



Cal Dive Second Quarter Earnings Increase 92%

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Houston, TX-Cal Dive International, Inc. (Nasdaq CDIS) today announced second quarter net income of \$4.6 million, an increase of 92% over the \$2.4 million earned in the comparable prior year quarter. Basic net income per share also grew sharply to 40¢, an increase of 18¢ or 82% above what was reported in the second quarter of 1996.

Revenues of \$28.6 million increased 63% with roughly half of that increase generated by the addition of the DPMSV Uncle John. Demand was strong across all of the market niches served by the company, particularly traditional Subsea Services where demand for surface diving work from 4-point moored vessels was unseasonably high during the second quarter. For the first half of 1997, earnings totaled \$6.5 million, an 82% increase over the \$3.6 million earned in the same period of 1996. Earnings per share were 57¢ in comparison to 32¢ last year.

These gains were accomplished despite an unusually active 1997 Maintenance Program which took seven vessels out of service for a combined 40 weeks undergoing regulatory inspections or repairs and upgrades (a year ago only one vessel came out of service for any significant length of time). As a result Subsea and Salvage repair costs were \$3.2 million compared to \$1.3 million in the first half of 1996. Revenues of \$47.1 million are up \$18.3 million or 64%. The company's fleet of dynamically positioned vessels contributed \$10 million of the increased revenues and represented 43% of consolidated revenues in the first half of 1997.

Chief Executive Officer Owen Kratz, said "Our innovative Deepwater strategy is reflected in earnings figures that are both all time quarter and half year records for CDI. The resounding success of our public offering was also encouraging as sophisticated investors had a chance to listen to, assess and analyze this strategy."

CDI, headquartered in Houston, Texas, is a leading Subsea services contractor, which operates the largest fleet of dynamically positioned dive support and Subsea construction vessels in the Gulf of Mexico.

This press release includes certain statements that may be deemed "forward looking statements" under applicable law. Forward looking statements are not statements of historical fact and such statements are not guarantees of future performance or events and involve risks and assumptions that could cause actual results to vary materially from those predicted, including among other things, unexpected delays and operational issues associated with turnkey projects, the price of crude oil and natural gas, weather conditions in offshore markets, change in site conditions, and capital expenditures by customers. The Company strongly encourages readers to note that some or all of the assumptions upon which such forward looking statements are based are beyond the Company's ability to control or estimate precisely and may in some cases be subject to rapid and material change.