

**Cal Dive International
Raymond James & Associates
Institutional Investors Conference
Orlando, Florida
March 8, 2005**



The New Generation Energy Services Company

FORWARD-LOOKING STATEMENTS



Certain statements in this presentation are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are neither statements of historical fact nor guarantees of future performance or events. Forward-looking statements involve risks and assumptions that could cause actual results to vary materially from those predicted. Among other things, these include unexpected delays and operational issues associated with turnkey projects, the price of crude oil and natural gas, weather conditions in offshore markets, changes in site conditions and capital expenditures by customers. For a more complete discussion of these risk factors, see our Annual Report on Form 10-K for the year ended December 31, 2003, filed with the Securities and Exchange Commission. The Company strongly encourages participants 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.



Agenda

1. CDI Business Model
2. Business Unit Growth Drivers
3. Financials

Cal Dive Strategy: A New Niche Model for our Industry

Service Contractor

Oil & Gas Producer



The New Generation Energy Services Company

Production Contractor

Cal Dive's Differentiation

- We change the economics from what service companies do & what producers have done
- We sell our services direct to producers
- We partner with producers utilizing one or all of our services
- We acquire economically challenged reservoirs employing all our services to change the economics
- CDI is a full cycle play on Energy Service



Service Contracting Industry

- Cyclical
- Personnel Constrained
- Competitive
- Onerous Contracting Terms / Liabilities
- Over-Supplied
- Utilization / Market Share Driven

Many Types of Service Contractors



- Upstream
- Downstream
- Asset Based
- People Based
- Product Oriented
- Service Oriented



CDI Historic Fit

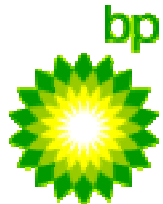
Subsea Contracting – Probably toughest of all niches



- Downstream
- Over-supplied
- High Capital Assets
- People Constrained
- Service Oriented
- Utilization Driven

Many Types of E & P Companies

ExxonMobil



- Prospect Generators
- Producers
- Explorationists
- Mature Property Producers
- Developers
- Abandonment Specialists

Historical Relationship Between Service Contractor and Producer

Contractors Seek

- Sell a lot of volume
- Improve/Smooth returns
- Avoid risk
- Would love a fair share of value created in reservoir

Producers Seek

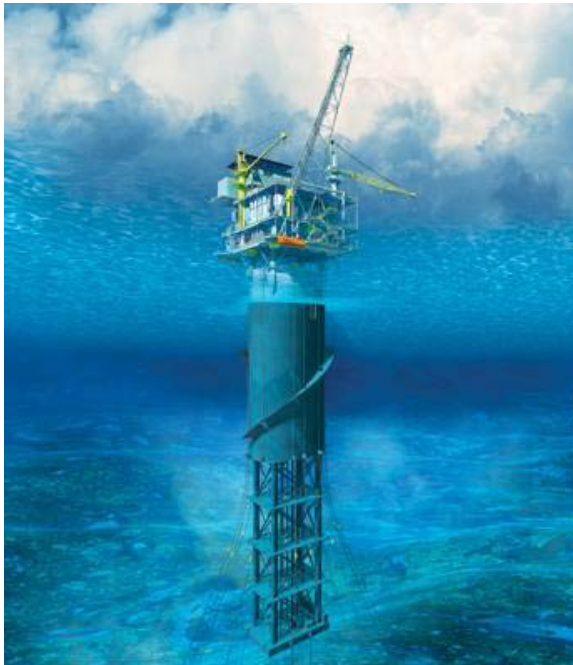
- Perpetual over-supply of services
- Lower cost
- Transfer of risk
- Retain value created in reservoir

Industry in Transition Needs . . .



