

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 10-Q

(Mark One)

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended September 30, 2004 or

Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission file number 1-12289

SEACOR Holdings Inc.

(Exact Name of Registrant as Specified in Its Charter)

<u>Delaware</u> (State or Other Jurisdiction of Incorporation or Organization)	<u>13-3542736</u> (IRS Employer Identification No.)
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<u>11200 Richmond, Suite 400, Houston, Texas</u> (Address of Principal Executive Offices)	<u>77082</u> (Zip Code)
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(281) 899-4800
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No []

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes [X] No []

The total number of shares of common stock, par value \$.01 per share, outstanding as of November 2, 2004 was 18,294,127. The Registrant has no other class of common stock outstanding.

SEACOR HOLDINGS INC. AND SUBSIDIARIES

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SEACOR HOLDINGS INC. AND SUBSIDIARIES CONDENSED CONSOLIDATED BALANCE SHEETS (in thousands, except share data, unaudited)

	September 30, 2004	December 31, 2003
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 199,239	\$ 263,135
Available-for-sale securities	97,569	48,856
Trade and other receivables, net of allowance for doubtful accounts of \$3,127 and \$2,800, respectively.....	113,312	108,676
Prepaid expenses and other current assets	28,342	23,551
Total current assets	<u>438,462</u>	<u>444,218</u>
Investments, at Equity, and Receivables from 50% or Less Owned Companies	53,471	59,848
Property and Equipment	1,066,629	1,021,703
Less accumulated depreciation.....	<u>(289,268)</u>	<u>(283,487)</u>
Net property and equipment	777,361	738,216
Construction Reserve Funds	143,283	126,140
Other Assets	43,959	34,189
	<u>\$ 1,456,536</u>	<u>\$ 1,402,611</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Current portion of long-term debt	\$ 42	\$ 93
Accounts payable and accrued expenses.....	33,345	30,333
Other current liabilities	49,383	47,089
Total current liabilities	<u>82,770</u>	<u>77,515</u>
Long-Term Debt.....	382,319	332,179
Deferred Income Taxes	191,451	190,704
Deferred Income and Other Liabilities.....	26,657	29,858
Minority Interest in Subsidiaries	6,576	1,909
Stockholders' Equity:		
Common stock, \$.01 par value, 24,529,793 and 24,466,010 shares issued, respectively.....	245	245
Additional paid-in capital	411,303	408,828
Retained earnings	531,957	531,384
Treasury stock, at cost, 6,237,466 and 5,884,971 shares, respectively	(197,826)	(183,531)
Unamortized restricted stock compensation.....	(2,903)	(2,998)
Accumulated other comprehensive income - Cumulative translation adjustments	13,908	12,994
Unrealized gain on available-for-sale securities	10,079	3,524
Total stockholders' equity	<u>766,763</u>	<u>770,446</u>
	<u>\$ 1,456,536</u>	<u>\$ 1,402,611</u>

The accompanying notes are an integral part of these financial statements
and should be read in conjunction herewith.

SEACOR HOLDINGS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data, unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2004	2003	2004	2003
Operating Revenues.....	\$ 116,486	\$ 103,234	\$ 309,863	\$ 305,253
Costs and Expenses:				
Operating expenses	79,134	72,264	227,923	208,786
Administrative and general.....	14,900	13,676	43,833	41,146
Depreciation and amortization	14,352	13,411	42,469	41,755
	<u>108,386</u>	<u>99,351</u>	<u>314,225</u>	<u>291,687</u>
Gains (Losses) on Asset Sales	(119)	2,349	9,636	7,910
Operating Income	<u>7,981</u>	<u>6,232</u>	<u>5,274</u>	<u>21,476</u>
Other Income (Expense):				
Interest income	2,180	1,540	5,222	5,966
Interest expense	(5,565)	(4,603)	(16,331)	(14,528)
Debt extinguishment expenses.....	-	-	-	(2,091)
Derivative income (loss), net.....	(140)	(443)	(621)	3,930
Foreign currency transaction gains (losses), net.....	(184)	(1,714)	(407)	115
Marketable securities sale gains (losses), net.....	(756)	2,411	4,746	5,852
Other, net.....	79	(15)	431	(759)
	<u>(4,386)</u>	<u>(2,824)</u>	<u>(6,960)</u>	<u>(1,515)</u>
Income (Loss) Before Income Tax Expense, Minority				
Interest in Income of Subsidiaries, and Equity in				
Earnings of 50% or Less Owned Companies.....	3,595	3,408	(1,686)	19,961
Income Tax Expense	<u>1,511</u>	<u>1,334</u>	<u>178</u>	<u>7,329</u>
Income (Loss) Before Minority Interest in Income of				
Subsidiaries and Equity in Earnings of 50% or Less				
Owned Companies	2,084	2,074	(1,864)	12,632
Minority Interest in Income of Subsidiaries.....	(108)	(112)	(194)	(451)
Equity in Earnings of 50% or Less Owned Companies	<u>1,388</u>	<u>935</u>	<u>2,631</u>	<u>1,503</u>
Net Income.....	<u>\$ 3,364</u>	<u>\$ 2,897</u>	<u>\$ 573</u>	<u>\$ 13,684</u>
Basic Earnings Per Common Share.....	<u>\$ 0.18</u>	<u>\$ 0.16</u>	<u>\$ 0.03</u>	<u>\$ 0.71</u>
Diluted Earnings Per Common Share	<u>\$ 0.18</u>	<u>\$ 0.15</u>	<u>\$ 0.03</u>	<u>\$ 0.71</u>
Weighted Average Common Shares:				
Basic	18,211	18,630	18,341	19,183
Diluted.....	18,357	18,785	18,496	19,479

The accompanying notes are an integral part of these financial statements
and should be read in conjunction herewith.

SEACOR HOLDINGS INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands, unaudited)

	Nine Months Ended	
	September 30,	
	2004	2003
Net Cash Provided by Operating Activities	\$ 9,356	\$ 12,230
Cash Flows from Investing Activities:		
Purchase of property and equipment	(129,859)	(101,314)
Purchase of third party contracts.....	(2,893)	-
Proceeds from asset sales	63,049	103,962
Purchase of available-for-sale securities.....	(89,803)	(24,469)
Proceeds from sale of available-for-sale securities	62,814	58,057
Net increase in construction reserve funds	(17,143)	(14,499)
Investments in and advances to 50% or less owned companies	(554)	(7,267)
Principal payments on notes due from 50% or less owned companies...	3,367	1,318
Proceeds on sale of investments in 50% or less owned companies	5,133	-
Dividends received from 50% or less owned companies	1,115	11,569
Investment in note due from non-affiliate	(5,352)	-
Principal payments on note due from non-affiliate	42	-
Cash settlements of derivative transactions	(306)	(171)
Other, net	-	957
Net cash provided by (used in) investing activities	(110,390)	28,143
Cash Flows from Financing Activities:		
Payments of long-term debt	(82)	(71,341)
Proceeds from issuance of long-term debt.....	50,000	-
Proceeds from share award plans.....	1,418	703
Common stock acquired for treasury	(14,920)	(48,108)
Premium paid with 5-3/8% note extinguishment	-	(632)
Other	62	(179)
Net cash provided by (used in) financing activities	36,478	(119,557)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	660	(1,036)
Net Decrease in Cash and Cash Equivalents	(63,896)	(80,220)
Cash and Cash Equivalents, Beginning of Period.....	263,135	342,046
Cash and Cash Equivalents, End of Period	\$ 199,239	\$ 261,826

The accompanying notes are an integral part of these financial statements
and should be read in conjunction herewith.

