UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **February 21, 2017** (February 20, 2017)

Helix Energy Solutions Group, Inc.
(Exact name of registrant as specified in its charter)

Minnesota (State or other jurisdiction of incorporation)	**001-32936** (Commission File Number)	**95-3409686** (IRS Employer Identification No.)

3505 West Sam Houston Parkway North, Suite 400 **Houston, Texas** (Address of principal executive offices)	**77043** (Zip Code)

281-618-0400
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

|_| Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

|_| Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

|_| Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

|_| Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition.

On February 20, 2017, Helix Energy Solutions Group, Inc. ("Helix") issued a press release announcing its fourth quarter results of operations for the period ended December 31, 2016. Attached hereto as Exhibit 99.1, and incorporated by reference herein, is the press release.

Item 7.01 Regulation FD Disclosure.

On February 20, 2017, Helix issued a press release announcing its fourth quarter results of operations for the period ended December 31, 2016. In addition, on February 21, 2017, Helix is making a presentation (with slides) to analysts and investors regarding its financial and operating results. Attached hereto as Exhibits 99.1 and 99.2, respectively, and incorporated by reference herein, are the press release and the slides for the Fourth Quarter Earnings Conference Call Presentation issued by Helix. The presentation materials are also available beginning on February 20, 2017 under *Investor Relations - Presentations* in the *For the Investor* section of Helix's website, www.HelixESG.com.

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits.*

Number	Description
99.1	Press Release of Helix Energy Solutions Group, Inc. dated February 20, 2017 reporting financial results for the fourth quarter of 2016.
99.2	Fourth Quarter 2016 Conference Call Presentation.

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 hereunto duly authorized.

Date: February 21, 2017

HELIX ENERGY SOLUTIONS GROUP, INC.

By: /s/ Anthony Tripodo

Anthony Tripodo
Executive Vice President and Chief Financial Officer

Index to Exhibits

Exhibit No.	Description
99.1	Press Release of Helix Energy Solutions Group, Inc. dated February 20, 2017 reporting financial results for the fourth quarter of 2016.
99.2	Fourth Quarter 2016 Conference Call Presentation.

EXHIBIT 99.1

PRESSRELEASE

www.HelixESG.com

Helix Energy Solutions Group, Inc. · 3505 W. Sam Houston Parkway N., Suite 400 · Houston, TX 77043 · 281-618-0400 · fax: 281-618-0505

For Immediate Release **17-004**

Date: February 20, 2017 **Contact: Erik Staffeldt**
Vice President - Finance & Accounting

Helix Reports Fourth Quarter and Full Year 2016 Results

HOUSTON, TX - Helix Energy Solutions Group, Inc. (NYSE: HLX) reported a net loss of $54.4 million, or $(0.46) per diluted share, for the fourth quarter of 2016 compared to a net loss of $403.9 million, or $(3.83) per diluted share, for the same period in 2015 and net income of $11.5 million, or $0.10 per diluted share, for the third quarter of 2016. The fourth quarter 2016 results were impacted by non-cash pretax charges of $50.9 million ($48.9 million after tax), including a $45.1 million goodwill impairment charge associated with our robotics business and a $4.1 million loss associated with the repurchase of $125 million of Convertible Notes due 2032. The net loss for the year ended December 31, 2016 was $81.4 million, or $(0.73) per diluted share, compared to a net loss of $377.0 million, or $(3.58) per diluted share, for the year ended December 31, 2015.

Helix reported adjusted EBITDA[1] of $26.9 million for the fourth quarter of 2016 compared to $34.2 million for the fourth quarter of 2015 and $46.7 million for the third quarter of 2016. Adjusted EBITDA for the year ended December 31, 2016 was $89.5 million compared to $172.7 million for the year ended December 31, 2015.

Owen Kratz, President and Chief Executive Officer of Helix, stated, “The fourth quarter reflected a continuation of overall industry weakness that persisted throughout the year. However, higher oil prices bode well for an improving overall industry environment going forward. As we look forward to 2017, our focus will be on a successful startup of Brazil operations for both *Siem Helix 1* and *Siem Helix 2*.”

---

[1] Adjusted EBITDA is a non-GAAP measure. See reconciliation below.

