

FINANCIAL HIGHLIGHTS (U.S. dollars, in thousands, except per share amounts and ratios)*

For the years ended December 31,					
	2012	2011	2010	2009	2008
Continuing Operations:					
Operating Revenues	\$ 1,308,297	\$ 1,032,497	\$ 1,173,502	\$ 1,109,641	\$ 1,218,013
Gains on Asset Dispositions and Impairments, Net	23,987	18,839	43,977	27,557	84,256
Operating Income	56,405	67,138	243,099	195,131	324,534
Net Income Attributable to SEACOR Holdings Inc.:					
Continuing Operations	\$ 25,343	\$ 9,273	\$ 141,962	\$ 117,978	\$ 207,083
Discontinued Operations	35,872	31,783	102,762	25,832	11,460
	\$ 61,215	\$ 41,056	\$ 244,724	\$ 143,810	\$ 218,543
Diluted Earnings Per Common Share of SEACOR Holdings Inc.:					
Continuing Operations	\$ 1.22	\$ 0.43	\$ 6.52	\$ 5.47	\$ 8.79
Discontinued Operations	1.73	1.48	4.73	1.10	0.46
	\$ 2.95	\$ 1.91	\$ 11.25	\$ 6.57	\$ 9.25
Return on Stockholders' Equity:					
Continuing Operations ¹	2.0%	0.8%	10.5%	11.2%	16.7%
Discontinued Operations ²	6.5%	5.0%	16.9%	4.5%	2.8%
Overall ³	3.4%	2.3%	12.5%	8.8%	13.3%

December 31,					
	2012	2011	2010	2009	2008
Total Assets:					
Continuing Operations	\$ 2,751,917	\$ 2,839,168	\$ 2,738,722	\$ 2,977,902	\$ 2,776,246
Discontinued Operations	948,877	1,088,966	1,021,667	745,717	683,408
	\$ 3,700,794	\$ 3,928,134	\$ 3,760,389	\$ 3,723,619	\$ 3,459,654
Continuing Operations:					
Net Property and Equipment	\$ 1,584,876	\$ 1,440,657	\$ 1,322,963	\$ 1,522,333	\$ 1,611,667
Cash and Near Cash Assets ⁴	493,786	729,635	838,508	842,944	645,122
Total Debt ⁵	680,188	754,092	679,993	792,324	937,145

RECONCILIATIONS OF CERTAIN NON-U.S. GAAP FINANCIAL MEASURES (U.S. dollars, in thousands)

For the years ended December 31,					
	2012	2011	2010	2009	2008
Continuing Operations:					
Operating Income	\$ 56,405	\$ 67,138	\$ 243,099	\$ 195,131	\$ 324,534
Depreciation and Amortization	131,667	106,873	113,774	117,419	114,910
OIBDA ⁶	\$ 188,072	\$ 174,011	\$ 356,873	\$ 312,550	\$ 439,444
Net Income Attributable to SEACOR Holdings Inc. from Continuing Operations	\$ 25,343	\$ 9,273	\$ 141,962	\$ 117,978	\$ 207,083
Plus: Income Tax Expense of Continuing Operations	24,181	3,310	79,805	66,485	103,640
Pre-Tax Income from Continuing Operations ⁷	49,524	12,583	221,767	184,463	310,723
Net Income Attributable to SEACOR Holdings Inc. from Discontinued Operations	35,872	31,783	102,762	25,832	11,460
Plus: Income Tax Expense of Discontinued Operations	19,196	17,875	60,869	16,007	6,932
Pre-Tax Income ⁸	\$ 104,592	\$ 62,241	\$ 385,398	\$ 226,302	\$ 329,115
December 31,					
	2012	2011	2010	2009	2008
SEACOR Holdings Inc. Stockholders' Equity	\$ 1,713,654	\$ 1,789,607	\$ 1,787,237	\$ 1,957,262	\$ 1,630,150
Less: Net Assets of Discontinued Operations ⁹	418,300	549,793	629,711	606,752	574,955
Adjusted Stockholders' Equity ¹⁰	\$ 1,295,354	\$ 1,239,814	\$ 1,157,526	\$ 1,350,510	\$ 1,055,195

* Unless otherwise specified, the financial information referenced above reflects activities for the National Response Corporation and certain affiliates, SEACOR Energy Inc., and Era Group Inc. as discontinued operations (see Form 8-K filed on April 11, 2013).

¹ Return on equity from continuing operations is calculated as net income attributable to SEACOR Holdings Inc. from continuing operations divided by adjusted stockholders' equity at the beginning of the year, a non-U.S. GAAP financial measure. See Note 10 below.

² Return on equity from discontinued operations is calculated as net income attributable to SEACOR Holdings Inc. from discontinued operations divided by the net assets of discontinued operations at the beginning of the year.

³ Return on equity is calculated as net income attributable to SEACOR Holdings Inc. divided by SEACOR's stockholders' equity at the beginning of the year.

⁴ Cash and near cash assets include cash, cash equivalents, restricted cash, marketable securities, Title XI reserve funds, and construction reserve funds.

⁵ Total debt includes current and long-term portions of debt and capital lease obligations.

⁶ Operating income before depreciation and amortization ("OIBDA") is a non-U.S. GAAP financial measure and calculated as operating income plus depreciation and amortization.

⁷ Pre-tax income from continuing operations is a non-U.S. GAAP financial measure and calculated as net income attributable to SEACOR Holdings Inc. from continuing operations plus income tax expense of continuing operations.

⁸ Pre-tax income is a non-U.S. GAAP financial measure and calculated as net income attributable to SEACOR Holdings Inc. from continuing operations plus income tax expense of continuing operations plus net income attributable to SEACOR Holdings Inc. from discontinued operations plus income tax expense of discontinued operations.

⁹ Net assets of discontinued operations is calculated as current and long-term assets of discontinued operations less current and long-term liabilities of discontinued operations.

¹⁰ Adjusted stockholders' equity is calculated as SEACOR Holdings Inc. stockholders' equity less net assets of discontinued operations.

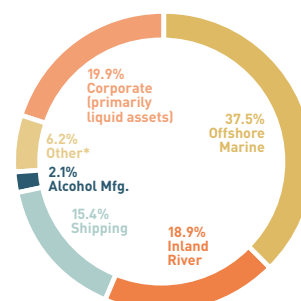
FORWARD-LOOKING STATEMENT Certain statements discussed in this Annual Report constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements concerning management's expectations, strategic objectives, business prospects, anticipated economic performance and financial condition, and other similar matters involve significant 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. Readers should refer to the Company's Form 10-K and particularly the "Risk Factors" section, which is included in this Annual Report, for a discussion of risk factors that could cause actual results to differ materially.

Today's SEACOR: 2012 Scoreboard

- 1) Net income attributable to SEACOR from continuing operations: a) \$25.3 million after-tax (a 2.0% after-tax return on adjusted beginning stockholders' equity of \$1,239.8 million); b) \$49.5 million in pre-tax earnings (a 4.0% pre-tax return on adjusted beginning stockholders' equity).¹
- 2) Operating income before depreciation and amortization ("OIBDA") from continuing marine (and other) operations: \$188.1 million.²
- 3) Stockholders' equity (post Era Group Inc. spin-off): \$1,295.4 million.³
- 4) Asset transactions from marine businesses: a) \$159.5 million sales proceeds; b) \$36.7 million gains on sales.⁴
- 5) Capital expenditure and equipment additions: a) \$288.1 million additions to marine equipment placed in service;⁵ b) \$94.8 million invested in deposits and progress payments for marine equipment;⁶ c) \$169.4 million in future capital expenditures.⁷

CHART I:
TOTAL ASSETS OF CONTINUING OPERATIONS

December 31, 2012
\$2,751.9 million



*Other consists of Emergency and Crisis Services, Agriculture, Leasing, and Other.

LETTER TO STOCKHOLDERS

APRIL 22, 2013

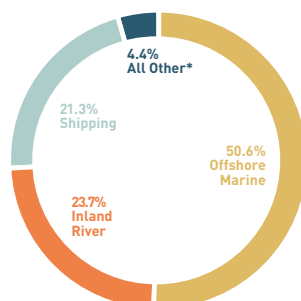
Dear Fellow Stockholder,

The Financial Highlights page shows our overall results and returns as reported on the 2012 Form 10-K. It also provides a cropped photo, showing results and balance sheet without the impact ("noise") of discontinued operations, including the spin-off of Era Group Inc. ("Era Group").⁸ The Scoreboard above presents a summary of 2012 results for SEACOR's remaining business portfolio.

The salient events since last year's letter were the sale of National Response Corporation and certain affiliates; the sale of SEACOR Energy Inc.; the contribution of O'Brien's Response Management Inc. ("ORM") to a joint venture, Witt-O'Brien's; the tax-free spin-off of our aviation segment, Era Group, to stockholders on January 31, 2013; payment of a \$5 per share

CHART II:
NET PROPERTY AND EQUIPMENT OF CONTINUING OPERATIONS

December 31, 2012
\$1,584.9 million



*All Other includes Alcohol Manufacturing, Agriculture, and Other, all of which are typically non-asset intensive businesses, and Corporate.

¹ The pre-tax computation is a non-U.S. GAAP financial measure and calculated as net income attributable to SEACOR Holdings Inc. from continuing operations of \$25.3 million plus income tax expense of \$24.2 million. Adjusted beginning stockholders' equity is a non-U.S. GAAP financial measure and calculated as stockholders' equity less net assets of discontinued operations at the beginning of the year. For further details, see the Financial Highlights page.

² Operating income before depreciation and amortization ("OIBDA") is a non-U.S. GAAP financial measure and calculated as operating income plus depreciation and amortization. For a reconciliation of OIBDA to operating income, see the Financial Highlights page. Also, note that our calculation of OIBDA includes gains or losses associated with disposition of assets or impairment charges recognized during the year.

³ As of December 31, 2012, stockholders' equity was \$1,713.7 million or \$86.17 per share. When adjusted for discontinued operations, including the Era Group spin-off, the equity is as noted above. We have NOT adjusted for Era Group's operating results for the month of January, so the \$1,295.4 million is simply reflecting our December 31, 2012 balance sheet after extracting the net assets of discontinued operations at year-end.

⁴ Consistent with U.S. GAAP rules, we recognized \$13.5 million of gains from 2012 equipment sales from our marine businesses and deferred \$23.2 million. We also recognized \$12.2 million of gains in 2012 that was a legacy from sales of equipment in prior years and deferred. The total gains recognized during the year from sales of assets used in continuing operations was \$24.0 million.

