MERCATOR
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August 5, 2015

To,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

To,
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400 051.

Re: Company Code: BSE - 526235, NSE - MERCATOR

Sub: Press Release

Dear Sir,

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

Thanking you,

Yours faithfully,
For **Mercator Limited**

Deepesh
Deepesh Joishar
Company Secretary

NEWS RELEASE

Mercator Limited announces un-audited financial results for the quarter ended June 2015.

Mercator Limited ("the Company" or "Mercator"), an Indian Energy and Shipping major, with business interests in Coal, Oil & Gas, Shipping and Dredging today announced its un-audited financial results for the quarter ended June 30, 2015 (Q1FY16).

FINANCIAL HIGHLIGHTS (Q1 FY 2016 vs Q1FY 2015)

- Standalone revenue increased by ~10% to Rs. 137 cr
- Standalone PBDIT increased by ~31% at Rs. 51 cr
- Standalone PAT Rs. 4 cr (Rs. 5 cr in Q1FY15)
- Consolidated revenue Rs. 718 cr (Rs. 756 cr in Q1FY15)
- Consolidated PBDIT Rs. 127 cr (Rs. 136 cr in Q1FY15)

On standalone basis, the company has improved its operating margins to ~37% from ~31%. On consolidated level, the operating margins are steady at ~18%. The group reported a net loss of Rs.58 cr at the consolidated level before minority interest.

Business Commentary / Highlights

COAL

Coal volumes stood at 1.10 MT during Q1FY15. Company's mines continue to run satisfactorily. The Company continues its focus on improving efficiency, lowering costs further and increase its revenue from the logistics infrastructure at its mines.

Oil and Gas

The Company recently announced discovery of Oil in one of its wells in Cambay Basin. The discovery opens up a large corridor of possible hydrocarbon accumulation in the area. The discovery in its first well itself is testament to the company's strong team and capability in the Oil & Gas exploration space

The drilling activities in another wells in Cambay Basin are at an advanced stage.

The Floating Production Unit (FPU) at the EBOK field in Nigeria continues to operate efficiently. More opportunities in the Offshore Services Segment are being explored.

Shipping

All tankers and Gas Carrier were gainfully deployed and continue to run efficiently.

The dry bulk business continues to face challenging market conditions. However it has been consistently outperforming the Baltic Panamax Index. Its Singapore subsidiary is in discussions with its lenders and certain creditors for standstill, refinancing, recapitalization and restructuring.

Dredging

Dredging division continues to perform very well with high level of order book for this and next year. Operating efficiencies have further been improved. The sector looks promising with the new governments focus on enhancing marine infrastructure, Mercator would stand to benefit from this as it is well positioned for the growth as India's second largest dredging player. The Company recently announced its acquisition of two more dredgers. The acquisition substantially enhances the capacity and capability of the Company to serve the coastal dredging activities at major and minor ports of India as well as the Indian Navy. Both of these dredgers would be commissioned around first half of September this year.

Said Mr. H. K. Mittal, Executive Chairman of Mercator "Given our strengths, strong order book and diversified business portfolio the group is well positioned to take advantage of the opportunities the current volatile market may offer"

The Board of Directors of the company is evaluating all strategic options to not only bring about clear directions and focus on all its business divisions but also maximize shareholders' value. The Board is currently considering several options for its Dredging business including demerger or subsidiarisation, decision for which will be taken over the next few months.

About the Company:

Mercator Limited is one of India's Energy and Shipping group with business interest in Oil & Gas, Coal, Shipping and Dredging.

Mercator's Oil & Gas business owns and operates one Mobile Offshore Production Unit (MOPU) and Floating Storage (FSO), own Oil blocks and is also currently executing a large EPC project for ONGC, India. The Coal division operates 3 coal mines in Indonesia along with Coal trading and logistics and has a mining license in Mozambique. The Shipping division owns and operates tankers, gas carrier and bulkers in addition to dredgers.

The Group services primarily Indian / International Oil Majors, large thermal-based power plants and steel companies, Ports, Indian Navy and has established strong relationships with its reputed end user customers such as Indian Oil Corporation, ONGC, HPCL, BPCL, BG Exploration & Production , some major Indian Ports, to name a few.

Helmed by an experienced management team with in-depth understanding of the industry, a wide network of customer contacts and diligent risk management practices, Mercator has been able to make proactive business decisions for well-timed expansion and diversifications.

For Mercator Limited

Deepesh Joishar
Company Secretary