- Balance of supply & demand for services
- Equitable allocation of risk & value in reservoir
- Solution for mature & declining reservoirs
- Solution for cost effective development of small reservoirs
- More cost effective approach for deepwater reservoirs

Production Targets



- Mature Fields
- PUDs (focus on deep marginal reservoirs)
- High POS (focus on deep marginal fields)



Services

Disposable Exploration Drilling

Tiebacks Minimal Pipelay

. . . Tracking

. . . Tie-In

Well Intervention (subsea)

Well Service Deployment Services

Well P&A

Development Engineering

Facilities

Brown Field Operating

Field Operating

Abandonment

Reservoir Assessment, and

Management

Production Contracting: Reservoir Equity Entry Points

<u>Reservoir Phase</u>	<u>Risk</u>	<u>Weighting</u>	
		Risk	Entry Cost
Exploration	Dry Hole	High	Low
Appraisal	Commerciality	Decreasing	Increasing
Development	Cost/Schedule	Low	High
Operations	Opex	Low	Decreasing
Abandonment	Salvage Cost	High	Low

Production Contracting: Risk Mitigating Services

<u>Reservoir Phase</u>	<u>Risk</u>	<u>Key Cal Dive Services</u>
Exploration	Dry Hole	Disposable Drilling
Appraisal	Commerciality	Disposable Drilling
Development	Cost/Schedule	Reusable Production Facilities Low Cost Pipelay/Burial
Operations	Opex	Rigless Well Intervention Field Operating
Abandonment	Salvage Cost	Rigless Well P/A and Salvage

Production Contracting: Keys to Success

- Lower cost effective culture
- Minimal appraisal
- Minimal engineering
- Early production
- Reusable development assets
- New application of proven technologies
- Production enhancement record
- Abandonment management
- Full cycle smooth cash flow

Cal Dive Business Model: Three Business Segments

Marine Contracting

Well Ops



Subsea Construction

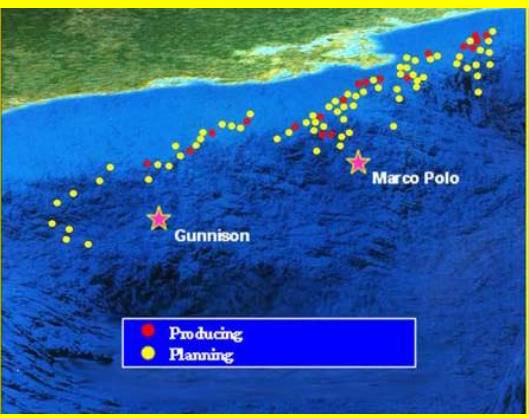


Oil & Gas

Mature Properties



PUDS (incl. Gunnison)



Production Facilities

Marco Polo TLP



Gunnison Spar



Marine Contracting – 2005 Growth Drivers (1)



Well Operations

- Increasing drill rig utilization and rates
- Increasing number of subsea tree orders and deployments.
- Increased demand in Norwegian North Sea
- Tender for dedicated Norwegian vessel
- Hurricane Ivan generated some short term subsea well abandonment work

Marine Contracting – 2005 Growth Drivers (2)



Subsea Construction

- Increasing volume of tie back reservoir projects
- Increasing activity levels in international areas
- Impact of \$ / Euro exchange rate on foreign competition
- Increasing volume of pipeline burial projects
- Increased levels of natural gas drilling



Oil and Gas Production: 2005 Growth Drivers



- Increasing number of PUD opportunities as HUB facilities are deployed in Gulf of Mexico (GOM)
- Opportunities for mature property deals possible as several independent E&P companies have divestment plans.
- International areas opening up for our model e.g. North Sea
- Reserve enhancement on existing properties
- Participation in “High Probability” exploration prospects