SEACOR HOLDINGS INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1. Basis of Presentation

The condensed consolidated financial information for the three and nine months ended September 30, 2004 and 2003 has been prepared by the Company and was not audited by its independent public accountants. In the opinion of management, all adjustments (consisting of normal recurring adjustments) have been made to present fairly the financial position, results of operations and cash flows of the Company as of and for the three and nine months ended September 30, 2004 and 2003. Results of operations for the interim periods presented are not necessarily indicative of the operating results for the full year or any future periods.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted. These condensed consolidated financial statements should be read in conjunction with the financial statements and related notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2003.

Unless the context otherwise indicates, any references in this Quarterly Report on Form 10-Q to the "Company" refer to SEACOR Holdings Inc. and its consolidated subsidiaries, and any references in this Quarterly Report on Form 10-Q to "SEACOR" refer to SEACOR Holdings Inc.

Certain reclassifications of prior period information have been made to conform to the current period presentation.

2. Equipment Acquisitions and Dispositions

Equipment delivered to the Company during the nine months ended September 30, 2004 included 8 new offshore marine vessels, 1 used offshore marine vessel, 1 new helicopter, 262 new dry cargo hopper barges, 14 chemical tank barges, and 3 used inland river towboats for aggregate consideration of \$146.8 million, primarily funded while such new equipment was under construction. The Company sold 43 vessels and other equipment during the nine months ended September 30, 2004 for aggregate consideration of \$63.0 million. Such vessels sold included all 28 of those remaining in the Company's "retired from service" fleet, 1 that was sold to a joint venture and 1 that was leased-back.

3. Commitments and Contingencies

The Company's unfunded capital commitments as of September 30, 2004 for 4 new offshore marine vessels, 68 new dry cargo hopper barges, 22 new chemical tank barges, 7 new helicopters and other equipment aggregated \$76.0 million. Deliveries are expected through the remainder of the year and into 2005. An option to acquire 150 new dry cargo hopper barges expired shortly after the end of the quarter.

The Company has guaranteed the payment of amounts owed by certain of its joint ventures under vessel charter agreements that expire through October 2009. As of September 30, 2004, the total amount of future charter payments guaranteed by the Company was \$15.1 million.

In connection with an examination of the Company's income tax returns for fiscal years 2000 and 2001, the Internal Revenue Service ("IRS") previously indicated that it was considering whether to propose a change in the manner in which vessel assets are classified for purposes of depreciation and asserted deficiencies with respect to the deduction of certain other expenses. Settlements have been reached with the IRS on all outstanding issues resulting in no material impact to the Company's financial position or results of operations.

4. Subsequent Events

On October 14, 2004, the Company agreed to acquire all of the outstanding shares of capital stock of ERA Aviation, Inc. ("ERA") for a cash purchase price of approximately \$118 million, subject to post-closing working capital adjustments. The acquisition is subject to the expiration of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and to the satisfaction of customary closing conditions. It is anticipated that the transaction will close by December 31, 2004.

On October 22, 2004, the American Jobs Creation Act was signed into law. The Company is exploring the full impact of this legislation but currently believes it would be able to repatriate, for a limited time, accumulated foreign earnings at an effective federal tax rate of 5.25% which would result in tax obligations significantly less than the deferred taxes previously provided for unremitted earnings of foreign subsidiaries.

5. Long-Term Debt

During second and third quarter of 2004, the Company borrowed \$50.0 million in the aggregate under its five year, non-reducing, unsecured revolving credit facility that terminates in February 2007. As of September 30, 2004, the Company had \$146.7 million available for use under this facility.

6. Income Taxes

The Company's effective income rate for the nine months ended September 30, 2004 was (10.6%). The customary benefit associated with pre-tax losses for this nine month period was offset by tax provisions for state jurisdictions with taxable income and the consequence of non-deductible compensation expenses excluded from the U.S. consolidated tax return.

7. Stock and Debt Repurchases

During the nine months ended September 30, 2004, the Company acquired 370,490 shares of its common stock, par value \$.01 per share ("Common Stock"), for treasury at an aggregate cost of \$14.9 million. As of September 30, 2004, \$43.3 million of repurchase authority granted by the Company's Board of Directors remains available for acquisition of additional shares of Common Stock, the Company's 7.2% Senior Notes Due 2009 ("7.2% Notes") and its 5-7/8% Senior Notes due 2012 ("5-7/8% Notes"). Securities are acquired from time to time through open market purchases, privately negotiated transactions or otherwise, depending on market opportunity.

8. Stock Compensation

Under Statement of Financial Accounting Standards No. 123 ("SFAS 123"), companies could either adopt a "fair value method" of accounting for their stock-based compensation plans or continue to use the "intrinsic value method" as prescribed by APB Opinion No. 25. The Company has elected to continue accounting for its stock-based compensation plans using the intrinsic value method. Had compensation costs for the plans been determined using a fair value method consistent with SFAS 123, the Company's net income and earnings per common share would have been reduced to the following pro forma amounts:

	For the Three Months Ended September 30,			For the Nine Months Ended September 30,		
	Net Income	Earnings Per Common Share		Net Income (Loss)	Earnings (Loss) Per Common Share	
		Basic	Diluted		Basic	Diluted
2004						
(in thousands, except per share data)						
As reported.....	\$ 3,364	\$ 0.18	\$ 0.18	\$ 573	\$ 0.03	\$ 0.03
Add: stock-based compensation included in net income.....	381			1,145		
Less: stock-based compensation using fair value method.....	(583)			(1,763)		
Pro forma.....	\$ 3,162	\$ 0.17	\$ 0.17	\$ (45)	\$ 0.00	\$ 0.00
2003						
(in thousands, except per share data)						
As reported.....	\$ 2,897	\$ 0.16	\$ 0.15	\$ 13,684	\$ 0.71	\$ 0.71
Add: stock-based compensation included in net income.....	425			1,331		
Less: stock-based compensation using fair value method.....	(709)			(2,145)		
Pro forma.....	\$ 2,613	\$ 0.14	\$ 0.14	\$ 12,870	\$ 0.67	\$ 0.67

The effects of applying a fair value method consistent with SFAS 123 in this pro forma disclosure are not indicative of future events, and the Company anticipates that it will award additional stock based compensation in future periods.

During the nine months ended September 30, 2004, the Company issued 63,783 shares of Common Stock for restricted stock grants, director stock grants and the exercise of stock options. In addition, the Company released from treasury 19,195 shares of Common Stock for employee stock plan purchases and received into treasury 1,200 shares of Common Stock on the cancellation of previously issued restricted stock grants.

9. Financial Information of 50% or Less Owned Companies

Summarized combined income statement information of business ventures for which the Company applies the equity method of accounting is as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2004	2003	2004	2003
(In thousands)				
Operating Revenues.....	\$ 43,374	\$ 34,072	\$ 104,662	\$ 85,654
Operating Income	3,974	3,084	10,470	9,805
Net Income	2,919	3,881	7,708	8,602

10. Earnings Per Share

Basic earnings per common share were computed based on the weighted average number of "unrestricted" common shares issued and outstanding (i.e., all issued and outstanding shares other than those subject to forfeiture pursuant to grants of restricted shares) during the relevant periods. Diluted earnings per common share were computed based on the weighted average number of unrestricted common shares issued and outstanding plus all potentially dilutive common shares that would have been outstanding in the relevant periods assuming the vesting of restricted stock grants and the issuance of common shares for stock options and convertible subordinated notes through the application of the treasury stock and if-converted methods. Diluted earnings per common share exclude certain options and share awards, totaling 70,000 and 180,924 in the three and nine months ended September 30, 2004, respectively, and 242,200 and 329,485 in the three and nine months ended September 30, 2003, respectively, as the effect of their inclusion in the computation would have been antidilutive.