Summary of Results

($ in thousands, except per share amounts, unaudited)

	Three Months Ended			Twelve Months Ended	
	12/31/2016	12/31/2015	9/30/2016	12/31/2016	12/31/2015
Revenues	$ 128,031	$ 157,683	$ 161,245	$ 487,582	$ 695,802
Gross Profit (Loss)	$ 17,604	$ 20,112	$ 40,184	$ 46,516	$ 111,236
	14%	*13%*	*25%*	*10%*	*16%*
Asset Impairments	—	(345,010)	—	—	(345,010)
Total	$ 17,604	$ (324,898)	$ 40,184	$ 46,516	$ (233,774)
Goodwill Impairments	$ (45,107)	$ (16,399)	$ —	$ (45,107)	$ (16,399)
Non-cash Losses on Equity Investments	$ (1,674)	$ (122,765)	$ —	$ (1,674)	$ (122,765)
Net Income (Loss)	$ (54,413)	$ (403,867)	$ 11,462	$ (81,445)	$ (376,980)
Diluted Earnings (Loss) Per Share	$ (0.46)	$ (3.83)	$ 0.10	$ (0.73)	$ (3.58)
Adjusted EBITDA [1]	$ 26,889	$ 34,186	$ 46,701	$ 89,544	$ 172,736

[1] *Adjusted EBITDA is a non-GAAP measure. See reconciliation below.*

Segment Information, Operational and Financial Highlights

($ in thousands, unaudited)

	Three Months Ended		
	12/31/2016	12/31/2015	9/30/2016
Revenues:			
Well Intervention	$ 79,738	$ 88,680	$ 108,287
Robotics	40,775	62,444	48,897
Production Facilities	17,791	18,137	17,128
Intercompany Eliminations	(10,273)	(11,578)	(13,067)
Total	$ 128,031	$ 157,683	$ 161,245
Income (Loss) from Operations:			
Well Intervention	$ 7,723	$ 8,433	$ 24,413
Robotics	(5,476)	(257)	(94)
Production Facilities	8,636	6,626	8,312
Non-cash Impairment Charges	(45,107)	(361,409)	—
Corporate / Other	(10,600)	(9,285)	(10,288)
Intercompany Eliminations	170	158	(873)
Total	$ (44,654)	$ (355,734)	$ 21,470

Business Segment Results

- Well Intervention revenues decreased 26% in the fourth quarter of 2016 from third quarter of 2016. Overall Well Intervention vessel utilization in the fourth quarter of 2016 decreased to 62% from 76% in the third quarter of 2016. The *Q4000* utilization was 100% in the fourth quarter of 2016 compared to 93% in the third quarter of 2016. The *Q5000* utilization remained constant at 84% for both fourth quarter and third quarter of 2016. In addition, third quarter revenues included a payment received due to a work scope cancellation on a 42-day “take or pay” contract originally scheduled for the fourth quarter. In the North Sea, the *Well Enhancer* utilization was 78% in the fourth quarter of 2016 compared to 91% in the third quarter of 2016. The *Seawell* utilization decreased to 47% in the fourth quarter of 2016 from 98% in the third quarter of 2016. The *Skandi Constructor* was idle in the fourth quarter of 2016 compared to 15% utilization in the third quarter of 2016. The rental intervention riser systems remained idle in the fourth quarter of 2016.

- Robotics revenues decreased 17% in the fourth quarter of 2016 from third quarter of 2016. Chartered vessel utilization decreased to 68% in the fourth quarter of 2016 from 81% in the third quarter of 2016, and ROV asset utilization decreased to 47% in the fourth quarter of 2016 from 57% in the third quarter of 2016. The decrease in revenue was primarily driven by low seasonal activity in the North Sea.

Other Expenses

- Selling, general and administrative expenses were $18.4 million, 14.4% of revenue, in the fourth quarter of 2016 compared to $18.7 million, 11.6% of revenue, in the third quarter of 2016. Our fourth quarter 2016 expenses included a $3.2 million charge associated with the provision for the uncertain collection of a portion of existing trade and note receivables compared to a $2.7 million charge in the third quarter of 2016. The remaining decrease of $0.8 million is primarily due to decreased costs associated with our variable performance-based stock compensation plans.

- Net interest expense decreased slightly to $6.2 million in the fourth quarter of 2016 from $6.8 million in the third quarter of 2016. The decrease is primarily associated with higher capitalized interest on our capital projects.

- We recorded a $4.1 million loss associated with the repurchase of $125 million of our Convertible Notes due 2032.

