



H1 2008 – a sustained strong start to the year

Hamilton, Bermuda, 28 August 2008, DOCKWISE Ltd., announces H1 2008 results.

Financial highlights Q2

- Revenue up 63.1% to USD 115.9 million (USD 71.1 million Q2 2007)
- Adjusted EBITDA* up 69.1% to USD 55.2 million (USD 32.7 million in Q2 2007)
- Adjusted Net Profit** of USD 19.4 million (USD 1.0 million in Q2 2007)
- Record backlog for Dockwise Heavy Lift (DHL) of USD 309 million
 - up 110% on Q2 2007 (USD 147 million);
 - up 17% on Q1 2008 (USD 264 million);
 - backlog extends into 2011.

Strategic and operational highlights

- Steady growth in Offshore, T&I and Onshore backlog, increasing revenue visibility and stability
- Talisman and Treasure delivered according to schedule
 - growth in fleet contributing to improved schedule efficiency;
 - sustained vessel utilization rates.
- Fleet expansion:
 - Triumph and Trustee: delivery by end 2008;
 - Mighty Servant 3: delivery December 2008.
- Strong cost management: SG&A reduced despite industry cost pressures and key marketing investment
- Successful tendering secures major long term awards post period end
 - Koniambo; Vyborg (LOI); Navantia
 - Substantial backlog additions

Table 1: Key figures

Q1 2008	Q2 2008	Q2 2007	Δ Q2 08 vs Q2 07	Key figures	H1 2008	H1 2007	Δ H1 08 vs H1 07
104.0	115.9	71.1	63.1%	Revenue	219.9	134.9	63.0%
44.8	48.9	26.1	87.1%	EBITDA	93.7	53.1	76.6%
51.1	55.2	32.7	69.1%	Adjusted EBITDA *	106.3	66.1	61.0%
7.4	12.6	(29.9)	n.a.	Net profit / (loss)	20.0	(41.5)	n.a.
14.6	19.4	1.0	n.a.	Adjusted net profit / (loss) **	34.0	5.2	n.a.

The financial statements have been prepared in accordance with IFRS

* Q2 2008 includes three months compensation (USD 6.3 million) for Mighty Servant 3 (see appendix).

** The Q2 2008 Adjusted net profit excludes the amortization of backlog (USD 0.5 million) related to 2007 transactions.



André Goedée, CEO of Dockwise Ltd., commented:

“Dockwise has sustained its good operational and financial performance into the second quarter and we are pleased to report a marked strengthening in long term backlog as our strategy of targeting major tenders in the Offshore, T&I and Onshore sectors, yields success. The quarter has also been marked by excellent cost management in the face of industry-wide inflationary pressures. This is a vital discipline as Dockwise further develops its global sales and marketing force to service the fleet. Despite some volatility in short term contract lettings the management team continues to see a strong outlook for the company.”

A teleconference for analysts and investors following the presentation of H1 2008 results will be conducted on 28 August 2008, at 13:00 CET; 12.00 GMT (UK); The dial in number for the conference is +44 (0) 20 3003 2666. The teleconference will be live audio-webcast on the Company’s website www.dockwise.com.

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Operating and financial review

Revenue

Table 2: Breakdown of revenue

Q1 2008	Q2 2008	Q2 2007	Δ Q2 08 vs Q2 07	(Amounts in USD million, unaudited)	H1 2008	H1 2007	Δ H1 08 vs H1 07
94.3	98.4	58.0	69.7%	Dockwise Heavy Lift (DHL)	192.7	114.0	69.0%
37.9	19.2	11.1	73.1%	- Offshore, T&I and Onshore	57.1	25.4	124.8%
56.4	79.2	46.9	68.9%	- Rigs, Military, P&MI and Various *	135.6	88.6	53.0%
9.7	17.5	13.1	33.8%	Dockwise Yacht Transport (DYT)	27.2	20.9	30.1%
104.0	115.9	71.1	63.1%	Total revenue	219.9	134.9	63.0%

* Q2 2008 does not include bareboat charters (Q2 2007 USD 3.7 million)

Total revenue increased by 63.1% to USD 115.9 million in Q2 2008 vs. USD 71.1 million in Q2 2007.

