



July 24, 2003

SEACOR SMIT ANNOUNCES SECOND QUARTER RESULTS

HOUSTON--([BUSINESS WIRE](#))--July 24, 2003--SEACOR SMIT Inc. (NYSE:CKH) announced net earnings for the second quarter ended June 30, 2003 of \$6.4 million, or \$0.33 per diluted share, on operating revenues of \$105.2 million. For the six months ended June 30, 2003, net earnings were \$10.8 million, or \$0.55 per diluted share, on operating revenues of \$202.0 million.

In the second quarter ended June 30, 2002, SEACOR net earnings were \$12.2 million, or \$0.59 per diluted share, on operating revenues of \$97.7 million. For the six months ended June 30, 2002, net earnings were \$23.7 million, or \$1.15 per diluted share, on operating revenues of \$201.3 million.

Net earnings in the quarter ended March 31, 2003 were \$4.3 million, or \$0.22 per diluted share, on operating revenues of \$96.9 million.

The financial results for the second quarter ended June 30, 2003 as compared to the immediately preceding quarter were impacted, on a pre-tax basis, by a variety of factors highlighted below and described in greater detail in subsequent paragraphs and tables in this release:

- Improved environmental service segment results. Operating revenues and profits increased \$9.4 million and \$5.5 million, respectively, due primarily to international oil spill response and remediation activities.
- Improved marine service segment results. Operating profits increased \$2.0 million despite a \$1.6 million decline in operating revenues. Lower operating expenses from the sale of vessels and termination of certain charters and lower administrative expenses accounted for the improved results.
- Decreased income from equipment sales. The Company sold fewer offshore vessels in the quarter, resulting in a \$4.7 million decline in income from vessel sales.
- Improved results from derivative transactions. The mark-to-market accounting of derivative transactions increased income by \$0.9 million.
- Other, net. Other income declined between quarters due to lower realized profits from the sale of securities and a decline in the value of certain investments.

The Company's offshore marine fleet declined from 288 vessels at the end of the prior quarter to 283 at June 30, 2003. During the quarter, the Company sold three vessels, one of which was acquired by a joint venture, and took delivery of one each newly constructed crew vessel, supply vessel and towing supply vessel. Four vessels chartered-in and one managed-in by the Company and an additional vessel chartered-in by a joint venture were redelivered to owners.

Operating revenues and profits of the inland river and offshore aviation business segments and the Company' equity interest in the earnings of 50% or less owned companies were generally constant between the first and second quarters of 2003.

In the second quarter of 2003, the Company repaid \$11.9 million of debt, which resulted in the recognition of a pretax charge against income for the write-off of related unamortized discount of \$1.0 million. In the second quarter of 2003, the Company acquired a total of 820,650 shares of its common stock for treasury at an aggregate cost of \$31.0 million. At June 30, 2003, cash and cash equivalents, marketable securities and construction reserve funds totaled \$431.8 million, and outstanding long-term debt was \$332.2 million.

SEACOR and its subsidiaries are engaged in the operation of a diversified fleet of offshore support vessels that service oil and gas exploration and development activities in the U.S. Gulf of Mexico, the North Sea, West Africa, Asia, Latin America and other international regions. Other business activities include environmental services, inland river operations, and helicopter transportation services to the oil and gas industry, mainly in the U.S. Gulf of Mexico.

