



Aegis Logistics Limited

May 2015

Safe Harbour

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Business Transformation

01 Unwinding FX Contracts

- ✓ Unwinding of Options Contract in Feb 2013
- ✓ Currently Plain Vanilla Forward Contract based Hedging

02 Pipavav Phase I Expansion

- ✓ 120,120 KL of Liquid & 2700 MT of LPG
- ✓ Total Project Cost of Rs 110 Cr

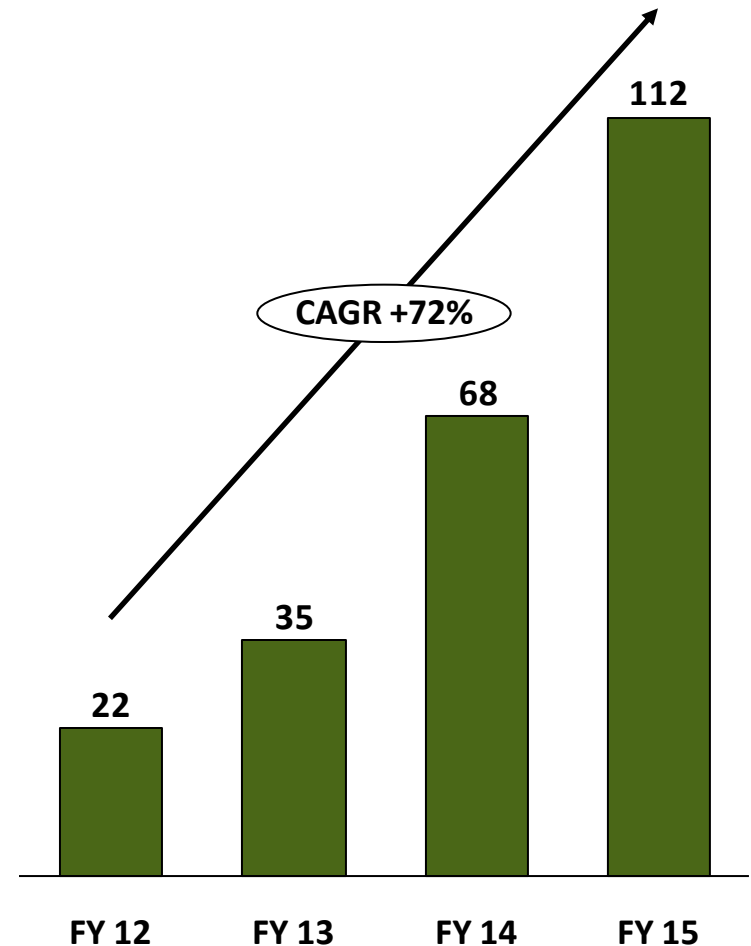
03 Haldia Expansion

- ✓ 60,190 KL of Liquid
- ✓ Total Project Cost of Rs 51 Cr

04 JV - ITOCHU Petroleum Co

- ✓ Sold 40% in AGI to ITOCHU Petroleum Co for \$ 5.85 mn
- ✓ Attaining Cost Leadership in the LPG import market
- ✓ Lowering the delivered price to most Competitive levels

Reported Profit After Tax (Rs Crs)



Gears for Growth

Haldia Expansion

- Current Capacity fully utilized
- Brownfield expansion of 9,000 KL

Kandla Expansion

- 5 Acres of Land Allotted to build New Terminal
- Land allotted on 30 year lease by Kandla Port Trust

Mumbai Port - Jetty

- Work in Progress for development of New Jetty at Mumbai Port
- It will increase volume at our Mumbai Terminal

Distribution Network

- Crossed 159 Distributors / Dealers
- Spread over 42 Cities in 7 States

O&M Contracts

- O&M Services for clients like ONGC, HPCL, BPCL, Bharat Oman Refineries Limited, Piaggio

Mission

To build an unrivalled national port infrastructure and distribution network in the Oil and Gas sector in India

Pipavav Expansion

- Infrastructure Development
- LPG - Additional 50% Capacity
- Phase II & III to be launched based on Customer Commitment

Business Overview

Liquid Division

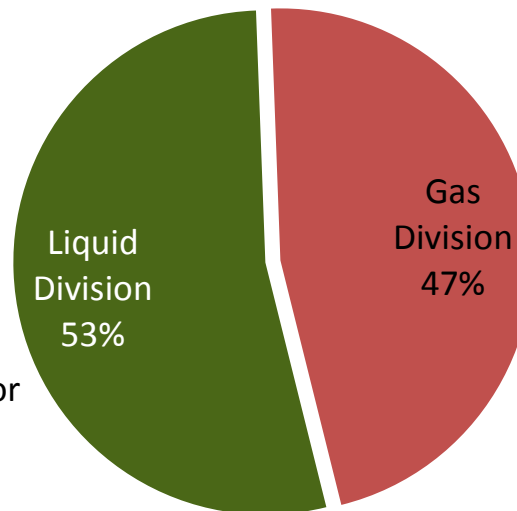
Business

- Third Party Liquid Logistics (3PL)
- O&M Services

Revenue Model

- Fee based Revenue Model for Liquid Logistics
- Handling and Other Service Charges
- O&M fees

FY15 EBITDA
Rs 182 Cr



Gas Division

Business

- Third Party Gas Logistics (3PL)
- Auto Gas Retailing and Packed LPG Cylinders for Commercial Segment
- Industrial Gas Distribution
- Gas Sourcing
- Marine Products Distribution (Bunkering)

Revenue Model

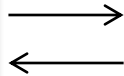
- Fee based Revenue Model for Gas Logistics
- Handling and Other Service Charges
- Retail Margin for Gas Distribution
- Fees for Sourcing Business

Liquid Logistics and O&M Services

Liquid Logistics (3PL)