This increase was largely driven by an almost 70% rise in revenues from the Rigs, Military, P&MI and Various segment, characterized by short lead times to execution. This segment is showing a comparable growth rate to the Offshore, T&I and Onshore segment which had led to absolute revenue growth in the first quarter.

Shifts in the relative segmental proportions of revenues, quarter-on-quarter, will continue to be a feature of Dockwise's income stream. However, the Group's growing presence in a variety of market segments, combined with a larger fleet capable of efficient contract distribution, are contributing to an increasingly stable financial performance. In addition, future revenue growth in Offshore, T&I and Onshore will contribute to a reduction in quarter-on-quarter volatility in revenues and earnings.

Revenue for DYT in Q2 2008 (high season) increased by almost 34% compared to Q2 2007, following strong sustainable growth in the top-end yacht market.

Direct Costs

Table 3: Breakdown of Direct Costs

Q1 2008	Q2 2008	Q2 2007	Δ Q2 08 vs Q2 07	(Amounts in USD million, unaudited)	H1 2008	H1 2007	Δ H1 08 vs H1 07
29.1	31.0	16.0	93.8%	Heavy lift	60.1	31.3	92.0%
6.0	9.7	4.5	115.6%	DYT	15.7	8.4	86.9%
35.1	40.7	20.5	98.4%	Contract related expenses	75.8	39.7	91.2%
9.7	12.4	9.8	27.1%	Vessel operating expenses	22.1	19.3	14.5%
15.3	15.9	23.3	(31.7%)	Depreciation and amortization	31.2	42.9	(27.3%)
60.1	69.0	53.6	28.9%	Total direct costs	129.1	101.9	26.8%

While total contract-related expenses across the Heavy Lift businesses increased to USD 31.0 million, the Group's efficiency in advance of contract costs, and management of these in each segment, ensured that margins were effectively underpinned.



As with revenues, quarter-on-quarter volatility will continue to be a feature of contract costs subject to both mix and contract specifics. At DYT, contract related expenses increased by more than USD 5 million mainly due to seasonal volume increases, increases in fuel costs (USD 1.8 million) and pass-on insurance costs for transported yachts. Finally, increased vessel operating expenses are a direct consequence of the expansion of the Group fleet.

Depreciation of USD 14.5 million in Q2 2008 is based on a fleet of 19 vessels at the quarter end. Amortization of USD 1.4 million for Q2 2008 consisted of the amortization of backlog (USD 0.5 million), customer relationships (USD 0.6 million), technology (USD 0.1 million) and other (USD 0.2 million).

Selling, General & Administrative Expenses

Table 4: Selling, General & Administrative Expenses

				Δ Q2 08				Δ H1 08
Q1 2008	Q2 2008	Q2 2007	vs Q2 07	(Amounts in USD million, unaudited)	H1 2008	H1 2007	vs H1 07	
14.5	13.8	14.6	(5.4%)	Selling, General & Administrative expenses	28.3	22.9	23.6%	

Administrative expenses (SG&A) in Q2 2008 were USD 13.8 million, compared to USD 14.5 million in Q1 2008. Securing this decrease is the result of a sustained effort by the management team to target savings and efficiencies in the cost base throughout the organization. This discipline is essential to support Dockwise's strategic investment in a dedicated worldwide sales & marketing organization to maximize the revenue capacity of the fleet, and specifically to target key tenders for major contracts in the Offshore, T&I and Onshore market segments.

EBITDA

Total Adjusted EBITDA increased by 69.1% to USD 55.2 million in Q2 2008, from USD 32.7 million in Q2 2007. The chief factors were the expansion of the fleet and overall average higher contract values, combined with a relative reduction in the level of administrative expenses. The Adjusted EBITDA margin of 45.2% (including the MS3 contribution) is consistent with the previous quarter.

