SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 1998 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 SMIT INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	13-3542736
(State or Other Jurisdiction of Incorporation or Organization)	(IRS Employer Identification No.)
11200 Westheimer, Suite 850, Houston Texas	77042
(Address of Principal Executive Offices)	(Zip Code)

(713) 782-5990

(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 ____

The total number of shares of Common Stock, par value $.01 per share, outstanding as of August 7, 1998 was 13,191,493. The Registrant has no other class of Common Stock outstanding.

SEACOR SMIT INC. AND SUBSIDIARIES

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SEACOR SMIT INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT SHARE DATA, UNAUDITED)

	June 30, 1998	December 31, 1997
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 134,949	$ 175,381
Held-to-maturity securities	-	33,020
Trade and other receivables, net of allowance for doubtful accounts of $1,451 and $1,626, respectively	88,168	84,087
Inventories	1,657	2,149
Prepaid expenses and other	2,002	1,422
Total current assets	226,776	296,059
Investments in, at Equity, and Receivables from 50% or Less Owned Companies	50,129	38,370
Available-for-Sale Securities	166,096	127,420
Property and Equipment	643,623	592,883
Less--Accumulated depreciation	(98,330)	(109,949)
Net property and equipment	545,293	482,934
Restricted Cash	190,450	46,983
Other Assets	37,729	28,035
	$ 1,216,473	$ 1,019,801
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable and current portion of long-term debt	$ 23,095	$ 36,229
Other current liabilities	25,103	23,292
Total current liabilities	48,198	59,521
Long-Term Debt	490,926	358,714

	June 30, 1998	December 31, 1997
Deferred Income Taxes	71,042	59,681
Deferred Gain and Other Liabilities	63,710	34,168
Minority Interest in Subsidiaries	34,686	33,703
Stockholders' Equity:		
Common stock, $.01 par value, 14,135,261 and 14,064,221 shares issued at June 30, 1998, and December 31, 1997	141	140
Additional paid-in capital	271,447	268,728
Retained earnings	281,479	211,159
Less 905,468 and 166,968 shares held in treasury at June 30, 1998 and December 31, 1997, respectively, at cost	(43,797)	(5,365)
Less unamortized restricted stock compensation	(1,523)	(986)
Accumulated other comprehensive income	164	338
Total stockholders' equity	507,911	474,014
	$ 1,216,473	$ 1,019,801

</TABLE>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS AND SHOULD BE READ IN CONJUNCTION HEREWITH.

SEACOR SMIT INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(IN THOUSANDS, EXCEPT SHARE DATA, UNAUDITED)

<TABLE>
<CAPTION>

	Three Months Ended June 30, 1998	Three Months Ended June 30, 1997	Six Months Ended June 30, 1998	Six Months Ended June 30, 1997
<S>	<C>	<C>	<C>	<C>
Operating Revenue:				
Marine	$ 89,611	$ 79,993	$ 180,770	$ 154,948
Environmental -				
Oil spill response	1,189	1,160	2,641	1,637
Retainer fees and other services	4,944	4,095	9,546	7,842
	95,744	85,248	192,957	164,427
Costs and Expenses:				
Cost of oil spill response	818	1,067	1,986	1,562
Operating expenses -				
Marine	42,823	40,752	86,192	74,879
Environmental	1,310	1,316	2,649	2,538
Administrative and general	9,128	7,632	17,635	14,115

Depreciation and amortization	8,604	8,754	18,120	17,621
	62,683	59,521	126,582	110,715
Operating Income	33,061	25,727	66,375	53,712
Other (Expense) Income:				
Interest on debt	(6,185)	(2,849)	(10,668)	(5,641)
Interest income	6,096	2,497	11,784	4,561
Gain from equipment sales, net	17,863	31,123	30,582	47,010
Other	(20)	486	(74)	443
	17,754	31,257	31,624	46,373
Income Before Income Taxes, Minority Interest, Equity in Earnings of 50% or Less Owned Companies and Extraordinary Item	50,815	56,984	97,999	100,085
Income Tax Expense	17,390	20,321	34,022	35,203
Income Before Minority Interest, Equity in Earnings of 50% or Less Owned Companies and Extraordinary Item	33,425	36,663	63,977	64,882
Minority Interest in (Income) Loss of Subsidiaries	(232)	113	(703)	145
Equity in Earnings of 50% or Less Owned Companies	2,857	1,648	7,046	2,159
Income Before Extraordinary Item	36,050	38,424	70,320	67,186
Extraordinary Item - Extinguishment of Debt, net of tax	-	(325)	-	(325)
Net Income	$ 36,050	$ 38,099	$ 70,320	$ 66,861
Basic Earnings Per Common Share:				
Income Before Extraordinary Item	$ 2.74	$ 2.78	$ 5.25	$ 4.85
Extraordinary Item	-	(0.02)	-	(0.02)
Net Income	$ 2.74	$ 2.76	$ 5.25	4.83
Diluted Earnings Per Common Share:				
Income Before Extraordinary Item	$ 2.34	$ 2.38	$ 4.50	$ 4.18
Extraordinary Item	-	(0.02)	-	(0.02)
Net Income	$ 2.34	$ 2.36	$ 4.50	$ 4.16
Weighted Average Common Shares:				
Basic	13,175,389	13,824,513	.13,406,818	.13,858,748
Diluted	16,153,292	16,825,974	.16,394,089	.16,880,760

</TABLE>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS AND SHOULD BE READ IN CONJUNCTION HEREWITH.

