



Dolphin Offshore Enterprises announce Q1FY2011 results

Mumbai, July 23, 2010: Dolphin Offshore Enterprises (India) Limited, one of the leading EPC contractors for the oil & gas industry, today announced the unaudited standalone financial results for the quarter ended June 30, 2010.

The company reported revenue of Rs 80.16 crores for the quarter. The revenue for the corresponding quarter in the previous year was Rs 159.46 crores. During the quarter, for two of the EPC contracts, the company undertook additional work resulting into extra time and costs. As the change orders were not received during the quarter, the related revenue for the work done could not be booked during the quarter. This resulted in lower revenue for the quarter.

For completing the additional work, the company deployed significant marine spread and incurred related costs, all of which have been booked during the quarter. This impacted profitability adversely. As against the EBIDTA of Rs 23 crores reported during the first quarter of the previous year, the company reported a negative EBIDTA of Rs 9.57 crores. The loss for the quarter stood at Rs 12.31 crores as against PAT of Rs 12 crores earned during Q1FY10.

On a consolidated basis, the company posted revenue of Rs 87.87 crore and net loss of Rs 4.57 crore. The order book position as on June 30, 2010 stood at Rs 240 crore.

“The issue of change orders arising in execution of brown-field EPC projects is quite a common occurrence as the actual scope and quantum of work to be undertaken can only be determined after the detailed engineering and installation work is completed. Thereafter the contractor is in a position to quantify the change orders and submit its claims to its clients. Thus the process of finalising change orders takes some time. ” said Mr. Navpreet Singh, Joint Managing Director. He further added **“However, from a prudent accounting point of view, we have booked all expenses as and when they are incurred, but the corresponding revenues will only be booked as and when change orders are finalised. This sometime results in a timing difference as has been witnessed in this case.”**

About Dolphin Offshore Enterprises (India) Limited

Dolphin Offshore, an ISO 9001:2000 Certified Company, was established in 1979 to provide diving services to the offshore Oil & Gas industry. Since then Dolphin has expanded its activities to include, offshore and onshore fabrication and installation services, marine management services, ship repair services and undertakes projects on a turnkey basis. Dolphin Offshore provides timely and cost effective solutions to its customers as it has the necessary technologies related to all the three dimensions of offshore marine construction. The company owns its own marine vessels and adequate diving assets to meet the needs of its various projects. Dolphin Offshore is also moving into shipbuilding activities and is planning to set up a ship building yard at Jaffrabad in Gujarat.

Dolphin Offshore floated its Initial Public Offering in 1994 and is currently listed on The Bombay Stock Exchange (BSE Code: 522261) and National Stock Exchange (NSE Code: DOLPHINOFF).

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