Table 5: Breakdown of Adjusted EBITDA

				Δ Q2 08				Δ H1 08
Q1 2008	Q2 2008	Q2 2007	vs Q2 07	(Amounts in USD million, unaudited)	H1 2008	H1 2007	vs H1 07	
50.9	51.5	28.4	81.6%	DHL	102.4	60.5	69.4%	
50.6%	49.3%	44.0%		In % of adjusted revenue	49.9%	47.6%		
0.2	3.7	4.3	(13.9%)	DYT	3.9	5.6	(30.1%)	
2.2%	21.0%	32.7%		In % of revenue	14.3%	26.7%		
51.1	55.2	32.7	69.1%	Adjusted EBITDA	106.3	66.1	61.0%	
46.3%	45.2%	42.1%		In % of adjusted revenue	45.7%	44.7%		
44.8	48.9	26.1	87.1%	EBITDA	93.7	53.1	76.6%	
43.1%	42.2%	36.8%		In % of revenue	42.6%	39.3%		



Net financing costs

Non-current interest bearing liabilities and current maturities of interest bearing borrowings reflect the outstanding USD 1,041 million amount under the USD 1.1 billion Senior Facility less capitalized arrangement fees of USD 25 million.

Interest expenses on total debt are based on Libor plus on average 3%. Between 70 and 80% of total interest exposure is hedged at approximately 5%. This resulted in the average interest rate on total interest bearing debt remaining stable at approximately 7.8% in Q2 2008.

Net financing costs decreased from USD 21.9 million in Q1 to USD 20.6 million in Q2 2008 as a result of the reduced interest levels on the free float part of interest exposure. The comparative figure for Q2 2007 contains USD 9.2 million one-off costs related to the refinancing which took place in that quarter.

Net profit (per share)

Adjusted net profit for Q2 2008 amounts to USD 19.4 million (USD 1.0 million Q2 2007). At June 30, 2008 a total of 229,755,438 shares are outstanding. The net profit per share over the second quarter of 2008 amounts to USD 0.055 (compared to USD 0.032 in Q1 2008).

Balance Sheet

The balance sheet total increased mainly due to an increase in property, plant and equipment as a consequence of the further advancement of our investment program, mainly for the conversion of the T-class vessels. Of the forecast CAPEX of USD 240 million for 2008, USD 111 million was invested in the second quarter of 2008. The interest bearing debt-level of the company peaked in the second quarter at USD 1,041million.

Working capital

In general working capital is inherently volatile as a result of specific timing of payments under our contracts.

Table 6: Working capital

(Amounts in USD million, unaudited)

	30 Jun 08	31 Mar 08	31 Dec 07	30 Jun 07
Inventories	25.1	19.5	15.4	9.6
Trade and other receivables	105.8	121.3	118.9	112.3
Trade and other payables	(127.6)	(161.6)	(108.5)	(74.0)
Working capital	3.3	(20.8)	25.8	47.9

The Group's working capital requirement develops in-line with revenue growth. In addition, it should be noted that included in Trade and other Receivables is a Receivable of USD 43 million relating to the Mighty Servant 3 (31 March 2008, USD 48 million).

The movement in Trade and other Payables is impacted both by the timing of interest payments (impact USD 18 million, previously disclosed) as well a significantly lower negative value for financial instruments (USD 22 million decrease). This revaluation was prompted by the rise in interest rates during Q2 2008, which resulted in a reduced difference between the hedged fixed interest



rates (at levels above 5%) and actual market interest rates at close to 4,5% by the end of Q2. This led also to a USD 21 million increase of Other reserves in Equity on the balance sheet of 30 June 2008, as compared to 31 March 2008.

