

## TODD SHIPYARDS CORPORATION ANNOUNCES FINANCIAL RESULTS FOR APRIL 1, 2007

VIA FACSIMILE  
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SEATTLE, WASHINGTON...June 13, 2007...Todd Shipyards Corporation (the "Company") announced financial results for the fiscal year and fourth quarter ended April 1, 2007.

For the fiscal year, the Company reported net income of \$3.2 million or \$0.57 per diluted share on revenue of \$125.5 million. In the prior fiscal year ended April 2, 2006, the Company reported net income of \$8.1 million or \$1.47 per diluted share on revenue of \$201.9 million. For the quarter ended April 1, 2007, the Company reported net income of \$1.4 million or \$0.24 per diluted share on revenue of \$44.7 million. For the quarter ended April 2, 2006, the Company reported a net loss of \$0.2 million or \$0.03 per diluted share on revenue of \$32.7 million. Revenue for the full year decreased primarily due to the impact of the lower volumes of work for the Navy and the Coast Guard.

Net income in the fourth quarter of fiscal 2007 was favorably impacted by increases in commercial ship repair volumes and the lease of certain facilities and provision of related services to Kiewit-General in connection with the construction of the Hood Canal Floating Bridge. Net income for the fourth quarter of the prior year was impacted unfavorably by reduced volumes of Navy work, lower than expected fees for work completed on the Stennis, and a downward adjustment in the year's estimated overhead expense recovery under U.S. Government cost-type contracts as actual full year volumes and overhead costs became known.

For the fiscal year ended April 1, 2007, the Company reported income before income taxes of \$4.9 million. For the quarter then ended, the Company reported income before income taxes of \$2.0 million. For the prior fiscal year ended April 2, 2006 the Company reported income before income taxes of \$12.4 million. For the quarter then ended, the Company reported a loss before income taxes of \$0.3 million. The decrease in income before income taxes for the fourth quarter ended April 1, 2007 was primarily due to the fourth quarter factors cited above. Similarly, for the fiscal year ended April 2, 2006, the decrease in income before income taxes is primarily attributable to the above mentioned factors that impacted net income for the fiscal year.

The Company's fiscal year 2007 revenue of \$125.5 million reflects a decrease of \$76.4 million, or 38% from fiscal year 2006 levels, while fourth quarter revenue of \$44.7 million reflects an increase of \$12 million, or 37% compared to fiscal year 2006 fourth quarter results. The revenue increase experienced in the fourth quarter of fiscal year 2007 compared to the fourth quarter of 2006 is primarily due to the aforementioned factors that impacted net income for the fourth quarter.

For the fiscal year ended April 1, 2007, the Company reported operating income of \$431,000. For the quarter then ended, the Company reported operating income of \$38,000. For the preceding fiscal year ended April 2, 2006, the Company reported operating income of \$11.1 million. For the quarter then ended, the Company reported an operating loss of \$0.5 million. The year on year decrease in operating income from fiscal 2006 to fiscal 2007 is primarily the result of the factors discussed above.

The Company reported other income of \$3.8 million, as well as a net gain on the sale of available-for-sale securities of \$0.6 million for the fiscal year ended April 1, 2007. For the quarter then ended, the Company had other income of \$1.8 million and a net gain on the sale of available-for-sale securities of \$0.2 million. In the prior year ended April 2, 2006, the Company had other income of \$1.6 million, and a \$0.2 million loss on the sale of available-for-sale securities. For the quarter then ended, the Company had other income of \$0.4 million and a loss on the sale of available-for-sale securities of \$0.2 million. The increase in other income reported in fiscal year 2007 is primarily attributable to the lease of certain facilities and provision of related services to Kiewit-General in connection with the construction of the Hood Canal Floating Bridge.

For the fiscal year ended April 1, 2007, the Company recorded federal income tax expense of \$1.6 million. For the quarter then ended, the Company recorded federal income tax expense of \$0.6 million. In the preceding fiscal year and fourth quarter ended April 2, 2006 the Company recorded federal income tax expense of \$4.2 million and federal income tax benefit of \$0.1 million, respectively.