⁵ Over the years I have noted in conversations with investors that the timing of our payments for capital expenditures can make it difficult to track "future free cash flow" and reconcile cash from operations in any given period with prior period outlays for equipment. The deposits and progress payments required to build ships, offshore vessels, inland boats, develop facilities, and interest cost associated with the cash laid out, tend to "front end load" payment for capital expenditures to acquire such assets or fund these projects. This contrasts with the timing of cash outlays for purchasing factory delivered helicopters, which in the last five years accounted for a major percentage of capital expenditures. Thus, as a marine asset focused business we can have substantial capital tied up, and reported as "property and equipment," for not yet delivered assets. For a list of the marine-related assets added in 2012, see Note 4 to our Consolidated Financial Statements in our 2012 Annual Report on Form 10-K on pages 119 to 122. In 2012, SEACOR spent \$239.4 million for marine equipment, improvements, upgrades, and other equipment. Although some of this money related to equipment placed in service in 2012, some was advanced as deposits and progress payments for equipment that will deliver in future periods. In a similar vein, deposits and progress payments made in prior years paid in part for vessels placed in service last year.

⁶ We also have \$15.5 million invested in other equipment, improvements, and upgrades.

⁷ We also have \$13.6 million in unfunded future capital expenditures for other equipment, improvements, and upgrades.

⁸ In the press release filed with our Form 8-K on April 11, 2013, we provided historical financial information for the years ended December 31, 2012, 2011, 2010, 2009, and 2008, adjusted to present Era Group as a discontinued operation, in addition to the operations previously reported as discontinued.



Special Cash Dividend; and, issuance of \$350 million convertible notes. If this were the Academy Awards, I would thank the entire cast by name. To everyone: thanks for many late nights.

SEACOR's portfolio now consists primarily of diverse marine service and transportation businesses, bulk transfer handling terminals, fleeting sites, grain elevators, and a small oil storage and receiving tank farm. Most of these facilities are located in the St. Louis area.⁹

We support offshore oil and gas exploration and production; move liquid and dry bulk commodities in the United States inland waterways and hold interests in joint ventures operating in South America; provide ship docking assistance in six ports from Cape Canaveral to Port Arthur; transport crude oil and petroleum products in U.S. coastwise trade; consolidate and deliver goods; and handle containers and project cargo moving from Florida to nearby Caribbean ports (and, via an investment in Trailer Bridge, Inc., to Puerto Rico).¹⁰ I expect investment in maritime assets and logistics facilities similar to those in the portfolio to be our dominant direction for the next few years. However, if other opportunities knock, we will answer the door.

At year-end we decided to issue convertible notes. The notes carry a coupon of 2.5%. Although the official maturity is 15 years, holders can "put" them back to the company after five years. Adjusted for the \$5 per share Special Cash Dividend paid last December and spin-off of Era Group, the notes are convertible at \$83.32. We opted for the convertible over straight debt in order to shrink the number of common shares outstanding. In conjunction with placing the notes, we repurchased 565,000 shares. We were able to acquire a total of 1,047,664 shares during the fourth quarter.

Past letters have discussed some of the concepts we apply to judging the productivity of our capital and equipment. This year we have also attempted to sketch an appearance of how our three marine businesses would look were the parent company's debt apportioned and attributed to the operating segments. See Table I. We have allocated the debt taking each unit's property and equipment, less financing already in place, as a percentage of total property and equipment. In order to understand better the productivity of our "working" equipment, we now track results extracting capital tied up in deposits and progress payments when computing OIBDA as a percentage of property and equipment. (See Note 5, *supra*.)

OFFSHORE MARINE SERVICES

In 2012 Offshore Marine Services produced \$131.8 million of segment profit before depreciation and amortization, a 12.8% return on average segment assets of \$1,028.5 million. Offshore OIBDA was \$125.8 million, a 10.6% return on average *gross* property and equipment of \$1,189.3 million.¹¹ OIBDA in 2012 improved about 65% over the prior year.

Chart III to Chart VI provide a profile of our offshore fleet. Table II provides quarterly data on average rates per day worked and utilization information for our fleet by type of equipment.

During the year, Offshore sold seven vessels for approximately \$126.0 million, producing gains of \$24.5 million. We recognized \$5.5 million and deferred \$19.0 million.¹² In 2012 we expensed \$27.7 million in drydockings and, for perspective, spent about 1,800 days in repair facilities.

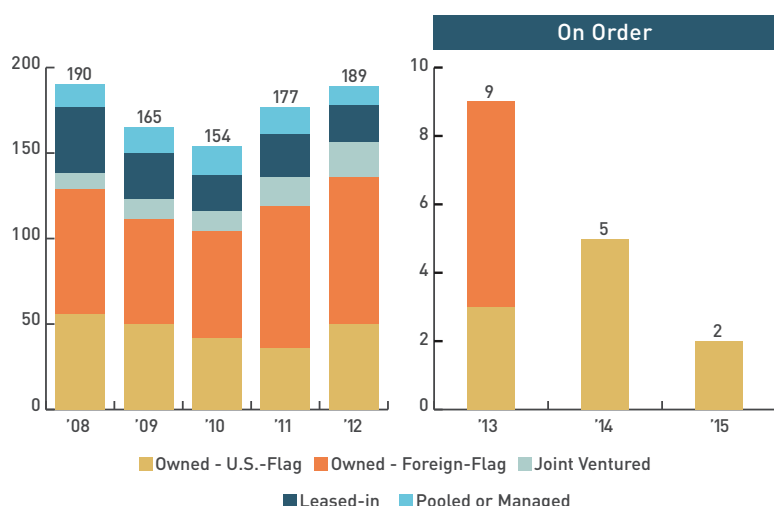
⁹ We have approximately \$94.6 million invested in the facilities and fleeting sites mentioned in the paragraph. As of December 31, 2012, we also had \$38.5 million invested in our 70% interest in a manufacturing plant in Pekin, Illinois, which processes corn into ethanol and industrial and food-grade alcohol. Our investment includes a senior note of approximately \$10 million. Within SEACOR's universe, it is ironic that the Pekin alcohol manufacturing facility, which represents a minor investment in a low margin business, is a "reporting segment" due to the level of its operating revenues.

¹⁰ We own 47.3% of Trailer Bridge, Inc. As of December 31, 2012, we had \$60.2 million invested in Trailer Bridge, Inc. Its results are reported "below the line" in equity earnings (losses) of 50% or less owned companies, net of tax. For further details, see Note 5 to our Consolidated Financial Statements in our 2012 Annual Report on Form 10-K on pages 124 and 125.

¹¹ The 12.8% return on average segment assets and the 10.6% return on average gross property and equipment were calculated similar to prior years. Eliminating capital tied up in progress payments and deposits for new or rebuilt equipment, the return on adjusted average segment assets was 14.2%, and the return on adjusted average gross property and equipment was 11.5%. For further details on the computations and reference to the most directly comparable U.S. GAAP financial measures, see Appendix II. Offshore's segment profit before depreciation and amortization includes the equity earnings of \$5.2 million from Offshore's joint ventures. For additional information on these investments, see Note 5 to our Consolidated Financial Statements in our 2012 Annual Report on Form 10-K on pages 124 to 128.

¹² In addition, Offshore recognized \$9.4 million related to gains previously deferred. Since acquiring Seabulk in July 2005, Offshore has disposed of 196 vessels and other equipment for approximately \$1,168 million, and built, acquired, and upgraded existing offshore vessels and other marine-related equipment for approximately \$877 million.

CHART III:
OFFSHORE MARINE SERVICES VESSELS
December 31,



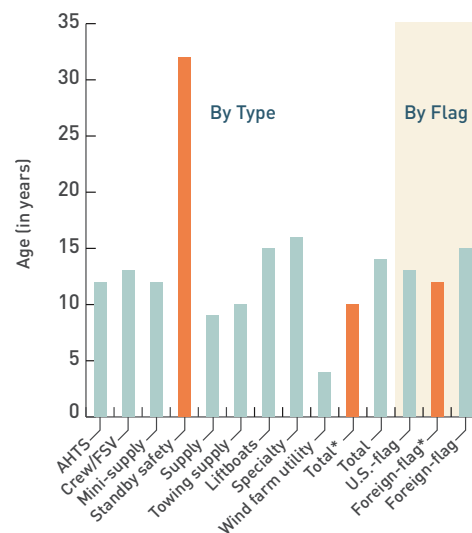
The offshore group added \$270.2 million in assets. Approximately half of this sum was the cost of 18 liftboats. We also added five vessels, including two foreign-flag platform supply vessels ("PSVs") that are now in a joint venture, one U.S.-flag anchor handling towing supply ("AHTS") vessel, one multi-purpose U.S.-flag vessel outfitted for diving support and underwater survey work, and one foreign-flag wind farm utility vessel. A substantial percentage of the cost for these vessels had been funded in prior years.¹³ At year-end, Offshore had \$62.0 million in deposits and progress payments against an order book of \$184.6 million for new vessels, including two foreign-flag, DP-3 catamarans, which will be acquired by a joint venture company;¹⁴ four foreign-flag wind farm utility vessels; six U.S.-flag, DP-2 fast support vessels ("FSVs"); and four U.S.-flag supply vessels; all of which are scheduled to deliver between 2013 and 2015.¹⁵

We believe the outlook for activity in the Gulf of Mexico is positive. As of writing this letter, there are 72 mobile drilling offshore rigs working in the Gulf, 37 in deepwater, and 35 on the "shelf." The current forecast is that at least five additional deepwater rigs should commence work during the remainder of 2013, and six additional rigs should arrive in the first quarter of 2014. In the last few months there has been an increase in "shelf" activity with four jack-up rigs returning to work. There are also four additional jack-ups "stacked" in the Gulf, which are suitable for work on the shallow shelf.¹⁶

We expect to benefit from the upturn in activity we envision in the Gulf of Mexico, but our anchor handling vessels, particularly the larger ones, which were very high revenue producers during 2008 and 2009, are not likely to enjoy the extraordinary margins of those boom years, when a lot of moored rigs were working in deepwater. The good news is that, to the best of my knowledge, no AHTS vessels are on order for the U.S. Jones Act fleet. We have upgraded our anchor handling vessels, fitting them with DP systems to enable them to maintain a fixed position in close proximity to a rig or platform. Our large AHTS vessels in the Gulf, now also serve as supply vessels, capitalizing on the DP upgrades, in addition to assisting with the placement of moored rigs on location.

Our liftboat investment met our expectations and delivered good returns. Utilization of liftboats tends to be very "seasonal." The first quarter is very

CHART IV:
OFFSHORE MARINE SERVICES
AVERAGE AGE PROFILE - OWNED FLEET
December 31,



*Total average age excludes Standby safety vessels.

¹³ This excludes one AHTS vessel that was repurchased and "resold" and leased back in the same year. We also added \$10.9 million in upgrades on existing vessels. In 2012, Offshore paid cash of \$168.8 million for capital expenditures, some of it for equipment that delivered during the year and some for deposits and progress payments for vessels that will deliver in future periods.