- Other expense was $0.5 million in the fourth quarter of 2016 compared to a benefit of $0.8 million in the third quarter of 2016. The decrease was primarily driven by unrealized losses on our foreign currency exchange contracts that are not designated as hedges, offset in part by foreign currency gains.

Financial Condition and Liquidity

- In November 2016, we refinanced $125 million of our Convertible Notes due 2032 with the issuance of our new Convertible Notes due 2022.

- Our total liquidity at December 31, 2016 was approximately $376 million, consisting of $357 million in cash and cash equivalents and $19 million in available capacity under our revolver. Consolidated long-term debt decreased to $626 million in the fourth quarter of 2016 from $678 million in the third quarter of 2016. Consolidated net debt at December 31, 2016 was $269 million. Net debt to book capitalization at December 31, 2016 was 17%. (Net debt and net debt to book capitalization are non-GAAP measures. See reconciliation below.)

- In January 2017, we completed an underwritten public offering of 26,450,000 shares of our common stock at a public offering price of $8.65 per share. The net proceeds from the offering approximated $220 million, after deducting underwriting discounts and commissions and estimated offering expenses.

- We incurred capital expenditures (including capitalized interest) totaling $37 million in the fourth quarter of 2016 compared to $99 million in the third quarter of 2016 and $42 million in the fourth quarter of 2015. In addition, we incurred $17 million in mobilization costs of the *Siem Helix 1* in the fourth quarter of 2016 compared to $13 million in the third quarter of 2016. Our third quarter capital expenditures included a shipyard invoice for the *Q7000* of approximately $69 million that was paid in October 2016.

* * * * *

Conference Call Information

Further details are provided in the presentation for Helix's quarterly conference call to review its fourth quarter 2016 results (see the "Investor Relations" page of Helix's website, www.HelixESG.com). The call, scheduled for 9:00 a.m. Central Daylight Time Tuesday, February 21, 2017, will be audio webcast live from the "Investor Relations" page of Helix's website. Investors and other interested parties wishing to listen to the conference via telephone may join the call by dialing 800-748-2715 for persons in the United States and 1-212-231-2930 for international participants. The passcode is "Tripodo". A replay of the conference call will be available under "Investor Relations" by selecting the "Audio Archives" link from the same page beginning approximately two hours after the completion of the conference call.

About Helix

Helix Energy Solutions Group, Inc., headquartered in Houston, Texas, is an international offshore energy services company that provides specialty services to the offshore energy industry, with a focus on well intervention and robotics operations. For more information about Helix, please visit our website at www.HelixESG.com.

Reconciliation of Non-GAAP Financial Measures

Management evaluates Company performance and financial condition using certain non-GAAP metrics, primarily EBITDA, Adjusted EBITDA, net debt and net debt to book capitalization. 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. We separately disclose our non-cash asset impairment charges, which, if not material, would be reflected as a component of our depreciation and amortization expense. Because these impairment charges are material to our 2015 results of operations, we have reported them as a separate line item. Non-cash goodwill impairment charges and non-cash losses on equity investments 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 or expense. Net debt is calculated as total long-term debt less cash and cash equivalents. Net debt to book capitalization is calculated by dividing net debt by the sum of net debt and shareholders' equity. We use EBITDA to monitor and 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.

Forward-Looking Statements

This press release 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) and LinkedIn (www.linkedin.com/company/helix-energy-solutions-group).

HELIX ENERGY SOLUTIONS GROUP, INC.

