



HELIX

ENERGY SOLUTIONS

Johnson Rice Energy Conference

October 6, 2009



Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All such statements, other than statements of historical fact, are statements that could be deemed “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, any projections of revenue, gross margin, expenses, earnings or losses from operations, or other financial items; future production volumes, results of exploration, exploitation, development, acquisition and operations expenditures, and prospective reserve levels of property or wells; any statements of the plans, strategies and objectives of management for future operations; any statements concerning developments, performance or industry rankings; and any statements of assumptions underlying any of the foregoing. Although we believe that the expectations set forth in these forward-looking statements are reasonable, they do involve risks, uncertainties and assumptions that could cause our results to differ materially from those expressed or implied by such forward-looking statements. The risks, uncertainties and assumptions referred to above include the performance of contracts by suppliers, customers and partners; employee management issues; complexities of global political and economic developments; geologic risks and other risks described from time to time in our reports filed with the Securities and Exchange Commission (“SEC”), including the Company’s Annual Report on Form 10-K for the year ended December 31, 2008 and subsequent quarterly reports on Form 10-Q. You should not place undue reliance on these forward-looking statements which speak only as of the date of this presentation and the associated press release. We assume no obligation or duty and do not intend to update these forward-looking statements except as required by the securities laws.

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Presenters

Owen Kratz

Chairman and Chief Executive Officer

Anthony Tripodo

Executive Vice President and Chief Financial Officer



Helix Energy Solutions Group provides life-of-field services and development solutions to offshore energy producers worldwide. Helix actively reduces finding and development costs through a unique mix of offshore production assets, service methodologies, and highly skilled personnel.



Historical Profile

- Deepwater subsea contracting
- Deepwater well intervention
- Robotics
- Oil and gas
 - Deepwater
 - Shelf
- Offshore production facilities
- Shelf contracting (*Cal Dive*)
- Reservoir evaluation and consulting

The Future

- Deepwater contracting services
 - Well Intervention
 - Robotics
 - Subsea Construction
- Deepwater oil and gas
 - Minimize exploration capex and risk
- Offshore production facilities

***The result: A company focused on deepwater activities
and a conservative balance sheet***

Helix Business Segments



Deepwater Construction

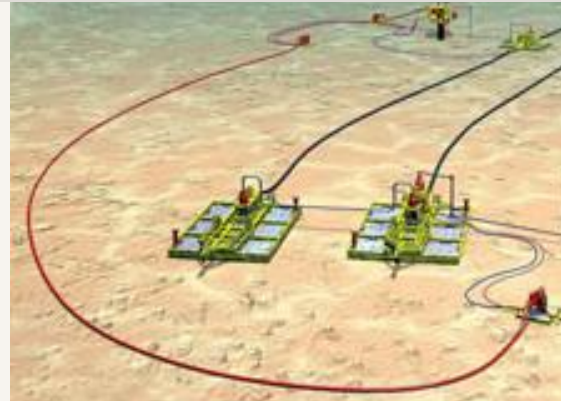
Pipelay

Intrepid
Express

Caesar (2009)

ROV

39 ROVs
2 ROV Drill Units
5 Chartered Vessels
6 Trenchers (200 – 2000hp)



Helix Oil & Gas / ERT

GOM shelf and deepwater

PV-10 \$1.9 billion @
12/31/2008

Proved reserves = 665 bcfe
(12/31/2008)

2009 projected production
43 – 47 bcfe

Production Facilities

Marco Polo TLP (50%)
Independence Hub Semi (20%)
Helix Producer I (~87%) (2010)



Deepwater Well Intervention

Q4000

Seawell

Well Enhancer (2009)