SEACOR SMIT INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS, UNAUDITED)

<TABLE>
<CAPTION>

	Six Months Ended June 30, 1998	1997
Net Cash Provided by Operating Activities	$ 40,891	$ 39,870
<S>	<C>	<C>
Cash Flows from Investing Activities:		
Purchase of property and equipment	(111,834)	(54,429)
Proceeds from property and equipment sales	120,203	66,460
Purchase of securities	(63,769)	-
Proceeds from sale of securities	58,032	311
Investments in and advances to 50% or less owned companies	(12,437)	(1,067)
Principal payments on notes due from 50% or less owned Companies	995	273
Principal payments received under a sale-type lease	126	104
Restricted cash	(143,467)	(32,495)
Dividends received from 50% or less owned companies	120	-
Net cash used in investing activities	(152,031)	(20,843)
Cash Flows from Financing Activities:		
Payments on long-term debt	-	(1,351)
Payments on capital lease obligations	(744)	(746)
Payments on stockholders' loans	(223)	-
Other	5	-
Proceeds from issuance of long-term debt	110,000	750
Proceeds from exercise of stock options	757	21
Common stock acquired for treasury	(38,432)	(4,515)
Net cash provided (used) in financing activities	71,363	(5,841)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(655)	(26)
Net Increase (Decrease) in Cash and Cash Equivalents	(40,432)	13,160
Cash and Cash Equivalents, Beginning of Period	175,381	149,053

Cash and Cash Equivalents, End of Period............................	$ 134,949	$ 162,213

</TABLE>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS AND SHOULD BE READ IN CONJUNCTION HEREWITH.

SEACOR SMIT INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION --

The condensed consolidated financial information for the three and six-month periods ended June 30, 1998, and 1997, has been prepared by the Company and was not audited by its independent public accountants. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations, and cash flows at June 30, 1998, and for all periods presented have been made. 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 generally accepted accounting principles 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, 1997.

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

2. RECENT ACCOUNTING PRONOUNCEMENTS --

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133 ("SFAS 133"), "Accounting for Derivative Instruments and Hedging Activities." The Statement establishes accounting and reporting standards requiring that every derivative instrument be recorded in the balance sheet as either an asset or liability measured at its fair market value. SFAS 133 requires that changes in the derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met. Special accounting for qualifying hedges allows a derivative's gains and losses to offset related results on the hedged item in the income statement, and requires that a company must formally document, designate, and assess the effectiveness of transactions that receive hedge accounting. SFAS 133 is effective for fiscal years beginning after June 15, 1999. A company may also implement SFAS 133 as of the beginning of any fiscal quarter after issuance (that is, fiscal quarters beginning June 16, 1998 and thereafter). SFAS 133 must be applied to derivative instruments and certain derivative instruments embedded in hybrid contracts that were issued, acquired, or substantially modified after December 31, 1997. We have not yet quantified the impacts of adopting SFAS 133 on our financial statements and have not determined the timing of or method of our adoption of SFAS 133.

3. RESTRICTED CASH --

Restricted cash at June 30, 1998 totaled $190,450,000, and of such balance, $93,672,000 and $96,778,000 are intended for use in defraying the costs of constructing offshore marine vessels for the Company and two premium offshore jackup drilling rigs ("Rigs") for Chiles Offshore LLC ("Chiles"), a majority owned subsidiary, respectively. At June 30, 1998, the Company has funded $32,000,000 in offshore marine vessel construction costs from unrestricted cash balances, and subject to the Maritime Administration's approval during the third quarter, the Company expects such amounts to be reimbursed from construction reserve fund restricted cash accounts, see discussion below.

Proceeds from the sale of certain offshore marine vessels have been deposited into escrow and construction reserve fund bank accounts for purposes of acquiring newly constructed U.S.-flag vessels and qualifying for the Company's temporary deferral of taxable gains realized from the sale of the vessels. Escrow accounts were established in 1997 and 1998 pursuant to certain exchange and escrow agreements and restrict the use of funds deposited therein for a period of six months. Should replacement offshore marine vessels not be delivered prior to expiration of their applicable six month escrow period, funds then remaining in the escrow accounts will be released to the Company for

general use. In 1998, the Company also established, pursuant to Section 511 of the Merchant Marine Act, 1936, as amended (the "Construction Reserve Fund Program"), joint depository construction reserve fund accounts with the Maritime Administration. From date of deposit, withdrawals from these accounts are subject to prior written approval of the Maritime Administration, and funds must be committed for expenditure within three years or they will be released for the Company's general use.

Net proceeds from the sale by Chiles in April 1998 of $110,000,000 aggregate principal amount of its 10.0% Senior Notes Due 2008 (the "Chiles 10% Notes") were deposited into escrow accounts in accordance with certain escrow agreements between Chiles and U.S. Bank Trust National Association, as Escrow Agent. These funds may be used to (i) partially fund the construction of Rigs, (ii) pay interest on the Chiles 10.0% Notes through the first two semi-annual interest payment dates, and (iii) provide working capital. Upon receipt by the Escrow Agent of an Officer's Certificate of Chiles that Chiles has made the final installment of the Rigs' purchase price in accordance with the related construction contracts, any funds remaining in escrow will be released by the Escrow Agent to Chiles.

4. REPORTING OF COMPREHENSIVE INCOME --

During the first quarter of 1998, the Company adopted Statement of Financial Accounting Standards ("SFAS") No. 130, "Reporting Comprehensive Income" which establishes standards for reporting comprehensive income (defined as net income and all other non-owner changes in equity) in the financial statements. SFAS No. 130 is effective for fiscal years beginning after December 15, 1997, and the reclassification of financial statements for earlier periods presented for comparative purposes is required. For the three month periods ended June 30, 1998 and 1997, total comprehensive income was $36,157,000 and $33,002,000, respectively. For the six month periods ended June 30, 1998 and 1997, total comprehensive income was $70,141,000 and $60,011,000, respectively. Other comprehensive income or losses in 1998 and 1997 primarily resulted from net currency translation adjustments. Unrealized holding losses on securities were also included in 1998 comprehensive losses.