	For the Three Months Ended September 30,			For the Nine Months Ended September 30,		
	Net income	Average O/S Shares	Per Share	Net income	Average O/S Shares	Per Share
2004						
(in thousands, except per share data)						
Basic Earnings Per Common Share.....	\$ 3,364	18,211	\$ 0.18	\$ 573	18,341	\$ 0.03
Effect of Dilutive Securities, net of tax:						
Options and restricted stock	-	146	-	-	155	-
Diluted Earnings Per Common Share	\$ 3,364	18,357	\$ 0.18	\$ 573	18,496	\$ 0.03
2003						
(in thousands, except per share data)						
Basic Earnings Per Common Share.....	\$ 2,897	18,630	\$ 0.16	\$ 13,684,000	19,183	\$ 0.71
Effect of Dilutive Securities, net of tax:						
Options and restricted stock	-	155	-	-	158	-
Convertible securities	-	-	-	167,000	138	-
Diluted Earnings Per Common Share	\$ 2,897	18,785	\$ 0.15	\$ 13,851,000	19,479	\$ 0.71

11. Comprehensive Income (Loss)

For the three months ended September 30, 2004 and 2003, total comprehensive income (loss) was \$9.4 million and (\$2.2) million, respectively. For the nine months ended September 30, 2004 and 2003, total comprehensive income was \$8.0 million and \$9.0 million, respectively. Other comprehensive income (loss) in 2004 and 2003 consisted of gains and losses from foreign currency translation adjustments and unrealized holding gains and losses on available-for-sale securities.

12. Segment Information

Accounting standards require public business enterprises to report information about each of their operating business segments that exceed certain quantitative thresholds or meet certain other reporting requirements. Operating business segments have been defined as a component of an enterprise about which separate financial information is available and is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance.

In accordance with Statement of Financial Accounting Standards No 131, the Company's inland river services segment has been separately reported in the segment information presented below due to its increased significance resulting from capital expansion. The Company's basis of measurement of segment profit or loss has not changed from previous reported periods. Certain reclassifications of prior period information have been made to conform to the current period's reportable segment presentation.

	Offshore Marine Services	Environmental Services	Inland River Services	Other	Total
For the Three Months Ended September 30, 2004					
(in thousands)					
Operating Revenues:					
External customers.....	\$ 72,757	\$ 21,144	\$ 16,076	\$ 6,509	\$ 116,486
Intersegment	68	—	—	976	1,044
	<u>72,825</u>	<u>21,144</u>	<u>16,076</u>	<u>7,485</u>	<u>117,530</u>
Operating expenses.....					
Administrative and general	(48,434)	(14,738)	(10,405)	(6,659)	(80,236)
Depreciation and amortization	(7,572)	(2,793)	(455)	(228)	(11,048)
Gain (Loss) on asset sales	(10,468)	(740)	(2,067)	(1,073)	(14,348)
Other income (expense), primarily foreign currency transactions..	9	(131)	4	—	(118)
Equity in earnings (losses) of 50% or less owned companies	(202)	(19)	—	—	(221)
Reportable Segment Profit (Loss).....	<u>1,547</u>	<u>(21)</u>	<u>—</u>	<u>(139)</u>	<u>1,387</u>
Corporate.....					(3,879)
Other income (expense) not included above.....					(4,165)
Equity in earnings of 50% or less owned companies					(1,387)
Segment Eliminations					80
Income before Taxes, Minority Interest and Equity Earnings					<u>\$ 3,595</u>
For the Three Months Ended September 30, 2003					
(in thousands)					
Operating Revenues:					
External customers.....	\$ 81,190	\$ 10,611	\$ 7,195	\$ 4,238	\$ 103,234
Intersegment	4	14	52	565	635
	<u>81,194</u>	<u>10,625</u>	<u>7,247</u>	<u>4,803</u>	<u>103,869</u>
Operating expenses.....					
Administrative and general	(58,022)	(5,016)	(4,994)	(4,811)	(72,843)
Depreciation and amortization	(8,211)	(1,850)	(360)	(517)	(10,938)
Gain on asset sales	(11,529)	(340)	(923)	(597)	(13,389)
Other income (expense), primarily foreign currency transactions .	2,348	1	—	—	2,349
Equity in earnings (losses) of 50% or less owned companies	(1,991)	—	—	(87)	(2,078)
Reportable Segment Profit (Loss).....	<u>839</u>	<u>(5)</u>	<u>—</u>	<u>101</u>	<u>935</u>
Corporate.....					(2,816)
Other income (expense) not included above.....					(746)
Equity in earnings of 50% or less owned companies					(935)
Income before Taxes, Minority Interest and Equity Earnings					<u>\$ 3,408</u>

	Offshore Marine Services	Environmental Services	Inland River Services	Other	Total
For the Nine Months Ended September 30, 2004					
(in thousands)					
Operating Revenues:					
External customers.....	\$ 205,739	\$ 52,190	\$ 34,690	\$ 17,244	\$ 309,863
Intersegment	141	—	—	2,748	2,889
	<u>205,880</u>	<u>52,190</u>	<u>34,690</u>	<u>19,992</u>	<u>312,752</u>
Operating expenses.....					
Administrative and general	(149,684)	(37,888)	(23,677)	(19,563)	(230,812)
Depreciation and amortization	(24,116)	(7,717)	(1,228)	(1,078)	(34,139)
Gain (Loss) on asset sales	(32,361)	(2,009)	(4,761)	(3,153)	(42,284)
Other income (expense), primarily foreign currency transactions...	9,793	(64)	77	124	9,930
Equity in earnings (losses) of 50% or less owned companies	(333)	2	—	—	(331)
Reportable Segment Profit (Loss).....	<u>\$ 12,972</u>	<u>\$ 4,493</u>	<u>\$ 5,101</u>	<u>\$ (4,819)</u>	<u>2,631</u>
Corporate.....					(10,253)
Other income (expense) not included above.....					(6,629)
Equity in earnings of 50% or less owned companies					(2,631)
Segment Eliminations					80
Loss before Taxes, Minority Interest and Equity Earnings.....					<u>\$ (1,686)</u>

For the Nine Months Ended September 30, 2003					
(in thousands)					
Operating Revenues:					
External customers.....	\$ 241,840	\$ 32,272	\$ 16,976	\$ 14,165	\$ 305,253
Intersegment	15	41	155	1,190	1,401
	<u>241,855</u>	<u>32,313</u>	<u>17,131</u>	<u>15,355</u>	<u>306,654</u>
Operating expenses.....					
Administrative and general	(169,353)	(16,303)	(10,287)	(14,074)	(210,017)
Depreciation and amortization	(25,096)	(5,854)	(1,030)	(1,203)	(33,183)
Gain (Loss) on asset sales	(35,375)	(2,005)	(2,805)	(1,503)	(41,688)
Other income (expense), primarily foreign currency transactions and an impairment charge for an investment.....	8,238	83	(311)	(100)	7,910
Equity in earnings (losses) of 50% or less owned companies	254	—	—	(1,277)	(1,023)
Reportable Segment Profit (Loss).....	<u>\$ 1,993</u>	<u>\$ (2)</u>	<u>\$ —</u>	<u>\$ (488)</u>	<u>1,503</u>
Corporate.....	<u>\$ 22,516</u>	<u>\$ 8,232</u>	<u>\$ 2,698</u>	<u>\$ (3,290)</u>	<u>(8,200)</u>
Other income (expense) not included above.....					(492)
Equity in earnings of 50% or less owned companies					(1,503)
Income before Taxes, Minority Interest and Equity Earnings					<u>\$ 19,961</u>

