



February 26, 2004

SEACOR SMIT ANNOUNCES FOURTH QUARTER RESULTS

HOUSTON--([BUSINESS WIRE](#))--Feb. 26, 2004--SEACOR SMIT Inc. (NYSE:CKH) announced a net loss for the fourth quarter ended December 31, 2003 of \$1.7 million, or \$0.09 per diluted share, on operating revenues of \$101.0 million. For the twelve months ended December 31, 2003, net earnings were \$12.0 million, or \$0.63 per diluted share, on operating revenues of \$406.2 million.

For the fourth quarter ended December 31, 2002, net earnings were \$1.6 million, or \$0.08 per diluted share, on operating revenues of \$99.7 million. For the twelve months ended December 31, 2002, net earnings were \$46.6 million, or \$2.28 per diluted share, on operating revenues of \$403.2 million.

For the third quarter ended September 30, 2003, net earnings were \$2.9 million, or \$0.15 per diluted share, on operating revenues of \$103.2 million.

Financial results for the fourth quarter ended December 31, 2003 as compared to the immediately preceding quarter ended September 30, 2003 were impacted by a variety of factors highlighted below.

-- Decreased operating revenues. Operating revenues of \$101.0 million decreased \$2.3 million. Offshore marine services' revenue declined \$6.7 million primarily due to net fleet reductions and lower fleet utilization. Environmental services' revenue, before the impact of a fourth quarter acquisition of a business which provides land based and offshore remediation and other services on the West Coast, declined \$3.7 million primarily due to the completion of a major project begun in a prior period. These declines were partially offset by (i) a \$3.5 million increase in inland river revenues resulting from fleet growth and higher freight rates and (ii) \$4.8 million in additional revenues earned by the environmental services business acquired during the fourth quarter.

-- Increased operating and administrative expenses. Operating and administrative expenses of \$95.0 million increased \$9.1 million. Expenses incurred by the environmental services division increased \$3.5 million primarily due to the business acquired during the fourth quarter. This increase was only partially offset by the non-recurrence of expenses associated with the major project that was mostly executed in prior periods. Offshore marine services' expenses increased \$2.5 million due to severance costs related to fleet dispositions and administrative staff reductions. Expenses for performing inland river services increased \$1.8 million primarily due to fleet growth. Offshore aviation's expenses increased \$0.7 million resulting from the preparation for the introduction of four new helicopters to be deployed in the Gulf of Mexico.

-- Increased income from equipment sales. Income from equipment sales of \$9.6 million increased by \$7.3 million primarily due to the sale of offshore vessels during the fourth quarter.

-- Increased derivative transaction losses. Derivative transaction losses of \$1.5 million increased by \$1.1 million primarily due to the termination of credit swaps related to the Company's 7.2% Senior Notes and the mark-to-market accounting on commodity futures.

-- Increased results from other, net. Other income of \$4.5 million increased \$3.8 million primarily due to foreign currency accounting gains associated with the strengthening of the British pound sterling against the U.S. dollar, partially offset by lower security sale gains.

-- Increased income tax expense. The increase in the fourth quarter's effective tax rate is primarily due to a \$1.9 million valuation allowance provided for foreign tax credits that may expire before utilization and a \$0.5 million tax impact from non-deductible expenses.

-- Increased equity losses. Equity losses of \$0.1 million, as compared to the preceding quarter's operating income of \$0.9 million, represented a change of \$1.0 million primarily due to lower results realized on offshore marine and marine telecommunication joint ventures, partially offset by the non-recurrence of a \$1.0 million third quarter charge against earnings for U.S. income taxes on dividends received from a foreign joint venture.

The Company's offshore marine fleet declined from 279 vessels at the end of the prior quarter to 235 at December 31, 2003. During the fourth quarter, the Company sold 30 vessels with a carrying value of \$29.6 million, 1 of which was leased-back and 1 of which was sold to a joint venture, and took delivery of 2 newly constructed crew vessels. In addition, the Company terminated leases on 3 vessels, transferred one vessel to the environmental services segment, and removed 14 vessels from service. Additional fleet information is described in the attached supplementary operational data schedule.

During the fourth quarter, the Company decided to divest of all utility vessels from its marine fleet. As of December 31, 2003, the carrying value of the remaining 26 utility vessels was \$1.8 million. For the current quarter and full year the utility boat fleet incurred operating losses of \$0.2 million and \$1.1 million, respectively, before overhead associated with operating these vessels.

On October 31, 2003, the Company acquired an environmental services business that provides emergency response, site remediation, industrial and marine contract cleaning, salvage support, hazardous waste management services, and environmental equipment and product sales to both the private and public sectors on the West Coast of the United States. During the fourth quarter, this business contributed operating revenues of \$4.8 million and an operating loss of \$0.1 million to the consolidated group.

