



Morgan Stanley E&P and Oil Services Conference

Company Update
May 8-9, 2017

Navigating the present, focusing on the future.

This presentation contains forward-looking statements that involve risks, uncertainties and assumptions that could cause our results to differ materially from those expressed or implied by such forward-looking statements. All statements, other than statements of historical fact, are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, any statements regarding our strategy; any statements regarding visibility and future utilization; any projections of financial items; any statements regarding future operations expenditures; any statements regarding the plans, strategies and objectives of management for future operations; any statements concerning developments; any statements regarding future economic conditions or performance; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. The forward-looking statements are subject to a number of known and unknown risks, uncertainties and other factors including but not limited to the performance of contracts by suppliers, customers and partners; actions by governmental and regulatory authorities; operating hazards and delays; our ultimate ability to realize current backlog; employee management issues; complexities of global political and economic developments; geologic risks; volatility of oil and gas prices and other risks described from time to time in our reports filed with the Securities and Exchange Commission ("SEC"), including the Company's most recently filed Annual Report on Form 10-K and in the Company's other filings with the SEC, which are available free of charge on the SEC's website at www.sec.gov. We assume no obligation and do not intend to update these forward-looking statements except as required by the securities laws.

Social Media

From time to time we provide information about Helix on Twitter ([@Helix ESG](https://twitter.com/Helix_ESG)) and LinkedIn (www.linkedin.com/company/helix-energy-solutions-group).



Who We Are



Helix is a specialty deepwater service provider to the offshore energy industry, focusing on expanding our subsea infrastructure services in Well Intervention and Robotics.



Well Intervention

Entering a wellbore to initiate, enhance, restore or decommission production as part of the well's natural life cycle.