Delivery and Conversion Schedule

Dockwise is implementing a major expansion of its fleet with a series of deliverable events in 2008, thus far all on time and schedule:

- The Talisman, delivered on 7 May; and the Treasure delivered on 30 June;
- The Trustee and Triumph, expected to be delivered by the end of 2008;
- The Mighty Servant 3, expected to be reinstated during December 2008.

Table 7: Implied revenue per vessel

	2007				2008				2009
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
(Amounts in USD million, unaudited)									
Number of vessels *	14	14	15	15	17	17	19	19	22
Revenue of all activities	64	71	71	84	104	116	-	-	-
Implied revenue per vessel	4.6	5.1	4.7	5.6	6.1	6.8	-	-	-

* As at beginning of the quarter

Backlog

Total backlog for Dockwise Heavy Lift amounted to USD 309 million (Q1 2008 USD 264 million). Of the backlog some 39% relates to projects for 2008, 28% to projects for 2009 another 28% to projects for 2010 and 5% to projects in 2011. The backlog at end of Q2 2007 contained 56% projects for 2007, 37% projects for 2008 and 7% projects for 2009.

Dockwise's backlog, as previously discussed, is composed of a variety of projects with significantly differing lead times. One aspect of the Group's commercial strategy will be to focus on driving up the proportion of long lead-time projects in the backlog to enhance revenue stability and earnings visibility. At the same time, the Dockwise management team will maintain the Group's established primacy in the short-term contracting market for the transportation of existing rigs and various cargo.

Outlook

Global growth in oil & gas exploration and development continues to be robust. At present, unprecedented numbers of upstream projects await the next generation of drilling and production rigs currently emerging from construction yards. While this has prompted short term volatility in contract lettings, at Dockwise, tendering activity levels are high and the pricing environment remains favorable.

In the medium term, trends in exploration are also having a positive effect on the offshore development market. Around the world, a new class of major offshore field developments are in planning, for which there is insufficient current equipment and human resource capacity, extending the global offshore backlog well beyond 2010. In addition, an increasing number of large onshore developments has been identified by Dockwise as a vital source of future project work.



2008 Guidance

Based on the above and on the developments in the first half of 2008, Dockwise confirms its financial guidance for 2008.

- Depreciation and amortization charges will come in at approximately USD 75 million. For the full year 2008 amortization will be approximately USD 5.3 million.
- Committed CAPEX for 2008 is estimated at USD 240 million. After 2008 CAPEX levels will return to normal levels of approximately USD 50 million per year.
- Total net interest expenses are expected to be around USD 85 million.
- Taxes are driven largely by the Bermuda tax regime as well as the Dutch tonnage tax regime.
- The board has set a target gearing level of 3 by the end of 2009. Priority will be given to utilizing future free cash flows to deleverage the balance sheet.
- The unchanged strong fundamentals of the different market segments, the increase in and high level of backlog, the expertise available in the company to handle the scheduling of the significantly increased fleet, the access to different market segments through our global footprint and the project execution track record, reinforce management's belief that, in 2008, adjusted revenue is expected to be around USD 500 million with an expected increase in Adjusted EBITDA compared to 2007 by at least 60% to USD 225 million.

The Board is confident that the company will achieve its stated market guidance.

Financial calendar for 2008

Dockwise will publish Q3 results on 17 November 2008. Q4 and full year results will be published on 27 February 2009.



Appendix

Mighty Servant 3

During an operational incident in 2006, the Mighty Servant 3 sank in shallow waters off the coast of Angola. Following recovery, the vessel is undergoing major refurbishment and is expected to return to service in December 2008. Until reinstatement, Dockwise receives a monthly compensation for lost revenues from an escrow account in connection with the buy-out by 3i in 2007.

About Dockwise Ltd/the Dockwise Group

Dockwise Ltd. has a workforce of more than 1200 people both offshore and onshore. The company is the leading marine contractor providing total transport services to the offshore, onshore and yachting industries as well as installation services of extremely heavy offshore platforms. The group is headquartered in Bermuda with amongst others operational offices in Breda, The Netherlands. The group's main commercial offices are located in The Netherlands, the United States, China, Korea, Australia and Nigeria. The Dockwise Yacht Transport business unit is headquartered in Fort Lauderdale and has offices in France and Italy. The Dockwise Shipping network is supported by agents in Japan, Singapore, Spain, Argentina and Italy.