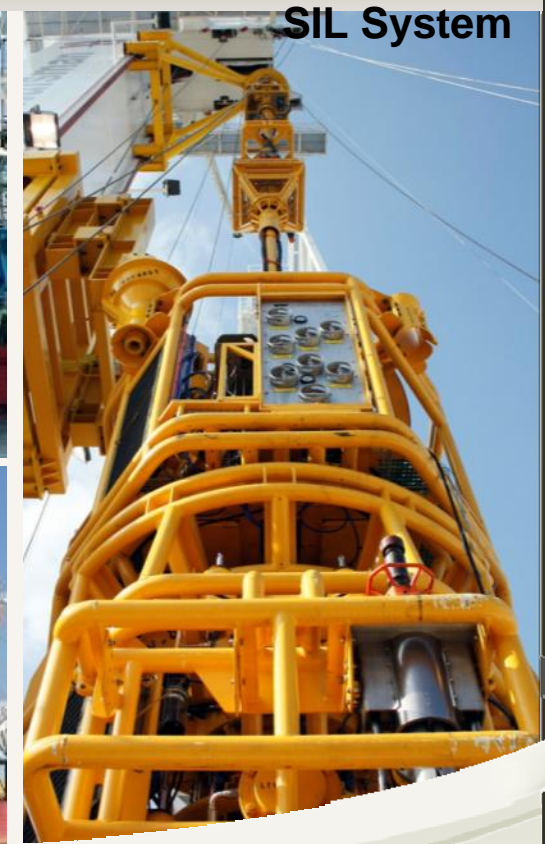
Mobile SILs





The Helix Fleet

Well Intervention Assets



Helix provides well operation and decommissioning services with the *Seawell* riserless well intervention vessel, the flagship *Q4000* semisubmersible, the *Well Enhancer* wireline / slickline / coiled tubing intervention vessel, and the Subsea Intervention Lubricator system.

Subsea Construction Vessels



DP Reel Lay Vessel *Intrepid*

Intrepid has the flexibility to be deployed as a pipelay, installation or saturation diving vessel.



DP Reel Lay Vessel *Express*

Helix's flagship pipelay and subsea construction vessel has established an extensive track record of field installation projects around the world.



DP S-Lay Vessel *Caesar (Q4 2009)*

Caesar's onboard pipe welding and testing capability allows the vessel to lay virtually unlimited lengths of pipe up to 36" in diameter.

Helix ROV Systems



The Helix ROV fleet consists of 39 vehicles, covering the spectrum of deepwater construction services.



The 600 hp Supertrencher II system is designed to operate at water depths in excess of 6,500 feet.



The state of the art I-Trencher system trenches, lays pipe up to 16" in diameter, and backfills in a single operation.

Helix is an industry leading provider of ROV and subsea trenching services to deepwater operators worldwide.

ROV / Construction Support Vessel Fleet



Island Pioneer



Seacor Canyon



Olympic Triton



Olympic Canyon



Northern Canyon

Chartered support vessels allows Helix to adjust the size and capability of its fleet to cost-effectively meet industry demands.

Vessels Under Construction



Progressing as planned

Well Enhancer

- All marine tests have been completed
- Vessel currently operating in well intervention mode in the UK sector of the North Sea

Caesar

- Thrusters and engines have been commissioned
- Living quarters being used
- Commissioning of cranes and pipelay systems is progressing well
- Incline test completed successfully
- Transits to Gulf of Mexico in Q4

Vessels Under Construction - Continued

Progressing as planned

Helix Producer I

- Fabrication of production modules foundation and installation of external thrusters and turret porches and supports ongoing
- Review of engineering and plans by Lloyds and USGC is continuing
- Installation of 2,500 te. production modules underway, to be completed in Q1 2010
- Expect deployment in Phoenix field in Q2 2010



DTS



Production Modules

- New shore base facility in Ingleside, Texas fully operational
 - Pipe stalk length 5,230 feet
 - 300' x 700' slip can accommodate two Helix Subsea Construction vessels side by side
- Welding of Helix Danny 36-mile 8 x 12-inch pipe-in-pipe began early August