5. SECURITIES REPURCHASE PROGRAM --

SEACOR's Board of Directors extended its previously announced securities repurchase authority to include, in addition to its common stock and 5 3/8% convertible subordinated notes due 2006, its 7.2% senior notes due 2009 and the 10% senior notes due 2008 of its affiliate, Chiles Offshore LLC. The repurchase of any such securities will be effected from time to time through open market purchases, privately negotiated transactions or otherwise depending on market conditions.

6. EARNINGS PER SHARE --

<TABLE>
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	For the Three Month Periods June 30,			For the Six Month Periods June 30,		
	Income	Shares	Per Share	Income	Shares	Per Share
1998						
BASIC EARNINGS PER SHARE:						
Income Before Extraordinary Item.....	$ 36,050,000	13,175,389	$ 2.74	$70,320,000	13,406,818	$ 5.25
EFFECT OF DILUTIVE SECURITIES:						
Options and Restricted Stock.........	-	148,359		-	157,727	
Convertible Securities..............	1,690,000	2,829,544		3,380,000	2,829,544	
DILUTED EARNINGS PER SHARE:						
Income Available to Common Stockholders						

Plus Assumed Conversions..........	$ 37,740,000	16,153,292	$ 2.34	$73,700,000	16,394,089	$ 4.50
1997						
BASIC EARNINGS PER SHARE:						
Income Before Extraordinary Item.....	$ 38,424,000	13,824,513	$ 2.78	67,186,000	13,858,748	$ 4.85
EFFECT OF DILUTIVE SECURITIES:						
Options and Restricted Stock.........	-	156,766		-	177,317	
Convertible Securities..............	1,676,000	2,844,695		3,369,000	2,844,695	
DILUTED EARNINGS PER SHARE:						
Income Available to Common Stockholders Plus Assumed Conversions..........	$ 40,100,000	16,825,974	$ 2.38	$70,555,000	16,880,760	$ 4.18

</TABLE>

7. VESSEL DISPOSITIONS --

During the three and six month periods ended June 30, 1998, the Company completed the sale of 14 and 26 offshore marine vessels, respectively. Net pre-tax gains realized from the sale of these vessels and other equipment totaled $17,863,000 and $30,582,000 in the respective three and six month periods ended June 30, 1998. Eleven of the vessels sold during the year have been bareboat chartered-in by the Company under operating leases that range in duration from 2 to 4 years. Certain of the gains realized from the sale of these 11 vessels have been deferred and are being credited to income as reductions in rental expense over the lease terms.

8. COMMITMENT AND CONTINGENCY --

As of August 1, 1998, the Company has contracted for the construction of 21 offshore marine vessels for an approximate aggregate cost of $212,000,000 (including the vessel for the TMM joint venture described below) of which $65,000,000 has been funded. In addition, the Company's majority owned subsidiary, Chiles, has commitments to construct Rigs for an approximate aggregate cost of $178,000,000 of which $72,500,000 has been funded. These construction projects are expected to be completed over the next two years.

Pursuant to Memoranda of Agreement between the Company and Transportacion Maritima Mexicana S.A. de C.V. ("TMM"), two joint venture corporations have been formed, each of which will own one offshore marine service vessel. One of such vessels has been delivered and the other is currently under construction. It is expected that TMM will invest approximately $6,000,000 for a 12.5% equity interest in each joint venture corporation and that the Company will own all remaining equity interests in these joint venture corporations.

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

FORWARD-LOOKING STATEMENTS

When included in this Quarterly Report on Form 10-Q or in documents incorporated herein by reference, the words "expects," "intends," "anticipates," "believes," "estimates," and analogous expressions are intended to identify forward-looking statements. Such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include, among others, general economic and business conditions, industry fleet capacity, changes in foreign and domestic oil and gas exploration and production activity, competition, changes in foreign political, social and economic conditions, regulatory initiatives and compliance with governmental regulations, customer preferences and various other matters, many of which are beyond the Company's control. These forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q. The Company expressly disclaims any obligation or undertaking to release publicly any updates or any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

OFFSHORE MARINE SERVICES

The Company provides marine transportation and related services largely dedicated to supporting offshore oil and gas exploration and production through the operation, domestically and internationally, of offshore support vessels. The Company's vessels deliver cargo and personnel to offshore installations, tow and handle the anchors of drilling rigs and other marine equipment, support offshore construction and maintenance work and provide standby safety support. The Company's vessels also are used for special projects, such as well stimulation, freight hauling, line handling, seismic data gathering, salvage, and oil spill emergencies.

Operating revenues are affected primarily by the number of vessels owned, average rates per day worked and utilization of the Company's fleet, and the number of vessels bareboat and time chartered-in.

Opportunities to buy and sell vessels are actively monitored by the Company to maximize overall fleet utility and flexibility. Since 1994, certain acquisition transactions and investments in joint ventures have added over 230 vessels to the Company's fleet. During this same time period, over 85 vessels were sold of which 19 have been chartered-in. The Company is also presently committed to the construction of 21 vessels over the next two years.

Rates per day worked and utilization of the Company's fleet are a function of demand for and availability of marine vessels that is closely aligned with the level of exploration and development of offshore areas. The level of exploration and development of offshore areas is affected by both short-term and long-term trends in oil and gas prices which, in turn, are related to the demand for petroleum products and the current availability of oil and gas resources. The table below sets forth rates per day worked and utilization data for the Company during the periods indicated.