Comparative Condensed Consolidated Statements of Operations

(in thousands, except per share data)	Three Months Ended Dec. 31, 2016	Three Months Ended Dec. 31, 2015	Twelve Months Ended Dec. 31, 2016	Twelve Months Ended Dec. 31, 2015
	(unaudited)		(unaudited)	
Net revenues	$ 128,031	$ 157,683	$ 487,582	$ 695,802
Cost of sales	110,427	137,571	441,066	584,566
Asset impairments	—	345,010	—	345,010
Gross profit (loss)	17,604	(324,898)	46,516	(233,774)
Goodwill impairment	(45,107)	(16,399)	(45,107)	(16,399)
Gain on disposition of assets, net	1,290	92	1,290	92
Selling, general and administrative expenses	(18,441)	(14,529)	(65,934)	(57,279)
Loss from operations	(44,654)	(355,734)	(63,235)	(307,360)
Equity in losses of investments	(1,800)	(123,792)	(2,166)	(124,345)
Net interest expense	(6,232)	(8,896)	(31,239)	(26,914)
Loss on repurchase of long-term debt	(4,086)	—	(3,540)	—
Other income (expense), net	(508)	(18,113)	3,510	(24,310)
Other income - oil and gas	255	363	2,755	4,759
Loss before income taxes	(57,025)	(506,172)	(93,915)	(478,170)
Income tax benefit	(2,612)	(102,305)	(12,470)	(101,190)
Net loss	$ (54,413)	$ (403,867)	$ (81,445)	$ (376,980)
Loss per share of common stock:				
Basic	$ (0.46)	$ (3.83)	$ (0.73)	$ (3.58)
Diluted	$ (0.46)	$ (3.83)	$ (0.73)	$ (3.58)
Weighted average common shares outstanding:				
Basic	118,987	105,574	111,612	105,416
Diluted	118,987	105,574	111,612	105,416

Comparative Condensed Consolidated Balance Sheets

ASSETS (in thousands)	**Dec. 31, 2016** (unaudited)	**Dec. 31, 2015**	***LIABILITIES & SHAREHOLDERS' EQUITY*** (in thousands)	**Dec. 31, 2016** (unaudited)	**Dec. 31, 2015**
Current Assets:			Current Liabilities:		
Cash and cash equivalents (1)	$ 356,647	$ 494,192	Accounts payable	$ 60,210	$ 65,370
Accounts receivable, net	112,153	96,752	Accrued liabilities	58,614	71,641
Current deferred tax assets	16,594	53,573	Income tax payable	—	2,261
Other current assets	37,388	39,518	Current maturities of long-term debt (1)	67,571	71,640
Total Current Assets	522,782	684,035	Total Current Liabilities	186,395	210,912
Property & equipment, net	1,651,610	1,603,009	Long-term debt (1)	558,396	677,695
Equity investments	—	26,200	Deferred tax liabilities	167,351	180,974
Goodwill	—	45,107	Other non-current liabilities	52,985	51,415
Other assets, net	72,549	41,608	Shareholders' equity (1)	1,281,814	1,278,963
Total Assets	$ 2,246,941	$ 2,399,959	Total Liabilities & Equity	$ 2,246,941	$ 2,399,959

(1) Net debt to book capitalization - 17% at December 31, 2016. Calculated as net debt (total long-term debt less cash and cash equivalents - $269,320) divided by the sum of net debt and shareholders' equity ($1,551,134).

Helix Energy Solutions Group, Inc.
Reconciliation of Non-GAAP Measures

Earnings Release:

Reconciliation from Net Income (Loss) to Adjusted EBITDA:

	Three Months Ended			Twelve Months Ended	
	12/31/2016	12/31/2015	9/30/2016	12/31/2016	12/31/2015
			(in thousands)		
Net income (loss)	$ (54,413)	$ (403,867)	$ 11,462	$ (81,445)	$ (376,980)
Adjustments:					
Income tax provision (benefit)	(2,612)	(102,305)	3,649	(12,470)	(101,190)
Net interest expense	6,232	8,896	6,843	31,239	26,914
(Gain) loss on repurchase of long-term debt	4,086	—	(244)	3,540	—
Other (income) expense, net	508	18,113	(830)	(3,510)	24,310
Depreciation and amortization	29,341	34,068	27,607	114,187	120,401
Asset impairments	—	345,010	—	—	345,010
Goodwill impairments	45,107	16,399	—	45,107	16,399
Non-cash losses on equity investments	1,674	122,765	—	1,674	122,765
EBITDA	29,923	39,079	48,487	98,322	177,629
Adjustments:					
Gain on disposition of assets, net	(1,290)	(92)	—	(1,290)	(92)
Realized losses from cash settlements of ineffective foreign currency exchange contracts	(1,744)	(4,801)	(1,786)	(7,488)	(4,801)
Adjusted EBITDA	$ 26,889	$ 34,186	$ 46,701	$ 89,544	$ 172,736

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. We separately disclose our non-cash asset impairment charges, which, if not material, would be reflected as a component of our depreciation and amortization expense. Because these impairment charges are material to our 2015 results of operations, we have reported them as a separate line item. Non-cash goodwill impairment charges and non-cash losses on equity investments 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 or expense. We use EBITDA to monitor and 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.