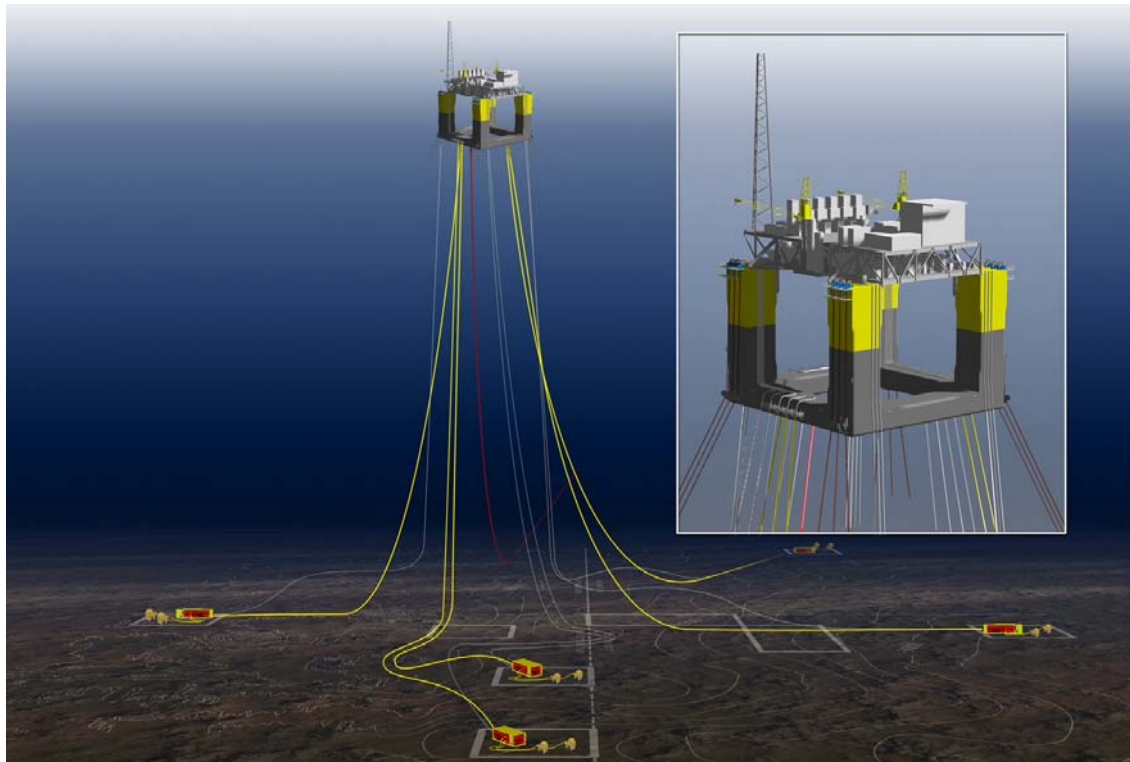
Production Facilities: Outlook



Marco Polo

- Jointly owned (50%) with Enterprise P.P.
- Commenced production in mid-2004 from *Marco Polo* reservoir.
- K2/K2 North will be brought on stream during 2005
- Full year of production from all three reservoirs will further boost to earnings in 2006