	Three Months Ended June 30,		Six Months Ended June 30,	
	1998	1997	1998	1997
Rates Per Day Worked ($): (1) (2)				
Supply and Towing Supply	6,810	6,307	6,908	6,069
Anchor Handling Towing Supply	11,641	10,634	11,848	9,738
Crew	2,713	2,163	2,704	2,114
Standby Safety	6,534	5,962	6,490	5,669
Utility and Line Handling	1,898	1,356	1,868	1,327
Geophysical, Freight and Other	4,872	4,654	4,623	4,692
Overall Fleet	4,199	3,548	4,210	3,422
Overall Utilization (%): (1)				
Supply and Towing Supply	91.5	90.1	91.3	93.1
Anchor Handling Towing Supply	86.5	79.0	85.9	82.5
Crew	97.2	97.1	97.1	97.6
Standby Safety	99.7	97.2	99.1	91.6
Utility and Line Handling	96.8	97.7	96.0	97.5
Geophysical, Freight and Other	100.0	97.5	100.0	95.0
Overall Fleet	95.0	94.2	94.6	95.0

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(1) Rates per day worked is the ratio of total charter revenue to the total

number of vessel days worked. Rates per day worked and overall utilization figures exclude owned vessels that are bareboat chartered-out, vessels owned by corporations that participate in pooling arrangements with the Company, joint venture vessels and managed/operated vessels and include vessels bareboat and time chartered-in by the Company.

(2) Certain of the Company's vessels earn revenue in foreign currencies which have been converted to U.S. dollars for reporting purposes at the weighted average exchange rates of those foreign currencies for the periods indicated.

From time-to-time, the Company bareboats or time charters-in vessels. A bareboat charter is a vessel lease under which the lessee ("charterer") is responsible for all crewing, insurance, and other operating expenses, as well as the payment of bareboat charter hire to the providing entity. A time charter is a lease under which the entity providing the vessel is responsible for all crewing, insurance, and other operating expenses and the charterer only pays a time charter hire fee to the providing entity. Operating revenues for vessels owned and bareboat or time chartered-in are incurred at similar rates. However, operating expenses associated with vessels bareboat and time chartered-in include charter hire expenses that, in turn, are included in vessel expenses, but exclude depreciation expense.

The Company also bareboat charters-out vessels. Operating revenues for these vessels are lower than for vessels owned and operated or bareboat chartered-in by the Company because vessel expenses, normally recovered through charter revenue, are the burden of the charterer. Operating expenses include depreciation expense if the vessels which are chartered-out are owned. At June 30, 1998 and 1997, the Company had five and seven vessels, respectively, bareboat chartered-out.

The table below sets forth the Company's marine fleet structure at the dates indicated:

<TABLE>
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FLEET STRUCTURE	At June 30, 1998	At June 30, 1997
Owned	226	256
Bareboat and Time Chartered-In	23	5
Managed	3	-
Joint Ventured (1)	34	33
Pooled (2)	12	12
Overall Fleet	298	306

</TABLE>

(1) 1998 and 1997 include 15 and 12 vessels, respectively, owned or chartered-in by a joint venture between Transportacion Maritima Mexicana S.A. de C.V. ("TMM") and the Company (the "TMM Joint Venture"). 1998 and 1997 also include 19 and 21 vessels, respectively, owned by corporations in which the Company acquired an equity interest pursuant to a transaction with Smit Internationale N.V. ("Smit") in December 1996 (the "Smit Joint Ventures").

(2) 1998 and 1997 include five vessels owned by Toisa Ltd. which participate in a pool with ten Company owned North Sea standby safety vessels. Additionally, 1998 and 1997 includes seven standby safety vessels in which the Company shares net operating profits after certain adjustments with Toisa and owners of the vessels (the "Saint Fleet Pool").

Vessel operating expenses are primarily a function of fleet size and utilization levels. The most significant vessel operating expense items are wages paid to marine personnel, maintenance and repairs, and marine insurance. In addition to variable vessel operating expenses, the offshore marine segment also incurs fixed charges related to the depreciation of property and equipment. Depreciation is a significant operating cost, and the amount related to vessels is the most significant component.

A portion of the Company's revenues and expenses are paid in foreign currencies. For financial statement reporting purposes, these amounts are translated into U.S. dollars at the weighted average exchange rates during the relevant period. The foregoing applies primarily to the Company's North Sea operations. Overall, the percentage of the Company's offshore marine operating revenues derived from foreign operations whether in U.S. dollars or foreign currencies approximated 38% and 41% during the six month periods ended June 30, 1998 and 1997, respectively.

The Company's foreign offshore marine operations are subject to various risks inherent in conducting business in foreign nations. These risks include, among others, political instability, potential vessel seizure, nationalization of assets, currency restrictions and exchange rate fluctuations, import-export quotas and other forms of public and governmental regulation, all of which are beyond the control of the Company. Although, historically, the Company's operations have not been affected materially by such conditions or events, it is not possible to predict whether any such conditions or events might develop in the future. The occurrence of any one or more of such conditions or events could have a material adverse effect on the Company's financial condition and results of operations.

Regulatory drydockings, which are a substantial component of marine maintenance and repair costs, are expensed when incurred. Under applicable maritime regulations, vessels must be drydocked twice in a five-year period for inspection and routine maintenance and repair. The Company follows an asset management strategy pursuant to which it defers required drydocking of selected marine vessels and voluntarily removes these marine vessels from operation during periods of weak market conditions and low rates per day worked. Should the Company undertake a large number of drydockings in a particular fiscal quarter or put through survey a disproportionate number of older or larger vessels which typically have higher drydocking costs, comparative results may be affected. For the six month period ended June 30, 1998 and 1997, drydocking costs totaled $7.1 million and $4.3 million, respectively. During these periods the Company completed the drydocking of 54 and 56 vessels, respectively.