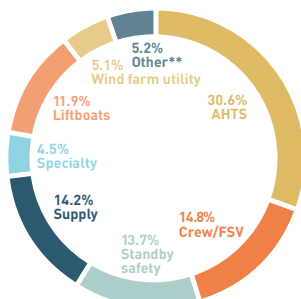
¹⁴ DP stands for "dynamic positioning" systems. The most technologically advanced DP systems have enhanced redundancy in the vessel's power, electrical, computer, and reference systems, enabling vessels to maintain accurate position-keeping even in the event of failure of one of those systems ("DP-2") and, in some cases, additionally in the event of shipboard fire or flooding ("DP-3").

¹⁵ As of December 31, 2012, we also had \$4.1 million in deposits and progress payments for upgrades and other equipment totaling \$9.0 million.

¹⁶ Source: ODS-Petrodata, Inc. (April 2013)

CHART V: HISTORICAL COST OF OFFSHORE SUPPORT VESSELS BY TYPE*

December 31, 2012
\$1,132.7 million

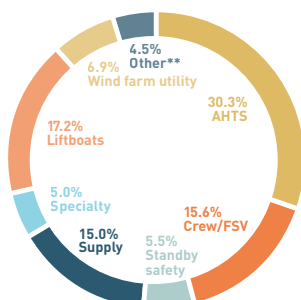


* In addition to offshore supply vessels, Offshore Marine Services owns other property and equipment amounting to \$25.5 million of historical cost. The division also has \$66.1 million invested in construction in progress.

** Other includes Mini-supply vessels, Towing supply vessels, and Machinery and equipment.

CHART VI: NET BOOK VALUE OF OFFSHORE SUPPORT VESSELS BY TYPE*

December 31, 2012
\$727.7 million



* In addition to offshore supply vessels, Offshore Marine Services owns other property and equipment amounting to \$7.9 million of net book value. The division also has \$66.1 million invested in construction in progress.

** Other includes Mini-supply vessels, Towing supply vessels, and Machinery and equipment.

slow and we use this period to do surveys and maintenance. This seasonality can cause large variation of operating income between quarters. I am optimistic for the coming year. Let's hope there are no hurricanes to disrupt summer utilization.

Excluding the North Sea PSV and AHTS vessel markets, which can be volatile, international markets were stable last year.

The coming year is shaping up as "interesting." The price of oil has been relatively steady, at least until the last couple of weeks. New exploration provinces in East Africa appear promising. Disenchantment with nuclear-generated electrical power and environmental awareness should continue to expand the global market for natural gas. Seventy-seven new rigs are expected to be delivered in 2013, and 53 additional rigs are supposed to be delivered in 2014. Appendix III presents a profile of the worldwide rig and FPSO fleets. Cassandra reminded me that rigs on order do not mean that working fleet count grows. Older rigs are reaching the end of their life. Nevertheless, the immediate outlook appears promising for increased offshore activity, even when viewed by a skeptic. Of course a sharp drop in oil prices could alter the outlook, particularly for customers who rely on cash flow from current production to fund projects.

Unfortunately, the roster of boats on order is very substantial. I hate to raid a party, but in our business it is supply that kills the goose. The supply of boats appears as if it will keep up with, or outpace, new rig capacity. The chart in Appendix IV reports 306 PSVs on order to join the fleet in 2013 and 2014. I take little comfort from the unreliability of year-end forecasts.¹⁷ The order book appears so extensive that were a lesser number of vessels to deliver than projected, supply and availability would still be ample. Capital continues to be seduced by cheaper prices now offered by shipyards. Large PSVs can now be ordered for prices ranging between \$27 million and \$29 million, depending on specific features and the yard's pedigree. To make matters worse, there are more "suppliers" of supply. Chinese yards, which have not previously built offshore support vessels, are attempting to break into the market and soliciting potential "launch" customers.

As a further note of caution, 84 rigs and 409 boats (186 Brazilian-flag) are presently working in Brazil.¹⁸ Brazil is now, in my view, the most important market for offshore rigs and vessels. To paraphrase the adage about the U.S. economy, if Brazil sneezes, the offshore industry will catch a cold. It is not clear if Brazil is sneezing, but it is most certainly sniffing. The good news is that Petrobras appears more open to working with partners to develop new fields, and willing to accept partners as field operators. Should this prove so, it would diversify the customer base.

In view of the sizable order book for new PSVs, we have resisted the temptation to take advantage of the lower prices offered by Chinese yards. In an oversupplied market, the cheapest asset is still not a safe refuge. It is simply the least unprofitable asset. We are waiting for the Fourth of July sale.

Similarly, we have refrained from ordering large U.S.-flag PSVs. Our internal estimate is that there are 52 U.S.-flag PSVs under construction ready to enter service in the next few years. There are also 17 U.S.-flag mid-size supply boats that are being stretched to augment their cargo capacity. Our offshore capital program is focused on large, fast vessels, new generation shelf boats, and wind farm utility vessels. We may miss a lot of fun as a self-appointed "designated driver."

¹⁷ Appendix IV profiles worldwide deliveries for the AHTS vessel and PSV fleets for the last 30 years. In addition, Appendix V shows numbers of vessels delivered in the past eight years and also notes the number of deliveries that had been projected as future deliveries for those years. For several years actual deliveries have fallen short of the numbers projected.

¹⁸ Sources: ODS-Petrodata, Inc. (April 2013) and ABEAM 'Frota de Embarcações de Apoio Marítimo em Operação no Brasil' (October 2012).

INLAND RIVER SERVICES

The appropriate 2012 banner headline for the inland river would appear to be a paradox:

MID-CONTINENT DROUGHT: LOW WATER SINKS BARGE OPERATOR PROFITS

I am hard-pressed to recall more than one or two years in the 30-plus that I have been in the industry when weather disrupted operations to the extent it did during the past twelve months. Operating costs soared. Transit times for voyages lengthened. Loading drafts were restricted, reducing paying cargo. In order to access its Gateway Terminal SCF was forced to dredge the channel and dock at considerable expense. These conditions persisted well into the first quarter of this year. As I write this letter, the river is close to flood stage! Another operating problem!

Notwithstanding the challenges of nature, our inland group scored \$56.5 million of segment profit before depreciation and amortization, an 11.2% return on average segment assets of \$504.3 million. Inland OIBDA was \$59.7 million, a 12.1% OIBDA return on average *gross* property and equipment of \$493.5 million.¹⁹ SCF took delivery of three hopper barges, five liquid tank barges, and added two towboats, at a cost of \$17.9 million, which had been partially advanced in prior years.²⁰ We ended the year with \$4.3 million in deposits and progress payments against an order book of about \$38 million, which consists of six 30,000 and two 10,000 barrel tank barges, and five towboats, all of which are expected to join the fleet in 2013.²¹

SCF sold ten barges and two towboats for approximately \$13.2 million, producing gains of \$5.1 million. We recognized \$4.9 million and deferred \$0.2 million.²² Chart VII to Chart X and Table III provide a profile of our inland fleet.

For farmers and barge owners forecasting harvests is an occupational obsession; believing predictions is an occupational hazard. Based on the huge volume of acres tilled last spring, the common belief was that America would produce the largest corn crop in its history. June predictions wilted with the July-August heat and dry weather. The corn crop was about 25% smaller than expected.²³ The summer drought left grain bins empty. Until America has a couple of bumper harvests the demand outlook for dry cargo barges remains uncertain. The export pipeline is virtually empty. Almost 40% of the dry cargo fleet is "tied off," (idle), and America is importing corn from South America.

Table IV chronicles the history of the price of steel and dry cargo barges. They are closely correlated. This year we have included the price of iron ore, and the rate for exchanging U.S. dollars into Australian and Brazilian currencies. I thought it would be interesting to juxtapose the price of iron ore and foreign exchange rates for the two countries that are the dominant scrap suppliers of the ore.

Appendix VI at the end of this letter shows the current inland river fleet (dry cargo and liquid tank) and the order book tracked by one of the leading publications that follows the inland industry. Our in-house view is that the number of dry cargo barges that entered service in 2012 was close to 1,000.

The good news has been that scrap prices are still firm. The current market for a scrap barge has been approximately \$65,000, which is about 15% of our

CHART VII:
INLAND RIVER SERVICES DRY CARGO BARGES
December 31,

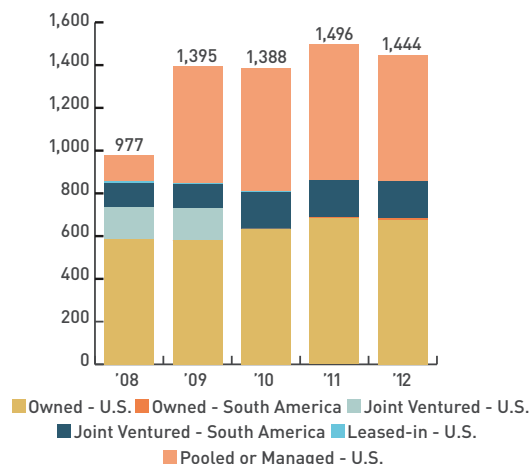
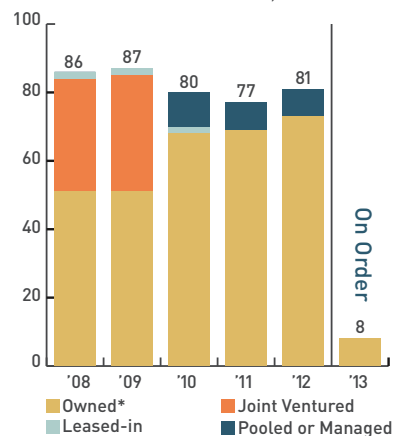


CHART VIII:
INLAND RIVER SERVICES LIQUID TANK BARGES
December 31,



*There were four liquid tank barges in South America in 2011 and 2012.

¹⁹ Inland has relatively little capital committed to deposits or progress payments, hence the return on working assets is basically the same as the returns noted in the text. For details on the computations of return on working assets and reference to the most directly comparable U.S. GAAP financial measures, see Appendix II.

²⁰ In 2012, our inland group laid out \$28.8 million for capital expenditures. Some of this cash related to deliveries during the year, and some represents deposits and progress payments for equipment that will deliver in 2013 and subsequent years. Since launching our new construction program for constructing new barges and towboats in the latter part of 2003, we built or acquired 639 barges and thirteen boats for approximately \$484 million. This excludes 73 barges that were acquired as part of our asset leasing business for approximately \$24 million and were sold to the lessee. We have also disposed of 253 barges and eight towboats for approximately \$152 million.

²¹ As of December 31, 2012, we also had deposits and progress payments of \$6.8 million, which have funded orders for \$11.3 million in other new equipment, upgrades, and improvements.

²² In addition, we recognized previously deferred gains of \$2.8 million.