Shipping

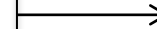


Terminalling

O&M Services



O&M



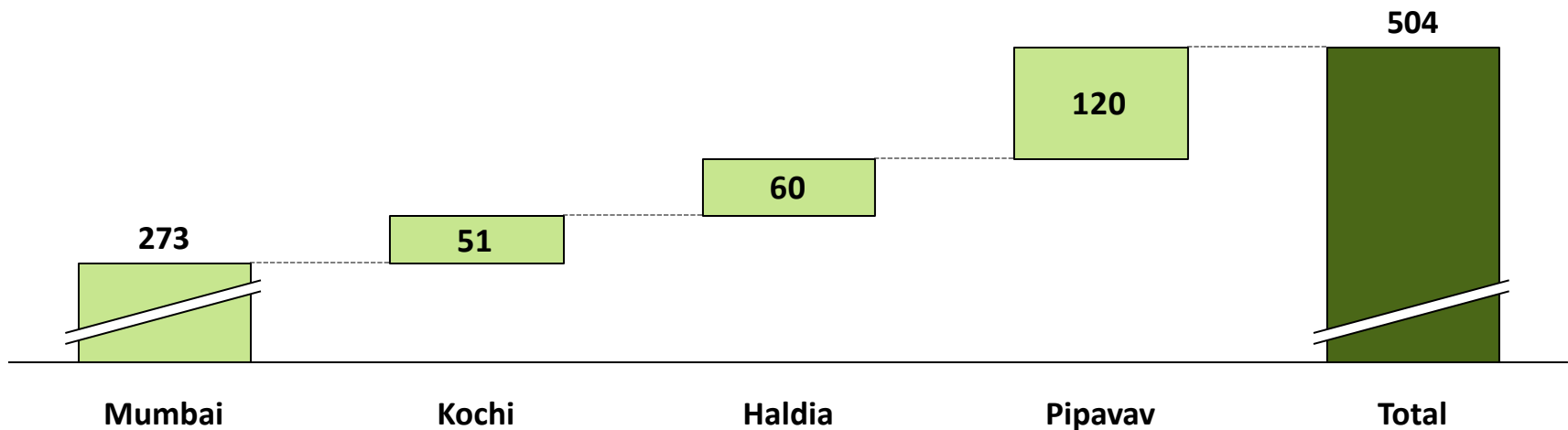
Facilities

Segment	Activity	Revenue Stream
Liquid Logistics	Terminalling	Storage and Throughput Fees, Handling & Value Addition Service Charges
O&M Services	Operations & Maintenance	O&M Fees

Liquid Terminal Facilities

Existing Facilities	Port	Capacity (KL)
Trombay	Mumbai	198,000
Ambapada	Mumbai	75,000
Willingdon Island	Kochi	51,000
Chiranjibpur	Haldia	60,190
Pipavav	Gujarat	1,20,120

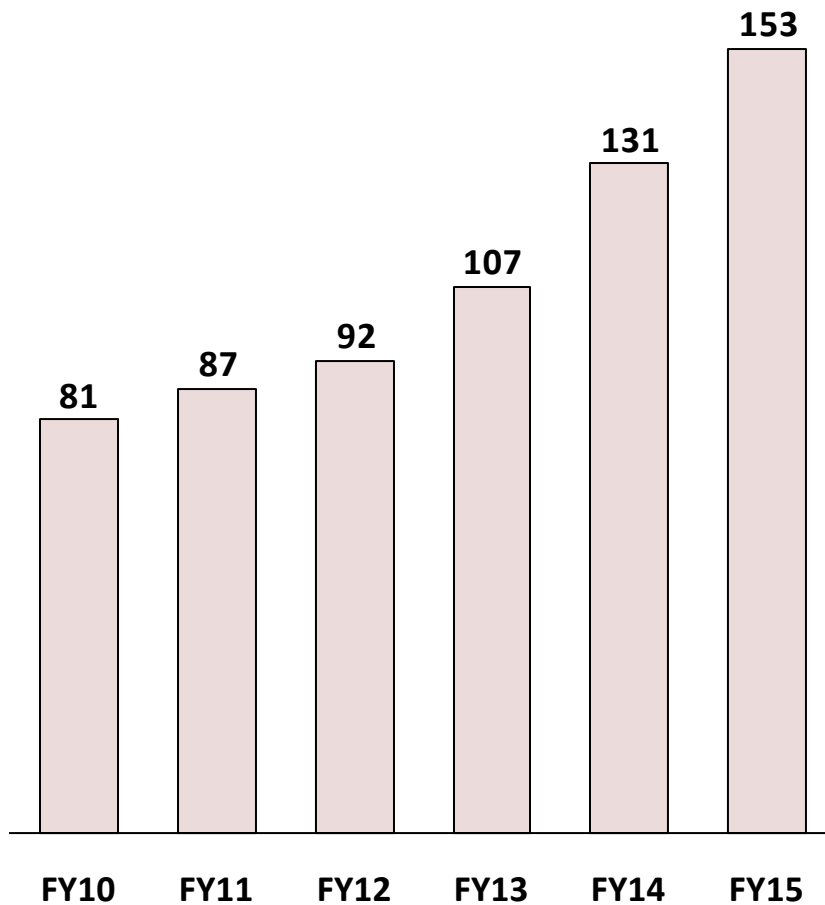
Built up of Capacities



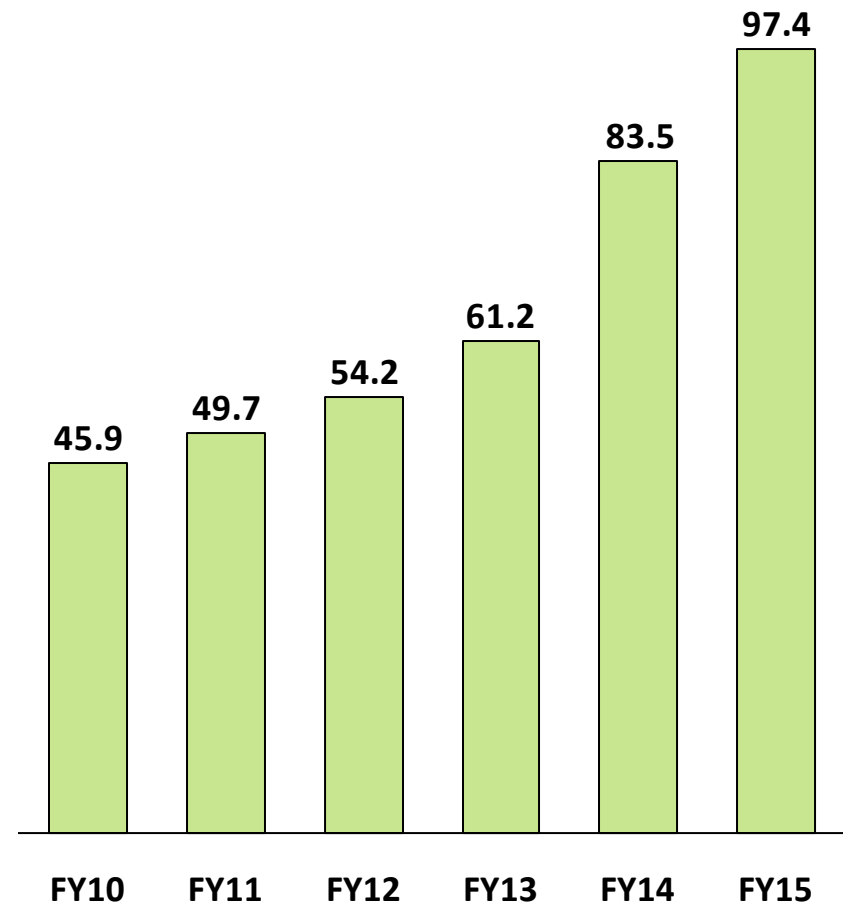
Total capacity : ~ 500,000 KL

Liquid Division Performance

Revenue (Rs. Crs.)