Operating results are also affected by the Company's participation in (i) a joint venture arrangement with Vector Offshore Limited, a U.K. corporation, which owns a 9% equity interest in the Company's subsidiary (the "Veesea Joint Venture") that operates 10 standby safety vessels in the North Sea, (ii) the SEAVEC and Saint Fleet Pools, which coordinate the marketing of 22 standby safety vessels in the North Sea, of which 10 are owned by the Veesea Joint Venture, (iii) the TMM Joint Venture which operates 15 vessels offshore Mexico, (iv) the Smit Joint Ventures which operated 19 vessels in the Far East, Latin America, the Middle East, the Mediterranean and offshore West Africa, and (v) other joint venture arrangements.

ENVIRONMENTAL SERVICES

The Company's environmental services business provides contractual oil spill response and other related training and consulting services. The Company's clients include tank vessel owner/operators, refiners and terminal operators, exploration and production facility operators and pipeline operators. The Company charges a retainer fee to its customers for ensuring by contract the availability (at predetermined rates) of its response services and equipment. Retainer services include employing a staff to supervise response to an oil spill emergency and maintaining specialized equipment, including marine equipment, in a ready state for emergency and spill response as contemplated by response plans filed by the Company's customers in accordance with Oil Pollution Act of 1990, as amended, and various state regulations. The Company maintains relationships with numerous environmental sub-contractors to assist with response operations and equipment maintenance and provide trained personnel for deploying equipment in a spill response.

Pursuant to retainer agreements entered into with the Company, certain vessel owners pay in advance to the Company an annual retainer fee based upon the number and size of vessels in each such owner's fleet and in some circumstances pay the Company additional fees based upon the level of each vessel owner's voyage activity in the U.S. The Company recognizes the greater of revenue earned by voyage activity or the portion of the retainer earned in each accounting period. Certain vessel and facility owners pay a fixed fee or a fee based on volume of petroleum product transported for the Company's retainer services and such fee is recognized ratably throughout the year. The Company's retainer agreements with vessel owners generally range from one to three years while retainer arrangements with facility owners are as long as seven years.

Spill response revenue is dependent on the magnitude of any one spill response and the number of spill responses within a given fiscal period. Consequently, spill response revenue can vary greatly between comparable periods and the revenue from any one period is not indicative of a trend or of anticipated results in future periods. Costs of oil spill response activities relate primarily to (i) payments to sub-contractors for labor, equipment and materials, (ii) direct charges to the Company for equipment and materials, (iii) participation interests of others in gross profits from oil spill response, and (iv) training and exercises related to spill response preparedness.

The principal components of the Company's environmental service business operating costs are salaries and related benefits for operating personnel, payments to sub-contractors, equipment maintenance and depreciation. These expenses are primarily a function of regulatory requirements and the level of retainer business. Operating results are also affected by the Company's participation in Clean Pacific Alliance on the West Coast of the United States.

DRILLING SERVICES

Through certain investment transactions in August and December 1997, the Company acquired a 55.4% membership interest in Chiles Offshore LLC ("Chiles"), a joint venture and strategic alliance created to construct, own, and operate two premium offshore jackup drilling rigs ("Rigs"). Prior to December, 1997, the Company did not own a controlling interest in Chiles and therefore accounted for its investment under the equity method. Beginning after the Company's acquisition of a controlling interest in Chiles, the financial position and results of operations of Chiles were included in the consolidated financial statements of the Company. Prior to the second quarter of 1998, the results of operations for Chiles were not material. At present, Chiles has no operating assets.

RESULTS OF OPERATIONS

The following table sets forth operating revenue and operating profit by business segment for the periods indicated. The offshore marine business segment's data is provided by geographic area of operation. The environmental business segment's principal operations are in the United States. The drilling business segment is currently constructing Rigs in the United States that are expected to enter operation in 1999.

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	Three Months Ended June 30,		Six Months Ended June 30,	
	1998	1997	1998	1997
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Operating Revenue --				
Marine:				
United States	$ 53,533	$ 47,479	$ 111,332	$ 92,181
North Sea	9,569	16,664	19,343	30,888
West Africa	14,871	10,015	29,597	21,348
Other Foreign	11,638	5,835	20,498	10,531
	89,611	79,993	180,770	154,948
Environmental	6,133	5,255	12,187	9,479
Drilling	-	-	-	-
	95,744	85,248	192,957	164,427
Operating Profit --				
Marine:				
United States	35,568	45,962	71,091	80,420
North Sea	3,391	6,109	7,553	9,850
West Africa	8,194	4,221	10,921	8,602
Other Foreign	4,542	1,612	8,415	3,757
	51,695	57,904	97,980	102,629
Environmental	904	615	1,677	830
Drilling	(381)	-	(381)	-
	52,218	58,519		

			99,276	103,459
Other income (expense) (1)............................	84	(2)	59	(3)
General corporate administration......................	(1,398)	(1,181)	(2,452)	(2,291)
Net interest (expense) income.........................	(89)	(352)	1,116	(1,080)
Minority interest in loss (income) of subsidiaries.....	(232)	113	(703)	145
Equity in net earnings of 50% or less owned companies..	2,857	1,648	7,046	2,159
Income tax expense....................................	(17,390)	(20,321)	(34,022)	(35,203)
Income before extraordinary item......................	$ 36,050	$ 38,424	$ 70,320	$ 67,186

</TABLE>

(1) Excludes gains from equipment sales and certain other expenses that were reclassified to operating profit of the applicable business segment in the applicable period.

The marine business segment's operating revenue increased $9.6 million or 12% and $25.8 million or 17% in the three and six month periods ended June 30, 1998, respectively, compared to the three and six month periods ended June 30, 1997. The increase was due primarily to higher rates per day worked

earned by the Company's domestic and foreign fleet. Approximately two-thirds of the revenue earned from the improvement in rates per day worked was derived from the operation of the Company's domestic fleet. The increase was offset by a decline in revenue earned between comparable periods in the U.S. Gulf of Mexico and the North Sea due to a net reduction in owned and operated vessels. Since June 30, 1997, the number of vessels operated by the Company offshore West Africa and in Other Foreign regions has increased due primarily to the relocation of vessels from the U.S. Gulf of Mexico and the North Sea.