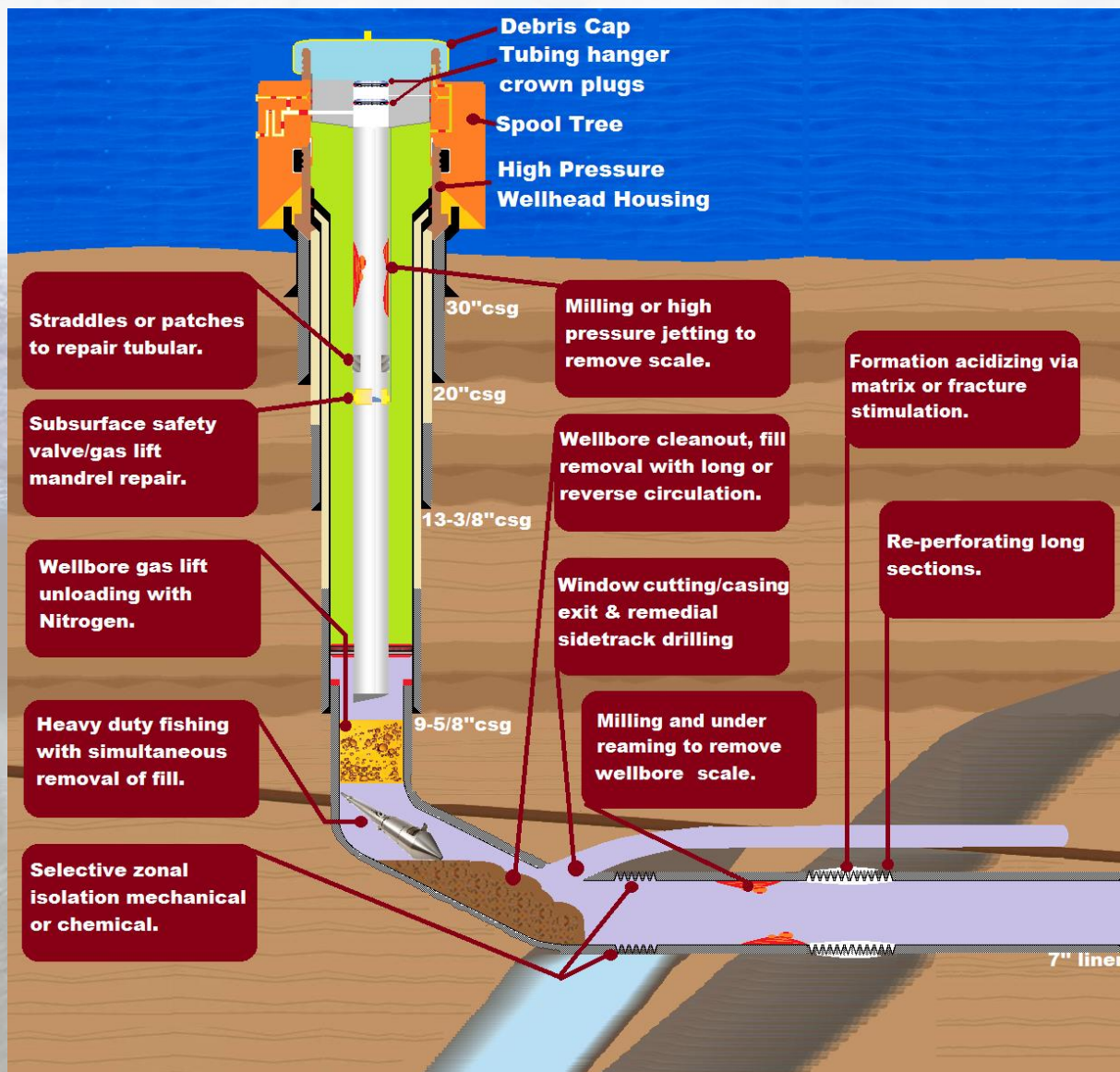
Robotics

Providing remotely operated vehicles (ROVs) to perform deepwater service tasks beyond the reach of dive crews.

Why focus on these disciplines?

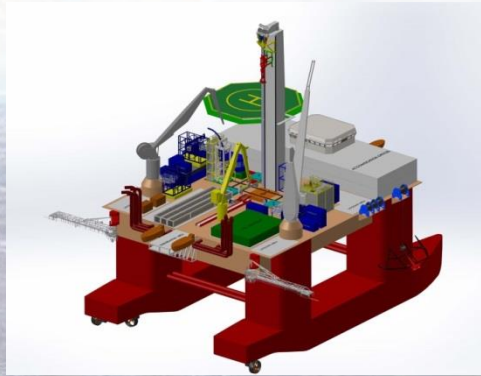
- Low F&D cost for enhanced reserves
- Extended well life via intervention defers cessation of production and P&A liability
- P&A is regulatory driven; eventually, demand should increase over time and typically accelerates in downturns
- Demand for a more cost effective solution to rigs
- Robotics is essential for credible quality performance in deepwater operations







Future Well Intervention Growth



Q7000 – Under Construction



Intervention Riser Systems¹



Siem Helix 2 (chartered; estimated in service late 2017)

SUBSEA SERVICES ALLIANCE

Helix | Schlumberger

¹ Includes the industry's first purpose-built 15k system and 18 $\frac{1}{4}$ " riserless system



- Vessels-experienced crews
- Intervention systems
- WROV services for well operations