As of September 30, 2004					
(in thousands)					
Assets:					
Investments and receivables in 50% or less owned companies ..	\$ 29,791	\$ 163	\$ —	\$ 23,517	\$ 53,471
Goodwill	12,646	14,264	1,493	305	28,708
Other Segment Assets	647,854	35,978	185,089	49,910	918,831
	<u>\$ 690,291</u>	<u>\$ 50,405</u>	<u>\$ 186,582</u>	<u>\$ 73,732</u>	<u>1,001,010</u>
Cash, Investments and Corporate Assets					455,526
					<u>\$ 1,456,536</u>

As of December 31, 2003					
(in thousands)					
Assets:					
Investments and receivables in 50% or less owned companies ..	\$ 33,891	\$ (10)	\$ —	\$ 25,967	\$ 59,848
Goodwill	12,646	14,264	1,493	305	28,708
Other Segment Assets	683,193	26,898	102,795	45,021	857,907
	<u>\$ 729,730</u>	<u>\$ 41,152</u>	<u>\$ 104,288</u>	<u>\$ 71,293</u>	<u>946,463</u>
Cash, Investments and Corporate Assets					456,148
					<u>\$ 1,402,611</u>

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Certain statements discussed in Item 2 (Management's Discussion and Analysis of Financial Condition and Results of Operations), Item 3 (Quantitative and Qualitative Disclosures About Market Risk) and elsewhere in this Form 10-Q constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements concerning management's expectations, strategic objectives, business prospects, anticipated economic performance and financial condition and other similar matters involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of results to differ materially from any future results, performance or achievements discussed or implied by such forward-looking statements. Such risks, uncertainties and other important factors include, among others: the cyclical nature of the oil and gas industry, adequacy of insurance coverage, currency exchange fluctuations, changes in foreign political, military and economic conditions, the ongoing need to replace aging vessels, dependence of Offshore Marine Services on several customers, dependence of spill response revenue on the number and size of spills and upon continuing government regulation in this area and our ability to comply with such regulation and other governmental regulation, industry fleet capacity, changes in foreign and domestic oil and gas exploration and production activity, competition, vessel-related risks, effects of adverse weather conditions and seasonality on Aviation Services, helicopter related risks, effects of adverse weather and river conditions and seasonality on Inland River Services, the level of grain export volume, the effect of fuel prices on barge towing costs, variability in freight rates for inland river barges, changes in Environmental Services "Oil Spill Removal Organization" classification with the Coast Guard, liability in connection with providing spill response services, restrictions imposed by the Shipping Acts on the amount of foreign ownership of the Company's Common Stock, the effect of international economic and political factors in Inland River Services and various other matters, many of which are beyond the Company's control and other factors as are described at the end of Item 7 (Management's Discussion and Analysis of Financial Condition and Results of Operations) of the Company's Form 10-K for the fiscal year ended December 31, 2003. The words "expect," "anticipate," "estimate," "project," "intend," "believe," "plan" and similar expressions are intended to identify forward-looking statements. Forward-looking statements speak only as of the date of the document in which they are made. We disclaim any obligation or undertaking to provide any updates or revisions to any forward-looking statement to reflect any change in our expectations or any change in events, conditions or circumstances on which the forward-looking statement is based.

Consolidated Results of Operations

(in thousands)	For the Three Months Ended September 30,				For the Nine Months Ended September 30,			
	2004		2003		2004		2003	
	Amount	%	Amount	%	Amount	%	Amount	%
Operating revenues	\$ 116,486	100	\$ 103,234	100	\$ 309,863	100	\$ 305,253	100
Cost and expenses:								
Operating expenses	79,134	68	72,264	70	227,923	74	208,786	68
Administrative and general	14,900	13	13,676	13	43,833	14	41,146	14
Depreciation and amortization	14,352	12	13,411	13	42,469	14	41,755	14
	<u>108,386</u>	<u>93</u>	<u>99,351</u>	<u>96</u>	<u>314,225</u>	<u>102</u>	<u>291,687</u>	<u>96</u>
Gains (losses) on asset sales	(119)	0	2,349	2	9,636	3	7,910	3
Operating income	<u>7,981</u>	<u>7</u>	<u>6,232</u>	<u>6</u>	<u>5,274</u>	<u>1</u>	<u>21,476</u>	<u>7</u>
Other income (expense), net	<u>(4,386)</u>	<u>(4)</u>	<u>(2,824)</u>	<u>(3)</u>	<u>(6,960)</u>	<u>(2)</u>	<u>(1,515)</u>	<u>(1)</u>
Income (loss) before taxes,								
minority interest and equity earnings	3,595	3	3,408	3	(1,686)	(1)	19,961	6
Income tax expense	<u>1,511</u>	<u>1</u>	<u>1,334</u>	<u>1</u>	<u>178</u>	<u>0</u>	<u>7,329</u>	<u>2</u>
Income (loss) before minority interest								
and equity earnings	2,084	2	2,074	2	(1,864)	(1)	12,632	4
Minority interest	(108)	0	(112)	0	(194)	0	(451)	0
Equity earnings	<u>1,388</u>	<u>1</u>	<u>935</u>	<u>1</u>	<u>2,631</u>	<u>1</u>	<u>1,503</u>	<u>0</u>
Net income	<u>\$ 3,364</u>	<u>3</u>	<u>\$ 2,897</u>	<u>3</u>	<u>\$ 573</u>	<u>0</u>	<u>\$ 13,684</u>	<u>4</u>

The table above provides an analysis of the Company's consolidated results of operations for each quarter and nine month period indicated. See "Item 1. Financial Statements – Note 12. Segment Information" included in Part I for additional financial information about the Company's business segments. Additional discussions of results of operations by business segment are presented below. The Company's operations are divided among the following four business segments: "Offshore Marine Services;" "Environmental Services;" "Inland River

Services” and “Other,” which primarily includes its “Aviation Services” business. The Company began separately reporting its Inland River Services business as a segment in the first quarter of 2004 due to its increased significance resulting from fleet expansion.

Overview

For the past several years, the Company has been pursuing a strategy of reducing its overall exposure to the offshore marine services industry and adjusting the mix of equipment it operates. The Company has been balancing its exposure to the energy service sector with investments in inland river assets and by expanding its environmental activities.

Weak demand for Offshore Marine Services’ fleet continued to depress profits, but vessel utilization and rates per day worked have recently improved. The Company expanded its environmental service operations with the fourth quarter 2003 acquisition of Foss Environmental Services Company (“Foss”), but had less emergency response activity in the current year periods than in the year before. Profits increased in Inland River Services due primarily to barge fleet expansion. Its fleet count has risen from 735 barges at September 30, 2003 to 1,043 at September 30, 2004. Aviation Services’ losses declined with improved helicopter utilization.

Management believes that the acquisition of ERA, subject to satisfaction of applicable closing conditions, will substantially increase SEACOR’s exposure to the Gulf of Mexico helicopter market. ERA operates mostly twin-engine equipment, serving the drilling “crew change” market and has large equipment that can support deep-water operations. We expect the combination of ERA with Aviation Services will result in synergies. The acquisition of ERA is consistent with SEACOR’s recently developed plan to invest cash previously dedicated to foreign operations in US assets.

