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## Cal Dive International, Inc. Q3 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator instructions) Your first question comes from the line of Jim Rollyson from Raymond James. Please proceed.

#### Jim Rollyson – Raymond James

Hi, good morning guys.

#### Quinn Hebert

Welcome Jim.

#### Jim Rollyson – Raymond James

You talked a bit about the hurricane work which as you mentioned is unfortunate for some and fortunate for others. You happened to be in the fortunate category. Can you talk a little bit about what you are seeing in terms of pricing? If you go back and look at Katrina and Rita, obviously it caused a pretty nice little boom in the Gulf of Mexico for a couple of years and you saw prices pick up certainly in certain things like saturation diving, can you kind of share what you are seeing so far on that front?

#### Quinn Hebert

Sure, Jim this is Quinn. I think we have sort of said during the hurricanes Katrina and Rita we set a new sort of plateau for saturations that I think which is the most complicated and most sophisticated part of the diving spectrum and we have maintained that plateau before, during and after the hurricanes and we are still at that level. I think what we saw after the hurricane inspection work tail off, the pricing for the shallower water surface diving fleet the smaller 110 came off a little bit and now I think after the hurricanes we have gone back into hurricane inspection mode and we see those rates come up nicely. But I can tell you that the lion's share of our EBITDA is generated by bigger assets and so that is where I think our pricing – you see that benefit in our quarter results.

#### Jim Rollyson – Raymond James

Sure. Is this some – Quinn do you think if last time it took a couple of years, is it something that you think is six months worth of work, 12 months worth of work, any gauge of how long from what you have seen so far?

#### Quinn Hebert

That's a good question. If you look at hurricanes, I hate to make comparisons but Katrina and Rita they were about 113 down platforms between the two storms, Ike is probably right now stands at around 60% of the damage that Katrina and Rita in '05 caused. So, you think it is going to assume in the salvage repair work that is performed at a normal rate. You are looking at about 60% of the work for Katrina and Rita. I think the big difference I said in my remarks is that after Katrina and Rita there was a much higher sense of urgency from our customer base primarily because of the pollution events. So, we saw a lot more capital deployed quicker, I think this (inaudible) our clients are going to be much more efficient in deploying their capital especially in this environment and so I think that is going to be the big difference and we are still as we said talking to our top 30 clients to try and really get a better feeling for how 2009 is going to shape up.

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