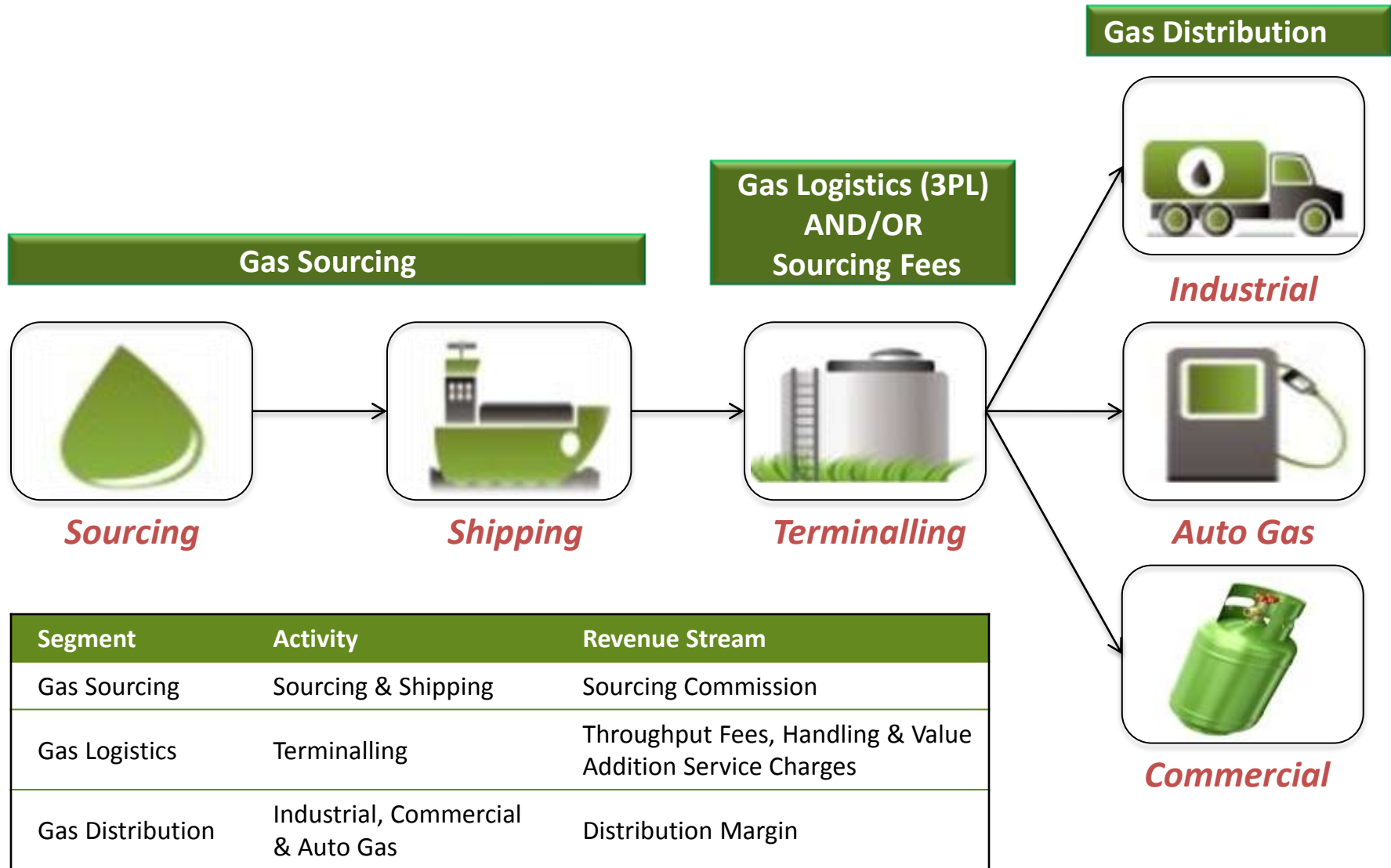


Normalized EBITDA (Rs. Crs.) *



* - Normalized EBITDA – Before Forex, Hedging Related Expenses

Capturing Complete LPG Value Chain



Gas Distribution Network

B2C



- **Auto Gas Retailing:** Distribute LPG as Auto Fuel through Gas Station Network
- 101 Auto Gas Stations across 7 States

B2B

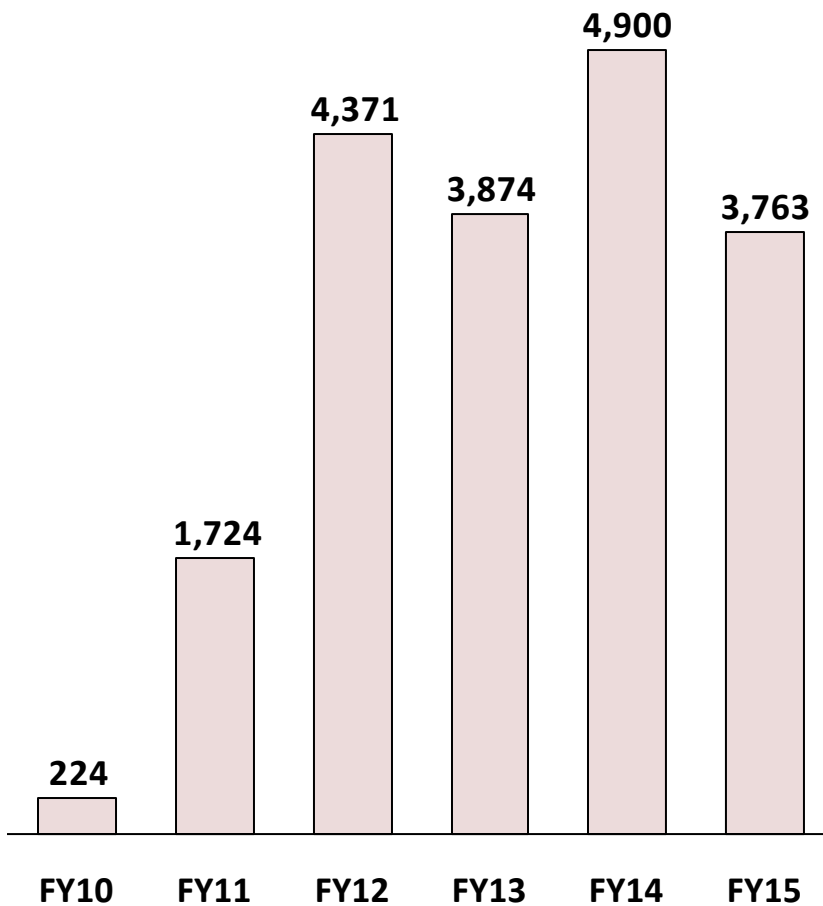
- **Bulk Industrial Distribution:** Distribute LPG through road tankers to Auto, Steel, Ceramic Industries etc