Operating Revenues by Business Segment and Geographic Region

(in thousands)	For the Three Months Ended September 30,				For the Nine Months Ended September 30,			
	2004		2003		2004		2003	
	Amount	%	Amount	%	Amount	%	Amount	%
Business Segment:								
Offshore Marine Services	\$ 72,825	63	\$ 81,194	79	\$ 205,880	66	\$ 241,855	79
Environmental Services	21,144	18	10,625	10	52,190	17	32,313	11
Inland River Services	16,076	14	7,247	7	34,690	11	17,131	6
Other	7,485	6	4,803	5	19,992	7	15,355	5
Elimination	(1,044)	(1)	(635)	(1)	(2,889)	(1)	(1,401)	(1)
	<u>\$ 116,486</u>	<u>100</u>	<u>\$ 103,234</u>	<u>100</u>	<u>\$ 309,863</u>	<u>100</u>	<u>\$ 305,253</u>	<u>100</u>
Geographic Region:								
United States	\$ 73,761	63	\$ 54,245	52	\$ 189,399	61	\$ 159,031	52
United Kingdom	18,196	16	17,693	17	51,838	17	54,701	18
West Africa	11,028	10	13,219	13	35,210	11	41,139	14
Latin America & Mexico	6,964	6	5,941	6	18,904	6	15,880	5
Asia	3,961	3	5,057	5	9,705	3	15,123	5
Other	2,576	2	7,079	7	4,807	2	19,379	6
	<u>42,725</u>	<u>37</u>	<u>48,989</u>	<u>48</u>	<u>120,464</u>	<u>39</u>	<u>146,222</u>	<u>48</u>
	<u>\$ 116,486</u>	<u>100</u>	<u>\$ 103,234</u>	<u>100</u>	<u>\$ 309,863</u>	<u>100</u>	<u>\$ 305,253</u>	<u>100</u>

Offshore Marine Services. Operating revenues decreased 10%, or \$8.4 million, to \$72.8 million in the three months ended September 30, 2004 (“Current Year Quarter”) from the three months ended September 30, 2003 (“Prior Year Quarter”) and 15%, or \$36.0 million, to \$205.9 million in the nine months ended September 30, 2004 (“Current Nine Months”) from the nine months ended September 30, 2003 (“Prior Nine Months”) due principally to net vessel dispositions and a net increase in the number of vessels entering bareboat charter-out service upon concluding time charter-out arrangements. Fewer days worked and lower rates per day worked for vessels that operated between comparable nine month periods also contributed to lower operating revenues in the Current Nine Months. These declines were partly offset by an increase in reported North Sea revenues in the Current Year Quarter and Current Nine Months resulting from the translation of a strengthening Pound Sterling currency relative to the U.S. dollar.

Since the beginning of 2003 and through the end of the Current Year Quarter, the number of revenue generating vessels in Offshore Marine Services’ fleet declined by 31% to 168 vessels, resulting from 77 net vessel dispositions. Eighty-seven vessels were sold and charters for 18 vessels were not renewed upon termination. The Company completed the divestiture of Offshore Marine Services’ utility fleet in the previous quarter and at September 30, 2004 had no remaining “retired from service” vessels. Fleet dispositions were offset by Offshore Marine Services’ purchase of 19 vessels and the charter-in of 9 vessels.

At September 30, 2004, Offshore Marine Services had 11 vessels bareboat chartered-out, including 8 to joint venture partners. Operating revenues earned from bareboat chartered-out vessels are generally lower than for vessels owned and operated by the Company because certain vessel expenses, which must be recovered through charter revenue, are the burden of the charterer.

Days worked and rates per day worked declined in the Current Nine Months and lowered operating revenues earned by the Company's fleet of towing, supply, anchor handling towing supply and mini-supply vessels that operated between comparable periods. These declines were partly offset by an improvement in operating revenues resulting from increased days worked and rates per day worked for the Company's crew and standby safety fleets.

An increase in demand for U.S. vessels that began in the second quarter of 2004 has continued into the Current Year Quarter and rates per day worked have recently improved. Days worked by vessels in Asia, Latin America, and the North Sea also increased in the Current Year Quarter as compared to the previous quarter; and rates per day worked improved modestly in the North Sea.

The Company is optimistic that the market improvement can be maintained. Strong commodity prices have generated significant cash flow for the Company's clients, most of whom have modestly increased their capital spending budgets for the remainder of this year and 2005. Countering this trend towards increased investment are concerns over the sustainability of high commodity prices and a lack of suitable rigs and/or shortage of attractive exploration prospects in mature markets such as the Gulf of Mexico and North Sea.

Rates per day worked and related operating revenues for North Sea vessels are earned in Pounds Sterling. For financial statement reporting purposes, these revenues are translated to U.S. dollar equivalents at weighted average exchange rates in effect during the applicable periods. A strengthening between years of the Pound Sterling currency relative to the U.S. dollar has increased Offshore Marine Services' reported operating revenues by approximately \$1.8 million in the Current Year Quarter and \$5.6 million in the Current Nine Months.

The table below sets forth operational data for Offshore Marine Services during the periods indicated.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2004	2003	2004	2003
Rates Per Day Worked (\$): ^{(1) (2)}				
Anchor Handling Towing Supply – Domestic	22,009	20,095	19,133	18,155
Anchor Handling Towing Supply – Foreign	9,534	9,927	9,255	10,203
Crew	3,458	3,257	3,359	2,971
Geophysical, Freight and Other ⁽³⁾	–	–	14,000	–
Mini-Supply	2,937	2,998	2,948	3,041
Standby Safety	7,839	6,733	7,752	6,613
Supply – Domestic	6,720	6,062	6,310	6,428
Supply – Foreign	10,095	8,926	9,642	9,320
Towing – Domestic	6,118	6,093	6,072	6,293
Towing – Foreign	6,769	7,236	6,695	7,143
Utility ⁽³⁾	–	1,774	–	1,778
Overall Utilization (%): ⁽¹⁾				
Anchor Handling Towing Supply – Domestic	85.2	65.9	73.7	66.9
Anchor Handling Towing Supply – Foreign	90.4	81.9	72.1	84.1
Crew	93.5	75.9	88.4	78.3
Geophysical, Freight and Other ⁽⁴⁾	–	–	17.7	–
Mini-Supply	90.9	91.6	86.3	89.3
Standby Safety	89.7	89.9	87.5	87.0
Supply – Domestic	68.9	72.7	72.3	64.1
Supply – Foreign	86.9	88.7	77.4	92.5
Towing – Domestic	64.3	100.0	68.3	96.7
Towing – Foreign	61.7	82.7	64.0	84.2
Utility ⁽³⁾	–	58.7	–	56.8
Overall Fleet	88.2	77.5	83.3	77.2
Available Days: ⁽¹⁾				
Anchor Handling Towing Supply – Domestic	276	460	853	1,365
Anchor Handling Towing Supply – Foreign	759	1,012	2,224	3,071
Crew	6,024	6,699	18,133	20,196
Geophysical, Freight and Other ⁽⁴⁾	50	92	141	273
Mini-Supply	2,619	2,760	8,057	8,190
Standby Safety	1,932	1,840	5,754	5,478
Supply – Domestic	644	920	2,165	3,206
Supply – Foreign	828	1,104	2,648	3,030
Towing – Domestic	275	184	730	741
Towing – Foreign	736	1,196	2,599	3,581
Utility ⁽³⁾	–	3,253	–	10,098
Overall Fleet	<u>14,143</u>	<u>19,520</u>	<u>43,304</u>	<u>59,229</u>