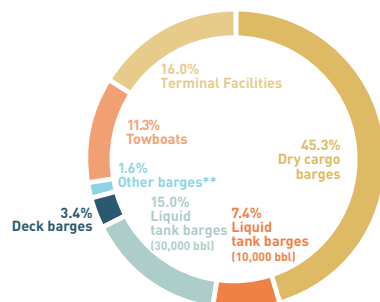
²³ The drought also impacted the operations of our Argentine and Colombian joint ventures. Those regions suffered unusual weather patterns [or what I hope was unusual].



CHART IX:
HISTORICAL COST FOR INLAND RIVER
BARGES, TOWBOATS, AND TERMINAL FACILITIES*

December 31, 2012

\$476.5 million



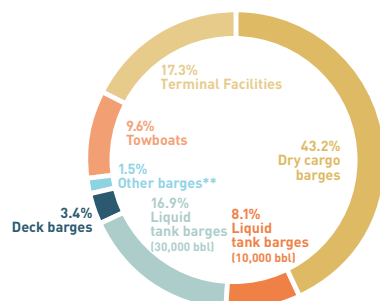
* In addition to barges, towboats, and terminal facilities, Inland River Services owns other property and equipment of \$15.2 million of historical cost. The division also has \$11.1 million invested in construction in progress.

** "Other barges" consists of those used in fleetling operations, terminal facilities, and Colombian operations.

CHART X:
NET BOOK VALUE FOR INLAND RIVER
BARGES, TOWBOATS, AND TERMINAL FACILITIES*

December 31, 2012

\$352.2 million



* In addition to barges, towboats, and terminal facilities, Inland River Services owns other property and equipment of \$12.4 million of net book value. The division also has \$11.1 million invested in construction in progress.

** "Other barges" consists of those used in fleetling operations, terminal facilities, and Colombian operations.

estimate of the cost of a new dry cargo unit. If scrap prices were to remain at these levels, retirements should continue at last year's pace or accelerate in light of the depressed freight rates.

Turning from the dreary to the uplifting, our dry bulk terminals performed well last year and for the moment they have been active, although business is "hand to mouth."

The exciting opportunity for the inland group has been in the tank barge sector, which has been as buoyant as the dry cargo has been depressed. Demand increased throughout the year. New sources of crude started moving to the river. Local movements of oil in the Houston region and Intracoastal Waterways also absorbed capacity. Our tank fleet utilization was effectively 100% of days available. As I write this letter, demand continues to be robust and appears strong enough to absorb equipment on order for this year. There can be "too much of a good thing." We will be scrutinizing (and obsessing about) the order book for 2014 and beyond.

Our Gateway terminal is described in the trade as a dual-mode transportation facility. It was constructed to handle ethanol and clean petroleum products markets. It can receive from, and load, unit trains and barges, and also accept trucked product. It has storage for 400,000 barrels. Our property has space to add an additional tank. Last year's results were dismal. In retrospect, I should have heeded one of my colleagues who, in 2011, very presciently counseled me to convert Gateway to handle crude oil. I would like to blame Gateway's poor returns on the low water problem in St. Louis, but the truth is corporate indecision cost us quite a bit of money. Better late than never!

SHIPPING SERVICES

In 2012 our shipping services fleet produced \$51.8 million of segment profit before depreciation and amortization. The group's results produced 12.2% return on average segment assets of \$425.9 million. Our shipping services group OIBDA was \$48.5 million, a 9.0% return on average *gross* property and equipment of \$540.7 million.²⁴

The group sold one foreign-flag RORO vessel and five harbor tugs for \$20.3 million, generating gains of \$7.1 million, of which \$3.1 million was recognized currently and \$4.0 million was deferred.²⁵ Chart XI and Chart XII and Table V provide a profile of our shipping fleet by asset type.

In the last months of 2012, the coastwise tanker market took off like a rocket. Time charter rates moved up significantly. I wish I could claim that I anticipated this positive development. I didn't, but notwithstanding my lack of foresight, we have benefited. All our tankers are chartered at rates considerably better than a year ago, although below the rates they would obtain in the spot market if they were available for hire today. I believe the crude oil movement that is driving demand for Jones Act tankers will continue for some time, but this benevolent situation will not last forever. Appendix VII lays out a profile of the domestic tank vessel fleet.

I have noted in past letters my concern about the impact of monetary steroids on asset values. The U.S. Federal Reserve Bank and other central banks have been injecting enormous liquidity into the global economy. (Whether the cure will be worse than the disease is for others and history to judge.) Finding very good, leaving aside compelling, opportunities is difficult. One pasture in which we have been grazing is international shipping. Last

²⁴ Shipping Services has very little capital tied up in progress payments and deposits relative to its gross and net property and equipment. For details on the computations of return on working assets and reference to the most directly comparable U.S. GAAP financial measures, see Appendix II.

²⁵ Since acquiring Seabulk in July 2005, our shipping services division has disposed of equipment for approximately \$314 million, and built, acquired, and upgraded existing equipment for approximately \$197 million.

year I alluded to our interest in this sector. Prices for new ships and secondhand vessels have continued to fall in the last twelve months. Although there is a widely held view that prices for new vessels have scraped bottom, there are still risks, in particular a weakening of the exchange rate of the Japanese yen or Korean won. Of course, time will tell if we have landed in the cellar, or if there is a sub-basement. We are evaluating opportunities every day and have made some bids, but so far we have not found the bargain we seek. We will not rush simply to shed cash, despite our frustration.

CLOSING

In conjunction with the spin-off of our aviation business, Steve Webster and Blaine ("Fin") Fogg resigned from SEACOR's board to facilitate the launch of Era Group as an independent company. In order to qualify as a spin-off, there are limits on board overlap. I want to thank them for their advice and support. SEACOR's loss is Era Group's gain. Oivind Lorentzen and I have the benefit of continuing as co-directors with them.

On a sad note, this letter ends with an obituary. One of our directors, Richard Fairbanks, passed away this year. Richard was a close friend for over 45 years. He brought a unique perspective on international affairs, drawing on years of service in the State Department, and provided wise counsel. His humor also enlivened board meetings. I, and Dick's co-directors, will miss him.

One clear benefit to shareholders from SEACOR's makeover is a shorter letter! Next year I will try to eliminate footnotes.

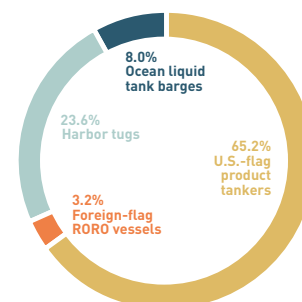
Sincerely,

Charles Fabrikant

Charles Fabrikant
Executive Chairman of the Board

CHART XI:
**HISTORICAL COST FOR SHIPPING TANKERS,
RORO VESSELS, TUGS, AND TANK BARGES***

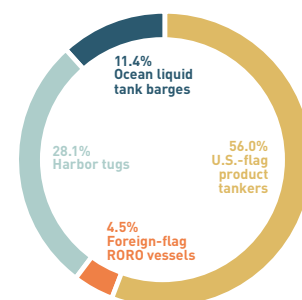
December 31, 2012
\$487.6 million



*In addition to tankers, RORO vessels, tugs, and ocean liquid tank barges, Shipping Services owns other property and equipment of \$18.4 million of historical cost. The division also has \$30.0 million invested in construction in progress.

CHART XII:
**NET BOOK VALUE FOR SHIPPING TANKERS,
RORO VESSELS, TUGS, AND TANK BARGES***

December 31, 2012
\$292.0 million



*In addition to tankers, RORO vessels, tugs, and ocean liquid tank barges, Shipping Services owns other property and equipment of \$15.2 million of net book value. The division also has \$30.0 million invested in construction in progress.



Table I: Segment Assets Adjusted for Corporate Debt (U.S. dollars, in thousands)

		December 31, 2012		
		Offshore Marine	Inland River	Shipping
Segment Assets		\$ 1,032,487	\$ 519,764	\$ 423,279
Less:	External Debt and Capital Lease Obligations (current and long-term) ¹	51,568	2,318	83,838
Less:	Pro Rata Share of Corporate Debt (\$533,185) ²	290,514	144,592	98,079
Segment Assets Adjusted for Debt ³		\$ 690,405	\$ 372,854	\$ 241,362

¹ In addition to the external current and long-term debt and capital lease obligations related to the marine segments and the corporate debt of \$533.2 million, we have \$9.3 million of external financing for the alcohol manufacturing and agriculture commodity trading and logistics businesses.

² The pro rata share of corporate debt of \$533.2 million is divided among the three main marine businesses by taking the property and equipment for each unit less the external current and long-term debt and capital lease obligations for each unit presented above divided by the sum of the three units' property and equipment less external financing.

³ Segment assets adjusted for debt is a non-U.S. GAAP financial measure and calculated as segment assets less external current and long-term debt and capital lease obligations less pro rata share of corporate debt.

Table II: Average Rates Per Day Worked and Utilization

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
RATES PER DAY WORKED:					
Anchor handling towing supply	\$ 27,187	\$ 30,928	\$ 24,541	\$ 22,794	\$ 25,059
Crew	7,166	7,803	7,134	7,267	7,231
Mini-supply	7,948	7,409	7,424	7,735	7,664
Standby safety	9,254	9,230	9,679	9,806	10,001
Supply	15,755	16,662	14,354	16,567	16,599
Towing supply	8,497	9,301	9,269	8,265	9,573
Specialty	17,845	12,964	14,557	26,195	20,635
Liftboats	-	-	17,454	19,830	20,673
Wind farm utility	-	2,431	2,802	2,882	2,653
Overall Average Rates Per Day Worked	12,187	10,839	10,019	10,552	11,160
UTILIZATION:					
Anchor handling towing supply	70%	77%	63%	57%	63%
Crew	78%	79%	84%	94%	91%
Mini-supply	96%	98%	98%	88%	85%
Standby safety	90%	86%	87%	89%	87%
Supply	82%	84%	75%	77%	87%
Towing supply	44%	48%	51%	54%	94%
Specialty	70%	62%	45%	59%	57%
Liftboats	-	-	70%	82%	80%
Wind farm utility	-	86%	93%	96%	88%
Overall Fleet Utilization	80%	82%	80%	85%	84%

Table III: Inland River Other Equipment Fleet Count

	DECEMBER 31,					ON ORDER
	2008	2009	2010	2011	2012	2013
Deck barges*	26	26	26	20	20	-
Towboats**						
4,000 hp-6,250 hp	9	13	16	16	16	-
3,300 hp-3,900 hp	1	1	1	1	1	-
Less than 3,200 hp	12	15	15	14	14	5
Dry-cargo vessel***	-	1	1	1	1	-
	48	56	59	52	52	5

*All deck barges are owned. **Count includes owned and joint ventured equipment. As of December 31, 2012, there were a total of eleven towboats operating in South America (two owned and nine in a joint venture). This is compared with December 31, 2008, when we had five towboats in South America, all of which were in a joint venture. ***The dry-cargo vessel is held in a South American joint venture.