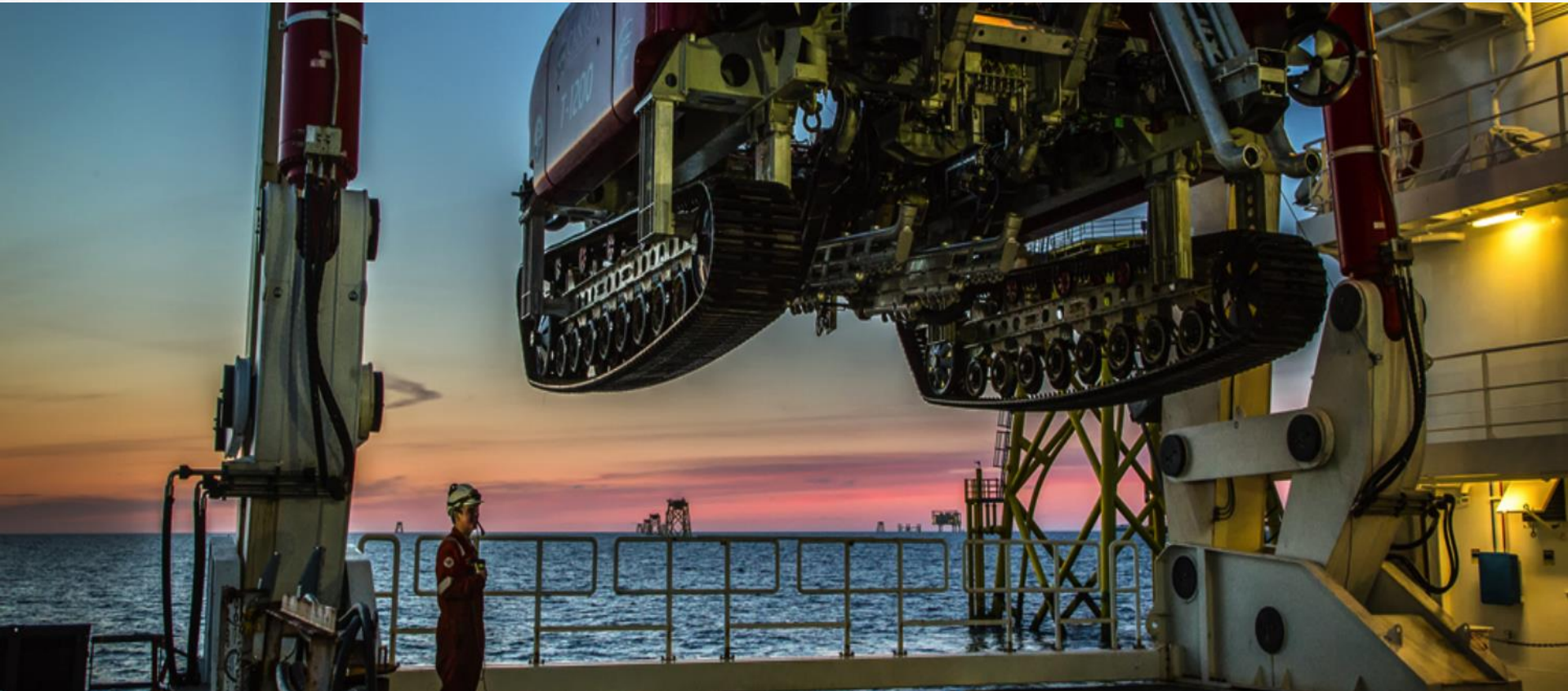


- Tooling and interface solutions
- Tooling and interface management
- Subsea equipment solutions



- Well intervention
- Pumping and stimulation
- Downhole measurements
- Integrated crews
- Emerging technology
- Project management

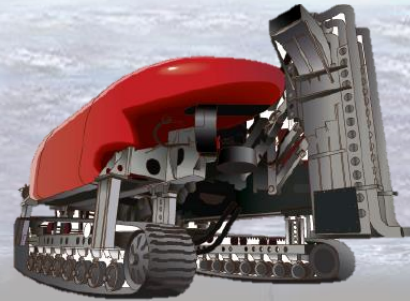
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52 Workclass ROVs

The backbone of the fleet, capable of performing a broad array of subsea construction and well intervention tasks