	At September 30,		At December 31,
	2004	2003	2003
Fleet Count at Period End:			
Anchor Handling Towing Supply – Domestic.....	4	5	6
Anchor Handling Towing Supply – Foreign	13	21	20
Crew	77	90	87
Geophysical, Freight and Other	2	2	4
Mini-Supply	30	32	32
Standby Safety.....	27	26	27
Supply – Domestic	8	11	9
Supply – Foreign.....	13	18	17
Towing – Domestic.....	3	2	2
Towing – Foreign	30	36	31
Utility	–	36	–
Overall Fleet.....	<u>207⁽⁵⁾</u>	<u>279</u>	<u>235</u>

- (1) Rates per day worked, overall utilization and available days exclude owned vessels that are bareboat chartered-out, minority-owned joint venture vessels and managed vessels and include vessels bareboat and time chartered-in by the Company.
- (2) Revenues for certain of the Company's vessels included in the calculation of rates per day worked, primarily its North Sea fleet, are earned in foreign currencies, primarily Pounds Sterling, and have been converted to U.S. dollars at the weighted average exchange rate for the periods indicated.
- (3) During the first six months of 2004, the Company sold 26 "retired from service" vessels that remained in this class. The Company decided in the fourth quarter of 2003 to divest of this class of vessel.
- (4) Vessels in this class were out of service during the three and nine months ended September 2003 and the three months ended September 2004.
- (5) Includes 131 owned, 31 chartered-in, 5 managed and 1 pooled. Joint ventures in which the Company owned a 50% or less interest owned or chartered-in 33 vessels and joint ventures in which the Company owned a majority interest owned 6 vessels.

Environmental Services. Operating revenues increased 99%, or \$10.5 million, to \$21.1 million in the Current Year Quarter from the Prior Year Quarter and 62%, or \$19.9 million, to \$52.2 million in the Current Nine Months from the Prior Nine Months. Results improved with the acquisition of Foss and due to increased consulting and project management activities. A decline in foreign oil spill response activities in Iraq partly offset these improvements. Spill response operating revenues are dependent on the number of spill responses in a given period and the magnitude of each spill. Consequently, spill response revenues can vary materially between comparable periods and the revenues from any one period are not indicative of a trend or of anticipated results in future periods.

Foss, now known as NRC Environmental Services Inc. ("NRCES"), was acquired in the fourth quarter of 2003 and primarily operates on the West Coast. NRCES provides oil spill emergency response services, industrial and marine cleaning services, petroleum storage tank removal and site remediation, transportation and disposal of hazardous waste and environmental equipment and product sales.

Inland River Services. Operating revenues increased 122%, or \$8.8 million, to \$16.1 million in the Current Year Quarter from the Prior Year Quarter and 102%, or \$17.6 million, to \$34.7 million in the Current Nine Months from the Prior Nine Months due to fleet expansion, the hauling of greater freight volumes, improved freight rates and an increase in cargo stored aboard dry cargo hopper barges ("hopper barges").

The fleet of Inland River Services included 1,043 barges as of September 30, 2004 (645 owned, 182 chartered-in, 210 managed and 6 joint ventured). Since the beginning of 2003, net fleet additions have totaled 508 barges, primarily including newly constructed and chartered-in hopper barges. Freight volumes and rates increased due to the short supply of properly positioned hopper barges, increased non-grain loadings and improved harvest activity. Storage revenues also increased in the Current Nine Months due to higher levels of fertilizer imports and adverse river conditions during the winter months.

Other. Operating revenues increased 56%, or \$2.7 million, to \$7.5 million in the Current Year Quarter from the Prior Year Quarter and 30%, or \$4.6 million, to \$20.0 million in the Current Nine Months from the Prior Nine Months. These increases resulted principally from helicopter fleet expansion in the Company's Aviation Services business.

Operating Income (Loss) by Business Segment

(in thousands)	For the Three Months Ended Sept. 30,		For the Nine Months Ended Sept. 30,	
	2004	2003	2004	2003
Business Segment:				
Offshore Marine Services	\$ 6,360	\$ 5,780	\$ 9,512	\$ 20,269
Environmental Services	2,742	3,420	4,512	8,234
Inland River Services	3,153	970	5,101	2,698
Other	(475)	(1,122)	(3,678)	(1,525)
Corporate and Eliminations.....	(3,799)	(2,816)	(10,173)	(8,200)
	<u>\$ 7,981</u>	<u>\$ 6,232</u>	<u>\$ 5,274</u>	<u>\$ 21,476</u>

Offshore Marine Services. Operating income increased 10%, or \$0.6 million, to \$6.4 million in the Current Year Quarter from the Prior Year Quarter and decreased 53%, or \$10.8 million, to \$9.5 million in the Current Nine Months from the Prior Nine Months.

Operating income improved in the Current Year Quarter as decreases in costs and expenses exceeded declines in operating revenues and gains from asset sales. Repair costs were lower and other operating expenses declined due to a cost reduction program. Staff reductions lowered administrative expenses. Gains from asset sales declined due to fewer vessel dispositions. Net vessel dispositions marginally affected operating income as profits earned from fleet additions offset profits lost from fleet dispositions.

Operating income decreased in the Current Nine Months. Those factors affecting operating revenues, described above, and higher vessel operating expenses were partly offset by lower administrative costs, increased gains on asset sales and the effects from changing fleet composition. Operating expenses increased due to (i) a rise in compensation in the third quarter of 2003 for United Kingdom seamen, (ii) higher seamen redundancy costs associated with workforce reductions (iii) increased vessel importation fees in certain West African countries, and (iv) the provisioning for loss contingencies with respect to insurance contract deductibles. These operating expense increases were partly offset by lower repair costs and declines in other operating expenses resulting from a cost reduction program. Staff reductions decreased administrative expenses. Gains on asset sales increased due to the disposition of additional vessels. Increases in profits resulting from the addition of vessels to the fleet exceeded declines in profits that occurred as a result of fleet dispositions as newer vessels replaced under-utilized older equipment.

Translation of the operating activities of subsidiaries whose functional currency is Pound Sterling decreased reported operating income by \$0.6 million in the Current Nine Months. Costs and expenses exceeded revenues in a period when the Pound Sterling currency strengthened against the U.S. dollar.

Environmental Services. Operating income decreased 20%, or \$0.7 million, to \$2.7 million in the Current Year Quarter from the Prior Year Quarter and 45%, or \$3.7 million, to \$4.5 million in the Current Nine Months from the Prior Nine Months due to a decline in profitability from emergency response activities. Profit margins from emergency response activities can vary greatly between periods and are dependent upon contract pricing relative to the direct costs of labor, material and other resources engaged in emergency response projects in the comparable periods.

Inland River Services. Operating income increased 225%, or \$2.2 million, to \$3.2 million in the Current Year Quarter from the Prior Year Quarter and 89%, or \$2.4 million, to \$5.1 million in the Current Nine Months from the Prior Nine Months. Higher fuel costs and lease costs for the recent charter-in of 182 hopper barges partly offset increases in operating revenues.

Other. Operating loss decreased 58%, or \$0.6 million, to \$0.5 million in the Current Year Quarter from the Prior Year Quarter but increased 141%, or \$2.2 million, to \$3.7 million in the Current Nine Months from the Prior Nine Months. Other operating loss primarily resulted from the activities of the Company's Aviation Services business. An increase in expenses resulting from the commencement of operation of six new helicopters in the third and fourth quarters of 2003 and the first quarter of 2004, including costs for mandatory FAA proving flights and flight and maintenance training related to introducing a new type of medium-sized twin engine helicopter, and major repairs to restore to service existing helicopters whose status was non-operational exceeded increases in operating revenues. Losses did decline in the Company's Aviation Services business in Current Year Quarter as compared to the previous quarter and an improvement in results are expected in future periods. Such improvement remains dependent on, amongst other things, offshore production and drilling activities of major oil and production management companies operating in the U.S. Gulf of Mexico.