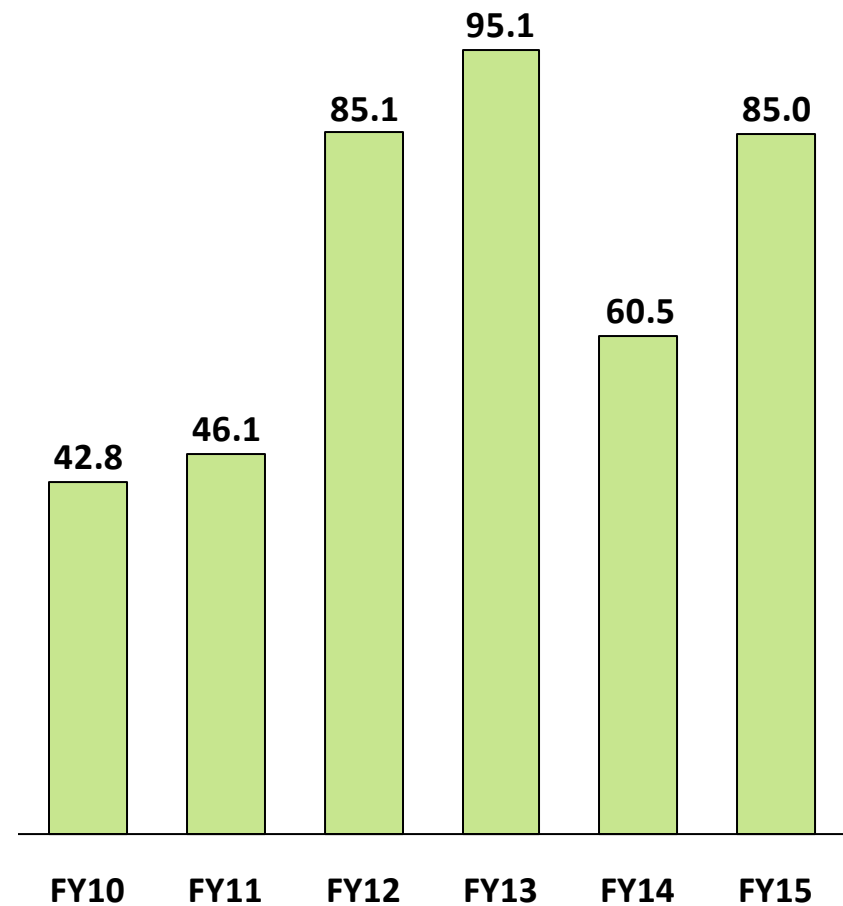
- **Commercial LPG:** Distribute Packed Cylinders for Commercial and Industrial users
- 58 Commercial Distributors spread across 42 Cities in 7 states

Gas Division Performance

Revenue (Rs. Crs.)



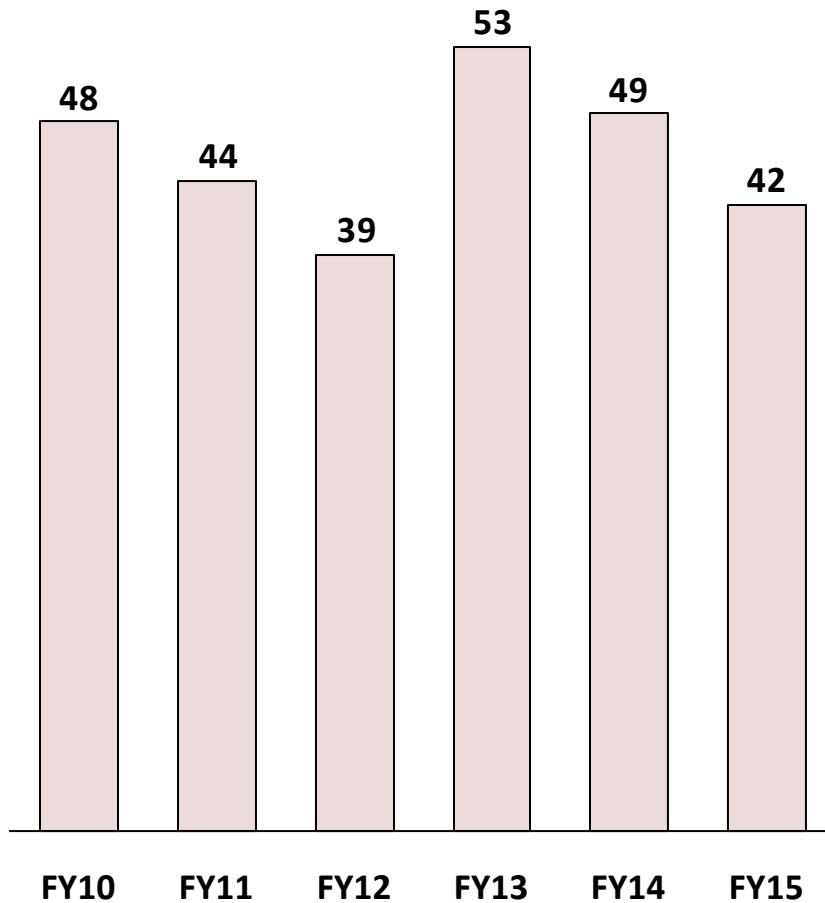
Normalized EBITDA (Rs. Crs.) *



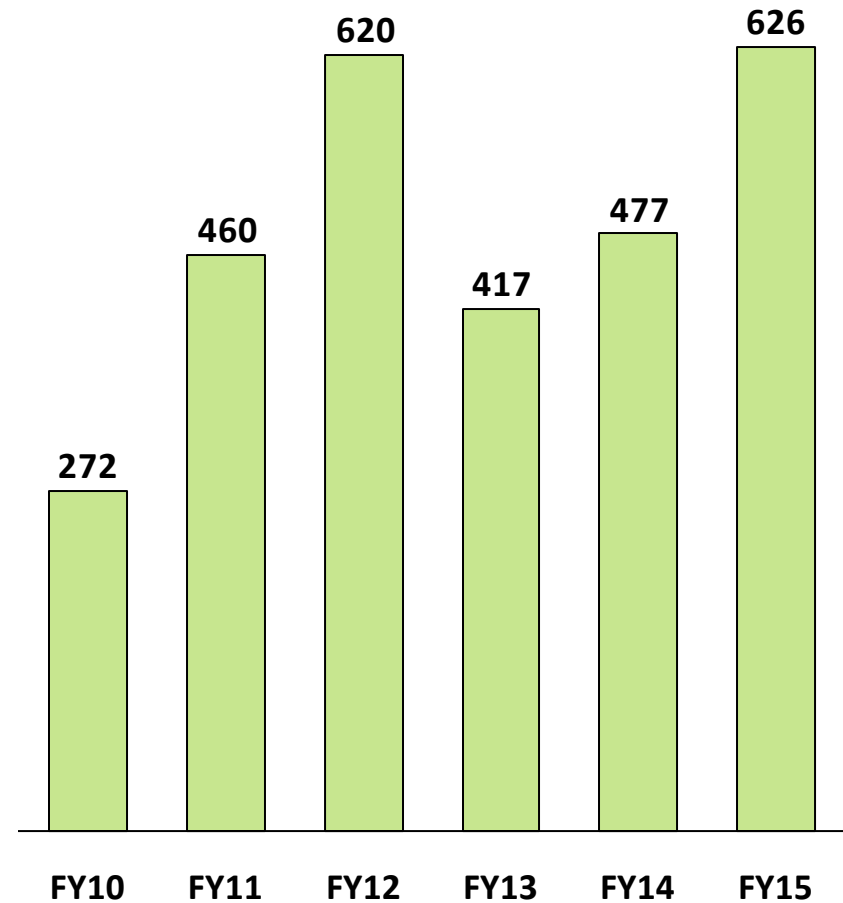
* - Normalized EBITDA – Before Forex, Hedging Related Expenses

