OCEANEERING

PRESS RELEASE

Oceaneering International, Inc.
11911 FM 529
Houston, Texas 77041
Telephone: 713-329-4500
Fax: 713-329-4951

Oceaneering Announces 12% Sequential Improvement In Quarterly Earnings

November 10, 2003– Houston, Texas – Oceaneering International, Inc. (NYSE:OII) today reported earnings of $0.37 per common share for the third quarter ended September 30, 2003; on revenue of $172.8 million, Oceaneering generated net income of $9.0 million. For the second quarter of 2003, Oceaneering reported earnings per share of $0.33, or net income of $8.1 million, on revenue of $163.8 million.

The 12% increase in earnings over the second quarter was the result of improved profit contributions by the Inspection, Subsea Projects, and Advanced Technologies business segments.

Summary of Results
(in thousands, except per share amounts)

	Three months ended			Nine months ended	
	Sept. 30,		June 30,	Sept. 30,	
	2003	2002	2003	2003	2002
Revenue	$172,754	$130,607	$163,761	$477,184	$411,006
Gross Margin	$30,372	$30,079	$28,226	$82,761	$87,676
Operating Income	$16,050	$17,494	$14,743	$42,250	$52,702
Net Income	$9,038	$11,909	$8,086	$23,159	$31,199
Diluted Earnings Per Share	$0.37	$0.48	$0.33	$0.95	$1.27
Weighted Average Number of Diluted Shares	24,488	24,802	24,283	24,424	24,638

Oceaneering had third quarter 2002 revenue of $130.6 million and net income of $11.9 million, or $0.48 per share. On comparable gross margin, the year-over-year decline in quarterly net income was attributable to a higher effective tax rate than in 2002. The 2002 tax rate was lower due to the realization of previously unrecognized foreign tax credits and favorable finalizations of tax positions related to Oceaneering's international oilfield vessel and diving operations exited in 2000.

John Huff, Chairman and Chief Executive Officer, stated, "We are pleased with the results for the quarter, which were within our earnings guidance range. Gross margin from each of our business segments, with the exception of Subsea Products, continued to improve in the third quarter, despite a challenging market environment for oilfield services and products in general.

"When compared to the second quarter of this year, gross margin contribution from our Inspection business increased due to higher service sales, particularly in Europe, and an overall increase in gross margin percentage as we improved the efficiency of our combined operations. Subsea Projects gross margin improved on the strength of a higher profit contribution from our diving operations. Advanced Technologies had a great quarter, setting a new revenue record while achieving near record gross margin performance on the strength of additional work performed for the U.S. Navy. Gross margins from our Remotely Operated Vehicle (ROV) and Mobile Offshore Production Systems segments were comparable to the second quarter.
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"Subsea Products gross margin declined and backlog dropped to $17 million, down from $26 million at the end of the second quarter. Our relatively low level of backlog remains attributable to delayed umbilical orders and we continue to expect our backlog to be higher by the end of this year. We are continuing our efforts to locate a suitable facility to expand our U.S. umbilical plant manufacturing capacity and product mix.

"Operating activities continued to provide strong cash flow during the third quarter. Our capital expenditures, including acquisitions, were $25 million. Our cash balance at quarter's end was $21 million and we had $85 million of funds available under our $100 million credit facility.

"We are projecting earnings per share of approximately $0.25 for the fourth quarter. Consequently, our current 2003 EPS outlook is $1.20. This forecast reflects lower profit contributions in the last half of 2003 from our Subsea Products and Subsea Projects business segments as a result of delays in contract awards and reduced market demand for these operations.

"Considering the reduced levels of activity in the offshore energy services and products markets, we are modifying our estimate of 2004 EPS to approximately $1.40. This estimate is predicated on improving demand for our subsea products and a continuation of current market conditions or similar demand trends for our other business segments. We expect earnings from our existing business operations to be augmented by cost efficiencies achieved from ongoing efforts, the three product acquisitions we have made in 2003, and the planned expansion of our umbilical manufacturing plants. Profit contributions from our announced U.S. and Brazilian steel tube capabilities are expected by the third quarter of 2004. This $1.40 per share does not include any other acquisitions or capital equipment additions.