Helix Danny pipe welding



Automated pipe tension system

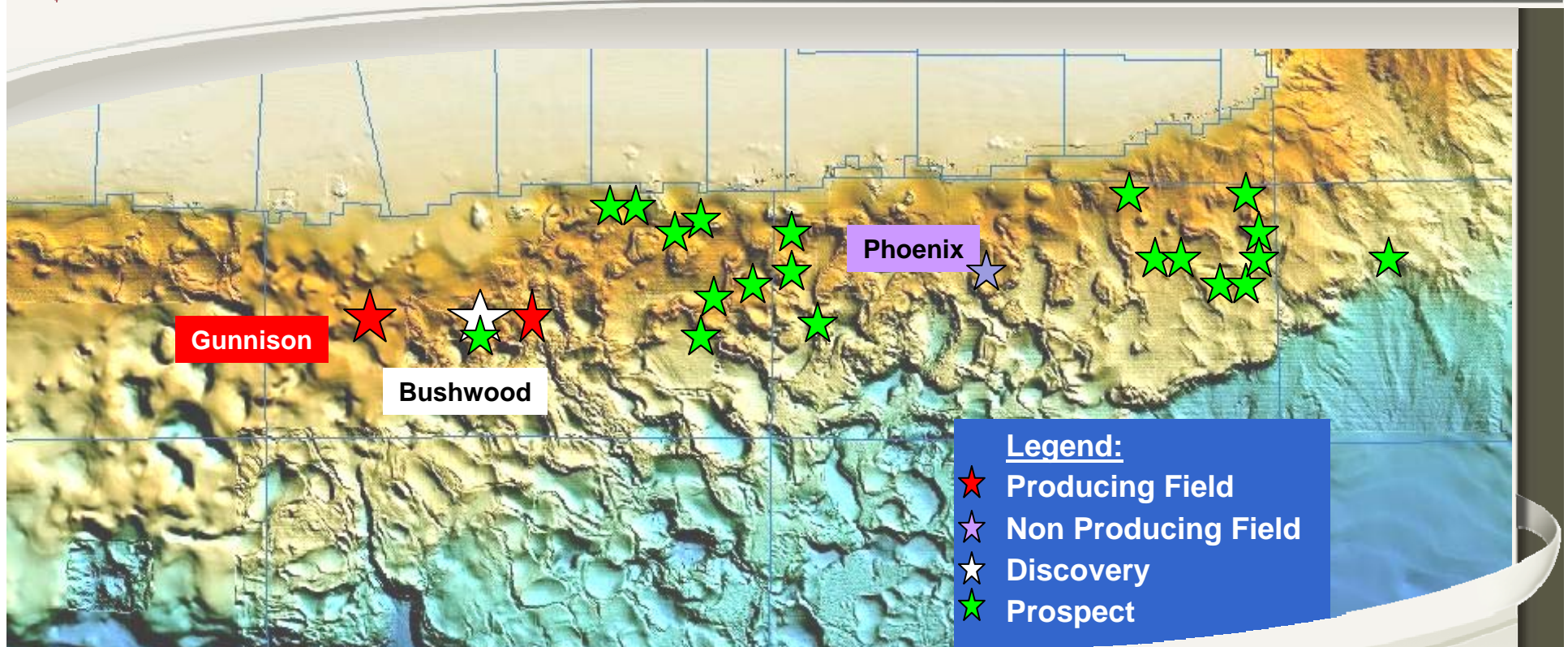


Aerial view of Ingleside Shore Base

Helix Oil & Gas



ERT Deepwater Portfolio



Interests in 47 Deepwater Blocks –13 Developed, 34 Undeveloped

379 BCFE Proved Reserves- 32 MMCFE Net Daily Production

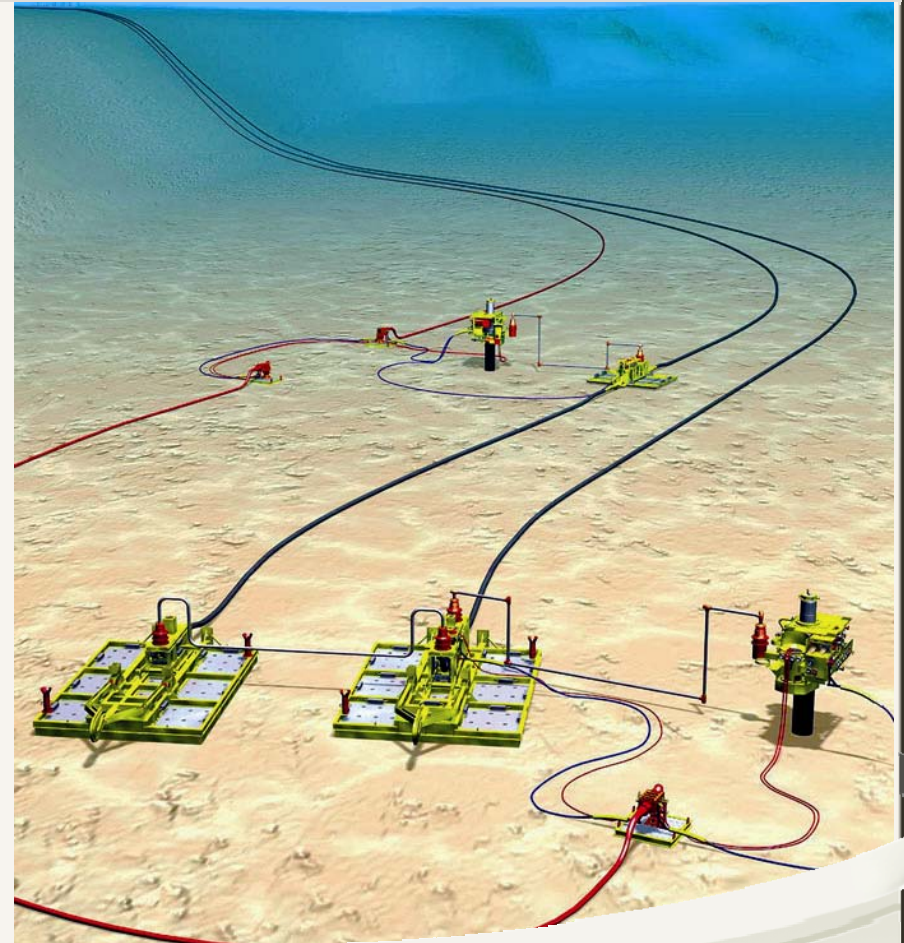
2.7 Net TCFE Un-Risked Reserve Potential, 1.0 TCFE Risked

Internal Prospect Generation via Large, In-House 3-D Seismic Library Large,
Recent Long Offset 3-D Seismic Database,+1,500 Blocks

Experienced Exploration/Drilling/Operations Team - 25+ years avg.

O&G – 2008 Reserve Report Highlights

- Proven Reserve, Undiscounted Future Net Revenues: \$2.6 billion
Undiscounted, Discounted PV-10: \$1.9 billion (pre-tax)
- 665 Bcfe Proved Reserves
 - 379 Bcfe deepwater, 273 Bcfe shelf, 13 North Sea
 - Proved Developed / PUD Ratio – 50/50
 - Natural Gas / Oil Mix – 70/30
- Discoveries and Extensions resulted in 176 Bcfe of reserve additions
 - 371% production replacement rate
 - 2008 F&D costs - \$2.44 / mcfe*



*2008 Exploration + Development + Proved Property Acquisition / Exploratory Additions (U.S. Only)

Helix Outlook



- Contracting Services demand in 2H 2009 has softened, as expected
- Express dry-dock, transit and utilization on Danny pipeline will impact external revenues
- Capital expenditures of approximately \$385 million
 - \$200 million relates to completion of three major vessel projects (Well Enhancer, Caesar and Helix Producer I)
 - \$60 million relates to development of Danny and Phoenix oil fields
 - Most of remaining CAPEX is regulatory maintenance
- Improved liquidity and debt levels (see slide 20)