Table IV: Pricing Highlights

	Dry Cargo Open Hopper Barges	Spot Price Plate USA Domestic FOB Midwest (USD/short ton)			AUD/USD Exchange Rates			BRL/USD Exchange Rates			Iron Ore Monthly Price Range (USD/Dry Metric Ton)		
	Newbuild Pricing	Avg.	Max.	Min.	Avg.	Max.	Min.	Avg.	Max.	Min.	Avg.	Max.	Min.
2000	210,000	341	350	325	0.58	0.67	0.51	0.55	0.58	0.50	12.45	12.45	12.45
2001	215,000	291	295	278	0.52	0.57	0.48	0.43	0.52	0.35	12.99	12.99	12.99
2002	225,000	324	340	290	0.54	0.58	0.51	0.35	0.44	0.25	12.68	12.68	12.68
2003	240,000	332	380	320	0.65	0.75	0.56	0.33	0.36	0.27	13.82	13.82	13.82
2004	335,000	653	833	430	0.74	0.80	0.68	0.34	0.38	0.31	16.39	16.39	16.39
2005	370,000	743	803	675	0.76	0.80	0.72	0.41	0.46	0.36	28.11	28.11	28.11
2006	405,000	782	810	765	0.75	0.79	0.71	0.46	0.49	0.43	33.45	33.45	33.45
2007	450,000	785	810	760	0.84	0.93	0.77	0.52	0.58	0.46	36.63	36.63	36.63
2008	560,000	1,180	1,450	850	0.85	0.98	0.60	0.56	0.64	0.40	61.56	69.98	60.80
2009	480,000	627	810	540	0.79	0.94	0.63	0.51	0.59	0.41	79.99	105.25	59.78
2010	576,000	749	830	630	0.92	1.02	0.81	0.57	0.61	0.53	146.72	172.47	125.91
2011	566,000	971	1,050	870	1.03	1.10	0.95	0.60	0.65	0.52	167.79	187.18	135.54
2012	566,000	850	957	741	1.04	1.08	0.97	0.51	0.59	0.47	128.52	147.65	99.47
2013	470,000	731	756	708	1.04	1.06	1.02	0.50	0.51	0.49	152.57	154.64	150.49

Table V: Shipping Services Fleet Count

	2008					2012				
	Owned	Joint Ventured	Leased-in	Managed	Total	Owned	Joint Ventured	Leased-in	Managed	Total
U.S.-flag product tankers	8	-	-	-	8	5	-	2	1	8
U.S.-flag container vessel	-	-	-	-	-	-	-	-	1	1
U.S.-flag articulated tug-barge	-	-	-	-	-	-	1	-	-	1
U.S.-flag deck barges*	-	-	-	-	-	-	5	-	-	5
U.S.-flag RORO barges*	-	-	-	-	-	-	2	-	-	2
Azimuth drive harbor tugs**	14	-	2	-	16	12	-	3	-	15
Conventional drive harbor tugs	17	-	2	-	19	11	-	-	-	11
Ocean liquid tank barges	3	-	-	-	3	5	-	-	-	5
Foreign-flag RORO vessels	-	-	-	-	-	7	-	-	-	7
	42	-	4	-	46	40	8	5	2	55

*Represents vessels in the Trailer Bridge, Inc. joint venture. **There are four U.S.-flag harbor tugs on order with expected deliveries in 2013.

APPENDIX I: Corporate Performance

SEACOR Holdings Inc.									
	Return on Equity ¹	Return on Equity (Pre-tax) ²	Total Debt to Total Capital ³	Net Debt to Total Capital ⁴	Book Value Per Share ⁵	Market Price Per Share ⁶	Book Value Per Share ⁷	Market Price Per Share with Dividends Included	S&P 500 Index with Dividends Included
	Annual Percentage Change								
1992	—	—	—	—	\$ 7.84	\$ 7.76	—	—	—
1993	11.0%	17.8%	51.6%	31.9%	8.72	12.73	11.2%	61.4%	10.1%
1994	10.4%	14.9%	47.3%	22.4%	9.81	10.62	12.5%	(15.2)%	1.3%
1995	11.9%	17.6%	40.9%	31.6%	12.27	14.70	25.1%	38.5%	37.6%
1996	21.8%	33.6%	38.5%	12.4%	16.92	34.31	37.9%	133.3%	23.0%
1997	33.9%	51.4%	41.5%	(2.6)%	22.74	32.81	34.4%	(4.4)%	33.4%
1998	26.6%	39.3%	45.2%	3.4%	28.55	26.92	25.5%	(17.9)%	28.6%
1999	5.7%	8.5%	46.2%	19.2%	29.97	28.18	5.0%	4.7%	21.0%
2000	6.7%	10.8%	40.7%	3.6%	32.28	42.99	7.7%	52.5%	(9.1)%
2001	12.8%	19.2%	28.0%	3.1%	37.03	37.90	14.7%	(11.8)%	(11.9)%
2002	6.3%	9.4%	33.3%	(10.2)%	40.41	36.35	9.1%	(4.1)%	(22.1)%
2003	1.5%	2.8%	30.1%	(9.6)%	41.46	34.33	2.6%	(5.6)%	28.7%
2004	2.6%	3.7%	39.4%	3.4%	45.20	43.62	9.0%	27.1%	10.9%
2005	20.1%	23.4%	40.3%	11.4%	56.04	55.63	24.0%	27.5%	4.9%
2006	16.5%	25.3%	37.0%	0.3%	64.52	80.99	15.1%	45.6%	15.8%
2007	15.0%	23.1%	35.7%	(3.4)%	72.73	75.76	12.7%	(6.5)%	5.5%
2008	13.3%	20.0%	36.4%	10.9%	81.44	54.45	12.0%	(28.1)%	(37.0)%
2009	8.8%	13.9%	28.7%	(2.4)%	86.56	62.29	6.3%	14.4%	26.5%
2010	12.5%	19.7%	28.6%	(5.4)%	83.52	95.37	13.8%	52.5%	15.1%
2011	2.3%	3.5%	36.6%	7.9%	85.49	83.93	2.0%	(12.0)%	2.1%
2012	3.4%	5.8%	35.5%	16.8%	86.17	83.80	5.7%	(0.1)%	16.0%
							Compounded Annual Growth Rate ("CAGR")		
CAGR (1992-2012)							12.7%	12.6%	8.1%
CAGR (2002-2012)							7.9%	8.6%	7.0%
CAGR (2007-2012)							3.4%	1.9%	1.7%

¹ Return on equity is calculated as net income attributable to SEACOR Holdings Inc. divided by SEACOR Holdings Inc. stockholders' equity at the beginning of the year.

² Return on equity (pre-tax) is calculated as net income attributable to SEACOR Holdings Inc. plus income tax expense of continuing operations plus income tax expense of discontinued operations, a non-U.S. GAAP financial measure, divided by SEACOR Holdings Inc. stockholders' equity at the beginning of the year.

³ Total debt to total capital is calculated as total debt divided by the sum of total debt and total equity. Total equity is defined as SEACOR Holdings Inc. stockholders' equity plus noncontrolling interests in subsidiaries. Amounts presented do not exclude the discontinued operations of the National Response Corporation and certain affiliates, SEACOR Energy Inc., and Era Group Inc.

⁴ Net debt to total capital is calculated as total debt less cash and near cash assets divided by the sum of total debt and total equity. Total equity is defined as SEACOR Holdings Inc. stockholders' equity plus noncontrolling interests in subsidiaries. Amounts presented do not exclude the discontinued operations of the National Response Corporation and certain affiliates, SEACOR Energy Inc., and Era Group Inc.

⁵ Total book value per common share is calculated as SEACOR Holdings Inc. stockholders' equity divided by common shares outstanding at the end of the period. Amounts presented from 1992 to 1999 have been adjusted for the three-for-two stock split effective June 15, 2000. Book value per share from 2010 to 2012 was impacted by the Special Cash Dividends of \$15.00 per common share and \$5.00 per common share paid to stockholders on December 14, 2010 and December 17, 2012, respectively.

⁶ This represents adjusted closing prices at December 31. Amounts presented from 1992 to 1999 have been adjusted for the three-for-two stock split effective June 15, 2000. Amounts presented from 1992 to 2009 have been adjusted for the Special Cash Dividend of \$15.00 per common share paid to shareholders of record on December 14, 2010. Amounts presented from 1992 to 2011 have been adjusted for the Special Cash Dividend of \$5.00 per common share paid to shareholders of record on December 17, 2012. Amounts presented have not been adjusted for the spin-off of Era Group Inc. on January 31, 2013.

⁷ In this year's presentation, the annual percentage change from 2009 to 2010, 2010 to 2011, and 2011 to 2012 were adjusted to add back the Special Cash Dividends of 2010 and 2012.

APPENDIX II: Asset-Intensive Business Segments Financial Highlights¹ (U.S. dollars, in thousands, except ratios)

For the years ended December 31,

	2012	2011	2010	2009	2008
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OFFSHORE MARINE SERVICES

Operating Revenues	519,817	376,788	515,856	562,291	708,728
Gains on Asset Dispositions and Impairments, Net	14,876	14,661	29,474	22,490	69,206
Capital Expenditures	168,778	88,248	80,172	39,135	113,306

Reconciliations of Certain Non-U.S. GAAP Financial Measures

	Segment Profit	70,268	32,933	144,117	185,571	284,410
Plus:	Depreciation and Amortization	61,542	48,477	51,760	54,869	55,634
	Segment Profit Before Depreciation and Amortization ²	131,810	81,410	195,877	240,440	340,044
	Average Segment Assets ³	1,028,495	824,424	899,807	999,809	1,039,969
Less:	Average Construction in Progress ⁴	97,684	64,237	41,550	61,072	142,098
	Adjusted Average Segment Assets ⁵	930,811	760,187	858,257	938,737	897,871
	Return on Average Segment Assets ⁶	12.8%	9.9%	21.8%	24.0%	32.7%
	Return on Adjusted Average Segment Assets ⁷	14.2%	10.7%	22.8%	25.6%	37.9%
	Operating Income	64,218	26,568	133,188	173,246	273,776
Plus:	Depreciation and Amortization	61,542	48,477	51,760	54,869	55,634
	Operating Income Before Depreciation and Amortization ⁸	125,760	75,045	184,948	228,115	329,410
	Average Gross Property and Equipment ⁹	1,189,276	987,951	1,007,017	1,072,397	1,101,428
Less:	Average Construction in Progress ⁴	97,684	64,237	41,550	61,072	142,098
	Adjusted Average Gross Property and Equipment ¹⁰	1,091,592	923,714	965,467	1,011,325	959,330
	Return on Average Gross Property and Equipment ¹¹	10.6%	7.6%	18.4%	21.3%	29.9%
	Return on Adjusted Average Gross Property and Equipment ¹²	11.5%	8.1%	19.2%	22.6%	34.3%