### "SAFE HARBOR" STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

Statements contained in this Release which are not historical facts or information are "forward-looking statements." Words such as "believe," "expect," "intend," "will," "should," and other expressions that indicate future events and trends identify such forward-looking statements. These forward-looking statements involve risks and uncertainties, which could cause the outcome to be materially different than stated. Such risks and uncertainties include matters which relate directly to the Company's operations and properties and are discussed in the Company's filings with the Securities & Exchange Commission, as well as general economic risks and uncertainties. The Company cautions that any forward-looking statement reflects only the belief of the Company or its management at the time the statement was made. Although the Company believes such forward-looking statements are based upon reasonable

assumptions, such assumptions may ultimately prove to be inaccurate or incomplete. The Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement was made.

The results of operations are as follows on the next page:

**TODD SHIPYARDS CORPORATION**  
**AUDITED CONSOLIDATED STATEMENTS OF INCOME (LOSS)**  
**Periods ended April 1, 2007 and April 2, 2006**  
**(in thousands of dollars, except per share data)**

	Quarter Ended		Year Ended	
	2007	2006	2007	2006
Revenues	\$ 44,733	\$ 32,724	\$ 125,504	\$ 201,926
Operating expenses				
Cost of revenues	34,818	25,785	90,754	150,922
Administrative and manufacturing overhead	9,895	7,436	34,405	40,144
Provision for environmental and other reserves	-	-	-	-
Other insurance settlements	(18)	(7)	(86)	(214)
Total operating expenses	44,695	33,214	125,073	190,852
Operating income	38	(490)	431	11,074
Lease income	2,449	443	4,886	1,558
Lease expense	(912)		(2,166)	
Other net Income/(expense)	229		1,104	
Gain on available-for-sale securities	192	(218)	621	(205)
Income (loss) before income taxes	1,996	(265)	4,876	12,427
Income tax benefit (expense)	(642)	95	(1,636)	(4,246)
Net (loss) income	\$ 1,354	\$ (170)	\$ 3,240	\$ 8,181
Net income (loss) per Common Share:				
Diluted	\$ 0.24	\$ (0.03)	\$ 0.57	\$ 1.47
Number of shares used in calculation of earnings per share (in thousands):	5,634	5,600	5,717	5,556

A copy of the Company's financial statements for the year ended April 1, 2007 will be filed with the Securities & Exchange Commission as part of its Annual Report on Form 10-K. The Company's Form 10-K should be read in conjunction with this earnings report.

**TODD SHIPYARDS CORPORATION**  
**AUDITED CONDENSED CONSOLIDATED BALANCE SHEETS**  
**Periods ended April 1, 2007 and April 2, 2006**  
**(in thousands of dollars)**

	<u>2007</u>	<u>2006</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,908	\$ 6,581
Securities available-for-sale	15,416	40,349
Accounts receivable	10,473	10,532
Insurance receivable	217	165
Other current assets	24,637	16,988
<i>Total current assets</i>	<u>53,651</u>	<u>74,615</u>
Property, plant and equipment, net	32,021	29,893
Deferred pension assets	20,681	27,199
Insurance receivable	9,278	11,203
Other long-term assets	4,826	4,345
<i>Total assets</i>	<u>\$ 120,457</u>	<u>\$ 147,255</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Accounts payable and accruals including taxes payable	\$ 20,099	\$ 17,888
Environmental and other reserves	217	165
Other current liabilities	6,558	6,301
<i>Total current liabilities</i>	<u>26,874</u>	<u>24,354</u>
Environmental and other reserves	11,769	13,994
Accrued post retirement health benefits	10,171	14,440
Other non-current liabilities	7,640	8,754
<i>Total liabilities</i>	<u>56,454</u>	<u>61,542</u>
<i>Total stockholders' equity</i>	<u>64,003</u>	<u>85,713</u>
<i>Total liabilities and stockholders' equity</i>	<u>\$ 120,457</u>	<u>\$ 147,255</u>

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