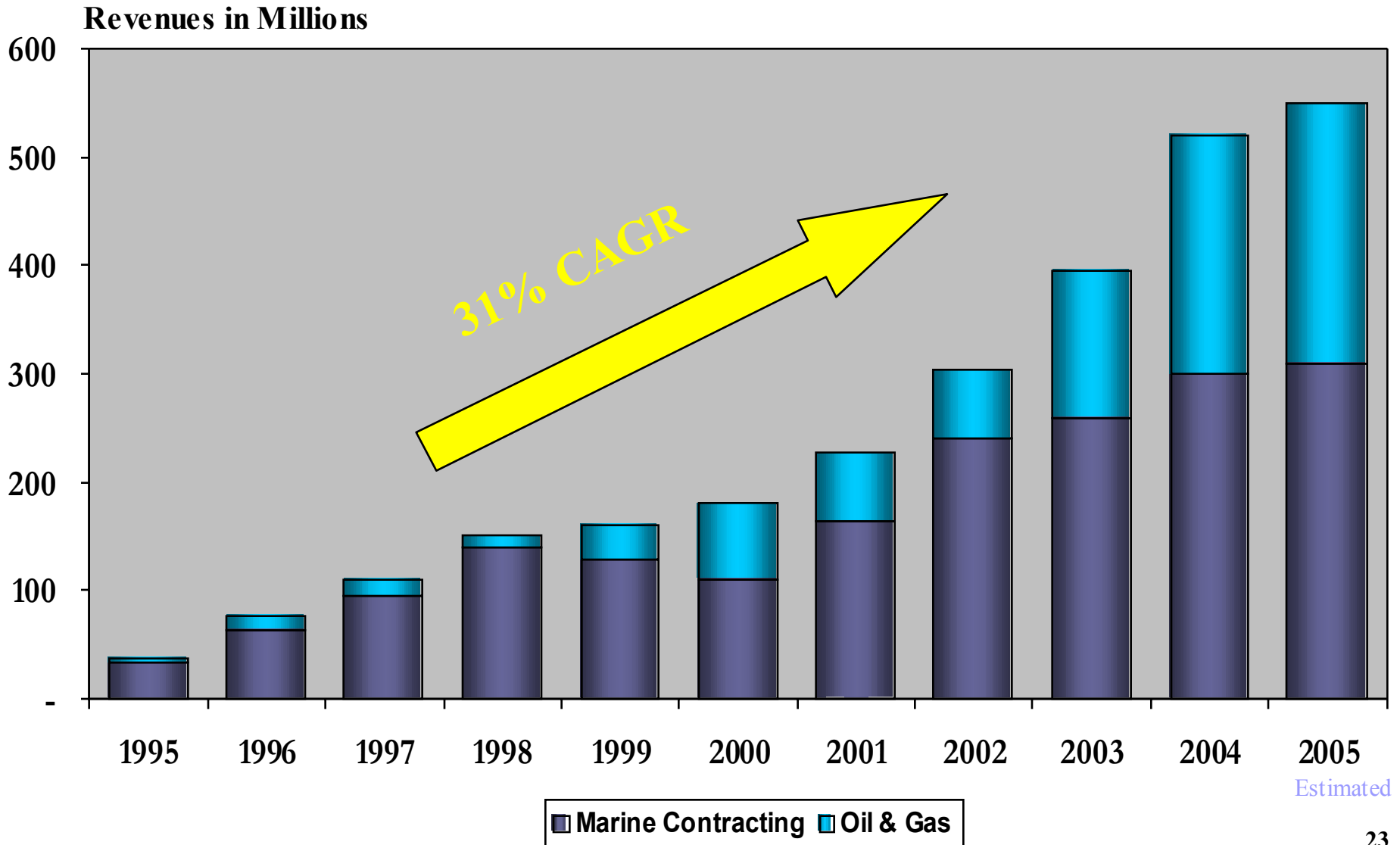
Production Facilities: Outlook



Independence HUB

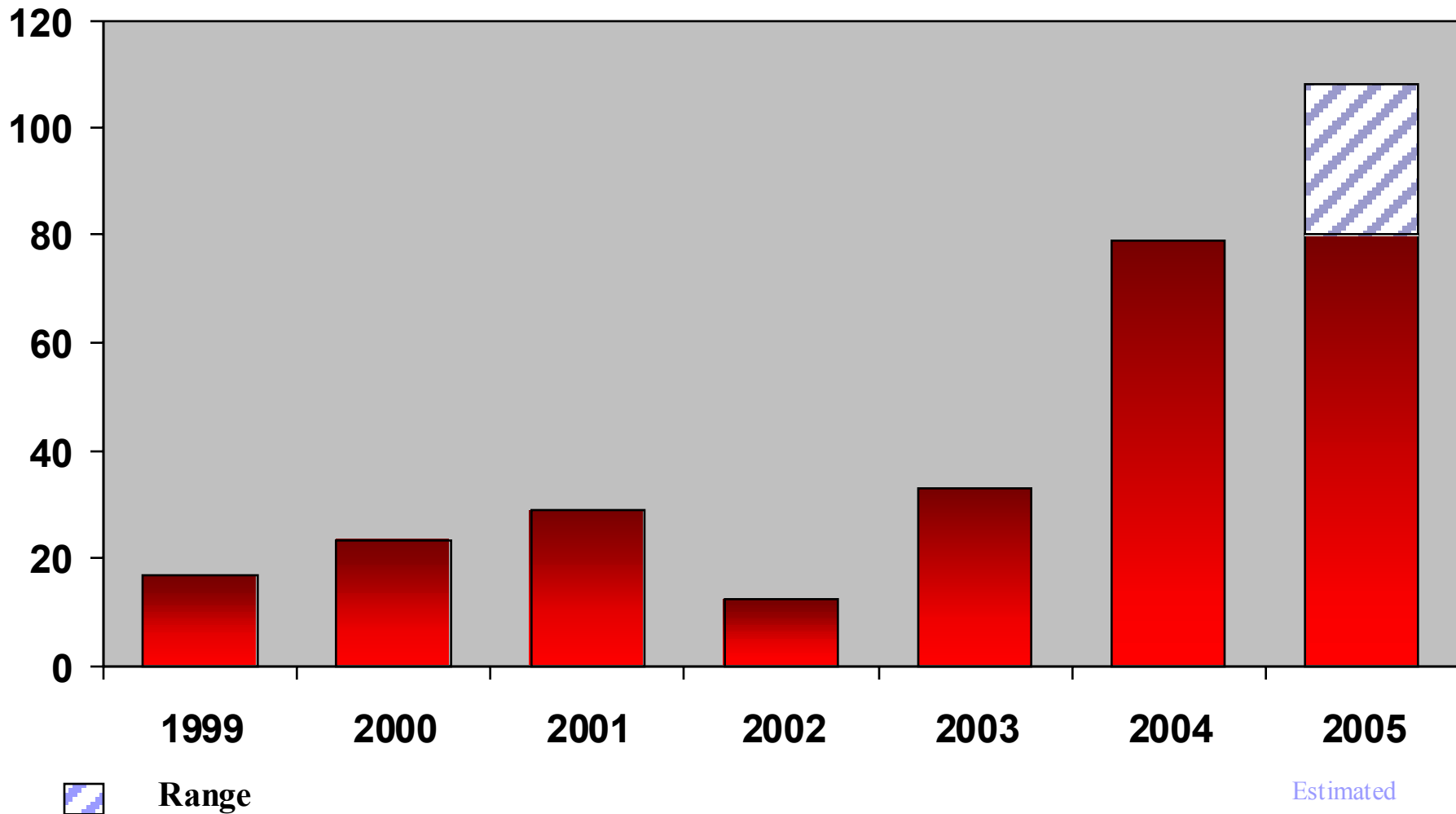
- Jointly owned (20%) with Enterprise P.P.
- Project is in build phase and will be deployed in MC 920
- Mechanical completion due in late 2006
- First production expected in early 2007
- We see good opportunities for both associated construction work and PUD acquisitions in the surrounding area.