Reconciliation of Significant Charges

Earnings Release:

Reconciliation of Significant Charges:

		Three Months Ended 12/31/2016 (in thousands, except per share data)
Goodwill impairment and other non-cash charges:		
Goodwill impairment	$	45,107
Non-cash loss on equity investments		1,674
Loss on repurchase of long-term debt		4,086
Tax benefit associated with the above		(2,016)
Goodwill impairment and other charges, net	$	48,851
Diluted shares		118,987
Net after income tax effect per share	$	0.41

EXHIBIT 99.2

HELIX
ENERGY SOLUTIONS

Fourth Quarter 2016 Conference Call

February 21, 2017

Navigating the present, focusing on the future.

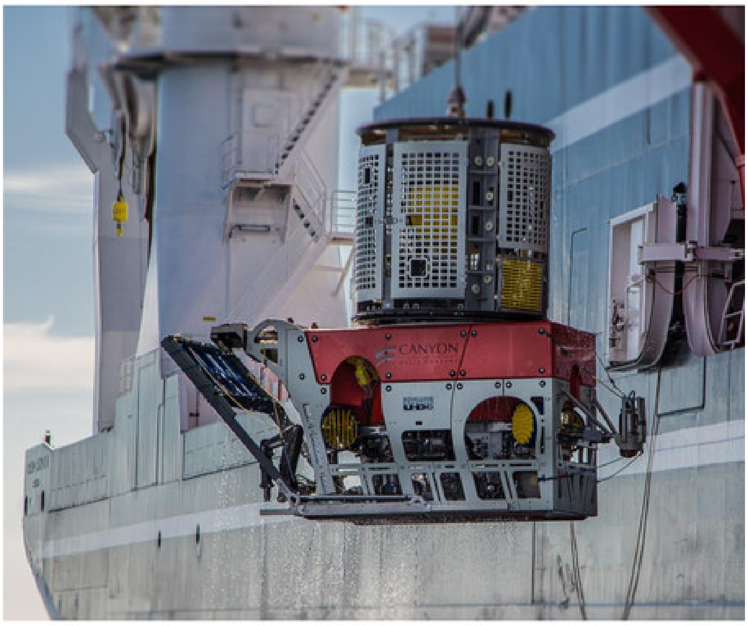
Forward Looking Statements

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 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) and LinkedIn (www.linkedin.com/company/helix-energy-solutions-group).

Presentation Outline



Schilling ROV on Grand Canyon II

Executive Summary

Executive Summary

($ in millions, except per share data)	Three Months Ended			Twelve Months Ended	
	12/31/2016	12/31/2015	9/30/2016	12/31/2016	12/31/2015
Revenues	$ 128	$ 158	$ 161	$ 488	$ 696
Gross profit (loss)	$ 18	$ 20	$ 40	$ 47	$ 111
	14%	*13%*	*25%*	*10%*	*16%*
Asset impairments	-	(345)	-	-	(345)
Total	$ 18	$ (325)	$ 40	$ 47	$ (234)
Goodwill impairments	$ (45)	$ (16)	$ -	$ (45)	$ (16)
Non-cash losses on equity investments	$ (2)	$ (123)	$ -	$ (2)	$ (123)
Net income (loss)	$ (54)	$ (404)	$ 11	$ (81)	$ (377)
Diluted earnings (loss) per share	$ (0.46)	$ (3.83)	$ 0.10	$ (0.73)	$ (3.58)
Adjusted EBITDA[1]					
Business segments	$ 36	$ 41	$ 57	$ 121	$ 196
Corporate, eliminations and other	(9)	(7)	(10)	(31)	(23)
Adjusted EBITDA	$ 27	$ 34	$ 47	$ 90	$ 173

[1]Adjusted EBITDA is a non-GAAP financial measure. See non-GAAP reconciliations on slide 26.

Executive Summary

Operations

- Q4 2016 net loss of $54 million, $(0.46) per diluted share, compared to Q3 2016 net income of $11 million, $0.10 per diluted share; results were impacted by the following non-cash pre-tax charges:
  - Goodwill impairment charge of $45.1 million associated with our Robotics segment
  - Loss of $4.1 million associated with the repurchase of $125 million of our Convertible Senior Notes due 2032
- Q4 2016 Adjusted EBITDA[1] of $27 million compared to Adjusted EBITDA of $47 million in Q3 2016
- Well Intervention – Q4 2016
  - Utilization of 62% across the well intervention fleet, including 92% in the GOM and 42% in the North Sea; *Helix 534* was sold for salvage in late December for approximately $2.8 million
  - *Siem Helix 1* continued with Petrobras inspection and acceptance, including agreed-upon modifications
- Robotics – Q4 2016
  - Robotics chartered vessels utilization 68%; ROVs, trenchers and ROVDrills utilization 47%

[1]Adjusted EBITDA is a non-GAAP financial measure. See non-GAAP reconciliations on slide 26.