LPG Volume Break-up

Distribution ('000 MT)



Logistics ('000 MT)



***Aegis enters into a Joint Venture for its
Singapore based LPG Sourcing and Supply Business
with
ITOCHU Petroleum Co., (Singapore) Pte Ltd***



Powerful Partners...



- Aegis Group International Pte. Ltd (AGI) is a sourcing and trading subsidiary of Aegis Logistics Limited, leading Oil, Gas & Chemical Logistics Company
- Aegis Logistics has five distinct but related business segments, and operates a national network of Liquid Terminals, LPG Terminals, Filling Plants, Pipelines and Gas Stations to deliver products and services



- ITOCHU Petroleum Co., (Singapore) Pte Ltd is a wholly owned subsidiary of ITOCHU Corporation, a Japanese multinational trading group specializing in oil & gas, metals and other commodities
- ITOCHU Corporation is
 - Third-largest Japanese Sogo Shosha (general trading Company)
One of the largest global LPG Companies by sales volumes

...coming together...

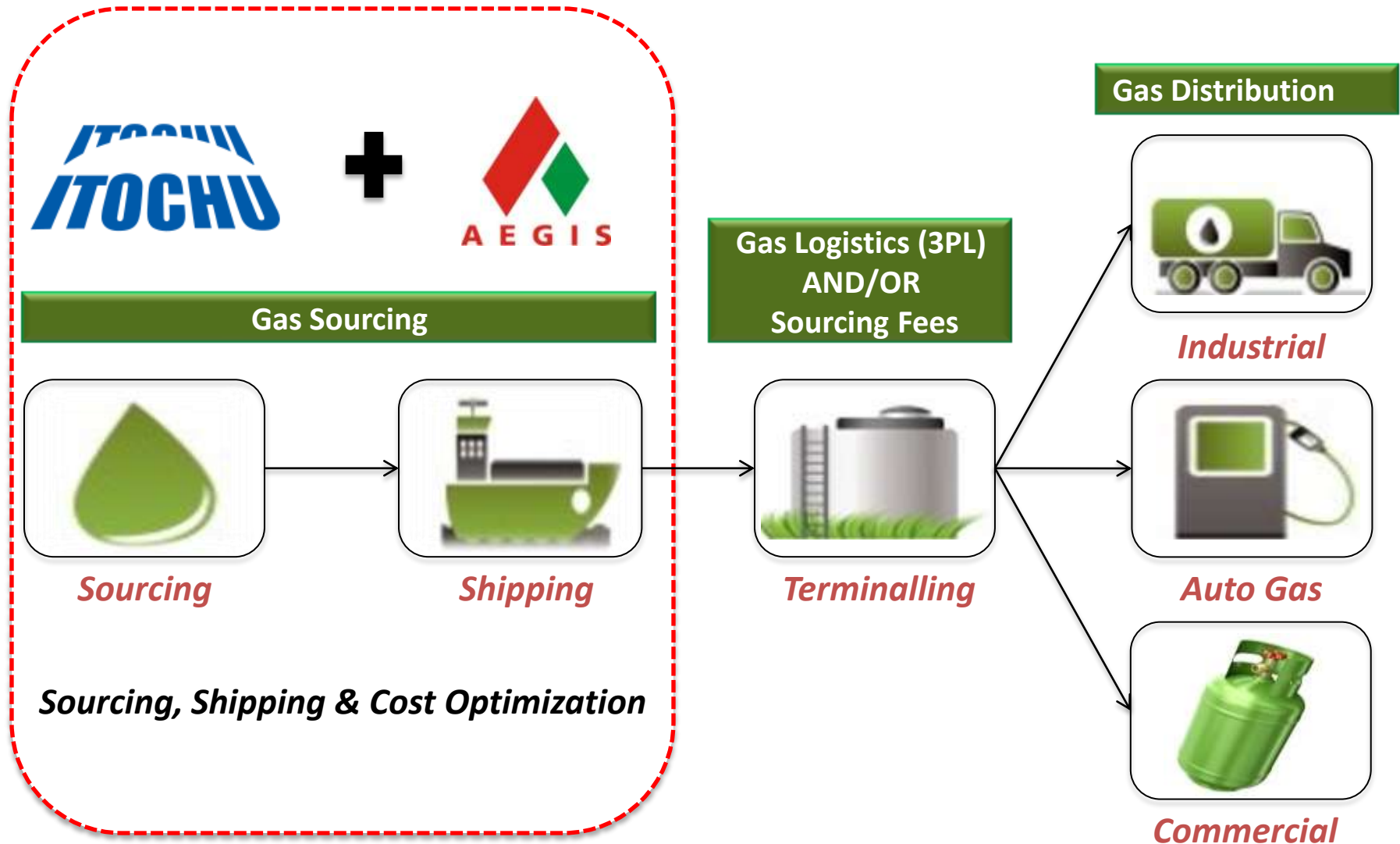
...Creating 'Leading LPG Sourcing Player in India'

Aegis Logistics Limited sold 40% of its equity ownership in its wholly owned subsidiary, Aegis Group International Pte. Ltd. Singapore, to ITOCHU Petroleum Co., (Singapore) Pte Ltd., a wholly owned subsidiary of ITOCHU Corporation for a total consideration of \$ 5.85 million



**Attaining Cost Leadership in the LPG import market
Lowering the delivered price to most Competitive levels**

... through 'Vertical Integration Strategy'