The Company's inland river hopper barge fleet grew from 735 units at the end of the prior quarter to 784 units at December 31, 2003 due to the acquisition of 37 new barges, the lease-in of 10 barges, and the taking over management of 2 barges during the current quarter.

The Company's offshore aviation helicopter fleet grew from 36 units at the end of the prior quarter to 40 units at December 31, 2003 due to the acquisition of 4 helicopters during the current quarter.

The aggregate cost of all offshore vessels, barges and helicopters delivered during the fourth quarter was \$37.8 million.

The Company's future capital commitments to purchase 9 newly constructed offshore support vessels, 330 newly constructed inland river hopper barges, 24 newly constructed chemical tank barges, and 6 newly constructed helicopters approximates \$164.0 million as of February 25, 2004. Deliveries of the newly constructed vessels, barges and helicopters are expected over the next ten months.

During the fourth quarter, the Company acquired a total of 181,676 shares of its common stock for treasury at an aggregate cost of \$7.1 million. As of December 31, 2003, the Company's cash, marketable securities and construction reserve funds totaled \$438.1 million, an increase of \$9.8 million as compared to September 30, 2003. As of December 31, 2003, the Company's long-term debt totaled \$332.2 million, unchanged as compared to September 30, 2003.

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 primarily include environmental services, inland river operations, and offshore aviation services.

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 December 31,		Twelve Months Ended December 31,	
	2003	2002	2003	2002
Operating Revenues	\$ 100,956	\$ 99,708	\$ 406,209	\$ 403,158
Costs and Expenses:				
Operating expenses	78,504	67,306	287,290	249,892
Administrative and general	16,538	14,668	57,684	53,265
Depreciation and amortization	13,751	13,991	55,506	56,244
	108,793	95,965	400,480	359,401
Operating Income (Loss)	(7,837)	3,743	5,729	43,757
Other Income (Expense):				
Interest on debt	(4,785)	(5,764)	(19,313)	(17,064)
Interest income	1,565	2,821	7,531	8,833
Debt extinguishments	-	-	(2,091)	(2,338)
Income from equipment sales or retirements, net	9,612	3,077	17,522	8,635
Gain from Chiles Merger	-	-	-	19,719
Gain (loss) from derivative transactions, net	(1,541)	(2,424)	2,389	(5,043)
Gain from foreign currency				

transactions, net	3,625	827	3,739	6,281
Gain from sale of marketable securities, net	743	518	6,595	3,218
Other, net	106	141	(652)	144
	<u>9,325</u>	<u>(804)</u>	<u>15,720</u>	<u>22,385</u>
Income Before Taxes, Minority Interest and Equity Earnings	1,488	2,939	21,449	66,142
Income Tax Expense	3,067	1,266	10,396	23,034
	<u>Income (Loss) Before Minority Interest and Equity Earnings</u>	<u>1,673</u>	<u>11,053</u>	<u>43,108</u>
Minority Interest in Income of Subsidiaries	(66)	(32)	(517)	(226)
Equity in Earnings (Losses) of 50% or Less Owned Companies	(85)	(3)	1,418	3,705
	<u>Net Income (Loss)</u>	<u>\$ 1,638</u>	<u>\$ 11,954</u>	<u>\$ 46,587</u>
	<u>Basic Earnings (Loss) Per Common Share</u>	<u>\$ 0.08</u>	<u>\$ 0.63</u>	<u>\$ 2.33</u>
	<u>Diluted Earnings (Loss) Per Common Share</u>	<u>\$ 0.08 (2)</u>	<u>\$ 0.63</u>	<u>\$ 2.28</u>
Weighted Average Common Shares:				
Basic	18,509,438	19,823,095	19,012,899	19,997,625
Diluted	18,509,438 (1)	20,032,229 (2)	19,279,568	21,057,877

(1) Outstanding stock options and restricted stock has been excluded from the computation of diluted earnings per share in the three month period ended December 31, 2003 as the effect was antidilutive. In this same period, such shares were also excluded from the calculation of diluted weighted average common shares outstanding.

(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.