Executive Summary

Balance Sheet

- Liquidity[1] of approximately $376 million at 12/31/16 ($595 million pro forma for our public equity offering completed in January 2017)
- Refinanced $125 million of Convertible Senior Notes due 2032 with issuance of $125 million of Convertible Senior Notes due 2022
- Cash and cash equivalents totaled $357 million at 12/31/16
  - $16 million of cash used for scheduled principal debt repayments in Q4 2016
  - $25 million of cash used for prepayment of Term Loan in Q4 2016
  - $107 million of cash used for capital expenditures in Q4 2016, including shipyard payment of $69 million for the *Q7000* (Note: Shipyard payment accrued as capex in Q3 2016)
- Long-term debt of $626 million at 12/31/16 compared to $678 million at 9/30/16
- Net debt[2] of $269 million at 12/31/16 compared to $196 million at 9/30/16; see debt instrument profile on slide 16
- In January 2017 we received net proceeds of approximately $220 million associated with our public offering of approximately 26.5 million shares of our common stock

[1]Liquidity is calculated as the sum of cash and cash equivalents ($357 million) and available capacity under our revolving credit facility ($19 million)
[2]Net debt is calculated as total long-term debt less cash and cash equivalents

Operational Highlights

Business Segment Results

($ in millions)

	Three Months Ended					
	12/31/2016		12/31/2015		9/30/2016	
Revenues						
Well Intervention	$ 79		$ 89		$ 108	
Robotics	41		62		49	
Production Facilities	18		18		17	
Intercompany elimination	(10)		(11)		(13)	
Total	$ 128		$ 158		$ 161	
Gross profit (loss)						
Well Intervention	10	*12%*	12	*13%*	28	*26%*
Robotics	(1)	*-1%*	2	*4%*	5	*10%*
Production Facilities	9	*49%*	7	*38%*	8	*49%*
Elimination and other	-		(1)		(1)	
Total	$ 18	*14%*	$ 20	*13%*	$ 40	*25%*

Fourth Quarter 2016

- 62% utilization across the well intervention fleet
- *Q4000* 100% utilization; *Q5000* 84% utilization
- *Well Enhancer* 78% utilization; *Seawell* 47% utilization; *Skandi Constructor* 0% utilization
- Robotics achieved 68% utilization on chartered vessel fleet; 47% utilization of ROVs, trenchers and ROVDrills

Seawell

Well Intervention - GOM

Gulf of Mexico

- *Q5000* remains on contract; utilized 84% in Q4 2016 due to 15 days of downtime at zero rates for repairs to IRS system and topside equipment
- *Q4000* 100% utilized and performed with excellent operational efficiency in Q4 2016
- *Helix 534* was sold in late December
- IRS rental units idle during Q4 2016

Q5000

Q4000

Well Intervention – North Sea

North Sea

- *Well Enhancer* 78% utilized in Q4 2016, completed last project early December; vessel remained idle for remainder of December during which time commenced dry dock for regulatory survey (completed early January)
- *Seawell* 47% utilized in Q4 2016, completed last project early November; vessel remained idle for remainder of Q4 2016 during which time completed dry dock for intermediate survey
- *Skandi Constructor* relocated to APAC Region (Singapore); idle all of Q4 2016 and currently stacked in Singapore

Well Enhancer

Seawell

Well Intervention - Brazil

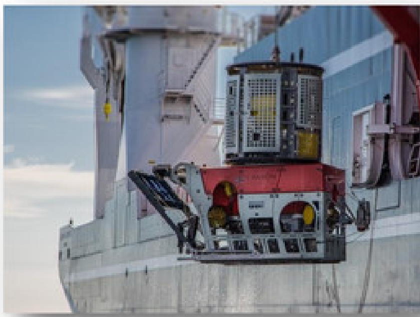
Brazil

- *Siem Helix 1* continued with Petrobras inspection, including agreed-upon modifications
- *Siem Helix 1* expected to be placed in service in late Q1 2017, subject to Petrobras acceptance testing
- *Siem Helix 2* under construction during Q4 2016; Topside equipment installation scheduled to begin in Q1 2017; contract revenues estimated to start in Q4 2017