The environmental business segment's operating revenue increased $0.9 million or 17% and $2.7 million or 28% in the three and six month periods ended June 30, 1998 compared to the three and six month periods ended June 30, 1997. Oil spill, retainer, and other service revenues earned in 1998 include the results of ERST/O'Brien's Inc. ("ERST"), an entity acquired by the Company in October 1997. Excluding the effect of ERST, the environmental business segment's revenue declined between comparable quarters but increased slightly between comparable six month periods. The change in both periods primarily related to the number and severity of oil spills managed by the Company.

The marine business segment's operating profit decreased $6.2 million and $4.6 million in the three and six month periods ended June 30, 1998, respectively, compared to the three and six month periods ended June 30, 1997. Excluding the effect of gains from the sale of equipment in each period, operating profit increased $6.9 million and $11.7 million in the three and six month periods ended June 30, 1998, respectively, compared to the three and six month periods ended June 30, 1997. The increase was due to factors affecting operating revenue as outlined above offset by higher wage and related benefits, repair and maintenance, bareboat charter, travel, and administrative costs. Crew wages and related benefits increased domestically, in West Africa and in Other Foreign regions in response to competition for qualified personnel due to active market conditions. Repair and maintenance costs rose domestically, in the North Sea and in Other Foreign regions due to higher drydocking, main engine, hull, and electronic expenses. Higher drydocking expense resulted from an increase in the number and cost of larger vessel repairs. Bareboat charter expenses were higher due primarily to recent vessel sale and leaseback transactions. Travel expenses rose due to an increase in the frequency of crew rotation aboard the Company's vessels working offshore West Africa.

In the three and six month periods ended June 30, 1998, the Company sold 14 and 26 vessels, respectively, and other equipment resulting in gains of $18.0 million and $30.7 million, respectively. Vessels sold during this six month period included: 7 towing supply, 6 supply, 5 utility, 4 anchor handling towing supply, and 4 crew vessels that operated in the U.S. Gulf of Mexico, offshore West Africa, and the North Sea. In the three and six month periods ended June 30, 1997, the Company sold 10 and 22 vessels, respectively, and other equipment resulting in gains of $31.1 million and $47.0 million, respectively. Vessels sold during this six month period included: 7 supply, 5 utility, 4 towing supply, 3 anchor handling towing supply, 2 crew, and 1 freight vessel that operated primarily in the U.S. Gulf of Mexico. Profits from the 1998 vessel sales were lower than the comparable prior period due primarily to the deferral of certain gains associated with sale and leaseback of 11 vessels.

Declining oil prices have recently resulted in reduced drilling

activities in the U.S. Gulf of Mexico. As a result, rates per day work and utilization have declined for the Company's domestic supply and towing supply vessel fleet. For the Company's remaining domestic fleet, primarily crew, utility, and anchor handling towing supply vessels, rates per day worked have generally remained steady and utilization has been relatively high. Should the cutback in U.S.

Gulf of Mexico drilling activities continue or increase, the Company's domestic operating profits may be adversely affected. Declining oil prices have not resulted in rate per day work or utilization declines of the Company's foreign offshore marine fleet. Should oil price declines result in reduced foreign drilling activities, the Company's foreign operating profits may also be adversely affected.

The environmental business segment's operating profit increased $0.3 million and $0.8 million in the three and six month periods ended June 30, 1998 compared to the three and six month periods ended June 30, 1997 In addition to including the results of ERST, operating profits rose due to reduced operating costs.

The Company's overall administrative and general expenses, relating primarily to operating activities, increased $1.5 million and $3.5 million in the three and six month periods ended June 30, 1998, respectively, compared to the three and six month periods ended June 30, 1997. The increase was primarily due to (i) rising wage and related benefit costs in the marine business segment, (ii) the acquisition of ERST, and (iii) the acquisition of a majority equity interest in Chiles. Administrative wage and related benefit costs of the marine business segment rose due to additional staffing requirements in the North Sea, West Africa, and Other Foreign regions. Wage and related benefit costs also increased in the Company's domestic marine business segment commensurate with competition in the labor market for administrative personnel. The increase was offset by a decline in expense provisions for doubtful trade accounts receivable. Administrative and general expenses primarily include costs associated with personnel, professional services, travel, communications, facility rental and maintenance, general insurance, and franchise taxes.

The Company's overall depreciation and amortization expense, relating primarily to operating activities, did not change significantly between the comparable three and six month periods end June 30, 1998 and 1997. A decline in depreciation expense due to offshore marine vessel sales was offset primarily by higher expense associated with depreciating additional offshore marine vessel purchase consideration paid during the first quarter of 1998 to SMIT International Overseas B.V. ("SMIT Overseas") pursuant to a December 19, 1996 transaction (the "SMIT Additional Consideration Transaction") and newly constructed offshore marine vessels.

Net interest was an expense of $0.1 million and income of $1.1 million during the three and six month periods ended June 30, 1998, respectively. Interest income rose between comparable periods due primarily to greater invested cash balances that primarily resulted from (i) the sale in September 1997 of $150.0 million aggregate principal amount of the Company's 7.2% Senior Notes Due 2009 (the "7.2% Notes"), (ii) the sale of offshore marine vessels, (iii) the sale in April 1998 of $110.0 million aggregate principal amount of Chiles' 10.0% Senior Notes Due 2008 (the "Chiles 10.0% Notes"), and (iv) the continuing strong results of operations. Interest expense also rose between comparable periods. An increase in the Company's interest expense due to the (i) sale of the 7.2% Notes, (ii) sale of the Chiles 10.0% Notes, and (iii) amortization of debt discount recognized on indebtedness issued pursuant to the SMIT Additional Consideration Transaction was partially offset by an increase in capitalized interest costs associated with the offshore marine vessel and premium offshore jackup drilling rig construction programs.

