

Navigating the present, focusing on the future.



# TPH 2015 HOTTER 'N HELL CONFERENCE

**June 17, 2015**

# Forward Looking Statements



*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 future utilization; any projections of financial items; future operations expenditures; any statements regarding the plans, strategies and objectives of management for future operations; any statement 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](http://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](http://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.

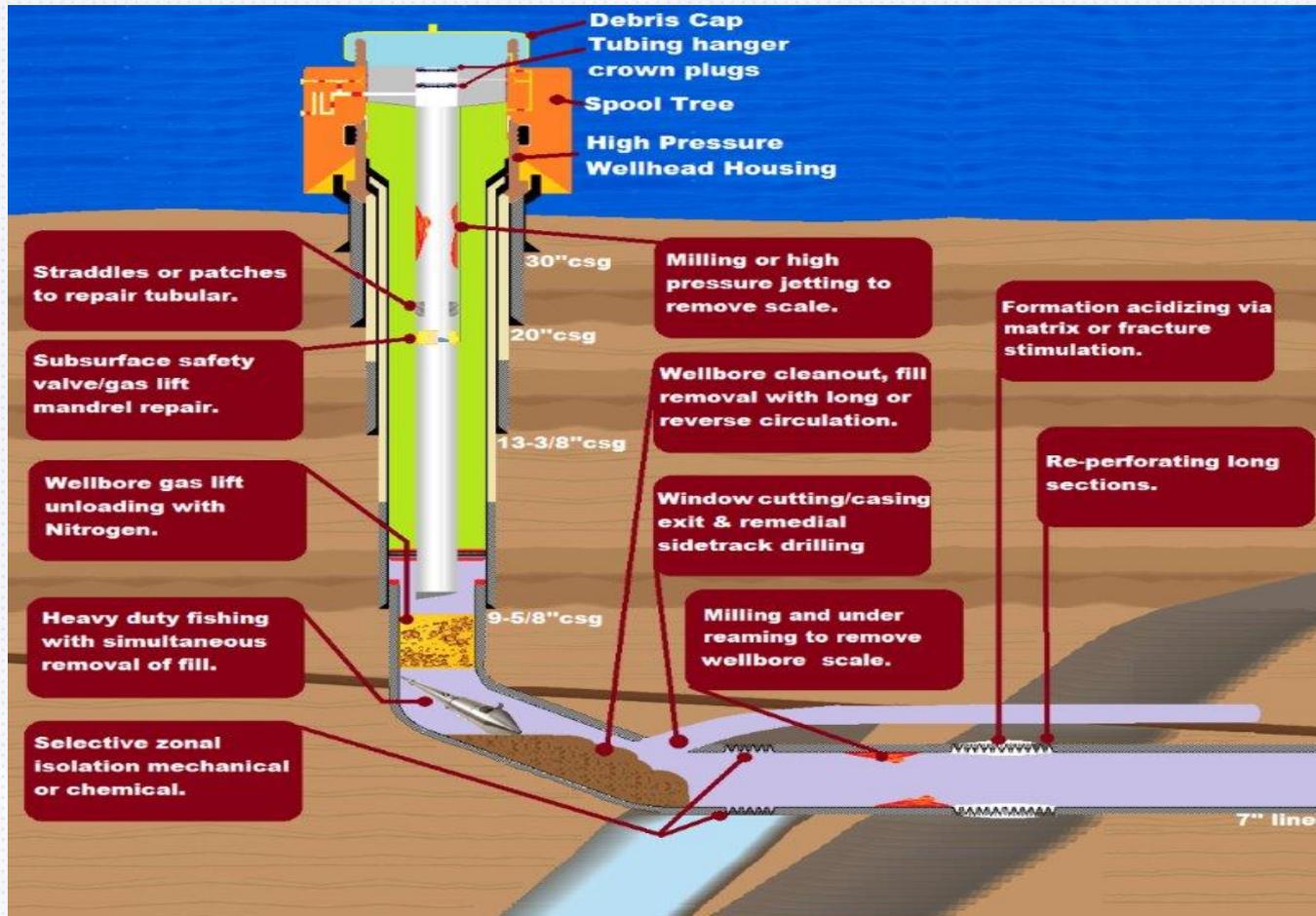
## **Why focus on these disciplines?**

- Strong demand with projected sustained growth
- Significant barriers to entry
  - Capital-intensive at the top end of the market, for both vessels and skilled crews
  - Mastery of full range of services necessary to add value
  - Strong track record critical to earning customer trust