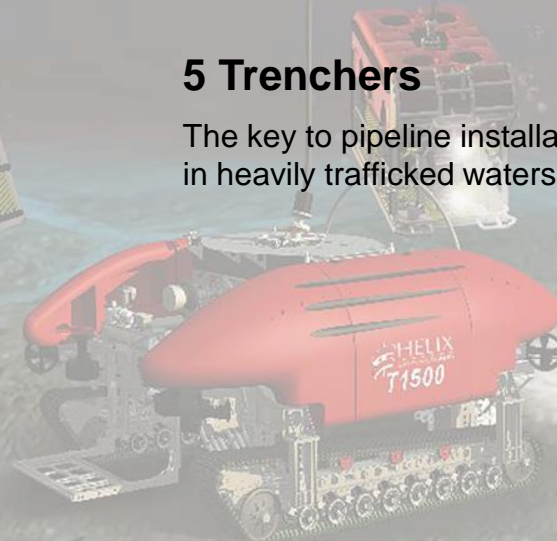
5 Trenchers

The key to pipeline installation in heavily trafficked waters



2 ROVDrills

Provide seabed composition intelligence for subsea construction and subsea mining operations



- Currently three vessels active under long-term charter
- *Grand Canyon III* entered the fleet in May 2017
- Spot vessels have historically been added and subtracted to the chartered vessel fleet as market demand requires



Grand Canyon I, II & III



Deep Cygnus

Grand Canyon III

What Sets Helix Apart in Robotics



Oil & Gas



Renewable Energy



Subsea Mining



Specialty Services

- Helix charts its ROV support vessels, ensuring a modern fleet that can expand and contract based on regional requirements and market conditions
- A fleet of advanced vehicles, including several units custom built to our specifications
- An industry leader in subsea trenching
- Leading provider for trenching, cable burial and ROV support for offshore wind farm development
 - Current focus on export lines (field to shore)
 - Future opportunities in-field (inter-array cable installation)

Production Facilities



Helix Producer / FPU (100%)

- Location: Phoenix Field (GOM)
- Production handling contract recently extended through June 2023

Helix Fast Response System

- Retained fee contract to provide GOM spill response services, includes *Q4000*, *Helix Producer I* and well containment system
- Contract recently extended to March 2019, at lower rates

Independence Hub Semi (20%)

