NEWS RELEASE

MERCATOR LINES (SINGAPORE) LIMITED REPORTED A REVENUE OF USD 30.9 MILLION WITH EBITDA MARGIN OF 24% FOR H1 FY 2015

Singapore, October 31, 2014 – Mercator Lines (Singapore) Limited ("the Company" or "Mercator"), a leading Indian-owned international dry bulk shipping company focused on high growth markets such as India, Indonesia and China, today announced financial results for the first half year of Financial Year 2014-2015 ending 31st March 2015 (H1 FY 2015).

Financial Highlights:

- Revenue for H1 FY 2015 stood at USD 30.9 million as compared to USD 35.3 million in H1 FY 2014.
- EBITDA for H1 FY 2015 stood at USD 7.3 million with EBITDA margins of around 24%.
- Time Charter Equivalent (TCE) rate achieved at around USD 10,730 per day vs. average market rate of USD 6,078 per day in H1 FY 2015
- Debt to equity ratio at 0.62 times as on September 30th, 2014

The revenue for Q2 FY 2015 was at USD 14.3 million as compared to USD 16.5 million in Q1 FY 2015. EBITDA margins stood at 26% for Q2 FY 2015 as compared to 22% for Q1 FY 2015. The Company reported a net loss of USD 13.4 million for H1 FY 2015 as against a loss of USD 12.1 million in the corresponding period previous year.

The dry bulk shipping industry continues to witness challenging times with market rate for Panamax vessels closing at a rate of USD 6,614 per day as on 30 September 2014. The average market rate for H1 FY 2015 was USD 6,078 per day as against USD 8,364 in corresponding period previous year indicating almost a 27% fall. Despite low markets the Company managed to achieve TCE of USD 10,730 per day during H1 FY 2015. Lower than expected cargo demand in China and oversupply of tonnage are primarily responsible for lower freight rates.

Said Mr. Shalabh Mittal, Managing Director and CEO of Mercator, "The Company continued to outperform the Baltic Panamax Time Charter rates. We are happy to achieve an increase in the EBITDA margins as compared to the previous quarter despite a challenging market. The Company's debt equity ratio stood at 0.62 times as on September 30, 2014. The Company would continue to monitor the market scenario closely and would take all appropriate steps pro-actively required to overcome the challenging market environment. The Company is also exploring various fund raising options."

About Mercator Lines (Singapore) Limited

Mercator, which commenced operations in 2005, has established a market presence in the dry bulk transport market, specializing in the transportation of dry bulk commodities such as coal, iron ore and grains. With exposure to the infrastructure sectors like Steel and Power of India and China, Mercator is well positioned to benefit from the strong growth of these countries.

Its ultimate parent company, Mercator Limited ("ML India"), has diversified business interests in Coal, Oil & Gas services, Commodity Transportation and Dredging. ML India owns and operates Coal Mines in Indonesia. Coal Mining, procurement and logistics contribute majority of Mercator group revenues. The Company along with the strong support of ML India can offer complete logistics solutions for its customers from load port to the point of usage.

The Company has established strong relationships with reputed customers such as Vale, Rio Tinto, Arcelor Mittal, Tata Power, Cargill, Louis Dreyfus, Bunge, Noble, Vitol and Marubeni to name a few.

Mercator operates a fleet of fourteen dry bulk vessels, thirteen owned and one chartered-in, comprising of geared and gearless Panamaxes/Post Panamaxes/Kamsarmaxes with an aggregate capacity of about 1.1 million dwt as on September 30, 2014. The average age of Mercator's fleet is about 10 years. The geared Panamaxes with cranes built on them gives Mercator the competitive advantage in ports that have

underdeveloped infrastructure such as in India and Indonesia where cranes are required to lift the cargo from the vessel to the barge.

The Company won the Best Annual Report Award 2008 (Bronze) in the "$300 million to less than $1 billion market capitalisation", Best Annual Report Award 2008 (Silver) in the "Newly- Listed Companies" category and Best Annual Report (Bronze) for 2009 in the “$300 million to less than S$1 billion market capitalisation” category. In its category, the Company also won the Best Investor Relations Award (Silver) for the year 2010 and Best Investor Relations Award (Gold) for the year 2011. It was for the fourth consecutive year that the Company was awarded at the Singapore Corporate Awards for its consistent performance in ensuring good Corporate Governance. The company is ranked amongst the top public listed companies in Governance and Transparency Index (GTI). This emphasizes the Company’s drive towards better corporate governance and Investor Relations and puts the company among the most elite companies in Singapore in terms of corporate governance.

In keeping with the spirit of winning accolades, the company was awarded the prestigious Emerging India Awards (EIA) under the category of “Global Entrepreneur of the Year” award in 2010 organized by CNBC-TV18 and ICICI Bank, India. The awards are based on a rigorous evaluation of the entries by CRISIL, the Indian subsidiary of Standard & Poor’s, and a panel of eminent personalities and seek to identify and honor Emerging companies who are competing and winning in the global marketplace. The Company was ranked 16th in overall performance amongst listed shipping companies in the world by Marine Money in its June/July 2012.

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 and well-timed fleet expansion to achieve continuous growth since its inception.

None of the agencies other than Mercator Lines (Singapore) Limited assumes responsibilities for contents of this announcement.

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