# Well Intervention



# Well Intervention Overview



# Well Intervention Current Asset Base



**Q400**



**H534**



**Intervention Riser Systems**



**Skandi Constructor (chartered vessel)**



**Seawell**

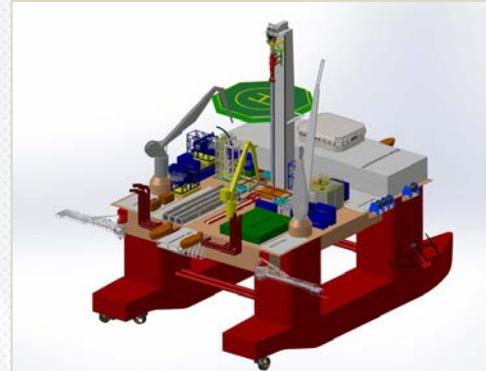


**Well Enhancer**

# Future Well Intervention Growth



**Q5000 – Available for service in Late 2015**



**Q7000 – Under Construction**



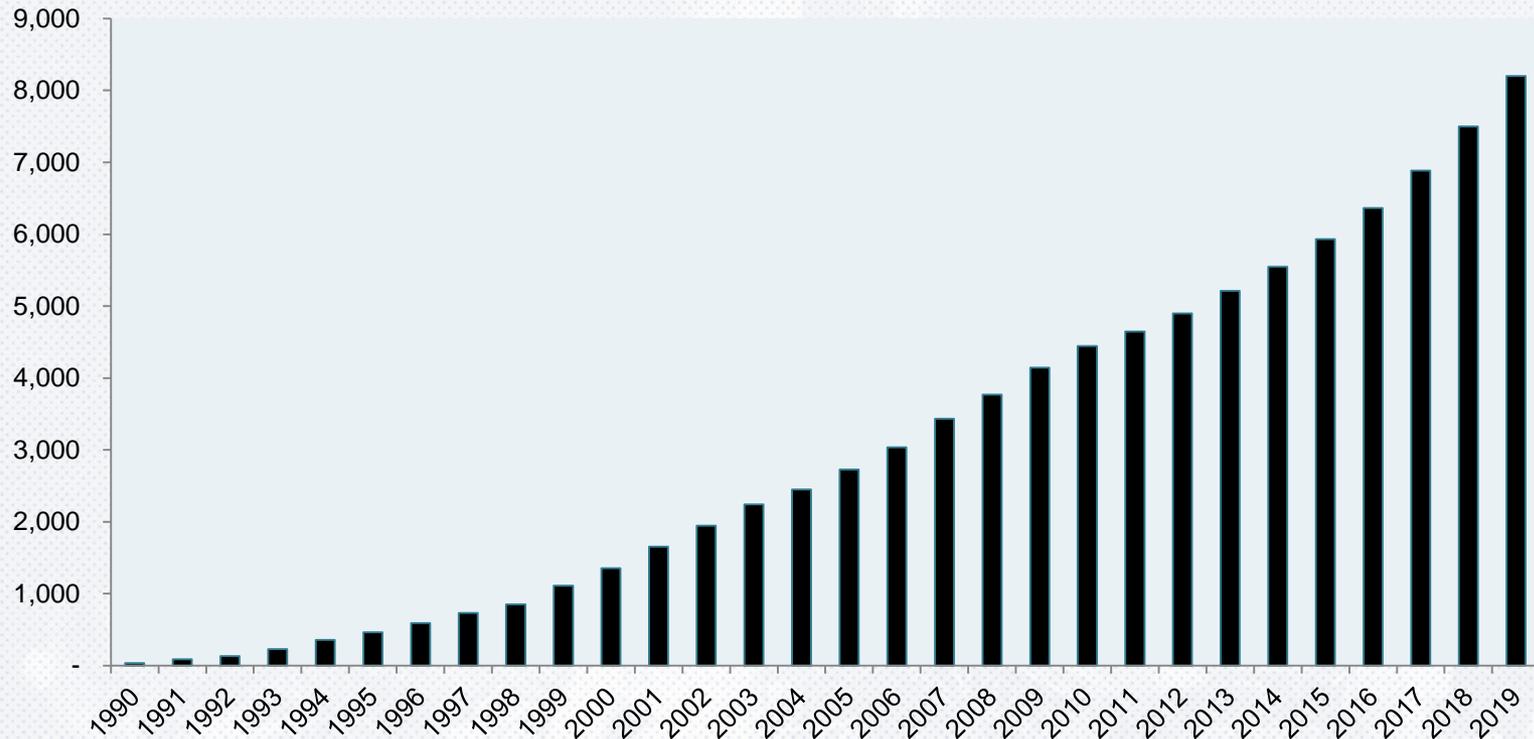
**Intervention Riser Systems**



**Siem Helix 1, 2 – In Service 2016**

# Aging Global Subsea Wellhead Count

Total Cumulative Subsea Wells Installed Worldwide since 1990



Source: Quest Offshore Resources, Energy Database  
Data as of August 2014

# Robotics

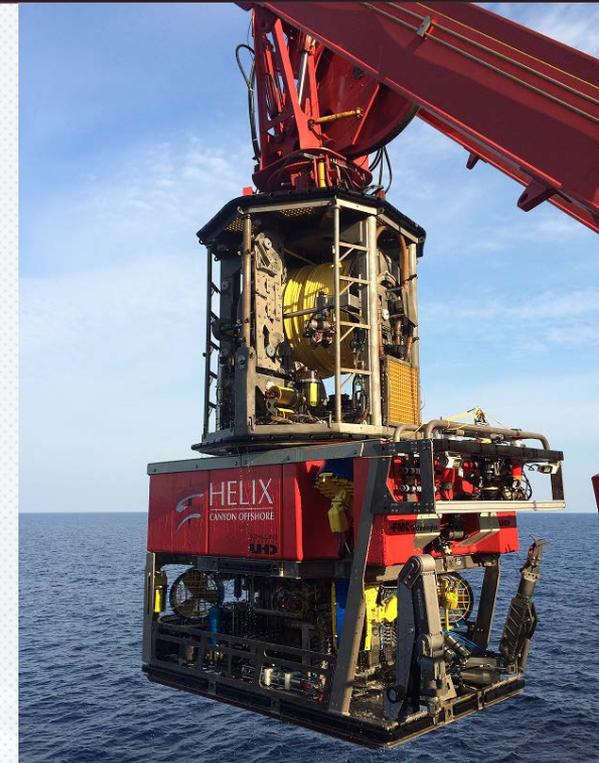


# Robotics Overview

Helix provides ROVs and crews to perform subsea tasks, including:

- Umbilical and flowline trenching services
- Geotechnical coring
- Comprehensive workclass ROV services
- Dynamically positioned ROV support vessels
- Tooling and intervention services
- Technical manpower and project management services

**As operations move into deeper waters, more powerful, specialized ROVs will be required to perform subsea tasks.**



Workclass ROV – UHD 86

# Robotics Assets



## 55 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 ROV Drills:

Provide seabed composition intelligence for subsea construction and subsea mining operations

# Chartered Vessel Fleet



*Grand Canyon I, II*



*Deep Cygnus*



*Olympic Canyon*



*Rem Installer*

# Chartered Vessel Fleet

- Currently five vessels under long-term charter
- *Grand Canyon III* vessel scheduled to enter fleet in 2016 as a combination of fleet enhancement / replacement
- Spot vessels are continually added and subtracted to the chartered vessel fleet as market demand requires