- Likely to be decommissioned

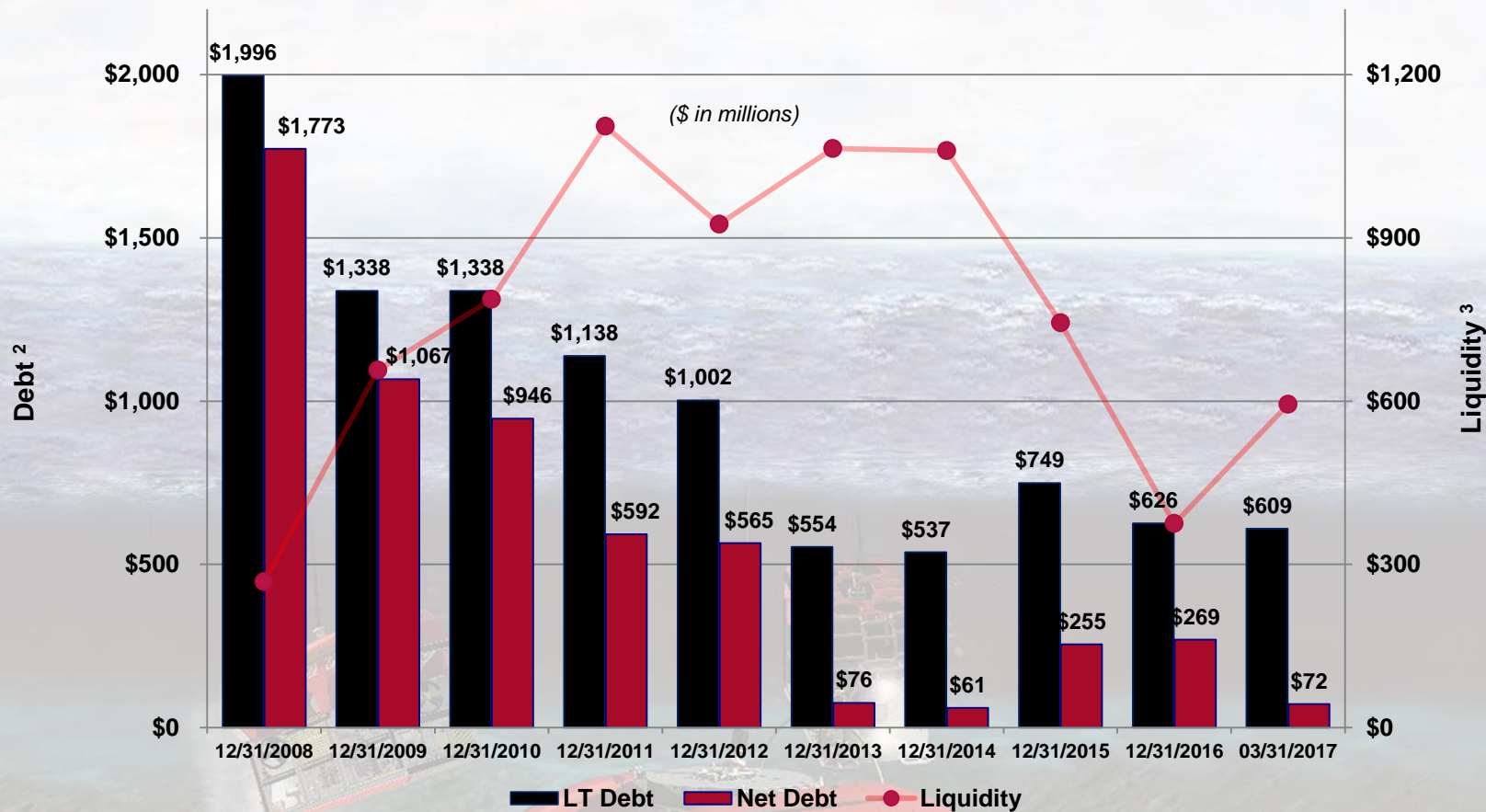


Helix Producer 1

Production Facilities contributed \$47 million in EBITDA in 2016

Key Financial Metrics





Liquidity of approximately \$594 million at 3/31/17

¹Adjusted for new debt issuance cost accounting presentation, net of unamortized debt issuance costs (deferred financing costs)

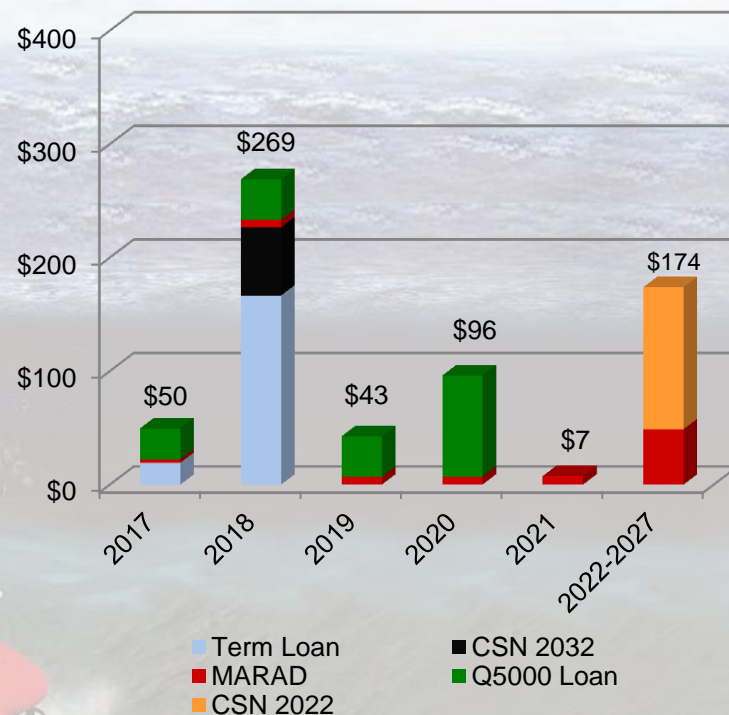
²Net of unamortized debt discount of our Convertible Senior Notes due 2022 and Convertible Senior Notes due 2032. Net debt is calculated as total long-term debt less cash and cash equivalents

