



NEWS RELEASE

Mercator announces results for the half year ended Sept 2011(H1 FY12)

Mercator Lines Limited announced its financial results (unaudited) for half year ended 30th Sept 2011 (FY12). The total consolidated income for H1 FY12 was Rs. 1,584 Cr. against Rs. 1,268 Cr. for the H1 FY11 ended on 30th Sept 2010 recording an increase of 25% on YOY basis.

The consolidated Net Profit was Rs. 21.4 Cr.

BUSINESS COMMENTARY / HIGHLIGHTS:

The composition of revenue and its contribution segment wise is as under:

Revenue (INR Cr.)	H1		H1	
	11-12	%	10-11	%
Dry Bulk	342.7	22%	394.7	31%
Tankers	158.6	10%	236.3	19%
Dredgers	77.7	5%	51.3	4%
Off Shore	84.8	5%	76.2	6%
Coal	916.5	58%	512.3	40%
TOTAL	1580.4	100%	1270.9	100%

COAL:

Coal division has contributed 58% of total revenues to the company. Mercator has achieved overall volumes of 2.91mln MT during H1 FY12.

Owned mining volume (0.48 mln MT) has increased by 30% in H1FY 12 as compared to the corresponding period in FY11. Volumes for coal procurement (2.43 mln MT) has doubled over the corresponding period in the previous year.

Coal volumes will further improve in the coming quarters as monsoon intervened in the first two quarters. Going forward the recent acquisition of coal mine in Indonesia would commence commercial operations in the last quarter of FY12.

OFFSHORE:

Oil and Gas

After successful commissioning of FPU Unit at Nigeria, the operations are performing well as per the schedule.

E&P (Exploration and Production)



Exploration activities on two onshore oil blocks at Gujarat are on schedule.

Shipping:

The oversupply of tonnage in all the segments continued to affect the TCY adversely. The earnings were further impacted as the bunker rate of heavy fuel oil increased.

Dredging:

Backed by good order book .TCY for dredging division improved by 37% from Q1 to Q2 in FY12. To meet the increased capacity requirements of dredging division, Mercator has recently added a Cutter Suction Dredger and a TSH Dredger .

About the Company:

Mercator Lines Limited has global presence through its subsidiaries. The group has diversified interests in Shipping (Tankers & Bulk Carriers),Dredgers, Offshore (Oil& Gas and E&P), Coal Mining & Procurement and Logistics. Mercator Group owns or operates a fleet of 18 dry carriers; 8 tankers and 6 dredgers in addition to 1 MOPU and 1 FSO. The Group also owns Coal mining concessions in Indonesia & Mozambique and has right to explore, develop and produce Oil and Gas from two onshore oil blocks in the Cambay basin in Gujarat under NELP VII.

For Mercator Lines Ltd.

Suchita Shirambekar
Company Secretary

Mumbai, November 15, 2011