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

Statements of Operations:	Dec. 31, 2003	Sep. 30, 2003	Jun. 30, 2003
Operating Revenues	<u>\$ 100,956</u>	<u>\$ 103,234</u>	<u>\$ 105,159</u>

Cost and Expenses:

Operating expenses	78,504	72,264	69,422
Administrative and general	16,538	13,676	13,391
Depreciation and amortization	13,751	13,411	13,708
	-----	-----	-----
	108,793	99,351	96,521
	-----	-----	-----
Operating Income (Loss)	(7,837)	3,883	8,638
Net Interest Expense	(3,220)	(3,063)	(2,549)
Debt Extinguishment	-	-	(966)
Income from Equipment Sales, net	9,612	2,349	414
Derivative Transactions, net	(1,541)	(443)	2,624
Other, net	4,474	682	1,797
	-----	-----	-----
Income Before Taxes, Minority Interest and Equity Earnings	1,488	3,408	9,958
Income Tax Expense	3,067	1,334	3,596
	-----	-----	-----
Income(Loss) Before Minority Interest and Equity Earnings	(1,579)	2,074	6,362
Minority Interest	(66)	(112)	(241)
Equity Earnings (Losses)	(85)	935	322
	-----	-----	-----
Net Income (Loss)	\$ (1,730)	\$ 2,897	\$ 6,443
	=====	=====	=====

Weighted Average

Common Shares:

Basic	18,509,438	18,629,664	19,155,421
Diluted	18,509,438 (3)	18,785,256	19,315,817

Diluted Earnings Per Common Share

\$ (0.09) (3)	\$ 0.15	\$ 0.33
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Balance Sheet:

Cash, Marketable Securities and Construction Reserve Funds	\$ 438,131	\$ 428,372	\$ 431,796
Total Assets	1,402,611	1,370,630	1,379,700

Total Long-term Debt	332,179	332,213	332,187
Stockholders' Equity	770,446	768,530	772,563
	Mar. 31,	Dec. 31,	
	2003	2002	
Statements of Operations:	-----	-----	
Operating Revenues	\$ 96,860	\$ 99,708	
	-----	-----	
Cost and Expenses:			
Operating expenses	67,100	67,306	
Administrative and general	14,079	14,668	
Depreciation and amortization	14,636	13,991	
	-----	-----	
	95,815	95,965	
	-----	-----	
Operating Income (Loss)	1,045	3,743	
Net Interest Expense	(2,950)	(2,943)	
Debt Extinguishment	(1,125)	-	
Income from Equipment Sales, net	5,147	3,077	
Derivative Transactions, net	1,749	(2,424)	
Other, net	2,729	1,486	
	-----	-----	
Income Before Taxes, Minority Interest and Equity Earnings	6,595	2,939	
Income Tax Expense	2,399	1,266	
	-----	-----	
Income(Loss) Before Minority Interest and Equity Earnings	4,196	1,673	
Minority Interest	(98)	(32)	
Equity Earnings (Losses)	246	(3)	
	-----	-----	
Net Income (Loss)	\$ 4,344	\$ 1,638	
	=====	=====	
Weighted Average Common Shares:			
Basic	19,775,194	19,823,095	
Diluted	20,362,120	20,032,229(4)	
Diluted Earnings Per Common Share	\$ 0.22	\$ 0.08(4)	

Balance Sheet:

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

(3) Outstanding stock options and restricted stock has been excluded from the computation of diluted earnings per share in the three month period ended December 31, 2003 as the effect was antidilutive. In this same period, such shares were also excluded from the calculation of diluted weighted average common shares outstanding.

(4) 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.

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

	Dec. 31, 2003 ----	Sep. 30, 2003 -----	Jun. 30, 2003 -----	Mar. 31, 2003 ----	Dec. 31, 2002 ----
Marine Fleet Rates Per Day Worked (\$) (5):					
Anchor Handling Towing Supply - Domestic	22,111	20,095	16,712	17,668	22,196
Anchor Handling Towing Supply - Foreign	9,212	9,927	10,593	10,110	11,073
Crew	3,323	3,257	3,153	3,158	3,148
Geophysical, Freight and Other(6)	-	-	-	-	-
Mini-Supply	2,992	2,998	3,027	3,102	2,983
Standby Safety	6,933	6,733	6,559	6,537	6,288
Supply and Towing Supply - Domestic	6,082	6,068	6,184	6,815	6,865
Supply and Towing Supply - Foreign	7,779	8,077	8,285	8,216	8,535
Utility	1,752	1,774	1,792	1,767	1,762

Marine Fleet

Utilization (%) (5) :

Anchor Handling Towing Supply - Domestic	56.2	65.9	66.8	67.9	78.1
Anchor Handling Towing Supply - Foreign	72.8	81.9	81.2	88.9	71.4
Crew	78.5	75.9	79.9	78.9	78.3
Geophysical, Freight and Other(6)	-	-	-	-	-
Mini-Supply	86.3	91.6	89.4	86.8	86.2
Standby Safety	90.3	89.9	89.5	81.6	88.5
Supply and Towing Supply - Domestic	59.4	77.2	66.1	68.7	89.1
Supply and Towing Supply - Foreign	80.5	85.5	90.8	87.9	83.4
Utility	52.4	58.7	56.7	55.1	58.0
Overall Offshore Marine Fleet	75.1	77.5	77.8	76.2	76.8