Equity earnings from 50% or less owned companies increased $1.2 million and $4.9 million in the three and six

month period ended June 30, 1998 compared to the three and six month period ended June 30, 1997. The increases resulted primarily from improved operating results of the Company's Mexican and Smit Joint Ventures. The increase between comparable six month periods additionally includes an approximate $1.4 million gain from a vessel sale by one of the Smit Joint Venture corporations.

LIQUIDITY AND CAPITAL RESOURCES

The Company's ongoing liquidity requirements arise primarily from its need to service debt, fund working capital, acquire, construct, or improve equipment and make other investments. Management believes that cash flow from operations will provide sufficient working capital to fund the Company's operating needs. The Company may, from time to time, issue shares of its common stock, debt or a combination thereof, or sell vessels to finance the acquisition of equipment and businesses or make improvements to existing equipment.

The Company's cash flow levels and operating revenues are determined primarily by the size of the Company's fleet, vessels' rates per day worked, overall vessel utilization, and the level of spill response activity. Factors relating to the marine service business are affected directly by the volatility of oil and gas prices, the level of offshore production and exploration activity and other factors beyond the Company's control.

For the six month period ended June 30, 1998, the Company had a modest improvement in net cash provided by operating activities over the comparable period in 1997. The increase was due primarily to favorable changes in the Company's net working capital.

For the six month period ended June 30, 1998, the Company had a net use of cash in investing activities resulting primarily from (i) additional funds set aside into restricted cash accounts to be used toward the purchase of offshore marine vessels and Rigs, (ii) purchases of marketable securities, (iii) expenditures associated with the construction of offshore marine vessels and Rigs, and (iv) the satisfaction of a cash obligation pursuant to the SMIT Additional Consideration Transaction. The use of cash was offset principally by cash generated from the sale of 25 offshore marine vessels and certain marketable securities.

For the six month period ended June 30, 1998, the Company generated cash from financing activities primarily from the sale of the Chiles 10.0% Notes. The increase was primarily offset by the repurchase of 738,500 shares of the Company's common stock, 712,000 of which were repurchased from a subsidiary of SMIT Overseas on March 3, 1998.

Pursuant to a revolving credit facility (the "DnB Facility") with Den norske Bank ("DnB"), the Company may borrow up to $93.75 million. At June 30, 1998, the Company had $93.75 million available for future borrowings. The Credit Facility requires the Company, on a consolidated basis, to maintain a minimum ratio of indebtedness to vessel value, as defined, a minimum cash and cash equivalent level, a specified interest coverage ratio, specified debt to capitalization ratios and a minimum net worth. The Credit Facility limits the amount of secured indebtedness which the Company and its subsidiaries may incur, provides for a negative pledge with respect to the Company's and its subsidiaries' assets, and restricts the payment of dividends.

On April 29, 1998, Chiles, executed a commitment letter with MeesPierson Capital Corporation and Nederlandse Scheepshypotheek Bank N.V. that provides for a $25.0 million revolving credit facility (the "Chiles Bank Facility") maturing December 31, 2004. Availability under the Chiles Bank Facility will commence upon first delivery of one of the two Rigs being constructed by Chiles that is expected to occur during the second quarter of 1999.

At June 30, 1998, the Company had restricted cash of approximately $190.5 million, and of such balance, $93.7 million and $96.8 million are intended for use in defraying the costs of constructing offshore marine vessels for the Company and Rigs for Chiles, respectively. At June 30, 1998, the Company has funded approximately $32.0 million in offshore marine vessel construction costs from unrestricted cash balances, and subject to the Maritime Administration's approval during the third quarter, the Company expects such amount to be replenished from construction reserve fund restricted cash accounts, see discussion below.

Proceeds from the sale of certain offshore marine vessels have been deposited into escrow and construction reserve fund bank accounts for purposes of acquiring newly constructed U.S.-flag vessels and qualifying for the Company's temporary deferral of taxable gains realized from the sale of the vessels. Escrow accounts were established in 1997 and 1998 pursuant to certain exchange and escrow agreements and restrict the use of funds deposited therein for a period of six months. Should replacement offshore marine vessels not be delivered prior to expiration of their applicable six month escrow period, funds then remaining in the escrow accounts will be released to the Company for general use. In 1998, the Company also established, pursuant to Section 511 of the Merchant Marine Act, 1936, as amended (the "Construction Reserve Fund Program"), joint depository construction reserve fund accounts with the Maritime Administration. From date of deposit, withdrawals from these accounts are subject to prior written approval of the Maritime Administration, and funds must be committed for expenditure within three years or they will be released for the Company's general use.

Net proceeds from the sale by Chiles in April 1998 of $110,000,000 aggregate principal amount of its 10.0% Senior Notes Due 2008 (the "Chiles 10% Notes") were deposited into escrow accounts in accordance with certain escrow agreements between Chiles and U.S. Bank Trust National Association, as Escrow Agent. These funds may be used to (i) partially fund the construction of Rigs, (ii) pay interest on the Chiles 10.0% Notes through the first two semi-annual interest payment dates, and (iii) provide working capital. Upon receipt by the Escrow Agent of an Officer's Certificate of Chiles that Chiles has made the final installment of the Rigs' purchase price in accordance with the related

construction contracts, any funds remaining in escrow will be released by the Escrow Agent to Chiles.