"We continue to be bullish about the earnings leverage of our niche market and deepwater focus. Should a substantive recovery in market demand occur, particularly for our ROV and Subsea Projects, we will be able to utilize our excess capacity and operating leverage to increase our earnings. However, we are not satisfied with the status quo and will not simply wait for the market to recover. In 2003 we proved our ability to make accretive acquisitions. We remain committed to use our financial strength to make accretive investments that will expand and augment our existing operations in 2004.

"During the quarter we announced an agreement to invest approximately $45 million, subject to certain conditions, in the ownership of the Medusa Spar, a floating production facility located in the Gulf of Mexico. It is our belief that the closing of this transaction will occur by the end of this year, and this investment will result in an upward revision to our 2004 EPS outlook."

Statements in this press release that express a belief, expectation or intention, as well as those that are not historical fact, are forward looking. The forward-looking statements in this press release include the statements concerning Oceaneering's intentions with respect to the use of its financial strength, its projected earnings for 2003 and 2004, its expectations concerning future umbilical orders and contributions from its U.S. and Brazilian steel tube capabilities, incremental earnings contribution from additional asset and acquisition investments, and the closing of the Medusa Spar transaction. These forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and are based on current information and expectations of Oceaneering that involve a number of risks, uncertainties, and assumptions. Among the factors that could cause the actual results to differ materially from those indicated in the forward-looking statements are: industry conditions; prices of crude oil and natural gas; Oceaneering's ability to obtain and the timing of new projects; and changes in competitive factors. Should one or more of these risks or uncertainties materialize, or should the assumptions underlying the forward-looking statements prove incorrect, actual outcomes could vary materially from those indicated. These and other risks are more fully described in Oceaneering's periodic filings with the Securities and Exchange Commission.

Oceaneering is an advanced applied technology company that provides engineered services and hardware to Customers who operate in marine, space, and other harsh environments. Oceaneering's services and products are marketed worldwide to oil and gas companies, government agencies, and firms in the telecommunications, aerospace, and marine engineering and construction industries.

For further information, please contact Jack Jurkoshek, Manager Investor Relations, Oceaneering International, Inc., 11911 FM 529, Houston, Texas 77041; Telephone 713-329-4670; Fax 713-329-4653; E-mail to investorrelations@oceaneering.com. A live webcast of the Company's earnings release conference call, scheduled for November 11, 2003 at 10:00 a.m. central time, can be heard at www.companyboardroom.com (enter ticker OII).

PR 862

- Tables follow on next page –

OCEANEERING INTERNATIONAL, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

	Sept. 30, 2003	Dec. 31, 2002
	(in thousands)	
ASSETS		
Current Assets (including cash and cash equivalents of $21,057 and $66,201)	$244,748	$233,070
Net Property and Equipment	327,772	322,390
Other Assets	59,254	34,888
TOTAL ASSETS	$631,774	$590,348
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities	$124,888	$116,031
Long-Term Debt	115,000	112,800
Other Long-Term Liabilities	52,636	47,652
Shareholders' Equity	339,250	313,865
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$631,774	$590,348

