



VARUN SHIPPING COMPANY LIMITED

PRESS RELEASE

Varun Shipping's 9 months PAT up by 137 per cent Declares Second Interim Dividend of 15 per cent EPS for 9 months is Rs.17.45

Varun Shippings profit after tax (PAT) for nine months ended 31st December, 2007 was Rs.258.16 crores as against Rs.108.73 crores for the corresponding nine months period in the previous year. PAT for the quarter ended 31st December, 2007 was Rs.73.69 crores as against Rs.39.63 crores for the corresponding quarter in the previous year.

The company has declared second interim dividend of 15 per cent for the current financial year ending on 31st March, 2008. Total of first and second interim dividend declared in the current financial year works out to 30 per cent.

Company's freight and charter hire income for nine months ended 31st December, 2007 was Rs.624.88 crores as compared to Rs.481.29 crores for the corresponding nine months in the previous year. Company's freight and charter hire income for the quarter ended 31st December, 2007 was Rs.229.95 crores as compared to Rs.163.48 crores for the corresponding quarter in the previous year.

Increase in freight and charter hire income was due to acquisition of additional vessels, particularly in the offshore sector and on account of overall higher level of freight rates in the current financial year.

Earnings Per Share (EPS) (basic not annualized) for nine months ended 31st December, 2007 was Rs.17.45 as compared to Rs.9.04 for the corresponding period in the previous year. Company has planned capital expansion programme of US\$ 400 million for acquisition of additional vessels by end of calendar year 2008.

Company presently owns a diversified fleet of 20 vessels operating in LPG, crude oil/product and offshore sectors.

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