*Grand Canyon III* arriving at Kleven shipyard in Norway

# Future Robotics Growth

- Newbuild chartered vessels optimized for renewable energy markets, as well as oil & gas markets
- Additional work-class ROVs for current and emerging markets
- Trenchers for burial operations worldwide
- ROVDrill seabed coring units for energy and mining industries

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# What Sets Helix Apart in Robotics



**Oil & Gas**



**Renewable Energy**



**Subsea Mining**



**Specialty Services**

- Helix charters its ROV support vessels, ensuring a modern fleet that can expand and contract based on regional requirements
- A fleet of advanced vehicles, including several units custom-built to our specifications
- An industry leader in subsea trenching and coring capabilities
- Provide 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)
- ROVs serve many industries outside of the offshore oil and gas sector

# Production Facilities



# Production Facilities

## **Independence Hub Semi (20%)**

- Location: Mississippi Canyon (GOM)
- Partner: Enterprise Products
- Operator: Anadarko

## **Marco Polo TLP (50%)**

- Location: Green Canyon (GOM)
- Partner: Enterprise Products
- Operator: Anadarko

## ***Helix Producer I FPU (100%)***

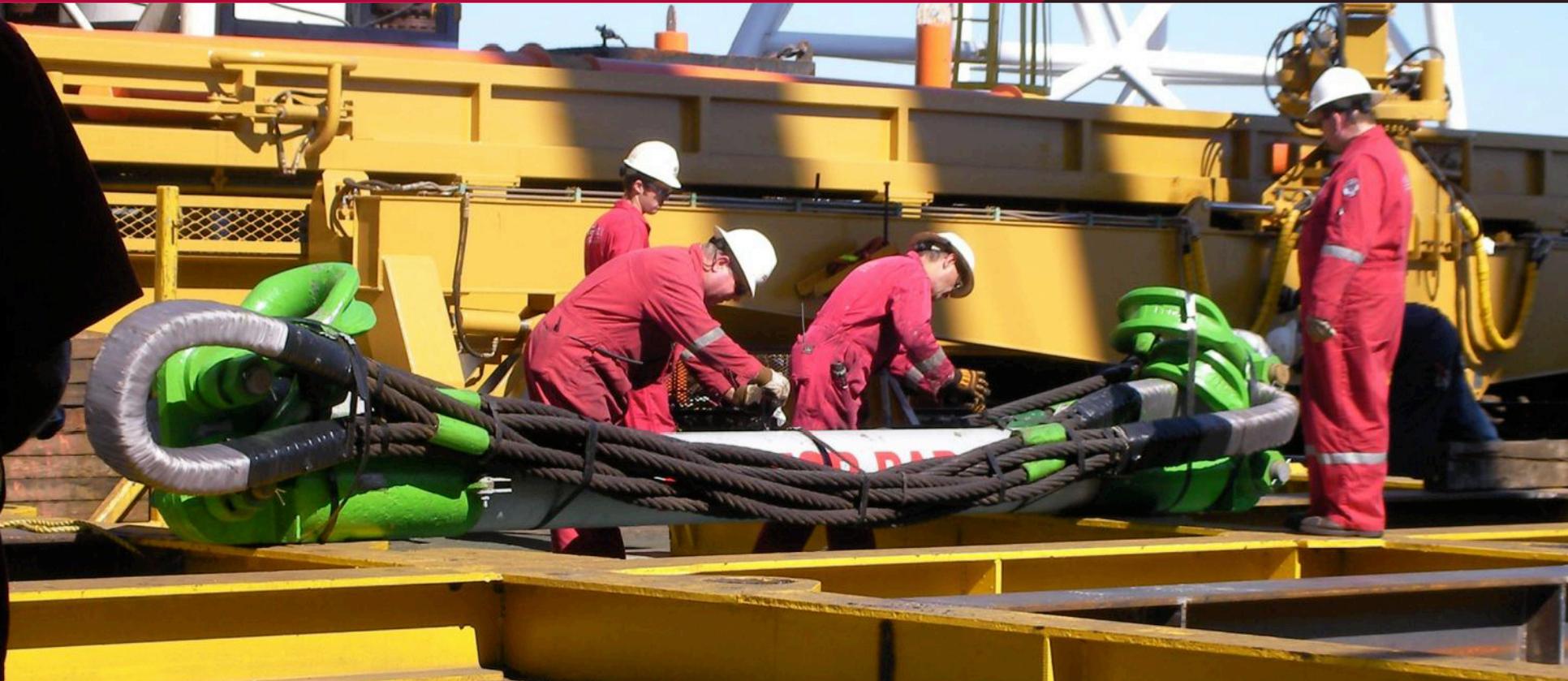
- Location: Phoenix Field (GOM)
- Expect to remain on field through 2019
- A component of the well containment system, along with the *Q4000*