JV : Best of both Worlds

Aegis

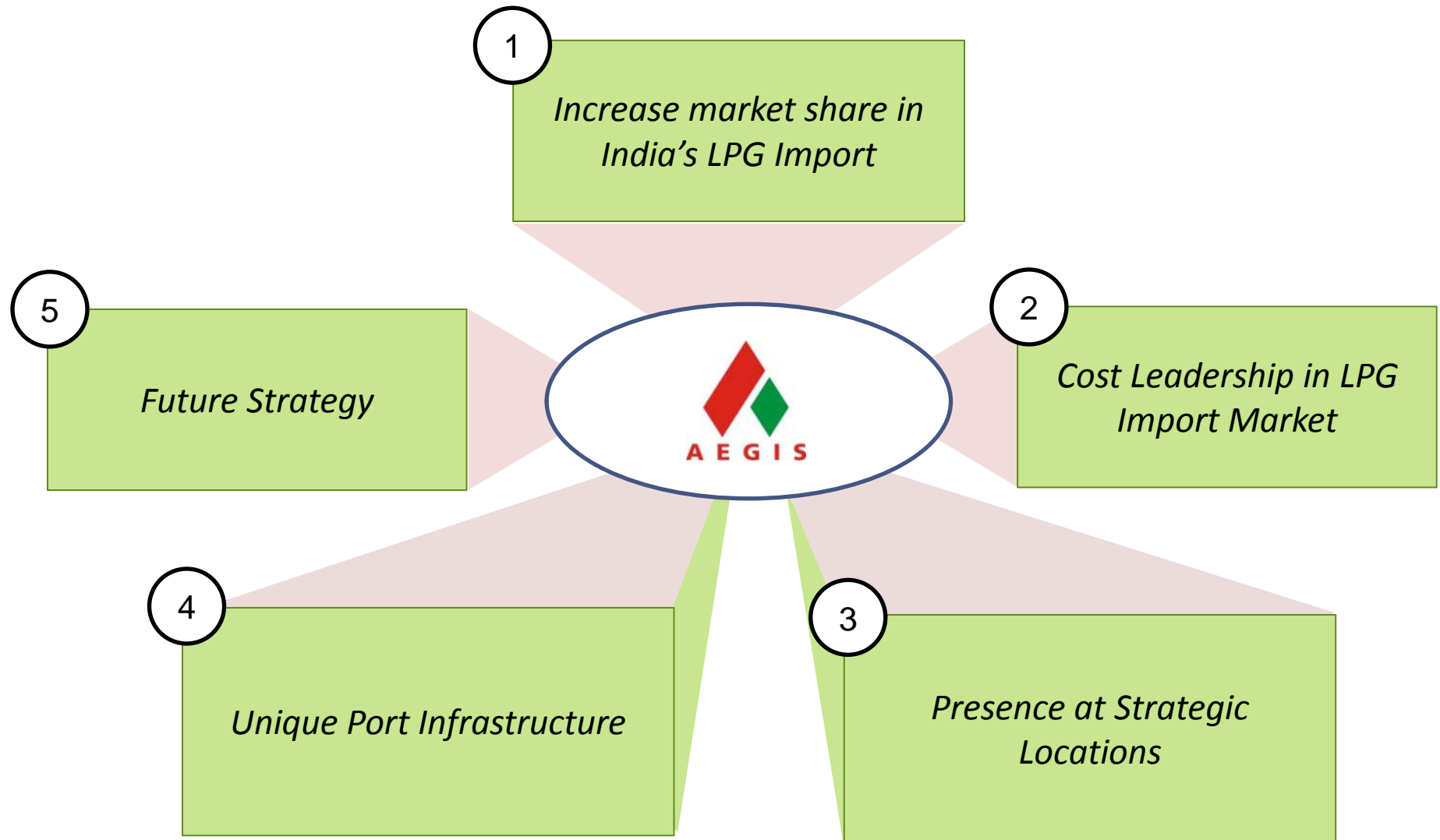
- ✓ Growing LPG Market in India
- ✓ 0.85 mn MT p.a. throughput capacity at Mumbai and Pipavav Port
- ✓ Strong Customer Relationships with Large Oil Companies
- ✓ Setting up of New LPG Terminals

ITOCHU

- ✓ Large Volume of LPG Sourcing
- ✓ Efficient and Cost Effective Shipping for High Volumes
- ✓ Strong Negotiating Power
- ✓ Financial Muscle

Market Share of 20-25% with 2.5 mn MT of sales volume in 5 years

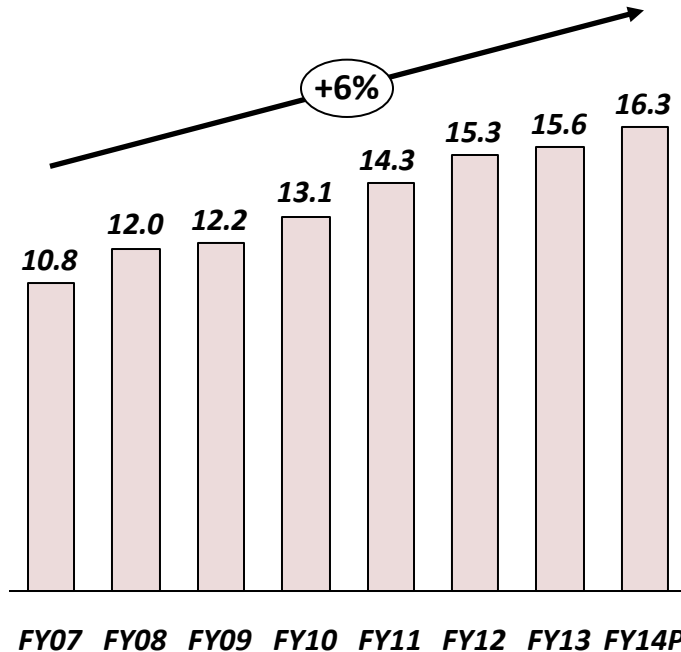
Strategic Rationale for JV



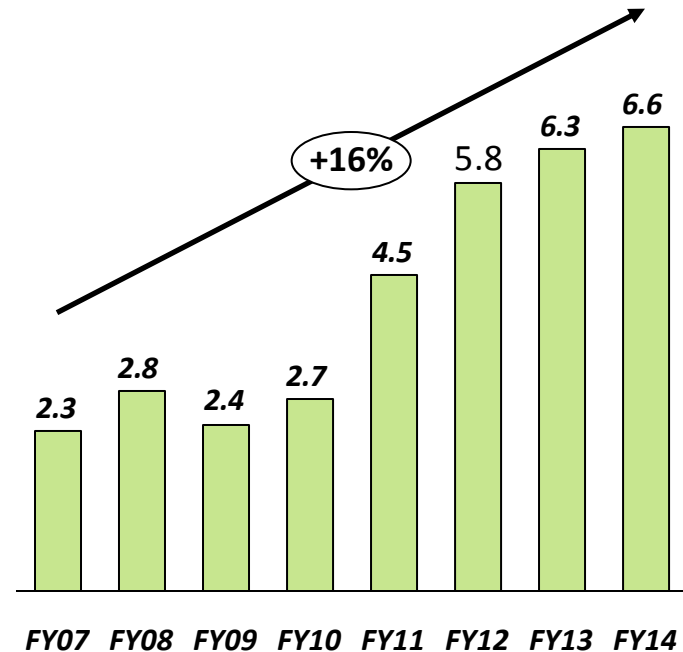
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Increase market share in India's LPG Import