INLAND RIVER SERVICES

Operating Revenues	226,561	187,657	161,697	155,098	144,002
Gains on Asset Dispositions	7,666	2,964	31,928	4,706	10,394
Capital Expenditures	28,818	44,693	23,610	14,711	54,562

Reconciliations of Certain Non-U.S. GAAP Financial Measures

	Segment Profit	28,210	40,429	70,980	46,121	47,932
Plus:	Depreciation and Amortization	28,270	23,494	20,721	19,357	16,582
	Segment Profit Before Depreciation and Amortization ²	56,480	63,923	91,701	65,478	64,514
	Average Segment Assets ³	504,308	448,200	411,585	392,393	360,829
Less:	Average Construction in Progress ⁴	11,815	10,329	1,625	4,793	16,594
	Adjusted Average Segment Assets ⁵	492,493	437,871	409,960	387,600	344,235
	Return on Average Segment Assets ⁶	11.2%	14.3%	22.3%	16.7%	17.9%
	Return on Adjusted Average Segment Assets ⁷	11.5%	14.6%	22.4%	16.9%	18.7%
	Operating Income	31,437	36,289	65,035	42,239	47,528
Plus:	Depreciation and Amortization	28,270	23,494	20,721	19,357	16,582
	Operating Income Before Depreciation and Amortization ⁸	59,707	59,783	85,756	61,596	64,110
	Average Gross Property and Equipment ⁹	493,531	442,811	367,715	337,180	296,340
Less:	Average Construction in Progress ⁴	11,815	10,329	1,625	4,793	16,594
	Adjusted Average Gross Property and Equipment ¹⁰	481,716	432,482	366,090	332,387	279,746
	Return on Average Gross Property and Equipment ¹¹	12.1%	13.5%	23.3%	18.3%	21.6%
	Return on Adjusted Average Gross Property and Equipment ¹²	12.4%	13.8%	23.4%	18.5%	22.9%

**APPENDIX II (CONT'D): Asset-Intensive Business Segments Financial Highlights¹** (U.S. dollars, in thousands, except ratios)

For the years ended December 31,

	2012	2011	2010	2009	2008
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SHIPPING SERVICES

Operating Revenues	180,036	161,307	147,632	156,708	186,172
Gains (Losses) on Asset Dispositions and Impairments, Net	3,128	1,355	(17,485)	363	3,782
Capital Expenditures	31,235	24,308	7,957	23,194	24,536

Reconciliations of Certain Non-U.S. GAAP Financial Measures

	Segment Profit (Loss)	21,161	23,642	(3,590)	13,260	16,723
Plus:	Depreciation and Amortization	30,635	30,214	37,181	40,177	39,752
	Segment Profit Before Depreciation and Amortization ²	51,796	53,856	33,591	53,437	56,475
	Average Segment Assets ³	425,860	394,948	508,217	552,952	577,505
Less:	Average Construction in Progress ⁴	21,606	16,644	4,171	6	7,482
	Adjusted Average Segment Assets ⁵	404,254	378,304	504,046	552,946	570,023
	Return on Average Segment Assets ⁶	12.2%	13.6%	6.6%	9.7%	9.8%
	Return on Adjusted Average Segment Assets ⁷	12.8%	14.2%	6.7%	9.7%	9.9%
	Operating Income (Loss)	17,851	23,439	(3,652)	13,123	16,802
Plus:	Depreciation and Amortization	30,635	30,214	37,181	40,177	39,752
	Operating Income Before Depreciation and Amortization ⁸	48,486	53,653	33,529	53,300	56,554
	Average Gross Property and Equipment ⁹	540,672	555,026	674,336	686,044	670,608
Less:	Average Construction in Progress ⁴	21,606	16,644	4,171	6	7,482
	Adjusted Average Gross Property and Equipment ¹⁰	519,066	538,382	670,165	686,038	663,126
	Return on Average Gross Property and Equipment ¹¹	9.0%	9.7%	5.0%	7.8%	8.4%
	Return on Adjusted Average Gross Property and Equipment ¹²	9.3%	10.0%	5.0%	7.8%	8.5%

¹ Operating revenues, gains (losses) on asset dispositions and impairments, net, segment profit (loss), depreciation and amortization, operating income, and capital expenditures have been extracted from Note 16 to our Consolidated Financial Statements in our 2012 Annual Report on Form 10-K on pages 145 to 147.

² Segment profit before depreciation and amortization is a non-U.S. GAAP financial measure and calculated as segment profit (loss) plus depreciation and amortization.

³ Average segment assets is computed by averaging the beginning and ending quarterly values during the period. Segment assets includes net property and equipment; and items such as: receivables; goodwill; intangibles; prepaid expenses; and investments, at equity, and advances to 50% or less owned companies, if any. Net property and equipment takes into account depreciation (and also includes construction in progress). Segment assets has been extracted from our Quarterly Reports on Form 10-Q and our Annual Report on Form 10-K for all of the business units.

⁴ Average construction in progress is computed by averaging the beginning and ending quarterly values during the period. Construction in progress is reported under property and equipment and represents items such as progress payments and deposits on new equipment and upgrades on existing equipment in process.

⁵ Adjusted average segment assets is a non-U.S. GAAP financial measure and calculated as average segment assets less average construction in progress.

⁶ Return on average segment assets is calculated as segment profit before depreciation and amortization, a non-U.S. GAAP financial measure, divided by average segment assets.

⁷ Return on adjusted average segment assets is calculated as segment profit before depreciation and amortization, a non-U.S. GAAP financial measure, divided by adjusted average segment assets, a non-U.S. GAAP financial measure.

⁸ Operating income before depreciation and amortization ("OIBDA") is a non-U.S. GAAP financial measure and calculated as operating income (loss) plus depreciation and amortization.

⁹ Average gross property and equipment is computed by averaging the beginning and ending quarterly values during the period. Gross property and equipment is our historical cost, not replacement cost, and it reflects what we paid at the time the equipment was purchased, or the fair value for equipment acquired in a corporate transaction. It is also important to highlight that gross property and equipment for our business includes assets under construction. In our businesses, the price for assets, even identical assets, can move up and down over time. A new barge in 2013 could conceivably cost less than a new barge in 2010 or 2011. To the extent that we continually reinvest, a certain percentage of our gross property account is somewhat reflective of replacement cost for our equipment. Therefore, we believe gross property is a better approximation than net property and equipment. In our SEC filings, we disclose net property and equipment by segment, which reflects depreciation. We do not disclose total gross property and equipment by business unit; however, for historical cost for major classes of equipment refer to Note 1 to our Consolidated Financial Statements in our 2012 Annual Report on Form 10-K on page 109.

¹⁰ Adjusted average gross property and equipment is a non-U.S. GAAP financial measure and calculated as average gross property and equipment less average construction in progress.

¹¹ Return on average gross property and equipment is calculated as operating income before depreciation and amortization, a non-U.S. GAAP financial measure, divided by average gross property and equipment. We believe this metric is a better indicator of returns achievable in a sustainable business than segment profit before depreciation and amortization as a percent of average segment assets.

¹² Return on adjusted average gross property and equipment is calculated as operating income before depreciation and amortization, a non-U.S. GAAP financial measure, divided by adjusted average gross property and equipment, a non-U.S. GAAP financial measure. We believe this metric is a better indicator of returns for our working fleet than operating income before depreciation and amortization as a percent of average gross property and equipment.

APPENDIX III: Offshore Industry Highlights

WORLDWIDE OFFSHORE RIG SUPPLY FLEET PROFILE

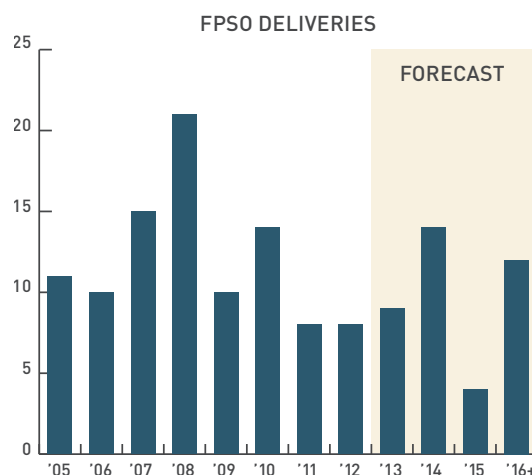
				Floaters									
	Jack-ups			Semi-submersibles			Drillships			Total			
Year	Additions	Deletions	Existing Fleet	Additions	Deletions	Existing Fleet	Additions	Deletions	Existing Fleet	Additions	Deletions	Existing Fleet	
1982	92	-	428	13	1	131	4	-	56	109	1	615	
1983	29	7	450	26	1	156	2	1	57	57	9	663	
1984	11	6	455	10	5	161	-	2	55	21	13	671	
1985	7	9	453	6	3	164	1	2	54	14	14	671	
1986	5	11	447	6	3	167	-	-	54	11	14	668	
1987	2	11	438	3	7	163	1	9	46	6	27	647	
1988	4	8	434	5	3	165	-	6	40	9	17	639	
1989	1	17	418	2	5	162	-	4	36	3	26	616	
1990	1	3	416	1	1	162	-	1	35	2	5	613	
1991	2	11	407	2	-	164	-	-	35	4	11	606	
1992	3	10	400	-	8	156	-	3	32	3	21	588	
1993	2	8	394	-	5	151	-	6	26	2	19	571	
1994	-	3	391	-	5	146	-	2	24	-	10	561	
1995	2	5	388	-	4	142	-	1	23	2	10	553	
1996	-	4	384	1	2	141	-	-	23	1	6	548	
1997	-	2	382	-	-	141	-	1	22	-	3	545	
1998	4	2	384	4	1	144	2	-	24	10	3	552	
1999	4	1	387	8	-	152	5	-	29	17	1	568	
2000	4	1	390	3	-	155	9	-	38	16	1	583	
2001	-	1	389	9	-	164	1	-	39	10	1	592	
2002	5	3	391	1	-	165	-	-	39	6	3	595	
2003	3	5	389	1	3	163	-	-	39	4	8	591	
2004	4	7	386	2	4	161	-	3	36	6	14	583	
2005	9	7	388	4	2	163	4	2	38	17	11	589	
2006	12	2	398	1	-	164	-	-	38	13	2	600	
2007	16	1	413	1	-	165	1	1	38	18	2	616	
2008	30	4	439	6	-	171	3	-	41	39	4	651	
2009	24	7	456	15	1	185	8	-	49	47	8	690	
2010	23	1	478	12	2	195	10	-	59	45	3	732	
2011	17	13	482	14	1	208	17	-	76	48	14	766	
2012	13	16	479	10	1	217	9	1	84	32	18	780	
FORECAST	2013	55	-	534	1	-	218	21	-	105	77	-	857
	2014	27	-	561	5	-	223	21	-	126	53	-	910
	2015	32	-	593	8	-	231	8	-	134	48	-	958
	2016	1	-	594	2	-	233	8	-	142	11	-	969
	2017	-	-	594	1	-	234	6	-	148	7	-	976
	2018	-	-	594	2	-	236	5	-	153	7	-	983
	2019	-	-	594	1	-	237	4	-	157	5	-	988
	2020	-	-	594	-	-	237	1	-	158	1	-	989
Total	444	186	594	186	68	237	151	45	158	781	299	989	