SEACOR's Board of Directors extended its previously announced securities repurchase authority to include, in addition to its common stock and 5 3/8% convertible subordinated notes due 2006, its 7.2% senior notes due 2009 and the 10% senior notes due 2008 of its affiliate, Chiles Offshore LLC. The repurchase of any such securities will be effected from time to time through open market purchases, privately negotiated transactions or otherwise depending on market conditions.

CAPITAL EXPENDITURES

The Company may make selective acquisitions of marine vessels or fleets of marine vessels and oil spill response equipment or expand the scope and nature of its environmental services. The Company also may upgrade or enhance its marine vessels or construct marine vessels to remain competitive in the marketplace. Management anticipates that such expenditures would be funded through a combination of existing cash balances, cash flow provided by operations, sale of existing equipment and, potentially, through the issuance of additional indebtedness or shares of its common stock.

As of August 1, 1998, the Company has contracted for the construction of 21 offshore marine vessels for an approximate aggregate cost $212.0 million (including the vessel for the TMM joint venture described below) of which $65.0 million has been funded. In addition, the Company's majority owned subsidiary, Chiles, has commitments to build Rigs for an approximate aggregate cost of $178.0 million of which $72.5 million has been funded. These construction projects are expected to be completed over the next two years. Pursuant to Memoranda of Agreement between the Company and TMM, two joint venture corporations have been formed, each of which will own one offshore marine service vessel. One of such vessels has been delivered and the other is currently under construction. It is expected that TMM will invest approximately $6.0 million for a 12.5% equity interest in each joint venture corporation and that the Company will own all remaining equity interests in these joint venture corporations.

Expenditures for environmental compliance to modify marine segment vessels have not been a significant component of the Company's capital budget.

RECENT ACCOUNTING PRONOUNCEMENTS

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133 ("SFAS 133"), Accounting for Derivative Instruments and Hedging Activities. The Statement establishes accounting and reporting standards requiring that every derivative instrument be recorded in the balance sheet as either an asset or liability measured at its fair market value. SFAS 133 requires that changes in the derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met. Special accounting for qualifying hedges allows a derivative's gains and losses to offset related results on the hedged item in the income statement, and requires that a company must formally document, designate, and assess the effectiveness of transactions that receive hedge accounting. SFAS 133 is effective for fiscal years beginning after June 15, 1999. A company may also implement SFAS 133 as of the beginning of any fiscal quarter after issuance (that is, fiscal quarters beginning June 16, 1998 and thereafter). SFAS 133 must be applied to derivative instruments and certain derivative instruments embedded in hybrid contracts that were issued, acquired, or substantially modified after December 31, 1997. We have not yet quantified the impacts of adopting SFAS 133 on our financial statements and have not determined the timing of or method of our adoption of SFAS 133.

YEAR 2000

The Company is currently in the process of upgrading existing software applications and replacing certain computer hardware equipment to be year 2000 compliant. At present, the Company is still evaluating all areas of its information technology infrastructure. The Company does not expect that the costs to modify its information technology infrastructure to be Year 2000 compliant will be material to its financial condition or results of operations.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKS

Not applicable.

PART II - OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders

(a) The 1998 Annual Meeting of Stockholders of SEACOR SMIT Inc. ("SEACOR") was held on June 1, 1998 (the "Annual Meeting").

(b) At the Annual Meeting, Messrs. Charles Fabrikant, Granville E. Conway, Michael E. Gellert, Stephen Stamas, Richard M. Fairbanks III, Pierre de Demandolx, Antoon Kienhuis, and Andrew Morse were elected as directors to serve until the 1999 Annual Meeting of Stockholders of SEACOR or until their respective successors are earlier elected and qualified.

(c) At the Annual Meeting, SEACOR's stockholders ratified the appointment of Arthur Andersen LLP to serve as SEACOR's independent auditors for the fiscal year ending December 31, 1998. Messrs. Charles Fabrikant, Granville E. Conway, Michael E. Gellert, Stephen Stamas, Richard M. Fairbanks III, Pierre de Demandolx, Antoon Kienhuis, and Andrew Morse were elected. 11,281,535 shares were voted in favor of the election of Charles Fabrikant with 111,256 shares withheld. 11,283,473 shares were voted in favor of the election of Granville E. Conway with 109,318 shares withheld. 11,311,115 shares were voted in favor of the election of Michael E. Gellert with 81,676 shares withheld. 11,311,115 shares were voted in favor of the election of Stephen Stamas with 81,676 shares withheld. 11,283,635 shares were voted in favor of the election of Richard M. Fairbanks III with 109,156 shares withheld. 11,310,320 shares were voted in favor of the election of Pierre de Demandolx with 82,471 shares withheld. 11,310,870 shares were voted in favor of the election of Antoon Kienhuis with 81,921 shares withheld. 11,295,835 shares were voted in favor of the election of Andrew Morse with 96,956 shares withheld. There were no shares voted against the election of any of the directors. 11,385,546 shares were voted in favor of the appointment of Arthur Andersen LLP, with 1,725 shares voted against such appointment and 5,520 withheld.

Item 6. Exhibits and Reports on Form 8-K

A. Exhibits:

27.1 Financial Data Schedule.

B. Reports on Form 8-K:

None

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 SMIT Inc.
(Registrant)

DATE: AUGUST 14, 1998 By: /s/ Charles Fabrikant

Charles Fabrikant, Chairman of the Board, President and Chief Executive Officer (Principal Executive Officer)

DATE: AUGUST 14, 1998 By: /s/ Randall Blank

Randall Blank, Executive Vice President, Chief Financial Officer and Secretary Principal Officer)

EXHIBIT INDEX

Exhibit No.	Description
27.1	Financial Data Schedule

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS CONTAINED IN THE BODY OF THE ACCOMPANYING FORM 10-Q AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.
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