**Production Facilities contributed \$63 million in EBITDA in 2014.**

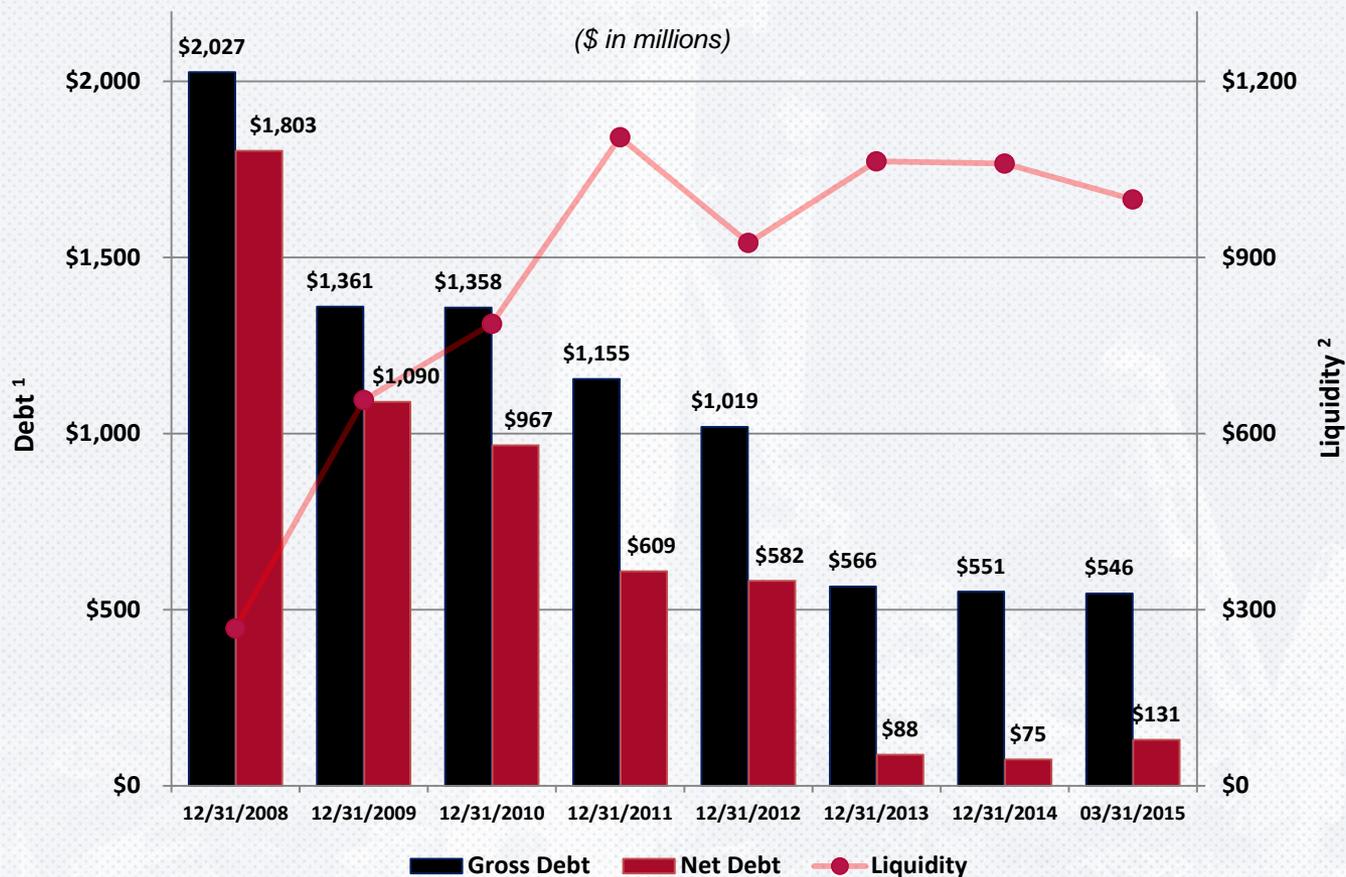


*Helix Producer I* preparing to re-enter service following Macondo well containment response

# Debt & Liquidity



# Debt & Liquidity Profile



**Liquidity of approximately \$1.0 billion at 3/31/2015**

1. Includes impact of unamortized debt discount under our convertible senior notes.
2. We define liquidity as the total of cash and cash equivalents (\$415 million) plus unused capacity under our revolving credit facility (\$584 million).

# Debt Instrument Profile

## Pro forma for Q5000 Term Loan

Total funded debt of \$816 million at end of Q1 2015