Marine Fleet at
Period End(5) :

Anchor Handling Towing Supply - Domestic	6	5	5	5	5
Anchor Handling Towing Supply - Foreign	20	21	20	21	23
Crew	87	90	92	92	96
Geophysical, Freight and Other	4	2	2	2	2
Mini-Supply	32	32	32	32	33
Standby Safety	27	26	26	26	26
Supply and Towing Supply - Domestic	11	13	13	17	18
Supply and Towing Supply - Foreign	48	54	53	52	53
Utility	-	36	40	41	45
	-----	-----	-----	-----	-----
Total Offshore Marine Fleet	235	279	283	288	301

Inland Barge Fleet at Period End	784	735	559	562	535
Helicopter Fleet at Period End	40	36	36	36	36
Helicopter Flight Hours	5,422	5,131	5,889	5,061	n.a.

(5) Statistics exclude vessels retired from service in the applicable periods - 26 utility vessels at December 31, 2003.

(6) Vessels in this class were out of service during all reported periods.

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

As of December 31, 2003

	Owned	Leased-in	Subtotal
Offshore Marine Fleet			
Anchor Handling Towing			
Supply:			
Domestic	3	2	5
Foreign	15	-	15
	-----	-----	-----
	18	2	20
	-----	-----	-----
Crew:			
Domestic	29	23	52
Foreign	22	-	22
	-----	-----	-----
	51	23	74
	-----	-----	-----
Geophysical, Freight and Other:			
Domestic	1	-	1
Foreign	1	-	1
	-----	-----	-----
	2	-	2
	-----	-----	-----
Mini-Supply:			
Domestic	23	4	27
Foreign	3	-	3
	-----	-----	-----
	26	4	30
	-----	-----	-----
Standby Safety:			
Domestic	-	-	-
Foreign	19	-	19
	-----	-----	-----
	19	-	19
	-----	-----	-----

Supply and Towing Supply:			
Domestic	3	5	8
Foreign	20	2	22
	-----	-----	-----
	23	7	30
	-----	-----	-----
Utility:			
Domestic	-	-	-
Foreign	-	-	-
	-----	-----	-----
	-	-	-
	-----	-----	-----
Worldwide Fleet:			
Domestic	59	34	93
Foreign	80	2	82
	-----	-----	-----
	139	36	175
	=====	=====	=====
Inland Barge Fleet			
Domestic:	369	176	545
	=====	=====	=====
Helicopter Fleet			
Domestic	23	16	39
	=====	=====	=====

	As of December 31, 2003			As of September 30, 2003
	Joint Ventured	Pooled/ Managed	Total	Total
Offshore Marine				
Fleet				
Anchor Handling Towing				
Supply:				
Domestic	1	-	6	5
Foreign	5	-	20	21
	-----	-----	-----	-----
	6	-	26	26
	-----	-----	-----	-----
Crew:				
Domestic	1	-	53	57
Foreign	12	-	34	33
	-----	-----	-----	-----
	13	-	87	90
	-----	-----	-----	-----
Geophysical, Freight				
and Other:				
Domestic	-	-	1	1
Foreign	2	-	3	1
	-----	-----	-----	-----
	2	-	4	2
	-----	-----	-----	-----
Mini-Supply:				
Domestic	-	-	27	28
Foreign	2	-	5	4
	-----	-----	-----	-----
	2	-	32	32
	-----	-----	-----	-----

Standby Safety:				
Domestic	-	-	-	-
Foreign	3	5	27	26
	-----	-----	-----	-----
	3	5	27	26
	-----	-----	-----	-----
Supply and Towing				
Supply:				
Domestic	2	1	11	13
Foreign	26	-	48	54
	-----	-----	-----	-----
	28	1	59	67
	-----	-----	-----	-----
Utility:				
Domestic	-	-	-	34
Foreign	-	-	-	2
	-----	-----	-----	-----
	-	-	-	36
	-----	-----	-----	-----
Worldwide Fleet:				
Domestic	4	1	98	138
Foreign	50	5	137	141
	-----	-----	-----	-----
	54	6	235	279
	=====	=====	=====	=====
Inland Barge Fleet				
Domestic:	6	233	784	735
	=====	=====	=====	=====
Helicopter Fleet				
Domestic	-	1	40	36
	=====	=====	=====	=====

Contacts

SEACOR SMIT Inc.
 Randall Blank, 281-899-4800 or 212-307-6633
 SEACOR's website: www.seacorsmit.com