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February 13, 2013

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

Re: Company Code: 526235

SUB: News Release

Dear Sir,

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

Thanking you,

Yours faithfully,
FOR MERCATOR LIMITED

Priya V

PRIYA VISHWANATHAN
COMPANY SECRETARY

MERCATOR LIMITED
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MERCATOR

NEWS RELEASE

Mercator announces un-audited financial results for the period ended December2012 (9MFY13)

Mercator Limited, a diversified Group today announced its un-audited financial results for the nine months ended December 31, 2012. The total consolidated income for the said period was Rs.2727Cr. against Rs. 2680 Cr. during 9MFY12.The Operating Profit (PBIDT) was Rs. 410cr as compared to Rs. 467cr during 9MFY12. The consolidated net profit after tax and minority interest (before onetime provision) was Rs.25 Cr as compared to a profit of Rs.45 cr in 9MFY12.

A one-time provision Rs.232 cr has been considered in the results towards loss on classification of asset held for sale and towards compensation on early termination of chartered in contracts.

The consolidated Net Loss after tax for the 9MFY13 after considering one time provision was Rs.207 Cr.

BUSINESS COMMENTARY / HIGHLIGHTS:

The segment wise revenue and its contribution to total income were as under:

Revenue (INR Cr.)	Total Income		% Contribution to total income	
	9MFY 13	9MFY 12	9MFY 13	9MFY 12
Coal	1409	1638	52%	61%
Oil & Gas	457	142	17%	5%
Shipping	741	797	27%	30%
Dredgers	120	103	4%	4%
TOTAL	**2727**	**2680**	**100%**	**100%**

COAL:

The coal volumes for the 9MFY13 were flat at 5 MT as against 5.01 MT during 9MFY12. The price realization was lower compared to previous period due to a global decline in the coal prices.

During the quarter, there has been some pickup in demand as well as firming up of prices, which augurs well for the future.

Oil & Gas:

The FPU at the EBOK Field in Nigeria is operating satisfactorily without any down time.

The E&P activities at the two blocks in the Cambay Basin in Gujarat are progressing well.

The activities of Sagar Samrat Conversion project continue to perform satisfactorily.

Mercator looks forward to explore more opportunities in the Offshore Services segment.

Shipping:

The shipping industry continues to be plagued by high new building deliveries. A slowdown in tonnage demand growth had its impact on freight rates for tankers and bulkers.

During the quarter, our step down subsidiary Mercator Lines (Singapore) Ltd., Singapore has entered into early termination and settlement agreement in respect of in-charters of two vessels. Further, the company has made a provision for impairment in respect of an onerous contract for one more in-chartered vessel. The compensation on termination (by way of cash compensation and issue of compensation shares) and provision for impairment of the onerous contract and related expenses amounting to Rs.169 cr has been provided for in this quarter as an exceptional item. Of this, Rs.63 cr against issue of compensation shares is non-cash in nature.

Mercator Lines (Singapore) Ltd. has also entered into a Memorandum of Agreement to sell a Very Large Ore Carrier (VLOC) by March 2013. A provision of Rs.63 cr has been made in the quarter for the loss on classification of the VLOC as "Asset Held for Sale".

Consequent to the above, there is a one-time charge to the Statement of profit and loss of Rs.232 cr, resulting in the Group reporting a loss for the quarter and nine months ended Dec 2012.

The sale, termination and renegotiation of these contracts would help in reducing the long term liabilities and improve the cash flows in future.

Dredging:

Subsequent to the end of the quarter; the Company was awarded two contracts worth Rs. 210 cr approx. to be executed over a period of three years. All of the dredgers of the Company are fully occupied.

For Mercator Ltd.

Chief Financial Officer
Mumbai, February 13, 2013