To support all of its services to customers, the group also has three additional engineering centers in Houston, Breda and Shenzhen, manufactures specific motion reduction equipment such as LMU (Leg Mating Units) and DMU (Deck Mating Units) and owns a fleet of 22 purpose build semi-submersible vessels of which currently 19 are operational and 3 will become operational in the remainder of 2008.

Dockwise shares are listed on the Oslo Stock Exchange under ticker DOCK.

For further information: www.dockwise.com



This document contains certain forward-looking statements relating to the business, financial performance and results of the Company and/or the industry in which it operates. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words “believes”, “expects”, “predicts”, “intends”, “projects”, “plans”, “estimates”, “aims”, “foresees”, “anticipates”, “targets”, and similar expressions. The forward-looking statements, contained in this document, including assumptions, opinions and views of the Company or cited from third party sources are solely opinions and forecasts which are uncertain and subject to risks. A multitude of factors can cause actual events to differ significantly from any anticipated development. Neither the Company nor any of its subsidiary undertakings nor any of its officers or employees guarantees that the assumptions underlying such forward-looking statements are free from errors nor does any of the foregoing accept any responsibility for the future accuracy of the opinions expressed in this document or the actual occurrence of the forecasted developments.

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Consolidated Income Statement for the six months ended 30 June 2008

(Amounts in USD thousands, unaudited)

	Q1 2008	Q2 2008	Q2 2007	H1 2008	H1 2007
Revenue	103,993	115,908	71,069	219,901	134,920
Direct costs	(60,050)	(69,067)	(53,581)	(129,117)	(101,866)
Gross profit	43,943	46,841	17,488	90,784	33,054
Administrative expenses	(14,466)	(13,809)	(14,599)	(28,275)	(22,880)
Profit from operations	29,477	33,032	2,889	62,509	10,174
Financial income	1,103	423	1,170	1,526	2,772
Financial expenses	(23,027)	(21,041)	(33,854)	(44,068)	(54,232)
Net financing costs	(21,924)	(20,618)	(32,684)	(42,542)	(51,460)
Profit / (loss) before income tax	7,553	12,414	(29,795)	19,967	(41,286)
Income tax expense	(146)	204	(87)	58	(174)
Profit / (loss) for the period	7,407	12,618	(29,882)	20,025	(41,460)
Attributable to:					
Equity holders of the Company	7,407	12,618	(29,882)	20,025	(41,460)
Profit / (loss) for the period	7,407	12,618	(29,882)	20,025	(41,460)



Consolidated Statement of Recognized Income and Expense for the six months ended 30 June 2008

(Amounts in USD thousands, unaudited)

Cash flow hedges:

- Effective portion of changes in fair value

Income and expense recognized

Profit / (loss) for the period

Total recognized income and

Attributable to:

Equity holders of the Company

Total recognized income and

	Q1 2008	Q2 2008	Q2 2007	H1 2008	H1 2007
- Effective portion of changes in fair value	(20,712)	21,435	6,965	723	7,586
Income and expense recognized	(20,712)	21,435	6,965	723	7,586
Profit / (loss) for the period	7,407	12,618	(29,882)	20,025	(41,460)
Total recognized income and	(13,305)	34,053	(22,917)	20,748	(33,874)
Attributable to:					
Equity holders of the Company	(13,305)	34,053	(22,917)	20,748	(33,874)
Total recognized income and	(13,305)	34,053	(22,917)	20,748	(33,874)



Consolidated Balance Sheet as at 30 June 2008

(Amounts in USD thousands, unaudited)

