

TODD SHIPYARDS CORPORATION ANNOUNCES QUARTERLY FINANCIAL RESULTS FOR JULY 1, 2007

VIA FACSIMILE
TOTAL PAGES - 3

CONTACT: HILARY PICKEREL
SHAREHOLDER RELATIONS
(206) 623-1635 Ext. 106

SEATTLE, WASHINGTON...August 8, 2007...Todd Shipyards Corporation announced financial results for the first quarter ended July 1, 2007. For the quarter, we earned a net income of \$0.5 million or \$0.08 per diluted share on revenue of \$36.5 million. For the prior year first quarter ended July 2, 2006, we had a net loss of \$0.7 million or \$0.13 per diluted share on revenue of \$20.2 million.

Our first quarter revenue of \$36.5 million reflects an increase of \$16.4 million (81%) from the same period last fiscal year. The quarter to quarter increase largely results from higher ship repair and new construction volumes on a range of projects, including NOAA Okeanos Explorer, Excavator Barge, USNS Flint and USNS Salvor.

For the quarter ended July 1, 2007, we recorded an operating loss of \$0.5 million, an improvement of \$1.3 million from the operating loss recorded in the same period of the prior year. The year over year increase in first quarter operating income is attributable to the aforementioned increases in work volumes.

For the first quarter ending July 1, 2007, we recorded net gains on available-for-sale securities and investment and other income of \$0.0 million and \$1.3 million, respectively. During the same period ending July 2, 2006, we recorded net gains on available-for-sale securities and investment and other income of \$0.3 million and \$0.4 million, respectively.

For the first quarter ended July 1, 2007, we recorded \$0.2 million in federal income tax expense. During the same period ended July 2, 2006, we recorded \$0.4 million in federal income tax benefit.

The results of operations are as follows:

TODD SHIPYARDS CORPORATION
UNAUDITED CONSOLIDATED STATEMENTS OF INCOME

Periods ended July 1, 2007 and July 2, 2006
(in thousands of dollars, except per share data)

	<u>July 1, 2007</u>	<u>July 2, 2006</u>
Revenues	\$ 36,527	\$ 20,150
Operating expenses:		
Cost of revenue	27,956	13,047
Administrative and manufacturing overhead	9,134	8,955
Other insurance settlements	(15)	(40)
Total operating expenses	37,075	21,962
Operating loss	(548)	(1,812)
Investment and other income	1,263	448
Gain on available-for-sale securities	-	272
Income (loss) before income tax expense	715	(1,092)
Income tax benefit (expense)	(240)	371
Net income (loss)	<u>\$ 475</u>	<u>\$ (721)</u>
Net income (loss) per common share		
Diluted	\$ 0.08	\$ (0.13)
Weighted average shares outstanding		
Diluted	5,752	5,525

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

TODD SHIPYARDS CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS

July 1, 2007 and April 1, 2007

(in thousands of dollars)

	<u>July 1, 2007</u>	<u>April 1, 2007</u>
ASSETS		
Cash and cash equivalents	\$ 2,778	\$ 2,908
Securities available-for-sale	15,422	15,416
Accounts receivable	12,611	10,473
Insurance receivable	217	217
Other current assets	20,322	24,637
<i>Total current assets</i>	<u>51,350</u>	<u>53,651</u>
Property, plant and equipment, net	32,334	32,021
Deferred pension assets	20,620	20,681
Insurance receivable	9,162	9,278
Other long-term assets	5,028	4,826
<i>Total assets</i>	<u>\$ 118,494</u>	<u>\$ 120,457</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable and accruals, including taxes payable	\$ 18,802	\$ 20,099
Reserves for contract loss	2,286	1,973
Environmental and other reserves	217	217
Other current liabilities	4,468	4,586
<i>Total current liabilities</i>	<u>25,773</u>	<u>26,874</u>
Environmental and other reserves	11,557	11,769
Accrued post retirement health benefits	9,945	10,171
Other non-current liabilities	7,592	7,640
<i>Total liabilities</i>	<u>54,867</u>	<u>56,454</u>
<i>Total stockholders' equity</i>	<u>63,627</u>	<u>64,003</u>
<i>Total liabilities and stockholders' equity</i>	<u>\$ 118,494</u>	<u>\$ 120,457</u>

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