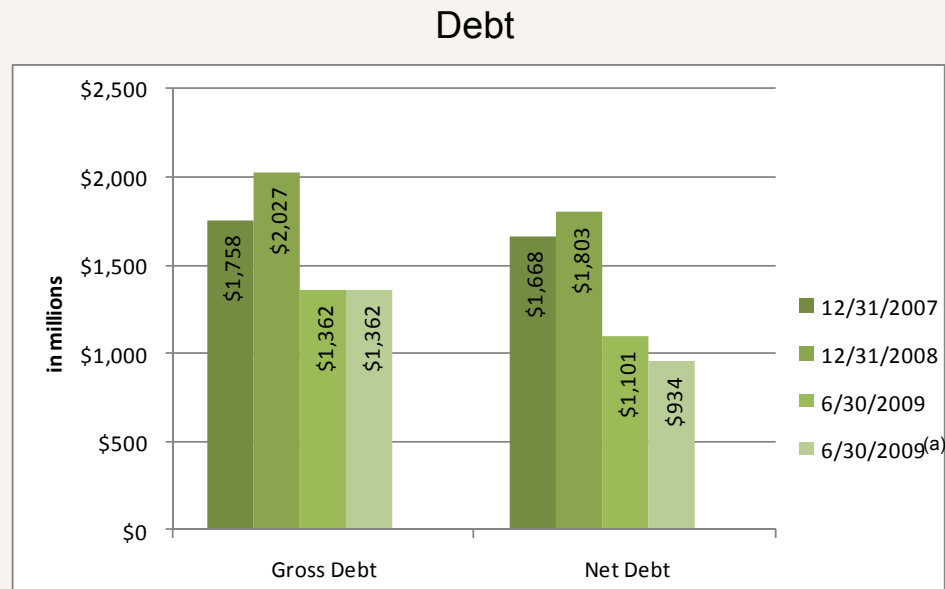
Oil and Gas

- Production range: 43 - 47 Bcfe
- Oil and gas prices
 - Without hedges: \$4.34 /mcf; \$64.69 /bbl
 - With realized hedges and mark-to-market adjustments (gas only): \$7.52 /mcf; \$70.36 /bbl



Independence Hub production platform

Significant Balance Sheet Improvements



(a) Pro forma 6/30/09 including sale of interest in Cal Dive

Liquidity* at 6/30/09 of \$670 M

* Defined as available revolver capacity plus cash

Liquidity and Capital Resources

- Company remains focused on its efforts to monetize non-core assets and businesses
- Completed (≈ \$600 million):
 - Oil and gas assets
 - Bass Lite sale December 08 & January 09 (\$49 million)
 - EC 316 sale in February 09 (\$18 million)
 - Cal Dive
 - Sold a total of 15.2 million shares of Cal Dive common stock to Cal Dive in January and June 2009 for aggregate proceeds of \$100 million
 - Sold 45.8 million Cal Dive shares in secondary offerings for proceeds of ≈ \$405 million (net of offering costs) in June and September 2009 (pre-tax)
 - Sold Helix RDS for \$25 million in April 2009

Company will continue to seek a sale of shelf oil and gas properties

Key Credit Facility Covenants

Covenant	Test	Explanation
Collateral Coverage Ratio	> 1.75 : 1	Basket of collateral to Senior Secured Debt
Fixed Charge Coverage Ratio	> 2.75 : 1	Consolidated EBITDA to consolidated interest charges
Consolidated Leverage Ratio	< 3.5 : 1	Consolidated EBITDA to consolidated debt

Company is in compliance as of 6/30/2009, and based on current forecasts expects compliance throughout 2009.