This release includes "forward-looking statements" as described in the Private Securities Litigation Reform Act of 1995. Statements herein that describe the Company's expectations, strategic objectives, business prospects, anticipated economic performance and financial condition and other similar matters involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of results to differ materially from any future results, performance or achievements discussed or implied by such forward-looking statements. Such risks, uncertainties and other important factors include, among others: general economic and business conditions, the cyclical nature of our business, adequacy of insurance coverage, currency exchange fluctuations, changes in foreign political, military and economic conditions, the ongoing need to replace aging vessels, dependence of spill response revenue on the number and size of spills and upon continuing government regulation in this area and our ability to comply with such regulation and other governmental regulation, industry fleet capacity, changes in foreign and domestic oil and gas exploration and production activity, competition, regulatory initiatives, customer preferences, marine-related risks, effects of adverse weather conditions and seasonality on the Company's offshore aviation business, helicopter related risks, effects of adverse weather and river conditions and seasonality on inland river operations, the level of grain export volume, variability in freight rates for inland river barges and various other matters, many of which are beyond the Company's control and other factors. The words "estimate," "project," "intend," "believe," "plan" and similar expressions are intended to identify forward-looking statements. Forward-looking statements included in this release speak only as of the date of this release and SEACOR disclaims any obligation or undertaking to provide any updates or revisions to any forward-looking statement to reflect any change in our expectations or any change in events, conditions, or circumstances on which the forward-looking statement is based. The forward-looking statements in this release should be evaluated together with the many uncertainties that affect our businesses, particularly those mentioned under "Forward-Looking Statements" in Item 7 of our Form 10-K and SEACOR's periodic reporting on Form 10-Q and Form 8-K (if any), which we incorporate by reference.

SEACOR SMIT Inc. and Subsidiaries
Condensed Consolidated Statements of Operations
(in thousands, except share data, unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
Operating Revenues	\$ 105,159	\$ 97,670	\$ 202,019	\$ 201,313
Costs and Expenses:				
Operating expenses	69,422	61,133	136,522	118,289
Administrative and general	13,391	12,803	27,470	25,163
Depreciation and amortization	13,708	13,996	28,344	27,872
	96,521	87,932	192,336	171,324
Operating Income	8,638	9,738	9,683	29,989
Other Income (Expense):				

Interest on debt	(4,419)	(3,796)	(9,925)	(7,797)
Interest income	1,870	2,102	4,426	3,969
Debt extinguishment	(966)	-	(2,091)	-
Income from equipment sales or retirements, net	414	938	5,561	3,237
Derivative income, net	2,624	1,404	4,373	632
Other, net	1,797	6,898	4,526	2,573
	<u>1,320</u>	<u>7,546</u>	<u>6,870</u>	<u>2,614</u>
Income Before Income Taxes, Minority Interest and Equity in Earnings of 50% or Less Owned Companies	9,958	17,284	16,553	32,603
Income Tax Expense	3,596	6,156	5,995	11,399
Income Before Minority Interest and Equity in Earnings of 50% or Less Owned Companies	6,362	11,128	10,558	21,204
Minority Interest in Income of Subsidiaries	(241)	(95)	(339)	(188)
Equity in Earnings of 50% or Less Owned Companies	322	1,215	568	2,638
Net Income	<u>\$ 6,443</u>	<u>\$ 12,248</u>	<u>\$ 10,787</u>	<u>\$ 23,654</u>
Basic Earnings Per Common Share	<u>\$ 0.34</u>	<u>\$ 0.61</u>	<u>\$ 0.55</u>	<u>\$ 1.18</u>
Diluted Earnings Per Common Share	<u>\$ 0.33</u>	<u>\$ 0.59</u>	<u>\$ 0.55</u>	<u>\$ 1.15</u>
Weighted Average Common Shares:				
Basic	19,155,421	20,078,231	19,463,596	20,058,824
Diluted	19,315,817	21,393,472	19,834,307	21,373,534

SEACOR SMIT Inc. and Subsidiaries
Supplementary Financial and Operational Data
(in thousands, except share and operational data, unaudited)

Statements of Operations:	Jun. 30, 2003	Mar. 31, 2003	Dec. 31, 2002
Operating Revenues	<u>\$ 105,159</u>	<u>\$ 96,860</u>	<u>\$ 99,708</u>