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	For the Three Months Ended			For the Nine Months Ended	
	Sept. 30, 2003	Sept. 30, 2002	June 30, 2003	Sept. 30, 2003	Sept. 30, 2002
	(in thousands, except per share amounts)				
Revenue	$172,754	$130,607	$163,761	$477,184	$411,006
Cost of Services and Products	142,382	100,528	135,535	394,423	323,330
Gross Margin	30,372	30,079	28,226	82,761	87,676
Selling, General and Administrative Expenses	14,322	12,585	13,483	40,511	34,974
Income from Operations	16,050	17,494	14,743	42,250	52,702
Interest Income	94	170	123	381	374
Interest Expense	(2,105)	(1,983)	(1,931)	(5,956)	(6,665)
Equity Earnings (Losses) of Unconsolidated Affiliates	35	(256)	(85)	(186)	(568)
Other Expense, Net	(169)	(1,156)	(410)	(859)	(1,901)
Income before Income Taxes	13,905	14,269	12,440	35,630	43,942
Provision for Income Taxes	(4,867)	(2,360)	(4,354)	(12,471)	(12,743)
Net Income	$ 9,038	$ 11,909	$ 8,086	$ 23,159	$ 31,199
Diluted Earnings per Common Share	$0.37	$0.48	$0.33	$0.95	$1.27
Weighted Average Number of Common Shares and Equivalents	24,488	24,802	24,284	24,424	24,638

The above Condensed Consolidated Balance Sheets and Consolidated Statements of Income should be read in conjunction with the Company's latest Annual Report, Quarterly Report on Form 10-Q and Annual Report on Form 10-K.

SELECTED CASH FLOW INFORMATION

	For the Three Months Ended			For the Nine Months Ended	
	Sept. 30, 2003	Sept. 30, 2002	June 30, 2003	Sept. 30, 2003	Sept. 30, 2002
			($ in thousands)		
Capital Expenditures, Including Acquisitions	$24,564	$ 8,518	$26,276	$88,415	$20,543
Depreciation and Amortization	$14,233	$13,271	$14,174	$42,153	$38,514

SEGMENT INFORMATION

	For the Three Months Ended			For the Nine Months Ended	
	Sept. 30, 2003	Sept. 30, 2002	June 30, 2003	Sept. 30, 2003	Sept. 30, 2002
			($ in thousands)		
OFFSHORE OIL AND GAS					
Remotely Operated Vehicles					
Revenues	$ 40,644	$ 38,067	$ 40,879	$116,587	$111,819
Gross Margin	$ 10,577	$ 10,048	$ 10,633	$ 30,069	$ 30,519
Gross Margin %	26%	26%	26%	26%	27%
Days Available	11,500	11,438	11,375	34,125	34,024
Utilization	71%	65%	72%	69%	68%
Subsea Products					
Revenues	$ 29,748	$ 23,925	$ 27,878	$ 81,667	$ 92,945
Gross Margin	$ 4,366	$ 6,699	$ 6,366	$ 14,320	$ 22,152
Gross Margin %	15%	28%	23%	18%	24%
Subsea Projects					
Revenues	$ 20,375	$ 16,511	$ 18,367	$ 51,276	$ 60,012
Gross Margin	$ 3,153	$ 2,742	$ 1,683	$ 7,127	$ 11,708
Gross Margin %	15%	17%	9%	14%	20%
Mobile Offshore Production Systems					
Revenues	$ 11,732	$ 13,027	$ 12,068	$ 35,089	$ 37,728
Gross Margin	$ 4,708	$ 5,966	$ 4,460	$ 13,769	$ 16,529
Gross Margin %	40%	46%	37%	39%	44%
Inspection					
Revenues	$ 37,688	$ 12,125	$ 34,761	$102,929	$ 32,182
Gross Margin	$ 5,895	$ 1,432	$ 4,320	$ 13,365	$ 4,185
Gross Margin %	16%	12%	12%	13%	13%
ADVANCED TECHNOLOGIES					
Revenues	$ 32,567	$ 26,952	$ 29,808	$ 89,636	$ 76,320
Gross Margin	$ 6,343	$ 6,438	$ 5,486	$ 17,216	$ 15,138
Gross Margin %	19%	24%	18%	19%	20%
UNALLOCATED EXPENSES	$ (4,670)	$ (3,246)	$ (4,722)	$ (13,105)	$(12,555)
TOTAL					
Revenues	$172,754	$130,607	$163,761	$477,184	$411,006
Gross Margin	$ 30,372	$ 30,079	$ 28,226	$ 82,761	$ 87,676
Gross Margin %	18%	23%	17%	17%	21%