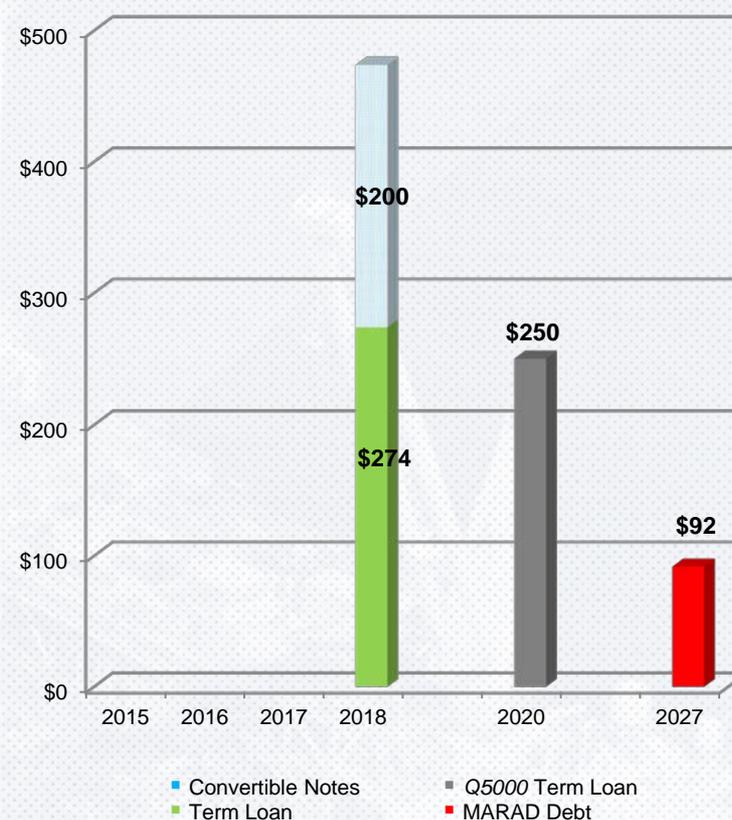
- \$200 million Convertible Senior Notes – 3.25%<sup>1</sup> (\$181 million net of unamortized debt discount)
- \$274 million Term Loan – LIBOR + 2.25%<sup>2</sup>
  - Annual amortization payments of 5% in years 1 and 2, 10% per annum in years 3 through 5
- \$92 million MARAD Debt – 4.93%
  - Semi-annual amortization payments
- \$250 million Q5000 Term Loan – LIBOR + 2.50%
  - Loan funded April 2015
  - Annual amortization payments over 5 years with final balloon payment

1. Stated maturity 2032. First put / call date is March 2018.

2. We have fixed through October 2016 the LIBOR interest rate on 50% of the Term Loan debt at 0.75% utilizing interest rate swaps.