Cost and Expenses:			
Operating expenses	69,422	67,100	67,306
Administrative and general	13,391	14,079	14,668
Depreciation and amortization	13,708	14,636	13,991
	<u>96,521</u>	<u>95,815</u>	<u>95,965</u>
Operating Income	8,638	1,045	3,743
Net Interest Expense	(2,549)	(2,950)	(2,943)
Debt Extinguishment	(966)	(1,125)	-
Income from Equipment Sales, net	414	5,147	3,077
Gain from Chiles Merger	-	-	-
Derivative Income (Loss), net	2,624	1,749	(2,424)
Other, net	1,797	2,729	1,486
	<u>Income Before Income Taxes, Minority Interest and Equity Earnings</u>	<u>6,595</u>	<u>2,939</u>
Income Tax Expense	3,596	2,399	1,266
	<u>Income Before Minority Interest and Equity Earnings</u>	<u>4,196</u>	<u>1,673</u>
Minority Interest	(241)	(98)	(32)
Equity Earnings	322	246	(3)
	<u>Net Income</u>	<u>\$ 4,344</u>	<u>\$ 1,638</u>
	\$ 6,443	\$ 4,344	\$ 1,638

Weighted Average Common Shares:

Basic	19,155,421	19,775,194	19,823,095
Diluted	19,315,817	20,362,120	20,032,229 (2)

Diluted Earnings Per Common Share

\$ 0.33	\$ 0.22	\$ 0.08 (2)
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Balance Sheet:

Cash, Marketable Securities and Construction Reserve Funds	\$ 431,796	\$ 498,075	\$ 525,931
Total Assets	1,380,007	1,401,710	1,487,107
Total Long-term Debt	332,187	343,058	402,118
Stockholders' Equity	772,563	789,971	804,951

Marine Fleet Rates Per Day Worked (\$) (3):

Anchor Handling Towing Supply	12,258	11,963	14,109
Crew	3,153	3,158	3,148
Geophysical, Freight and Other (4)	-	-	-
Mini-Supply	3,027	3,102	2,983
Standby Safety	6,559	6,537	6,288
Supply and Towing Supply	7,648	7,712	7,834
Utility	1,792	1,767	1,762

Marine Fleet

Utilization (%) (3):			
Anchor Handling Towing			
Supply	76.7	82.6	73.1
Crew	79.9	78.9	78.3
Geophysical, Freight and			
Other (4)	-	-	-
Mini-Supply	89.4	86.8	86.2
Standby Safety	89.5	81.6	88.5
Supply and Towing Supply	81.6	79.9	85.7
Utility	56.7	55.1	58.0
Overall Offshore Marine			
Fleet	77.8	76.2	76.8
Marine Fleet at Period			
End (3):			
Anchor Handling Towing			
Supply	25	26	28
Crew	92	92	96
Geophysical, Freight and			
Other	2	2	2
Mini-Supply	32	32	33
Standby Safety	26	26	26
Supply and Towing Supply	66	69	71
Utility	40	41	45
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Total Offshore Marine			
Fleet	283	288	301
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Inland Barge Fleet at Period			
End	559	562	535
Helicopter Fleet at Period			
End	36	36	36
Helicopter Flight Hours	5,889	5,061	n.a.

	Sep. 30, 2002	Jun. 30, 2002
Statements of Operations:		
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Operating Revenues	\$ 102,137	\$ 97,670
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Cost and Expenses:		
Operating expenses	64,297	61,133
Administrative and general	13,434	12,803
Depreciation and amortization	14,381	13,996
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	92,112	87,932
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Operating Income	10,025	9,738
Net Interest Expense	(1,460)	(1,694)
Debt Extinguishment	(2,339) (1)	-
Income from Equipment Sales, net	2,321	938
Gain from Chiles Merger	19,719	-
Derivative Income (Loss), net	(3,251)	1,404
Other, net	5,584	6,898
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Income Before Income Taxes, Minority		
Interest and Equity Earnings	30,599	17,284
Income Tax Expense	10,368	6,156
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Income Before Minority Interest and Equity Earnings	20,231	11,128
Minority Interest	(6)	(95)
Equity Earnings	1,070	1,215
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Net Income	\$ 21,295	\$ 12,248
	=====	=====

Weighted Average Common Shares:		
Basic	20,051,743	20,078,231
Diluted	21,186,390	21,393,472

Diluted Earnings Per Common Share	\$ 1.02	\$ 0.59
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Balance Sheet:

Cash, Marketable Securities and Construction Reserve Funds	\$ 536,950	\$ 260,321
Total Assets	1,467,396	1,293,455
Total Long-term Debt	401,347	257,383
Stockholders' Equity	804,227	784,127

Marine Fleet Rates Per Day

Worked (\$) (3):

Anchor Handling Towing Supply	13,144	12,103
Crew	3,200	3,224
Geophysical, Freight and Other (4)	-	-
Mini-Supply	2,918	2,749
Standby Safety	6,268	5,726
Supply and Towing Supply	8,153	7,964
Utility	1,761	1,744

Marine Fleet Utilization (%) (3):

Anchor Handling Towing Supply	72.9	79.1
Crew	76.3	81.8
Geophysical, Freight and Other (4)	-	-
Mini-Supply	90.0	85.9
Standby Safety	88.2	84.8
Supply and Towing Supply	88.9	89.0
Utility	62.4	62.3
Overall Offshore Marine Fleet	77.7	79.1

Marine Fleet at Period End (3):

Anchor Handling Towing Supply	30	32
Crew	95	95
Geophysical, Freight and Other	2	3
Mini-Supply	28	26
Standby Safety	28	28
Supply and Towing Supply	69	74
Utility	48	48
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Total Offshore Marine Fleet	300	306
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Inland Barge Fleet at Period End	482	408
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Helicopter Fleet at Period End	n.a.	n.a.
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Helicopter Flight Hours	n.a.	n.a.
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(1) A previously reported extraordinary loss from debt extinguishment was reclassified to operating results pursuant to FASB Statement 145.

(2) The assumed conversion of the Company's convertible notes into

shares of common stock has been excluded from the computation of diluted earnings per share in the three month period ended December 31, 2002 as the effect was antidilutive. In this same period, such shares were also excluded from the calculation of diluted weighted average common shares outstanding.

- (3) Statistics exclude vessels retired from service in the applicable periods - 14 utility vessels at June 30, 2003.
- (4) Vessels in this class were out of service during all reported periods.

SEACOR SMIT Inc. and Subsidiaries
Supplementary Operational Data
(unaudited)

	As of June 30, 2003						As of March 31, 2003
	Owned	Leased-in	Subtotal	Joint Ventured	Managed	Total	Total
Offshore Marine Fleet Anchor Handling Towing Supply: Domestic	3	2	5	-	-	5	5
Foreign	15	-	15	5	-	20	21
	18	2	20	5	-	25	26
Crew: Domestic	40	20	60	-	-	60	62
Foreign	20	-	20	12	-	32	30
	60	20	80	12	-	92	92
Geophysical, Freight and Other: Domestic	1	-	1	-	-	1	1
Foreign	-	-	-	1	-	1	1
	1	-	1	1	-	2	2
Mini- Supply: Domestic	26	2	28	-	-	28	29
Foreign	2	-	2	2	-	4	3
	28	2	30	2	-	32	32
Standby Safety:							

Domestic	-	-	-	-	-	-	-
Foreign	20	-	20	1	5	26	26
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	20	-	20	1	5	26	26
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Supply and Towing Supply:							
Domestic	6	7	13	-	-	13	17
Foreign	24	4	28	25	-	53	52
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	30	11	41	25	-	66	69
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Utility:							
Domestic	37	-	37	-	-	37	38
Foreign	1	-	1	2	-	3	3
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	38	-	38	2	-	40	41
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Worldwide Fleet:							
Domestic	113	31	144	-	-	144	152
Foreign	82	4	86	48	5	139	136
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	195 (1)	35	230	48	5	283	288
	=====	=====	=====	=====	=====	=====	=====
Inland Barge Fleet							
Domestic	326 (2)	-	326	11 (2)	222	559	562
	=====	=====	=====	=====	=====	=====	=====
U.S. Helicopter Fleet							
Domestic	18	17	35	-	1	36	36
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(1) Two domestic supply, two foreign standby safety, and one crew vessel are majority-owned by the Company.

(2) Sixteen owned and five joint ventured barges were sold following June 30, 2003.

Contacts

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