



## Cal Dive Reports Third Quarter Earnings of 8 Cents

October 31, 2002

HOUSTON, Oct 31, 2002 /PRNewsire-FirstCall via Comtex/ -- Cal Dive International, Inc. (Nasdaq: CDIS) reported third quarter net income of \$3.0 million or 8 cents per diluted share. A year ago, net income of \$5.2 million, or 16 cents per diluted share, was realized in a much stronger marine construction market. Third quarter revenues of \$84.2 million increased by \$32.6 million over last year due to the acquisition of two businesses, Well Ops (U.K.) Ltd. and Canyon Offshore, and the deployment of three new deepwater vessels.

Owen Kratz, Chairman and Chief Executive Officer of Cal Dive, stated, "The combination of hurricanes and tropical weather on top of an already depressed Gulf of Mexico construction market resulted in third quarter earnings below the levels which Cal Dive has historically generated. However, the 63% revenue increase provides critical mass which can be effectively shaped into enhanced profitability through our current focus upon process improvement. This contrasts with many companies suffering top line decreases during this period of economic downturn in the United States."

Mr. Kratz continued, "The quarter witnessed a significant expansion of our counter-cyclical business model whereby Cal Dive vessels work to enhance the value of ERT oil and gas operations. Two CDI vessels assisted in establishing first production at East Cameron 374 as we effectively proved up our PUD model, creating value from smaller reservoirs where exploratory drilling has previously been completed. The significant acquisitions of mature properties from Shell and Amerada Hess were due in part to those customers being comfortable that CDI's salvage assets and personnel could effectively decommission these large fields."

Nine month revenues of \$210.4 million increased \$51.6 million or 32% over the prior year due to the addition of new deepwater assets. Earnings of \$13.2 million are 44% below those of the prior year due to lower contracting margins and a 26% decline in the net realized price for oil and gas production.

Cal Dive International, Inc. is an energy service company specializing in well operations and subsea construction. CDI operates a fleet of technically advanced marine construction vessels and robotics worldwide and conducts salvage operations in the Gulf of Mexico. Energy Resource Technology, Inc., a wholly owned subsidiary, acquires and operates mature and non-core offshore oil and gas properties.

### CAL DIVE INTERNATIONAL, INC.

#### Comparative Consolidated Statements of Operations

	Three Months Ended		Nine Months Ended	
	Sept. 30,		Sept. 30,	
(000's omitted, except per share data)	2002	2001	2002	2001
<b>Net Revenues:</b>				
Subsea and Salvage	\$68,102	\$39,356	\$172,132	\$103,215
Oil and Gas Production	16,053	12,214	38,256	55,623
<b>Total Revenues</b>	<b>84,155</b>	<b>51,570</b>	<b>210,388</b>	<b>158,838</b>
<b>Cost of Sales:</b>				
Subsea and Salvage	63,322	30,025	149,838	78,849
Oil and Gas Production	9,120	8,338	20,534	27,610
<b>Gross Profit</b>	<b>11,713</b>	<b>13,207</b>	<b>40,016</b>	<b>52,379</b>
Selling and Administrative	6,512	4,969	19,009	15,439
Interest Expense, net & Other	659	170	750	763
<b>Income Before Income Taxes</b>	<b>4,542</b>	<b>8,068</b>	<b>20,257</b>	<b>36,177</b>
Income Tax Provision	1,590	2,824	7,090	12,613
<b>Net Income</b>	<b>\$2,952</b>	<b>\$5,244</b>	<b>\$13,167</b>	<b>\$23,564</b>
<b>Other Financial Data:</b>				
<b>Depreciation and Amortization:</b>				
Subsea and Salvage	\$8,151	\$4,027	\$19,137	\$10,774
Oil and Gas Production	4,529	4,476	9,206	16,546
<b>EBITDA (A)</b>	<b>17,646</b>	<b>16,401</b>	<b>49,824</b>	<b>63,426</b>
<b>Weighted Avg. Shares Outstanding:</b>				
Basic	37,268	32,551	34,888	32,443
Diluted	37,432	33,006	35,231	33,083

## Earnings Per Common Share:

Basic	\$0.08	\$0.16	\$0.38	\$0.73
Diluted	\$0.08	\$0.16	\$0.37	\$0.71

(A) The Company calculates EBITDA as earnings before net interest expense, taxes, depreciation and amortization. EBITDA is a supplemental financial measurement used by CDI and investors in the marine construction industry in the evaluation of its business.

## Comparative Consolidated Balance Sheets

## ASSETS

(000'S omitted)	Sept. 30, 2002	Dec. 31, 2001
Current Assets:		
Cash and cash equivalents	\$2,287	\$37,123
Accounts receivable	71,528	56,186
Other current assets	23,516	20,055
Total Current Assets	97,331	113,364
Net Property & Equipment:		
Subsea and salvage	406,423	302,964
Oil and gas properties	171,559	28,348
Goodwill	86,985	14,973
Other Assets	43,534	13,473
Total Assets	\$805,832	\$473,122

## LIABILITIES &amp; SHAREHOLDERS' EQUITY

(000'S omitted)	Sept. 30, 2002	Dec. 31, 2001
Current Liabilities:		
Accounts payable	\$59,644	\$42,252
Accrued liabilities	21,880	21,011
Current maturities	4,044	1,500
Total Current Liabilities	85,568	64,763
Long-Term Debt	221,243	98,048
Deferred Income Taxes	63,719	54,631
Decommissioning Liabilities	93,387	29,331
Redeemable Stock	7,528	0
Shareholders' Equity	334,387	226,349
Total Liabilities & Equity	\$805,832	\$473,122

This report and press release include 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.

SOURCE Cal Dive International, Inc.

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