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L I M I T E D

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12th February, 2011

To,
National Stock Exchange of India Limited
Exchange Plaza, Bandra- Kurla Complex,
Bandra (E), Mumbai- 400051.

Re: MLL-EQ

Sub: Press Release

Dear Sir,

We enclose herewith copy of Press Release being released into newspapers, for your information and records purpose, receipt of which may please be acknowledged.

Thanking you,

Yours faithfully,
For Mercator Lines Limited

Suchita Shirambekar
Company Secretary &
Compliance Officer

MERCATOR LINES

PRESS RELEASE

Mercator Reports Higher Income and Net Profit for Nine Months Ended Dec 2010

- ✓ **Income up by 54% to Rs. 2047 Cr.**
- ✓ **Net Profit up by 163% to Rs. 115 Cr.**
- ✓ **EPS (non-annualized) for period ended Dec 10 at Rs. 4.86 on face value of Re 1/- per share up by 163%**

Mumbai, Saturday, February 12, 2011– Mercator Lines Limited, India's 2nd largest private sector shipping company (in terms of tonnage), announced its results for the period ended 31st December 2010. The total consolidated income for the nine months ended 31st December 2010 was Rs. 2047 Cr. against Rs. 1327 Cr. in corresponding period of previous year thus recording an increase of 54% on YoY basis. The consolidated Net Profit during the said period was Rs. 114.78 Cr. against Rs. 43.59 Cr. in the same period of previous year, thus recording a growth of 163%. During the period, Mercator group added 1 Aframax tanker, 2 Panamax dry bulk carriers and contracted to acquire one post Panamax dry bulk carrier which was delivered subsequent to quarter end.

Mercator is increasing its focus in the **Coal mining, procurement and logistics** domain. Coal mining and Trading has significantly increased its share in the total revenues at 44% to Rs. 908 cr.; an increase of 257% over Rs. 254 cr. of corresponding period in the previous year. The profit from this segment recorded a growth of 644% to Rs. 67 crores against Rs. 9 cr of corresponding period in the previous year.

The **Dry Bulk segment and Tankers segment** contributed about 28% and 17% respectively to the total revenues for the period. **Dredging division** supplemented the revenues by about 3%. Share of **Offshore Drilling segment** in total revenues was at about 6%. Mercator has proposed to opt out of this segment and entered into MOU to sell the only jack up Rig owned by it.

Mercator is happy to report that both Mobile Offshore Production Unit (MOPU) and Floating Storage Offshore unit (FSO) are expected to commission in first week of March with 7 years of charter attached.

For **Mercator Lines Ltd.**

Suchita Shirambekar
Company Secretary
Mumbai, February 12, 2011