Source: ODS-Petrodata, Inc. (April 2013)

WORLDWIDE OFFSHORE FLOATING PRODUCTION, STORAGE, AND OFFLOADING ("FPSO") FLEET PROFILE

Year-End	Existing Fleet
2009	160
2010	170
2011	176
2012	182

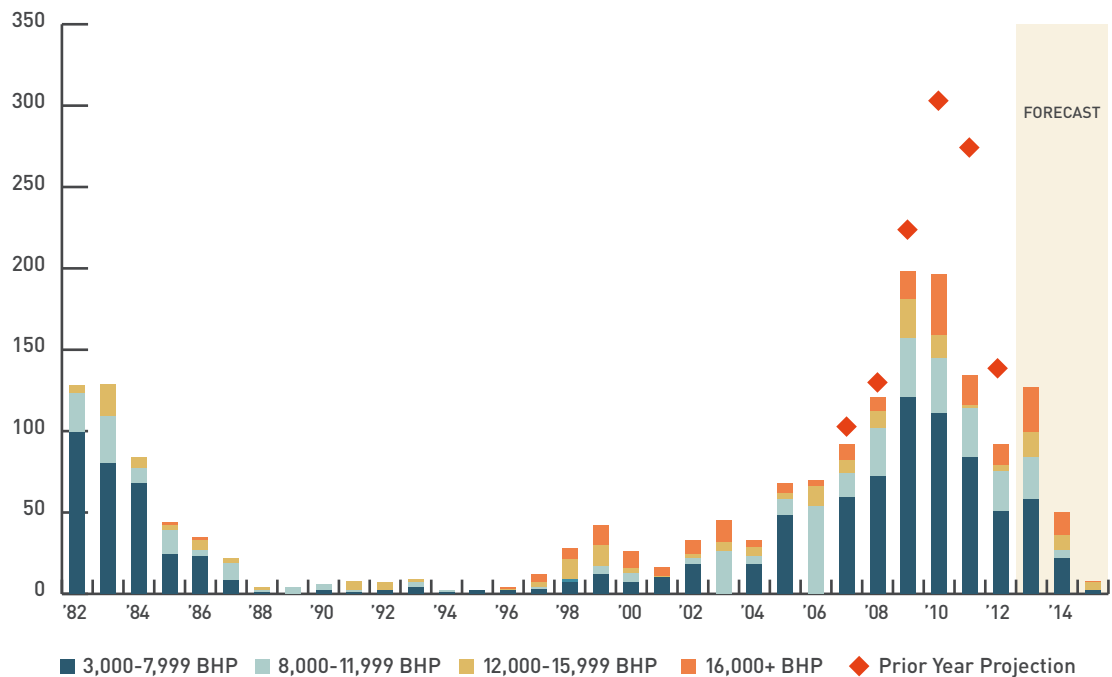
Source: Clarkson Research Services (January 2013)



APPENDIX IV: Offshore Marine Industry Fleet Profile

AHTS VESSEL NEWBUILDING DELIVERIES

1982-2015

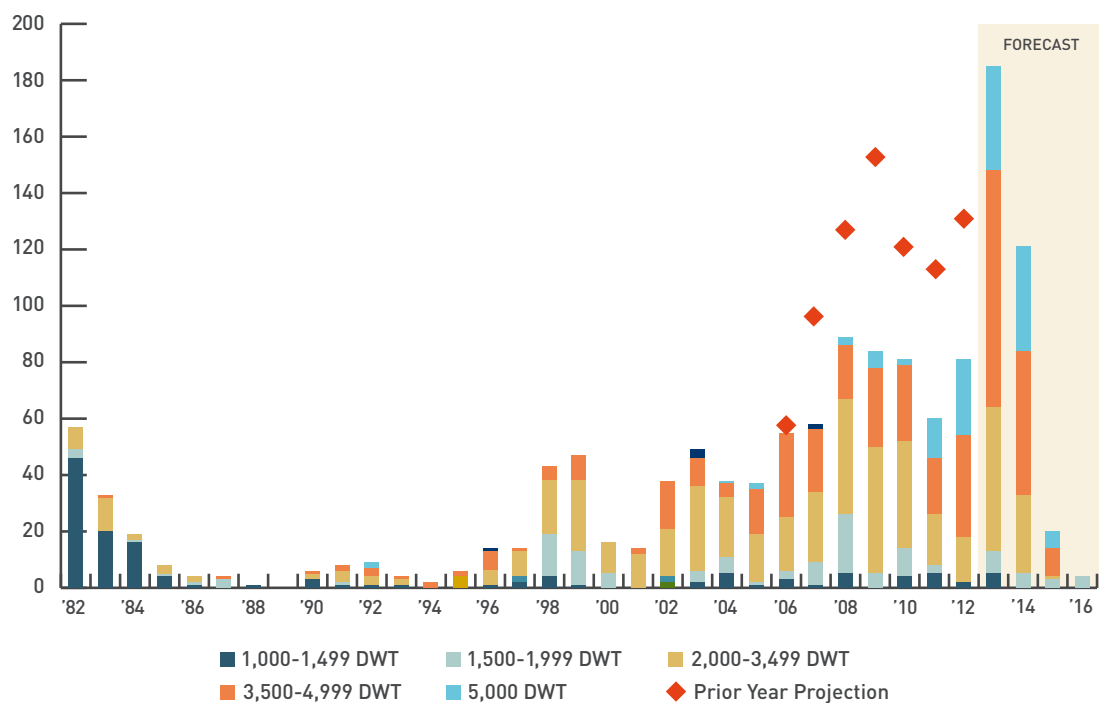


BHP = Brake Horsepower

©Fearnley Offshore Supply (March 2013)

PSV NEWBUILDING DELIVERIES

1982-2016



DWT = Deadweight Tons

©Fearnley Offshore Supply (March 2013)

APPENDIX V: Offshore Marine Industry Fleet Profile

The following table summarizes the predicted deliveries for the last eight years, which was supplied by Fearnley Offshore Supply ("Fearnley") and provided in our annual letters (in a chart format). The variances represent the revisions made from the prior year estimated counts as more information concerning actual delivery details is collected. Those tracking the industry are quite careful to cross reference various sources of information, and given the size of the market and the various shipyards involved, it is difficult to get precise information at any given point in time. As an example, it would appear from the table below that Fearnley has unearthed one additional 2005 anchor handling towing supply ("AHTS") vessel delivery in March 2013 than in the previous year. Therefore, as of March 2013, Fearnley has reported that 68 AHTS vessels delivered in 2005 compared with the initial estimates of 50 in February 2006. Fast forward to recent years, actual vessel deliveries since 2008 are well below estimates, primarily due to the financial meltdown. As information continues to surface, we would expect revisions to the estimates next year.

The shaded numbers in orange below represent forward projected deliveries, whereas the other numbers represent prior year projected deliveries based on the information provided in the annual letters.

AHTS VESSEL NEWBUILDING DELIVERIES

	2005	2006	2007	2008	2009	2010	2011	2012	2013
Projected Deliveries — February 2006	50	79							
Projected Deliveries — February 2007	56	75	116						
Variance from Prior Year Projections	6	(4)							
Projected Deliveries — February 2008	64	62	86	221					
Variance from Prior Year Projections	8	(13)	(30)						
Projected Deliveries — February 2009	65	63	88	97	301				
Variance from Prior Year Projections	1	1	2	(124)					
Projected Deliveries — February 2010	58	61	92	112	209	270			
Variance from Prior Year Projections	(7)	(2)	4	15	(92)				
Projected Deliveries — February 2011	65	66	94	116	190	175	173		
Variance from Prior Year Projections	7	5	2	4	(19)	(95)			
Projected Deliveries — March 2012	67	70	67	118	198	197	128	132	
Variance from Prior Year Projections	2	4	(27)	2	8	22	(45)		
Projected Deliveries — March 2013	68	70	92	121	198	196	134	92	127
Variance from Prior Year Projections	1	-	25	3	-	(1)	6	(40)	

Source: Fearnley Offshore Supply

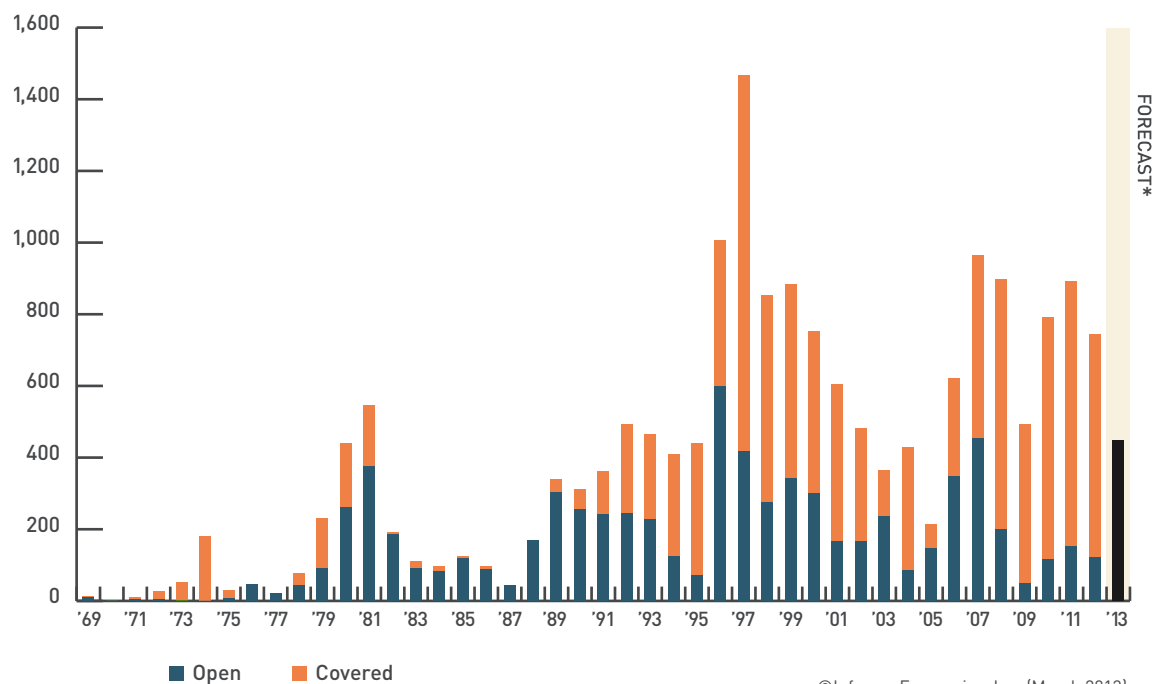
PLATFORM SUPPLY VESSELS ("PSVs") NEWBUILDING DELIVERIES

	2005	2006	2007	2008	2009	2010	2011	2012	2013
Projected Deliveries — February 2006	41	57							
Projected Deliveries — February 2007	44	51	99						
Variance from Prior Year Projections	3	(6)							
Projected Deliveries — February 2008	44	48	51	127					
Variance from Prior Year Projections	-	(3)	(48)						
Projected Deliveries — February 2009	44	49	52	84	151				
Variance from Prior Year Projections	-	1	1	(43)					
Projected Deliveries — February 2010	45	51	56	91	71	120			
Variance from Prior Year Projections	1	2	4	7	(80)				
Projected Deliveries — February 2011	41	49	55	87	75	52	116		
Variance from Prior Year Projections	(4)	(2)	(1)	(4)	4	(68)			
Projected Deliveries — March 2012	40	52	58	87	82	79	60	130	
Variance from Prior Year Projections	(1)	3	3	-	7	27	(56)		
Projected Deliveries — March 2013	37	55	58	89	84	81	60	81	185
Variance from Prior Year Projections	(3)	3	-	2	2	2	-	(49)	