Corporate. Corporate expenses increased 38%, or \$1.1 million, to \$3.9 million in the Current Year Quarter from the Prior Year Quarter and 25%, or \$2.1 million, to \$10.3 million in the Current Nine Months from the Prior Nine Months primarily due to increased business development and facility expenses and costs necessary to comply with Section 404 of the Sarbanes-Oxley Act of 2002.

Other income (expense), net

<i>(in thousands)</i>	For the Three Months Ended Sept. 30,		For the Nine Months Ended Sept. 30,	
	2004	2003	2004	2003
Net interest expense.....	\$ (3,385)	\$ (3,063)	\$ (11,109)	\$ (8,562)
Debt extinguishment expense	—	—	—	(2,091)
Derivative income (loss), net	(140)	(443)	(621)	3,930
Foreign currency transaction gains (losses), net	(184)	(1,714)	(407)	115
Marketable securities sale gains (losses), net	(756)	2,411	4,746	5,852
Other, net	79	(15)	431	(759)
	<u>\$ (4,386)</u>	<u>\$ (2,824)</u>	<u>\$ (6,960)</u>	<u>\$ (1,515)</u>

Net interest expense. Net interest expense increased 11%, or \$0.3 million, to \$3.4 million in the Current Year Quarter from the Prior Year Quarter and 30%, or \$2.5 million, to \$11.1 million in the Current Nine Months from the Prior Nine Months. This was primarily due to reduced capitalized interest and the 2003 fourth quarter termination of interest rate swap agreements with respect to the Company's 7.2% Notes.

Debt extinguishment expense. The Company redeemed the outstanding principal amount of its 5-3/8% Notes on February 20, 2003 and accelerated the repayment of notes due to former shareholders of an acquired company on April 7, 2003. These debt repayments in the Prior Nine Months resulted in a write-off of related unamortized deferred financing costs and premium payments totaling \$2.1 million.

Derivative income (loss), net. Derivative transactions resulted in a loss of \$0.6 million in the Current Nine Months as compared to income of \$3.9 million the Prior Nine Months. Derivative income in the Prior Nine Months included a \$1.6 million gain from interest rate swap agreements with respect to the Company's 7.2% Notes and a \$1.7 million gain from costless collars associated with the Company's common stock investment in ENSCO International Incorporated. The costless collars and interest swap agreements were terminated in the second and fourth quarters of 2003, respectively.

Foreign currency transaction gains (losses), net. Foreign currency transaction losses decreased \$1.5 million to \$0.2 million in the Current Year Quarter from the Prior Year Quarter and increased \$0.5 million to \$0.4 million in the Current Nine Months from a gain of the Prior Nine Months. Gains and losses primarily resulted from the effect of currency exchange rate changes on loans between SEACOR and certain of its foreign subsidiaries and other transactions denominated in currencies other than the functional currency of various subsidiaries.

Marketable securities sale gains (losses), net. Marketable securities sale gains decreased \$3.2 million to a loss of \$0.8 million in the Current Year Quarter from the Prior Year Quarter and decreased \$1.1 million to a gain of \$4.7 million in the Current Nine Months from the Prior Nine Months. The loss in the Current Year Quarter is primarily the result of reduced trading activity in available-for-sale securities. Unrealized gains on available-for-sale securities increased \$8.0 million, net of tax, to \$10.1 million as of September 30, 2004 from \$2.1 million as of September 30, 2003.

Income Taxes

The Company's effective income rate for the Current Nine Months was (10.6%). The customary benefit associated with pre-tax losses for the Current Nine Months was offset by tax provisions for state jurisdictions with taxable income and the consequence of non-deductible compensation expenses excluded from the U.S. consolidated tax return.

Equity Earnings

Equity earnings increased 48%, or \$0.5 million, to \$1.4 million in the Current Year Quarter from the Prior Year Quarter and 75%, or \$1.1 million, to \$2.6 million in the Current Nine Months from the Prior Nine Months. This was due primarily to improved joint venture operating results in Offshore Marine Services. Results for the Current Nine Months included a loss recognized on the sale of an interest in an Asian marine joint venture and an impairment charge relating to the Company's investment in an entity that develops and sells software to the ship brokerage and shipping industry.

Liquidity and Capital Resources

General

The Company's ongoing liquidity requirements arise primarily from the funding of working capital needs, acquisition, construction or improvement of equipment, repayment of debt obligations, repurchase of Common Stock and purchase of other investments. The Company's principal sources of liquidity are cash balances, available-for-sale securities, construction reserve funds, cash flows from operations and borrowings under its revolving credit facility although, from time to time, it may issue debt, shares of Common Stock, preferred stock, or a combination thereof, or sell vessels and other assets to finance the acquisition of equipment and businesses or make improvements to existing equipment.

As of September 30, 2004, the Company had \$146.7 million available under a five year, non-reducing, unsecured revolving credit facility that terminates in February 2007.

Operating Activities

Cash flows provided by operating activities were \$9.4 million in the Current Nine Months and \$12.2 million in the Prior Nine Months. The decline in operating cash flows resulted primarily from the same factors producing the decline in net earnings between the periods (see Consolidated Results of Operations discussion above) partially offset by a reduction in accounts payables in the Prior Nine Months and a reduction in the provision for deferred taxes between the periods.

Investing Activities

Cash flows used in investing activities were \$110.4 million in Current Nine Months as compared to cash flows provided by investing activities of \$28.1 million in the Prior Nine Months. The decline in investing cash flows resulted primarily from a net increase available-for-sale security purchases, an increase in equipment purchases, reduced proceeds from equipment sales and reduced dividends received from 50% or less owned companies.

The Company's unfunded capital commitments as of September 30, 2004 for 4 new offshore marine vessels, 68 new dry cargo hopper barges, 22 new chemical tank barges, 7 new helicopters and other equipment aggregated \$76.0 million. Deliveries are expected through the remainder of the year and into 2005. An option to acquire 150 new dry cargo hopper barges expired shortly after the end of the third quarter.

On October 14, 2004, the Company agreed to acquire all of the outstanding shares of capital stock of ERA for a cash purchase price of approximately \$118 million, subject to post-closing working capital adjustments. The acquisition is subject to the expiration of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and to the satisfaction of customary closing conditions. It is anticipated that the transaction will close by December 31, 2004. The acquisition of ERA is consistent with SEACOR's recently developed plan to invest cash previously dedicated to foreign operations, in U.S. assets.

Financing Activities

Cash flows provided by financing activities were \$36.5 million in the Current Nine Months as compared to cash flows used in financing activities of \$119.6 million in the Prior Nine Months. The Company repaid \$71.3 million of its outstanding indebtedness in the Prior Nine Months with proceeds from the sale in 2002 of its 5-7/8% Notes. In addition, the Company repurchased fewer shares of Common Stock between periods. During the Current Nine Months, the Company borrowed \$50.0 million under its revolving credit facility.

During the Current Nine Months, the Company acquired 370,490 shares of its Common Stock for treasury at an aggregate cost of \$14.9 million. As of September 30, 2004, \$43.3 million of repurchase authority granted by the Company's Board of Directors remains available for acquisition of additional shares of Common Stock, the Company's 7.2% Notes and its 5-7/8% Notes. Securities are acquired from time to time through open market purchases, privately negotiated transactions or otherwise, depending on market opportunity.

Financial Position

Total assets of the Company remained relatively constant at \$1.5 billion and \$1.4 billion as of September 30, 2004 and December 31, 2003, respectively. The Company's combined cash, available-for-sale securities and construction reserve funds remained relatively constant at \$440.1 million and represented 30% of total assets as of September 30, 2004. Net property and equipment increased 5% to \$777.4 million and represented 54% of total assets as of September 30, 2004. Long-term debt increased 15% to \$382.3 million.