Credit Facilities, Commitments and Amortization

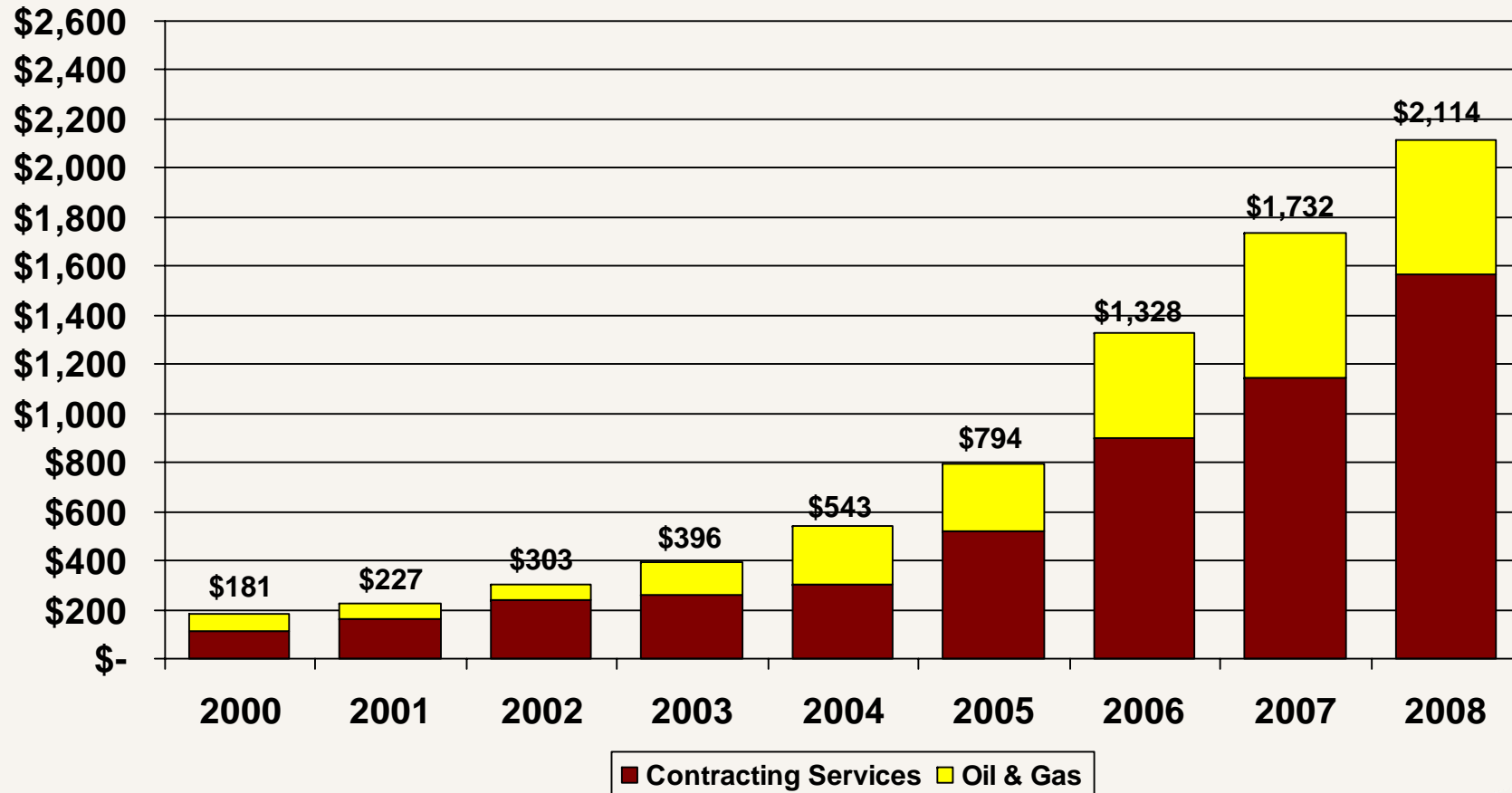
- **\$420 Million Revolving Credit Facility** – Committed facility through June 2011. No required amortization. **UNDRAWN.**
- **\$417 Million Term Loan B** – Committed facility through June 2013. \$4.3 million amortization annually.
- **\$550 Million High Yield Notes** – Interest only until maturity (January 2016) or called by Helix. First Helix call date is January 2012.
- **\$300 Million Convertible Notes** – Interest only until put by noteholders or called by Helix. First put/call date is December 2012, although noteholders have the right to convert prior to that date if certain stock price triggers are met (\$38.56).
- **\$121 Million MARAD** – Original 25 year term; matures February 2027. \$4.3 million principal payments annually.