³Liquidity is calculated as the sum of cash and cash equivalents (\$538 million) and available capacity under our revolving credit facility (\$56 million of the \$400 million facility based on TTM EBITDA as defined in the credit agreement)

Total funded debt¹ of \$639 million at end of Q1 2017

- \$60 million Convertible Senior Notes due 2032 – 3.25%²
- \$125 million Convertible Senior Notes due 2022 – 4.25%
- \$186 million Term Loan – LIBOR + 4.50%
 - Annual amortization payments of \$26 million
- \$80 million MARAD Debt – 4.93%
 - Semi-annual amortization payments
- \$188 million Q5000 Loan – LIBOR + 2.50%³
 - Annual amortization payments of 14% over 5 years with a final balloon payment of \$80 million in 2020

Debt Instrument Profile at 3/31/17
Principal Payment Schedule
(\$ in millions)



¹ Excludes unamortized debt discount and debt issuance costs

² Stated maturity 2032. First put/call date March 2018

³ We have fixed through April 2020 the LIBOR interest rate on 75% of the Q5000 Loan debt at 1.51% utilizing interest rate swaps



(\$ in millions)

	2017 Outlook		2016 Actual
Revenues	~570	\$	488
EBITDA	~ 105-125		90
CAPEX	~ 210		189
Revenue Split:			
Well Intervention	\$ 375	\$	294
Robotics	160		161
Production Facilities	65		72
Elimination	(30)		(39)
Total	~ 570	\$	488

Key forecast assumptions:

- *Siem Helix 1* assumed day rates¹
- *Siem Helix 2* start-up in late Q4 2017
- Increased North Sea well intervention activities
- Robotics activity continues to be depressed
- Improved operational efficiency for Q5000

¹Note – Because the Petrobras contracts for the *Siem Helix 1* have only recently commenced, we have made certain assumptions in our forecast with respect to both the timing and our ability to address all the items identified in the vessel acceptance process, as well as our operational performance, and therefore the impact of both of these factors on the day rate that will be paid to us by Petrobras. Any significant variation to these assumptions could have a material impact on our outlook.

- Total backlog as of March 31, 2017 was approximately \$1.9 billion
- Q4000 contracted backlog continues into Q3 2017, and utilization for 2017 is forecasted to remain high
- Q5000 is under contract for BP, high utilization forecasted for 2017; BP plans to release the vessel from June through August; vessel has contracted work for June and into July
- IRS #1 is actively marketed as a rental unit; short term project completed in Q1 2017
- Completion of 15K IRS system and ROAM expected second half of 2017
- *Seawell* commenced operations in February with committed intervention projects until mid-November; nearly all work is P&A related and is expected to require diving support
- *Well Enhancer* commenced operations in February with committed work into September; high utilization is forecasted till mid-November; confirmed coiled tubing project in Q3 2017, which will be the second job for the coil tubing system after a successful introduction last year
- *Skandi Constructor* charter expired at end of Q1 2017
- *Siem Helix 1* accepted and placed in service in mid-April 2017; we agreed to commence operations at reduced day rates as we work through certain items identified in the vessel acceptance process
- *Siem Helix 2* topside equipment installation commenced in Q1 2017; contract revenues estimated to start in late Q4 2017

- Utilization for our Robotics fleet will be challenging in 2017
- Seasonal factors contributed to our lower utilization during Q1 2017; we do expect improvement in utilization beginning in Q2 2017 and continuing into the summer
- Utilization for Grand Canyon II has also been adversely affected by uncertainty regarding the impact on foreign flagged vessels in the US GOM should current regulatory proposal regarding the Jones Act application be adopted
- Chartered vessel fleet will increase with the scheduled delivery of *Grand Canyon III* on May 1, 2017
- Trenching work days in 2017 are expected to increase compared to 2016; renewables trenching market is expected to cycle up in 2017 with continued improvement through 2018