## Debt Instrument Profile at 3/31/2015

(\$ in millions)



# 2015 Outlook



# 2015 Outlook



(\$ in millions, except per share data)

	<b>2015 Outlook</b>	<b>2014 Actual</b>
Revenues	\$ 840	\$ 1,107
EBITDA	~ 200 – 240	378
CAPEX	~ 360	357
<i>Earnings per share</i> <sup>(1)</sup>	~ \$0.55 – \$0.70	\$1.85
<b>Revenue Split:</b>		
Well Intervention	\$ 475	\$ 668
Robotics	320	420
Production Facilities	80	93
Elimination	(35)	(74)
<b>Total</b>	<b><u>\$ 840</u></b>	<b><u>\$ 1,107</u></b>

(1) Earnings per share estimates based on a forecasted corporate tax rate of 2%.

# 2015 Outlook



- Total backlog as of March 31, 2015 was approximately \$2.1 billion
- The *Q4000* (in dry dock for most of Q2) is expected to have good utilization in 2015; new three year contract award commenced in 2015
- The *Q5000* arrives GOM mid-summer and will be available for service upon completion of commissioning activities
- The *Well Enhancer* has good utilization in Q2 and Q3
- The *H534* is scheduled to enter dry dock in Q3 of 2015 for estimated 45 days; thereafter warm stacking under evaluation
- The *Seawell* is not expected to re-enter service until mid-year, refurbishment ongoing
- The *Skandi Constructor* is in the midst of a four month campaign that began in April
- Two Helix IRS systems are on hire for the remainder of 2015
- Utilization across the entire North Sea fleet presently looks weak in Q4 of 2015

# 2015 Outlook



- *REM Installer* to continue serving GOM market in 2015; recently awarded preferred contractor status with Technip USA, which is expected to provide baseline utilization for the vessel in 2015
- *Olympic Canyon* to continue operations offshore India under firm commitment through early September; competitive bid submitted for new contract with existing customer for one to three years firm following current contract end date
- *Deep Cygnus* with *T1500* to perform multiple jet trenching projects in the North Sea into Q4
- *Grand Canyon*, *T1200* and *iTrencher* to complete current cable burial project offshore Qatar in mid-Q3, then transit to Brazil for a jet trenching project commencing in Q3
- *Grand Canyon II* entered the fleet in late April and commenced a cable burial project in the North Sea for approximately 3 months utilizing *T750*
- *Grand Canyon III* delivery delayed by agreement into 2016 to reduce vessel capacity in 2015

# 2015 Outlook – Capex

- 2015 capex is currently forecasted at approximately \$360 million, consisting of the following:
- \$260 million in growth capital; primarily for newbuilds currently underway, including:
  - \$155 million for *Q5000*
  - \$40 million for *Q7000*
  - \$45 million for *Siem Helix #1* and *2* monohull vessels
  - \$10 million in Robotics
  - \$10 million for new subsea equipment
- \$40 million remaining on the *Seawell* refit in 2015
- \$60 million in maintenance capital
  - \$25 million for the *Q4000* and *H534* dry dock
  - \$30 million in vessel / IRS maintenance and spares
  - \$4 million in Robotics maintenance
  - \$1 million in other

# Beyond 2015



- Helix is well positioned to weather the down cycle
  - Approximately \$850 million of remaining capital commitments as of March 31, 2015
  - Liquidity of \$1.0 billion as of March 31, 2015
  
- Helix is focusing on positioning for a recovery by targeting the following:
  - Working to reduce operating costs and SG&A to maximize cash flow from operations
  - Reducing / deferring capital commitments where possible
  - Maintaining liquidity; the target is to maintain adequate liquidity to emerge on a solid foundation for the next up cycle
  - Preserving client relationships to the degree rational – this means not maximizing 2015 to the detriment of the future
  - Continuing to exploit possibilities that enhance our relationship with OneSubsea and Schlumberger in an effort to drive utilization of our assets

***In the longer term the industry has always sought greater efficiencies, which are at the heart of what rig alternative subsea intervention is all about.***

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