Financial Information



Consistent Top Line Growth

(\$ amounts in millions)



Note: Includes Cal Dive, excludes Helix RDS revenues from 2005-2008.

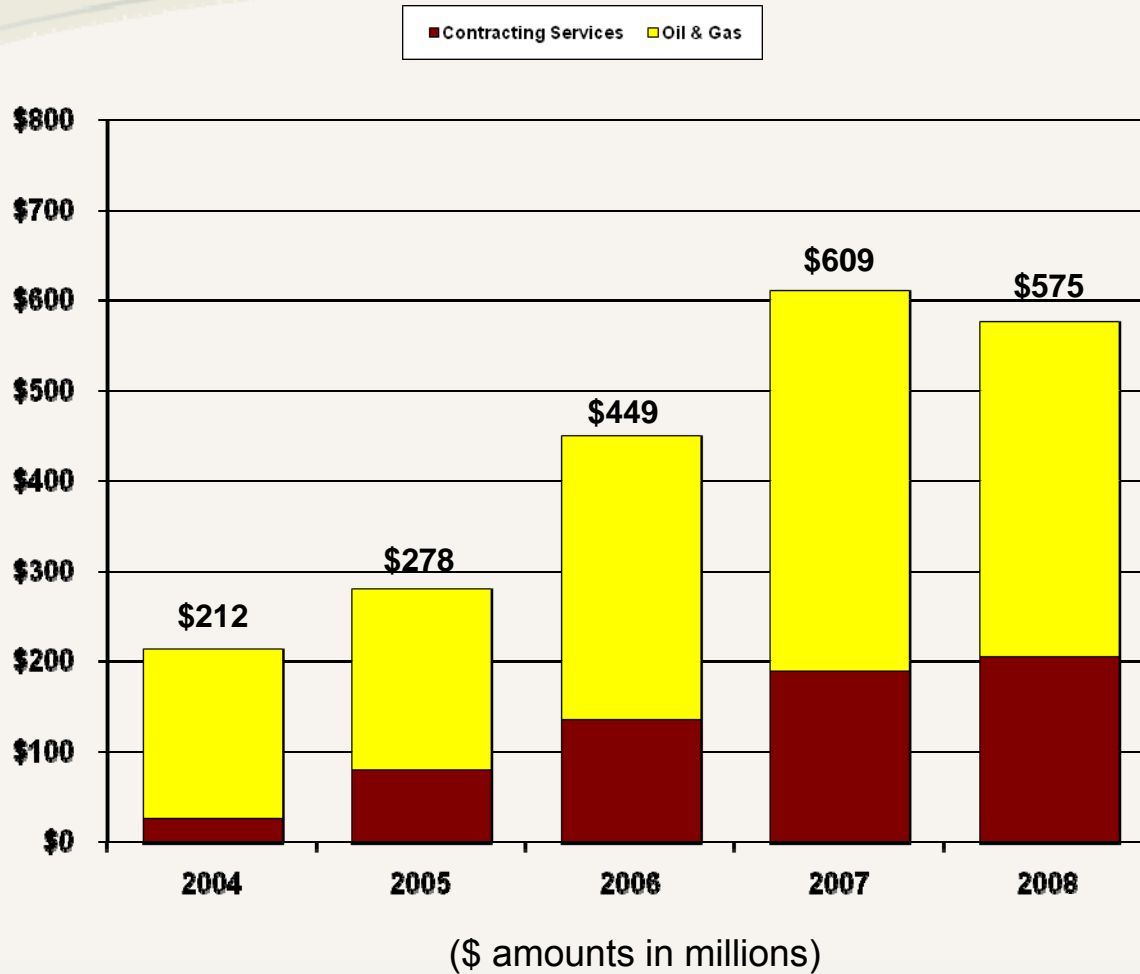
Earnings Per Share (a)