	30 Jun 08	31 Mar 08	31 Dec 07	30 Jun 07
ASSETS				
Non-current assets				
Property, plant and equipment	956,031	860,409	837,582	797,905
Intangible assets	613,155	613,948	614,753	580,493
Employee benefits	1,665	1,334	1,076	1,481
Other non-current assets	-	-	-	12,600
	1,570,851	1,475,691	1,453,411	1,392,479
Current assets				
Inventories	25,146	19,498	15,398	9,567
Trade and other receivables	105,836	121,324	118,888	112,266
Cash and cash equivalents	17,941	18,140	15,494	25,969
	148,923	158,962	149,780	147,802
Total assets	1,719,774	1,634,653	1,603,191	1,540,281
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Total equity	574,050	540,645	553,950	507,100
LIABILITIES				
Non-current liabilities				
Non-current interest-bearing borrowings	994,583	918,141	917,841	958,371
	994,583	918,141	917,841	958,371
Current liabilities				
Current maturities of interest-bearing borrowings	21,600	12,000	20,000	-
Trade and other payables	127,608	161,633	108,532	73,987
Income tax liabilities	301	400	574	823
Provisions	1,632	1,834	2,294	-
	151,141	175,867	131,400	74,810
Total liabilities	1,145,724	1,094,008	1,049,241	1,033,181
Total equity and liabilities	1,719,774	1,634,653	1,603,191	1,540,281



Consolidated Statement of Cash Flows for the six months ended 30 June 2008

(Amounts in USD thousands, unaudited)

	Q1 2008	Q2 2008	Q2 2007	H1 2008	H1 2007
Cash flow from operating activities					
Profit from operations before tax	29,477	33,032	2,889	62,509	10,174
Adjustments for:					
- Depreciation property, plant and equipment	13,589	14,476	11,610	28,065	21,356
- Amortization intangible assets	1,707	1,420	11,649	3,127	21,538
- Decrease / (Increase) employee benefits assets	(258)	(293)	304	(551)	(662)
Operating cash flows before movements in working capital	44,515	48,635	26,452	93,150	52,406
Decrease / (Increase) inventories	(4,100)	(5,648)	1,112	(9,748)	814
Decrease / (Increase) work in progress	5,771	(21,295)	(8,213)	(15,524)	12,760
Decrease / (Increase) current receivables	(27,500)	23,996	20,839	(3,504)	134
(Decrease) / Increase current liabilities	6,233	15,779	(7,037)	22,012	(18,746)
(Decrease) / Increase in provisions	(460)	(202)	-	(662)	-
Cash generated by operations	24,459	61,265	33,153	85,724	47,368
Interest (paid) / received	(2,939)	(34,859)	(33,248)	(37,798)	(43,218)
Income tax (paid) / received	(320)	206	-	(114)	-
Net cash generated from operating activities	21,200	26,612	(95)	47,812	4,150
Investing activities					
Acquisition of intangible assets	(902)	(627)	-	(1,529)	-
Acquisition of property, plant and equipment	(9,652)	(110,098)	(9,359)	(119,750)	(22,122)
Acquisition of financial fixed assets (net of cash acquired)	-	-	5,553	-	(682,700)
Net cash used in investing activities	(10,554)	(110,725)	(3,806)	(121,279)	(704,822)
Financing activities					
New loan facilities and Delphi shareholders' loan net of bank fee	-	80,000	553,574	80,000	1,342,999
Repayment of borrowings	(8,000)	4,600	(622,761)	(3,400)	(719,834)
Share issue	-	-	93,476	-	98,386
Issue of Delphi convertible bonds	-	-	-	-	5,090
Purchase of own shares	-	(686)	-	(686)	-
Net cash from (used in) financing activities	(8,000)	83,914	24,289	75,914	726,641
Net increase / (decrease) in cash and cash equivalents	2,646	(199)	20,388	2,447	25,969
Cash and cash equivalents at beginning of the period	15,494	18,140	5,581	15,494	-
Cash and cash equivalents at end of the period	18,140	17,941	25,969	17,941	25,969