NEWS RELEASE

MERCATOR LINES (SINGAPORE) LIMITED REPORTED A REVENUE OF USD 44.1 MILLION WITH EBITDA MARGIN OF 23% FOR 9M FY 2015

Singapore, January 28, 2015 – 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 nine months of Financial Year 2014-2015 ending 31st March 2015 (9M FY 2015).

Financial Highlights:

- Revenue for 9M FY 2015 stood at USD 44.1 million as compared to USD 58.5 million in 9M FY 2014.
- EBITDA for 9M FY 2015 stood at USD 10.1 million with EBITDA margins of around 23%.
- Time Charter Equivalent (TCE) rate achieved at around USD 10,125 per day vs. average market rate of USD 6,806 per day in 9M FY 2015
- Debt to equity ratio at 0.63 times as on December 31st, 2014

The revenue for Q3 FY 2015 was at USD 13.3 million as compared to USD 14.3 million in Q2 FY 2015. The Company reported a net loss of USD 20.9 million for 9M FY 2015 as against a loss of USD 15.4 million in the corresponding period previous year.

The Baltic Dry Index (BDI) dropped to 782 points as on 31 December 2014 as against a high of 2277 points on 31 December 2013. The average market rate for Panamax vessels (Baltic Panamax Rate) for 9M FY 2015 was USD 6,806 per day as against USD 10,269 in corresponding period previous year indicating almost a 34% fall. The key factors that affected the dry bulk freight market recovery were lower port congestion, the lack of coal demand from China, the after-effect of the stockpiling ahead of the Indonesian ban on raw ore exports, slower Chinese growth and the continued fleet expansion.

Said Mr. Shalabh Mittal, Managing Director and CEO of Mercator, "The Company continued to play upon its strengths to outperform the Baltic Panamax Index rates achieving a TCE of USD 10,125 vs the index rate of USD 6,806 per day. The Company is considering various options to strengthen its financial position in light of the current challenging dry bulk markets. Strategic alternatives being considered include raising of capital in the form of debt, bonds and/or equity.

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 Tata group, Rio Tinto, Arcelor Mittal, Anglo American, 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 December 31, 2014. The average age of Mercator's fleet is about 11 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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