Significant Top Line Growth



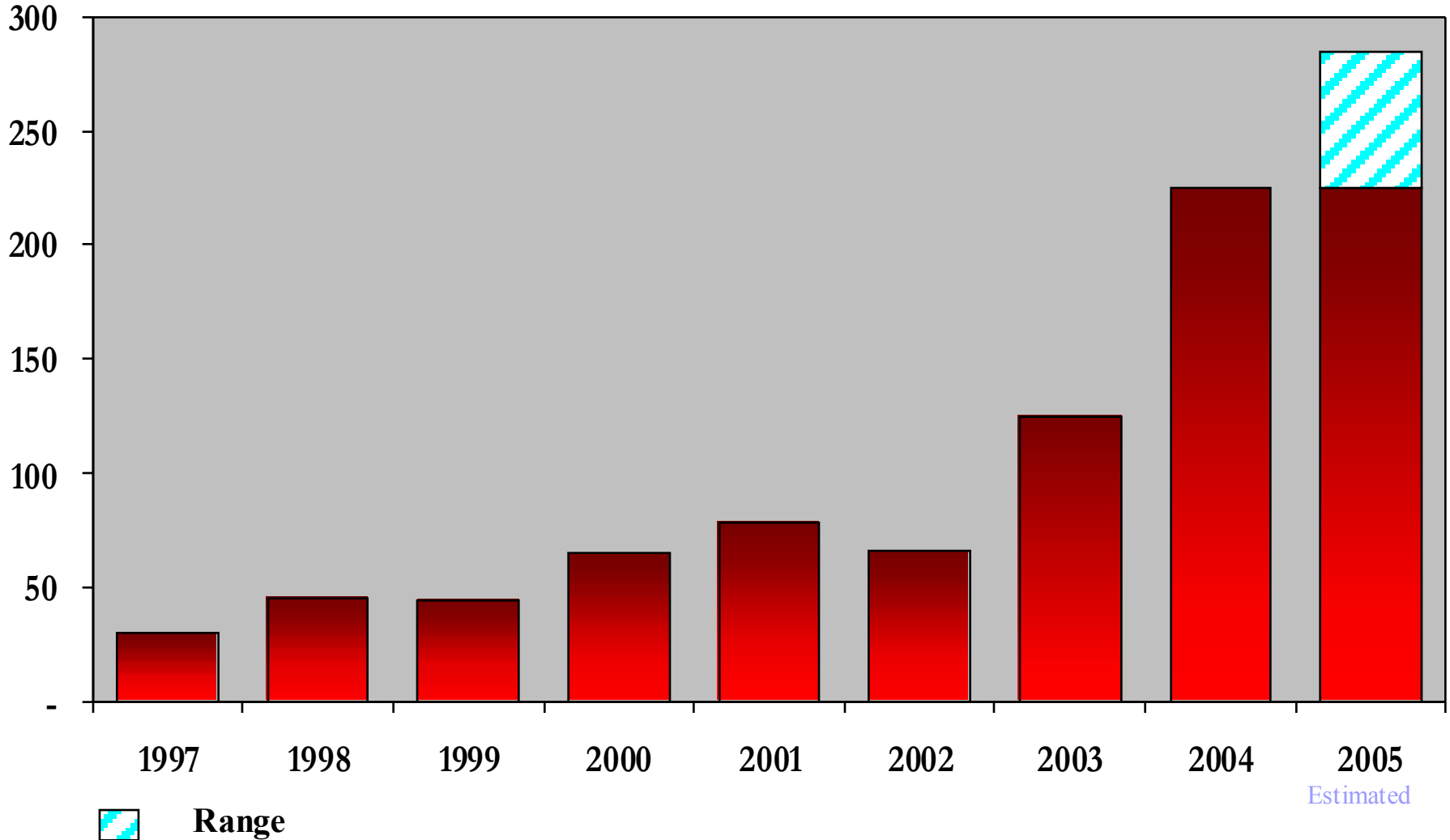
Record Earnings in 2004 and 2005

Net Income in Millions



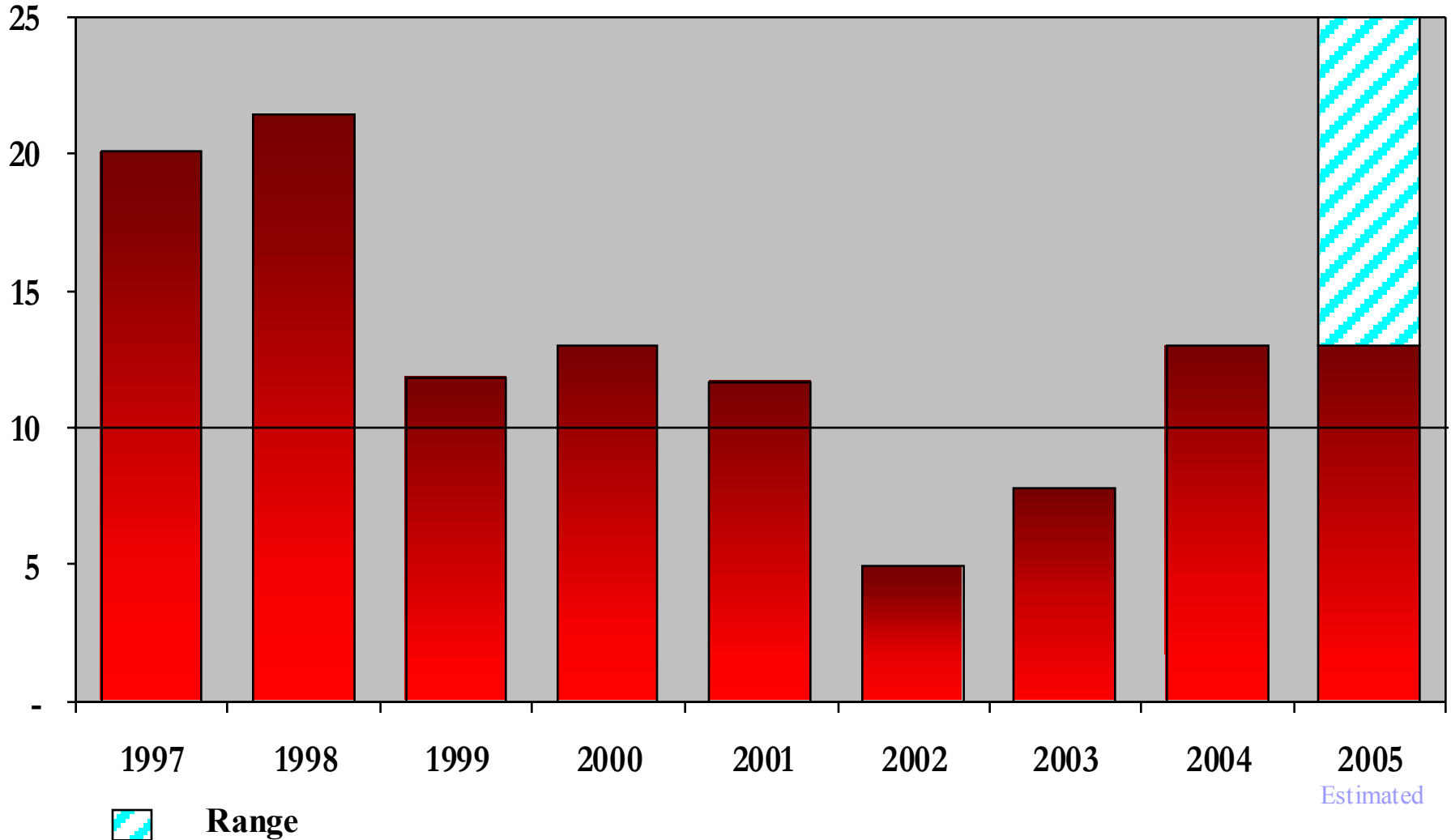
Significant Cash Generation

EBITDA in Millions

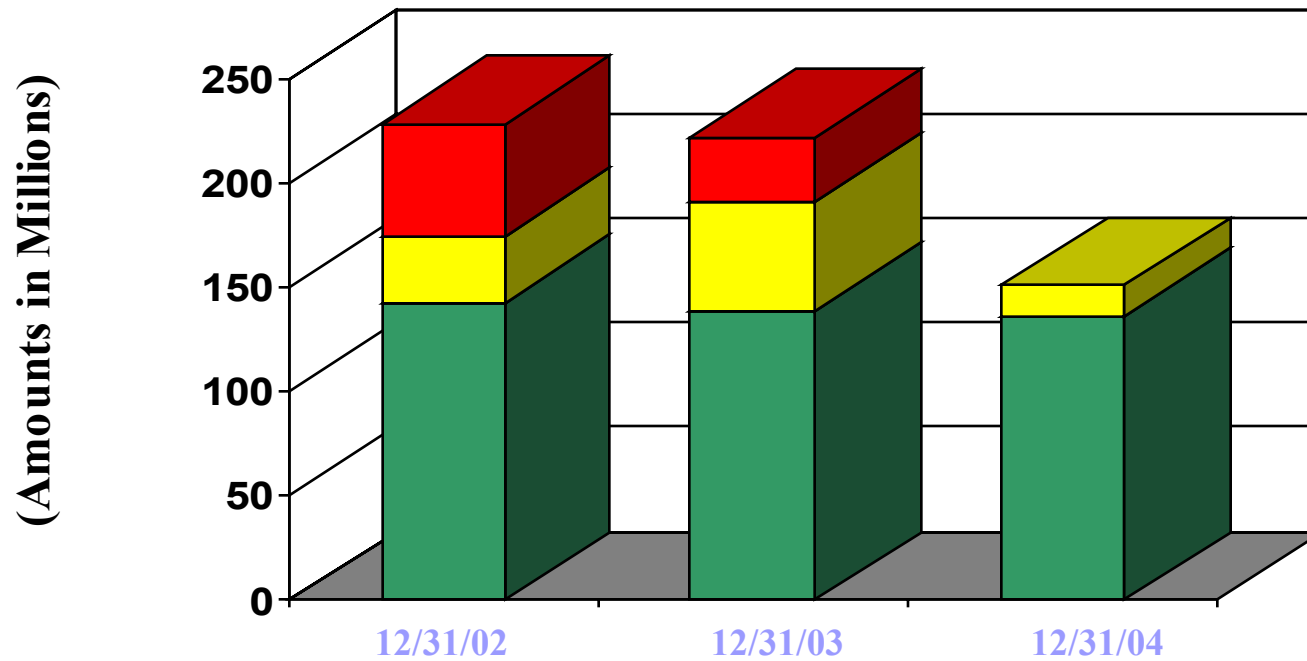


CDI Goal: 10% - 15% ROCI

Percent



Long Term Debt



Net Debt to Book Capitalization

40%

35%

10%

MARAD

Revolving Credit

Construction and Other

2004 Report Card



<u>Goals</u>	<u>Status</u>
<u>Marine Contracting</u>	
➤ 2% Margin improvement	√
➤ Reduce Direct Cost \$10 million	√
<u>Oil & Gas</u>	
➤ 40 BCFe of Production	√
➤ PUD acquisition in GOM	√
➤ Mature production acquisition	X
<u>Production Facilities</u>	
➤ One new Gateway deal	√
<u>Financial</u>	
➤ Flexible credit structure	√
➤ No equity dilution	√
➤ Earnings > \$1.30/Share	√
<u>Safety</u>	
➤ TRIR below 2:00	√

2005 Objectives



Goals

Marine Contracting

- Revenues: \$300 – 330 million
- Margins: 13% – 15%

Oil and Gas

- 40 – 45 BCFe of production
- PUD acquisition
- Mature property acquisition

Production Facilities

- Equity earnings: \$22 – 27 million
- Start up of production from K2/K2N
- Identify and progress next opportunity

Financial

- Earnings in range \$2.00 - \$2.70/share
- No equity dilution

Safety

- TRIR below 1.8