Consumptions of LPG in India (mn MT)



Imports of LPG in India (mn MT)



Aegis sourced 0.8mn MT of LPG in FY14 - a market share of close to 12%

Partnership Strengths

Market Share of 20-25% with 2.5 mn MT of sales volume in 5 years

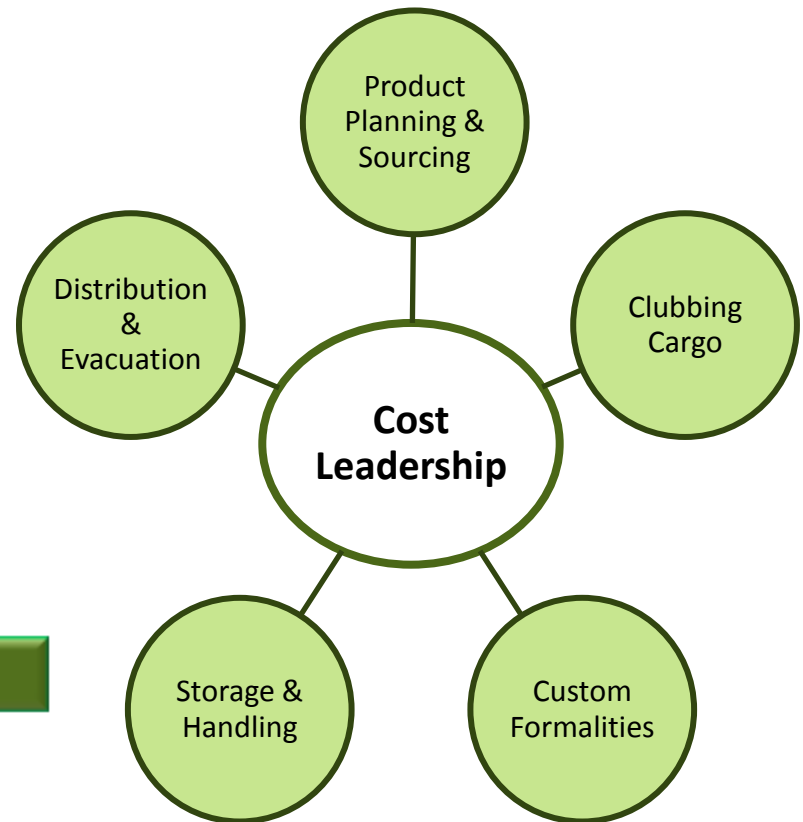
Cost Leadership in LPG Import Market

ITOCHU

- **Negotiating Power**
 - World wide linkages with Global Oil Companies
 - Large Volume of LPG Sourcing
- **Efficient Shipping & Supplies**
 - Fleet of VLGCs
 - Optimizing Shipping & Supply System
 - Lower Freight Cost

Aegis

- **Infrastructure Development**
 - Building new refrigerated terminals
 - Improving evacuation and delivery of the LPG by laying pipelines and rail connectivity



3 Presence at Strategic Locations

Aegis – Gas Terminal Facilities

- **Own & Operate 25,400 MT Gas Terminal with Throughput Capacity of 0.85 mn MT**
 - Mumbai Port – Owned Land (Mumbai Port Trust)
 - Pipavav Port – Lease with GPPL
- **Expanding Pipavav Gas Capacity from 5,400 MT to 8,100 MT (0.1 mn MT throughput capacity)**
- **Mumbai Port**
 - Major Port in Western India
- **Gujarat Pipavav Port**
 - Private port managed by AP Moller Group



Map not to scale

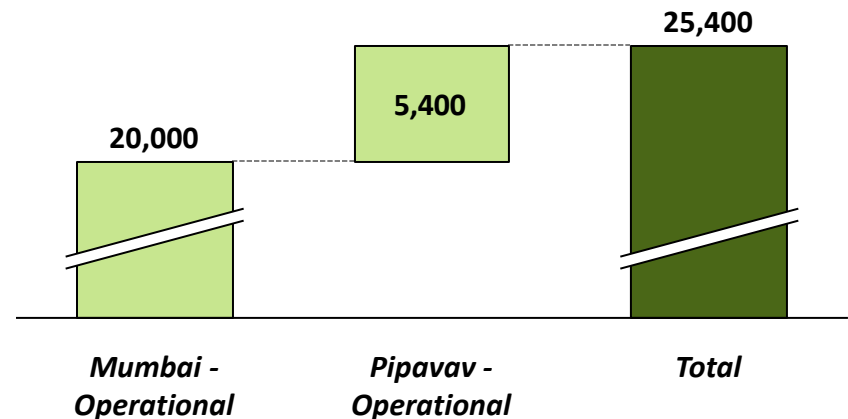
Unique Port Infrastructure

Aegis - Gas Infrastructure

- Owns and Operates Refrigerated Gas Terminal in Mumbai and Spherical Pressurized Gas Terminal in Pipavav along with Jetty pipeline
- Direct pipeline connectivity to Large Customers
- Ability to handle ~850,000 MT of LPG throughput p.a. at Owned Terminals
- SAP ECC6 R3 structure including IS Oil module adopted by Refineries
- ISO 9001, 14001 and 18001 Certification

Terminal Facilities	Port	Capacity (MT)
Existing - Trombay	Mumbai	20,000
Existing – Pipavav	Gujarat	5,400

Built up of Capacities



Post Expansion : Ability to handle 850,000 MT of LPG per annum at Owned Terminals



Future Strategy

Target : Market Share of 20-25% with 2.5 mn MT of sales volume in 5 years

- **New LPG import terminals required to cater to the growing LPG imports**
- **Our next phase of growth in LPG business will come from investments in Port Infrastructure for LPG imports**
 - **LPG terminals at ports with capability to handle VLGCs**
 - **Increasing evacuation facility through Pipelines/ Rail connectivity**
- **Plans to add three LPG terminals in next 5 years**
- **ITOCHU has right to buy upto 40% stake in Gas Terminals**
- **ITOCHU's participation will reduce potential capital expenditure requirements**

Multiple Growth Drivers

Capacity Expansion

- Haldia & Pipavav Fully Operational in FY15
- Capacity Expansion at Pipavav, Haldia & Kandla
- Strengthening Distribution Network for Commercial Packed Cylinders
- Expanding Auto Gas Station network in Tier I & II cities