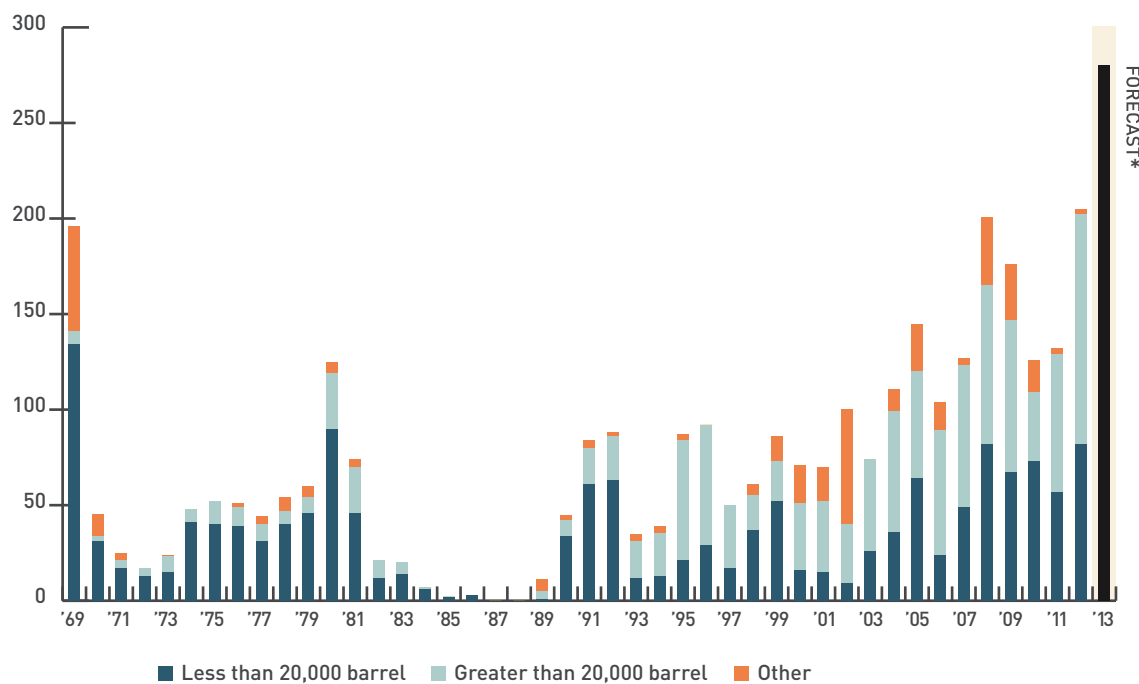
Source: Fearnley Offshore Supply

APPENDIX VI: Domestic Inland River Industry Fleet Profile

DRY CARGO BARGES IN OPERATION BY YEAR OF CONSTRUCTION¹



LIQUID TANK BARGES IN OPERATION BY YEAR OF CONSTRUCTION²



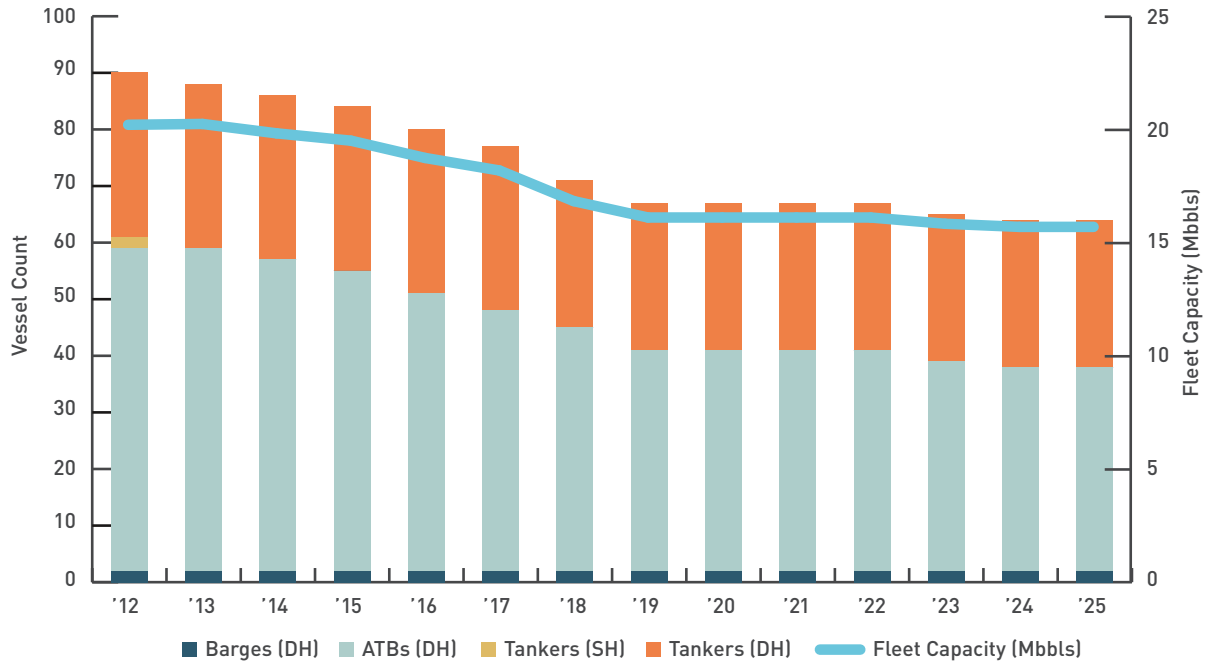
**River Transport News* (January and February 2013)

¹ Information may differ from others who track similar data. According to *River Transport News*, a total of 1,076 new jumbo hopper barges entered the fleet in 2012. This is compared with 745 as reported by Informa Economics, Inc.

² Information may differ from others who track similar data. According to *River Transport News*, a total of 261 new tank barges entered the fleet in 2012. This is compared with 205 as reported by Informa Economics, Inc. We believe the "less than 20,000 barrel" class and the "greater than 20,000 barrel" class consists primarily of 10,000 barrel liquid tank barges and 30,000 barrel liquid tank barges, respectively. Other consists of independent, specialty, and all other liquid cargo barges.

APPENDIX VII: Domestic Tank Vessel Fleet Profile

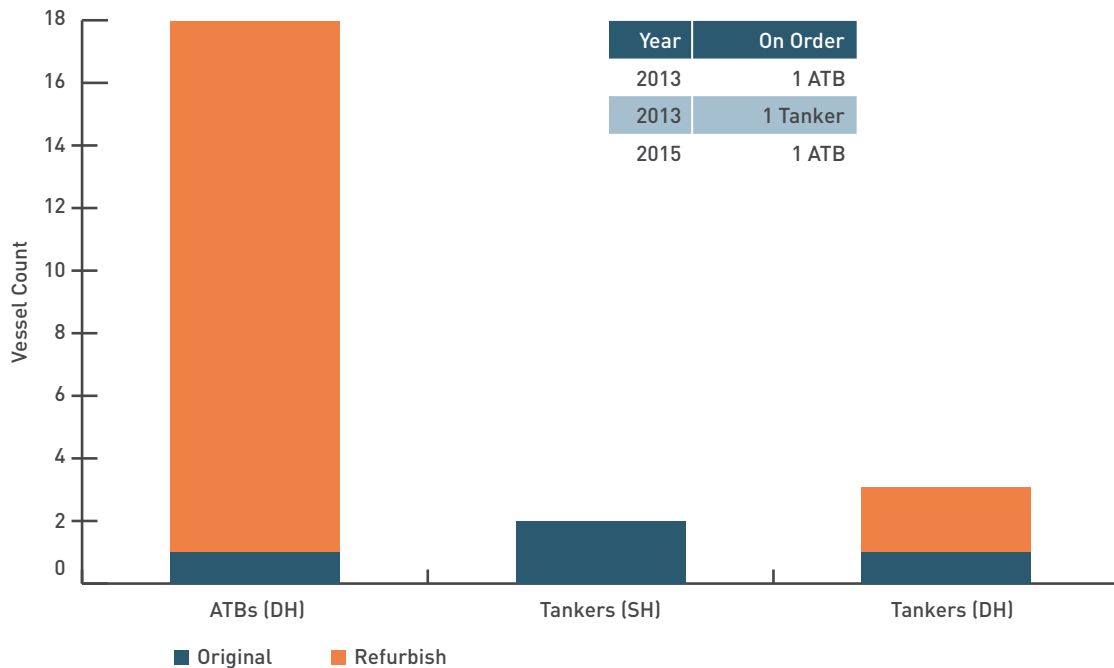
PROJECTED U.S.-FLAG TANK VESSELS IN OPERATION 2012–2026 (Greater than 19,000 DWT)



ATB = Articulated Tug-Barge DH = Double-hull SH = Single-hull

Sources: Mallory, Jones, Lynch, Flynn & Associates, Inc., public filings and internal estimates (March 2013)

U.S.-FLAG TANK VESSELS IN OPERATION OLDER THAN 25 YEARS OF AGE (Greater than 19,000 DWT)



U.S.-FLAG TANK VESSELS ON ORDER (Greater than 19,000 DWT)

Year	On Order
2013	1 ATB
2013	1 Tanker
2015	1 ATB

ATB = Articulated Tug-Barge DH = Double-hull SH = Single-hull

Sources: Mallory, Jones, Lynch, Flynn & Associates, Inc., public filings and internal estimates (March 2013)