

## Press Release

Mercator Lines Limited; today announced 1<sup>st</sup> quarter results of the financial year 2008-09.

On a consolidated basis, the Company has achieved an operating income of Rs. 492.90 Crores as compared to Rs. 269.77 Crores in the corresponding period last year. The consolidated profit from ordinary activities has increased to Rs. 106.18 Crores as compared to Rs. 71.29 Crores.

The Company has achieved this performance in spite of charging off mark to market Foreign Exchange loss of Rs. 13.92 Crores for the quarter as against a gain of Rs. 21.87 Crores in the corresponding period previous year. The Company has also written off dry docking expenses of Rs. 28.38 Crores in this quarter as compared to Rs. 2.99 Crores in the previous corresponding period. All the scheduled dry docks for the current financial year have been concluded in this quarter itself and the entire dry docking expenses has been charged off to the profit and loss account.

During the quarter under review, the Company acquired one 2006 built VLCC of 2,99,235 DWT, one 2008 built Dredger of 4500 Cu.M., and its subsidiary, Mercator Lines (Singapore) Ltd. (MLS) acquired one 1997 built Panamax vessel of 69,186 DWT. Subsequent to quarter end; MLS acquired one more 1997 built Panamax vessel of 69,221 DWT.

The coal mining operations in Indonesia have started and currently the first consignment is under loading.

For Mercator Lines Limited

Deepak Dalvi  
Sr. Manager-Secretarial  
Mumbai, July 29, 2008