2017 Capital Expenditures¹ is currently forecasted at approximately \$210 million, consisting of the following:

- Growth Capex - \$195 million in growth capital, primarily for newbuilds currently underway, including:
 - \$90 million for Q7000
 - \$85 million for *Siem Helix 1* and *Siem Helix 2*
 - \$20 million for intervention systems
- Maintenance Capex - \$15 million for vessel maintenance and intervention system maintenance, including:
 - \$10 million for Q4000 and other dry dock
 - \$5 million for intervention systems

¹Capital expenditures excludes approximately \$27 million of deferred mobilization costs for *Siem Helix 1* and *Siem Helix 2* in 2017. Deferred mobilization costs for *Siem Helix 1* were approximately \$32 million in 2016.

Balance Sheet

- In Q1 2017 we received net proceeds of approximately \$220 million associated with the public offering of approximately 26.5 million shares of our common stock; proceeds will be used for general corporate purposes
- Our total funded debt level is scheduled to decrease by \$50 million (\$639 million at 3/31/17 to \$589 million at 12/31/17) as a result of scheduled principal repayments; the senior portion of our debt at 3/31/17 was \$451 million and is scheduled to decrease to \$428 million at year-end 2017



Non-GAAP Reconciliations



Non-GAAP Reconciliations

(\$ in millions)

	Three Months Ended			Twelve Months Ended
	3/31/2017	3/31/2016	12/31/2016	12/31/2016
Net loss	\$ (16)	\$ (28)	\$ (54)	\$ (81)
Adjustments:				
Income tax benefit	(5)	(9)	(3)	(12)
Net interest expense	5	11	6	31
Loss on repurchase of long-term debt	-	-	4	4
Other (income) expense, net	1	(2)	1	(4)
Depreciation and amortization	31	31	29	114
Goodwill impairment	-	-	45	45
Non-cash losses on equity investment	-	-	2	2
EBITDA	<u>\$ 16</u>	<u>\$ 3</u>	<u>\$ 30</u>	<u>\$ 99</u>
Adjustments:				
Gain on disposition of assets, net	-	-	(1)	(1)
Cash settlements of ineffective foreign currency exchange contracts	(1)	(2)	(2)	(8)
Adjusted EBITDA	<u>\$ 15</u>	<u>\$ 1</u>	<u>\$ 27</u>	<u>\$ 90</u>

We define EBITDA as earnings before income taxes, net interest expense, gain or loss on repurchase of long-term debt, net other income or expense, and depreciation and amortization expense. Non-cash goodwill impairment charge and non-cash losses on equity investment are also added back if applicable. To arrive at our measure of Adjusted EBITDA, we exclude gain or loss on disposition of assets. In addition, we include realized losses from the cash settlements of our ineffective foreign currency exchange contracts, which are excluded from EBITDA as a component of net other income and expense. We use EBITDA to monitor and facilitate internal evaluation of the performance of our business operations, to facilitate external comparison of our business results to those of others in our industry, to analyze and evaluate financial strategic planning decisions regarding future investments and acquisitions, to plan and evaluate operating budgets, and in certain cases, to report our results to the holders of our debt as required by our debt covenants. We believe that our measure of EBITDA provides useful information to the public regarding our ability to service debt and fund capital expenditures and may help our investors understand our operating performance and compare our results to other companies that have different financing, capital and tax structures. Other companies may calculate their measures of EBITDA and Adjusted EBITDA differently from the way we do, which may limit their usefulness as comparative measures. EBITDA and Adjusted EBITDA should not be considered in isolation or as a substitute for, but instead are supplemental to, income from operations, net income or other income data prepared in accordance with GAAP. Non-GAAP financial measures should be viewed in addition to, and not as an alternative to, our reported results prepared in accordance with GAAP. Users of this financial information should consider the types of events and transactions that are excluded from these measures.



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*Navigating the present, **focusing on the future.***