- 2006 results exclude the impact of the gain on sale in the Cal Dive IPO and estimated incremental overhead costs during the year.
- 2007 results exclude the impact of the Cal Dive gain, impairments and other unusual items.
- 2008 results exclude non-cash charges of \$964 million for reduction in carrying values of goodwill and certain oil and gas properties.

(a) See Non-GAAP reconciliations on slide 30.

Significant Cash Generation – EBITDAX^(a)



-2006 results exclude the impact of the gain on sale in the Cal Dive IPO and estimated incremental overhead costs during the year.

-2007 results exclude the impact of the Cal Dive gain, impairments and other unusual items.

-2008 results exclude non-cash impairments.

-Excludes Cal Dive contribution.

(a) See Non-GAAP reconciliations on slide 30.

Non-GAAP Reconciliations





Non GAAP Reconciliations

	<u>TTM 6/30/08</u>	<u>TTM 6/30/09</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<i>(in millions)</i>							
Net income applicable to common shareholders	\$ 364	\$ (648)	\$ 80	\$ 150	\$ 340	\$ 312	\$ (639)
Non-cash impairments	81	920	-	1	5	73	918
Gain on asset sales	(223)	(64)	-	(1)	(99)	(148)	(74)
Preferred stock dividends	3	55	3	2	3	4	3
Income tax provision	141	87	43	75	131	103	67
Net interest expense and other	78	84	5	8	41	64	101
Depreciation and amortization	337	292	108	111	193	320	306
Exploration expense	26	32	-	6	43	27	33
EBITDAX as reported	\$ 807	\$ 758	\$ 239	\$ 352	\$ 657	\$ 755	\$ 715
Less: Previously reported contribution from Cal Dive	(116)	(150)	(27)	(74)	(208)	(146)	(140)
Adjusted EBITDAX	\$ 691	\$ 608	\$ 212	\$ 278	\$ 449	\$ 609	\$ 575

We calculate adjusted EBITDAX as earnings before net interest expense, taxes, depreciation and amortization, and exploration expense. Further, we do not include earnings from our interest in Cal Dive in any periods presented in our adjusted EBITDAX calculation. These non-GAAP measures are useful to investors and other internal and external users of our financial statements in evaluating our operating performance because they are widely used by investors in our industry to measure a company's operating performance without regard to items which can vary substantially from company to company and help investors meaningfully compare our results from period to period. Adjusted EBITDAX should not be considered in isolation or as a substitute for, but instead is 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 which are excluded.



Non GAAP Reconciliations

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Reconciliation to Normalized EPS:					
	(in millions, except earnings per share)				
Net income applicable to common shareholders	\$ 80	\$ 150	\$ 340	\$ 312	\$ (639)
Preferred stock dividends and accretion	3	2	3	4	-
Cal Dive gain (IPO and Horizon acquisition)	-	-	(97)	(99)	-
Goodwill and other intangible impairments	-	-	-	-	715
Other non-recurring items	-	-	5	70	161
	<hr/>				
Net income, excluding non-cash gains on Cal Dive equity transactions (IPO and Horizon acquisition) and other unusual items	\$ 83	\$ 152	\$ 251	\$ 287	\$ 237
	<hr/>				
Diluted Shares	79	82	90	96	91
Normalized EPS	\$ 1.03	\$ 1.86	\$ 2.79	\$ 2.97	\$ 2.60



HLX
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