Government Reforms

- Cap on Supply increased to Twelve Cylinders
- Direct Benefit Transfer (DBT)
- Diesel Price Increase
- Natural Gas Price Increase

Newer Businesses

- O&M Services: O&M / BOO of Oil & Gas storage installations
- Marine Products : Supply of Bunker fuel to ships

Consolidated Profitability Statement

Rs Crs	Q4FY15	Q4FY14	Y-o-Y %
Revenue	520	1,100	-53%
Cost of Sales	445	1,044	
Others	23	24	
Normalized EBITDA (Segment) *	52	32	63%
Finance, Hedging & Forex related Expenses (Net)	6	8	
Depreciation	5	5	
Unallocated Expenses	8	6	
Profit Before Tax	33	13	154%
Tax	9	1	
Profit after Tax	24	12	
Profit after Tax excluding Capital Gains	24	12	100%

* - Normalized EBITDA – Before Forex Hedging Related expenses

Consolidated Profitability Statement

Rs Crs	FY15	FY14	Y-o-Y %
Revenue	3,916	5,031	-22%
Cost of Sales	3,635	4,804	
Others	99	83	
Normalized EBITDA (Segment) *	182	144	26%
Finance, Hedging & Forex related Expenses (Net)	19	19	
Depreciation	22	21	
Unallocated Expenses	30	25	
Profit Before Tax	111	79	41%
Capital Gains on Divestment	31	0	
Tax on Capital Gains	8	0	
Tax	22	11	
Profit after Tax	112	68	
Profit after Tax excluding Capital Gains	89	68	31%

* - Normalized EBITDA – Before Forex Hedging Related expenses

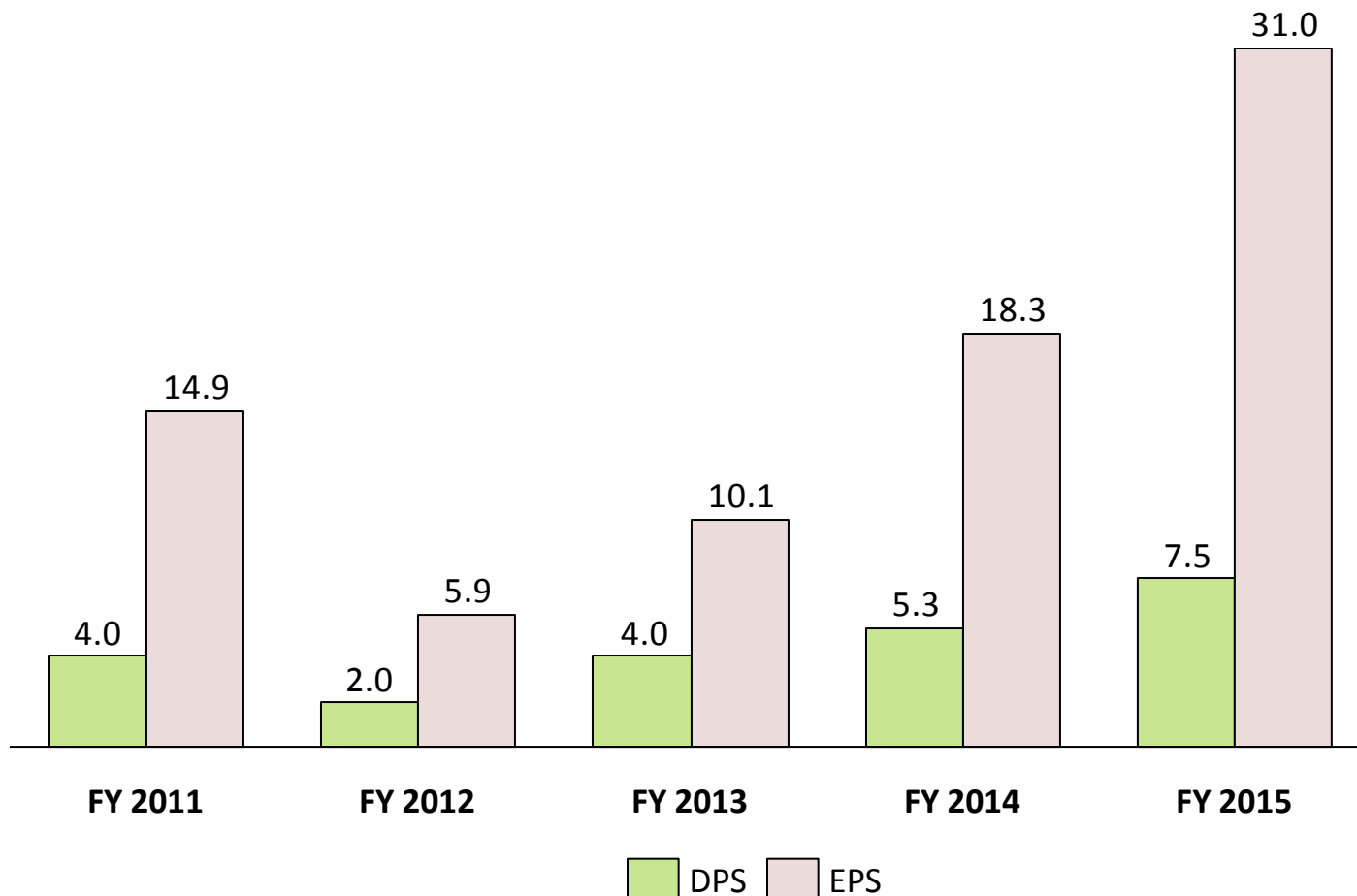
Consolidated Balance Sheet

Rs. Crs	Mar-15	Mar-14
Shareholder's Fund	427	349
ShareCapital	33	33
Reserves & Surplus	394	316
Minority Interest	26	13
Non-Current Liabilities	170	147
Long Term Borrowings	132	109
Other Non Current Liabilities	38	38
Current Liabilities	314	380
Short Term Borrowings / Buyers Credit	63	116
Trade Payables	192	191
Other Current Liabilities	59	72
Total Liabilities	937	889

Rs. Crs	Mar-15	Mar-14
Non-Current Assets	558	552
Fixed Assets *	488	462
Non-Current Investments	3	10
Other Non-Current Assets	67	80
Current Assets	379	337
Inventories	20	25
Trade Receivables	201	206
Cash and Bank Balances	125	73
Other Current Assets	33	33
Total Assets	937	889

* - Including Goodwill on Consolidation

Dividend Track Record



Sub-Division of Shares

The Board recommended Sub-Division (Stock Split) of 1 (one) equity share of Rs 10 each of the Company into 10 (ten) equity shares of Re. 1 each and consequential alteration of Memorandum of Association and the Articles of Association of the Company (subject to approval of the members of the Company at the ensuing Annual General Meeting)

For further information, please contact:

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