stood at Rs.1,492.03 Crore, EBITDA at Rs.587.59 Crore and Net Loss at Rs.78.03 Crore and for the corresponding period of last year, revenue was Rs.2,515.79 Crore, EBITDA of Rs.691.91 Crore and Net Profit of Rs.35.75 Crore.

The reduction in revenue was due to scale down of logistics services by Essar Logistics Limited (ELL) and due to the currently depressed spot freight markets.

The **Sea Transportation Business** in the current quarter registered revenue of Rs.217.84 Crore, EBITDA of Rs.9.87 Crore and Net Loss of Rs.76.78 Crore as against revenue of Rs.372.21 Crore, EBITDA of Rs.87.20 Crore and Net Loss of Rs.14.59 Crore in the corresponding quarter of the previous year. Commenting on the results of the Sea Transportation business, **Capt. Anoop Sharma, Director and Chief Executive Officer – Sea Transportation Business said-** “While the freight rates in the shipping industry showed some signs of revival in the third quarter, we have witnessed sharp corrections especially in the dry bulk markets in the beginning of the new year. We expect the markets to start improving in the second half of the calendar year, when one can expect to see reduced gap between tonnage and cargo availability”

The **Oilfields Services Business** in the current quarter registered revenue of Rs.179.63 Crore, EBITDA of Rs.110.49 Crore and Net Loss of Rs.2.81 Crore as against revenue of Rs.176.33 Crore, EBITDA of Rs.114.72 Crore and Net Profit of Rs.26.99 Crore in the corresponding quarter of the previous year. Commenting on the results of the Oilfields Services Business, **Mr. Ankur Gupta, Chief Executive Officer of Oilfields Services Business said-** “Irrespective of the consistent high efficiency of Essar Wildcat, the gross earnings from land rig operations have dropped in this quarter. However, the expected commencement of operations of land rigs LR#3, LR#4, and MR#1 gives a positive outlook for the company in the near term. We are actively pursuing various other opportunities in India as well as in international geographies to maximise our asset utilisation rate.”

About Essar Shipping

Essar Shipping Limited operates a diversified fleet of 24 vessels including 2 Very Large Crude Carriers (VLCCs), 3 Capesize Bulk Carriers, 2 Supramax Bulk Carriers, 6 Minicape Bulk Carriers, 2 Handysize vessels and 5 Mini bulk Carriers and 4 Tugs.

Essar Oilfields Services provides contract drilling and related services to oil and gas companies worldwide, operating both offshore and onshore. It owns a fleet of 16 rigs, which includes one semi-submersible rig and 15 onshore rigs.

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