Short and Long-Term Liquidity Requirements

The Company anticipates it will generate positive cash flows from operations in the near term and these cash flows will be adequate to meet the Company's working capital requirements and contribute toward defraying the costs of its capital expenditures. As in the past and in further support of the Company's capital expenditure program and anticipated acquisitions, the Company intends to sell vessels, enter into sale and leaseback transactions for vessels, borrow under its revolving credit facility or utilize construction reserve funds, or a combination thereof. To the extent the Company relies on existing cash balances, proceeds from the sale of available-for-sale securities or construction reserve funds, the Company's liquidity would be reduced.

The Company's long-term liquidity is dependent upon its ability to generate operating cash flows sufficient to meet its requirements for working capital, capital expenditures and a reasonable return on shareholders' investment. The Company believes that earning such operating profits will permit it to maintain its access to favorably priced debt, equity and off-balance sheet financing arrangements. With the cyclical nature of the energy business and the recent adverse effect it has had on the Company's results of operations and cash flows, the Company has adopted a strategy of reducing its overall dependency on Offshore Marine Services and reinvesting certain of its capital resources in Inland River Services and Aviation Services.

Contingencies

The Company has guaranteed the payment of amounts owed by certain of its joint ventures under vessel charter agreements that expire through October 2009. As of September 30, 2004, the total amount of future charter payments guaranteed by the Company was \$15.1 million.

In connection with an examination of the Company's income tax returns for fiscal years 2000 and 2001, the Internal Revenue Service ("IRS") previously indicated that it was considering whether to propose a change in the manner in which vessel assets are classified for purposes of depreciation and asserted deficiencies with respect to the deduction of certain other expenses. Settlements have been reached with the IRS on all outstanding issues resulting in no material impact to the Company's financial position or results of operations.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There has been no material change in the Company's exposure to market risk during the Current Nine Months. For discussion of the Company's exposure to market risk, refer to Item 7A, Quantitative and Qualitative Disclosures about Market Risk, contained in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2003.

ITEM 4. CONTROLS AND PROCEDURES

The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")), as of September 30, 2004. Based on their evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of September 30, 2004.

There has been no change in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the Company's fiscal quarter ended September 30, 2004, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

As a result of Section 404 of the Sarbanes-Oxley Act of 2002 and the rules issued thereunder, the Company will be required to include in its Annual Report on Form 10-K for the year ending December 31, 2004 a report on management's assessment of the effectiveness of the Company's internal controls over financial reporting. The Company's independent auditors will also be required to attest to and report on management's assessment.

As part of the process of preparing for compliance with these requirements, in 2003, the Company initiated a review of its internal controls over financial reporting. As part of this review, management has been engaged in a process to document and evaluate the Company's internal controls over financial reporting. In this regard, management has dedicated internal resources, engaged outside consultants and adopted a detailed plan to (i) document the Company's internal controls over financial reporting, (ii) assess the adequacy of the Company's internal controls over financial reporting, (iii) take steps to improve control processes where appropriate and (iv) validate through testing that controls are functioning as documented.

Management identified and reported to the Audit Committee of the Board of Directors certain matters involving internal control deficiencies. Although none of the deficiencies, individually, is believed to be a material weakness, if such deficiencies remain uncorrected, they could, in the aggregate, amount to a material weakness in internal controls over financial reporting under definitions established by the Securities and Exchange Commission and the Public Company Accounting Oversight Board.

Although management believes that it is likely that the Company will be able to implement changes to correct any deficiencies that would amount to a material weakness in internal controls over financial reporting and to document sufficiently and test the revised internal controls procedures in order to make a positive assertion as to the effectiveness of internal controls over financial reporting, there can be no assurance that all the identified issues, and any other issues found during the ongoing documentation and evaluation process, will be resolved in time to do so.

PART II - OTHER INFORMATION

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

This table provides information with respect to purchases by the Company of shares of Common Stock during the Current Year Quarter:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ⁽¹⁾	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs ⁽¹⁾
July 1 – 31, 2004	0	-	0	\$45,371,000
August 1 – 31, 2004	50,200	\$41.15	50,200	\$43,302,000
September 1 – 30, 2004	833	\$45.07	833	\$43,265,000
Total	51,033	\$41.21	51,033	

(1) Beginning in February 1997 and extended at various times through November 2003, the Board of Directors authorized the repurchase of \$347.0 million of Common Stock, debt or combination thereof. Through September 30, 2004, the Company has repurchased \$225.5 million and \$78.2 million of Common Stock and debt, respectively.

ITEM 6. EXHIBITS

- 31.1 Certification of Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act").
- 31.2 Certification of Chief Financial Officer pursuant to Rule 13a-14(a) of the Exchange Act.
- 32.1 Certification of Chief Executive Officer required by Rule 13a-14(b) of the Exchange Act and 18 U.S.C. Section 1350 (furnished herewith).
- 32.2 Certification of Chief Financial Officer required by Rule 13a-14(b) of the Exchange Act and 18 U.S.C. Section 1350 (furnished herewith).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SEACOR Holdings Inc.
(Registrant)

DATE: November 9, 2004

By: /s/ Charles Fabrikant
Charles Fabrikant, Chairman of the Board,
President and Chief Executive Officer
(Principal Executive Officer)

DATE: November 9, 2004

By: /s/ Randall Blank
Randall Blank, Executive Vice President,
Chief Financial Officer and Secretary
(Principal Financial Officer)

EXHIBIT INDEX

- 31.1 Certification by the Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act").
- 31.2 Certification by the Chief Financial Officer pursuant to Rule 13a-14(a) of the Exchange Act.
- 32.1 Certification of Chief Executive Officer required by Rule 13a-14(b) of the Exchange Act and 18 U.S.C. Section 1350 (furnished herewith).
- 32.2 Certification of Chief Financial Officer required by Rule 13a-14(b) of the Exchange Act and 18 U.S.C. Section 1350 (furnished herewith).

I, Charles Fabrikant, certify that:

1. I have reviewed this quarterly report on Form 10-Q of SEACOR Holdings Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and
 - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2004

/s/ Charles Fabrikant

Name: Charles Fabrikant

Title: Chief Executive Officer

I, Randall Blank, certify that:

1. I have reviewed this quarterly report on Form 10-Q of SEACOR Holdings Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and
 - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2004

/s/ Randall Blank

Name: Randall Blank

Title: Chief Financial Officer

CERTIFICATION
REQUIRED BY RULE 13a-14(b) OR RULE 15d-14(b) AND 18 U.S.C. SECTION 1350
(AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002)

I, Charles Fabrikant, as Chief Executive Officer of SEACOR Holdings Inc. (the "Company"), certify, pursuant to 18 U.S.C. § 1350, as adopted by Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) the accompanying Quarterly Report on Form 10-Q for the period ending September 30, 2004 as filed with the U.S. Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 9, 2004

/s/ Charles Fabrikant
Charles Fabrikant
Chief Executive Officer

CERTIFICATION
REQUIRED BY RULE 13a-14(b) OR RULE 15d-14(b) AND 18 U.S.C. SECTION 1350
(AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002)

I, Randall Blank, as Chief Financial Officer of SEACOR Holdings Inc. (the "Company"), certify, pursuant to 18 U.S.C. § 1350, as adopted by Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) the accompanying Quarterly Report on Form 10-Q for the period ending September 30, 2004 as filed with the U.S. Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 9, 2004

/s/ Randall Blank
Randall Blank
Chief Financial Officer