



PRESS RELEASE

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Oceaneering Acquires Grayloc Products

June 30, 2005 – Houston, Texas – Oceaneering International, Inc. (NYSE:OII) announced it has acquired Grayloc Products LLC (Grayloc), a manufacturer of high performance clamp connectors primarily for the oil and gas industry. The purchase price was approximately \$41.0 million, subject to a post-closing working capital adjustment.

The Grayloc[®] brand, with over 50 years of history, is the recognized standard for clamp connectors by the oil and gas industry and is synonymous with quality and reliability. These clamps are used extensively in production manifold, flow line, and valve installations. With engineering and manufacturing locations in Texas and Scotland, Grayloc is the industry global market leader with an estimated 2004 market share of 45% to 50%.

During the last half of 2005 Oceaneering expects this acquisition to be accretive to net income in the range of \$1.3 to \$1.6 million. The acquired operations are anticipated to generate approximately \$16.0 to \$18.0 million in revenue and \$3.0 to \$3.5 million of operating income, after about \$0.4 million of depreciation and amortization expense. In 2006, Oceaneering projects the incremental net income accretion to be \$3.0 to \$4.0 million.

John Huff, Chairman and Chief Executive Officer, stated, “We are very pleased to add Grayloc’s connectors to our specialty, niche-market products offering to the oil and gas industry. The Grayloc[®] brand is the clamp explicitly specified for most projects in the U.S.

“We intend to retain the Grayloc management team, led by Gerald Marsh, and qualified work force intact as we jointly endeavor to grow clamp connector sales worldwide, develop synergies with our current pipeline connectors, and explore growth opportunities with the acquired technology.

“As a result of this acquisition, we are increasing our estimate of Oceaneering’s 2005 EPS to a range of \$1.95 to \$2.20 from the \$1.90 to \$2.15 range included in our first quarter 2005 earnings press release.”

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 2005 and 2006 projected financial statement impacts attributable to the Grayloc operations acquired, intention to retain the Grayloc management team and qualified work force intact, and the estimated range of Oceaneering’s 2005 EPS. 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 risks and uncertainties related to: 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 annual report on Form 10-K for the year ended December 31, 2004 and its other 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.

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