Siem Helix 1

Robotics

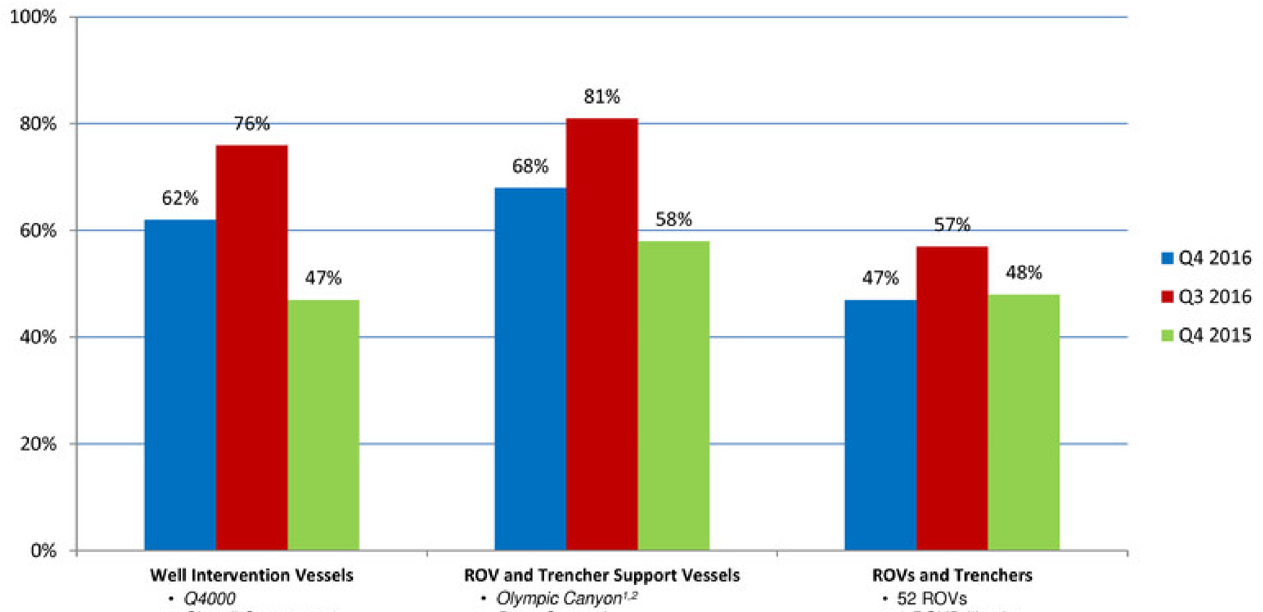
- 68% chartered vessel fleet utilization in Q4 2016; 47% utilization for ROVs, trenchers and ROVDrills
- *Deep Cygnus* had 69 days of utilization during Q4 2016 including ~40 days for trenching project in Egypt and 27 days for trenching projects and 2 days for IRM work in the North Sea
- *Grand Canyon* had 74 days of utilization in the North Sea during Q4 2016, all of which was to complete a trenching project that commenced in August 2016
- *Grand Canyon II* had 41 days of utilization during Q4 2016 performing various short term ROV support spot work in the GOM
- Robotics had 4 days of spot vessel utilization in the GOM during Q4 2016



ROV

Grand Canyon II

Utilization



Well Intervention Vessels
- *Q4000*
- *Skandi Constructor*[1]
- *Seawell*
- *Well Enhancer*
- *Q5000*[4]
- *Helix 534*[5]

ROV and Trencher Support Vessels
- *Olympic Canyon*[1,2]
- *Deep Cygnus*[1]
- *Grand Canyon*[1]
- *Grand Canyon II*[1,3]
- *REM Installer*[1,6]
- *Spot vessels*[1]

ROVs and Trenchers
- 52 ROVs
- 2 ROVDrill units
- 5 Trenchers

[1]Chartered vessel
[2]Vessel returned to owner in November 2015
[3]Vessel entered fleet in late April 2015
[4]Vessel entered fleet in late October 2015
[5]Vessel sold in December 2016
[6]Vessel returned to owner in July 2016

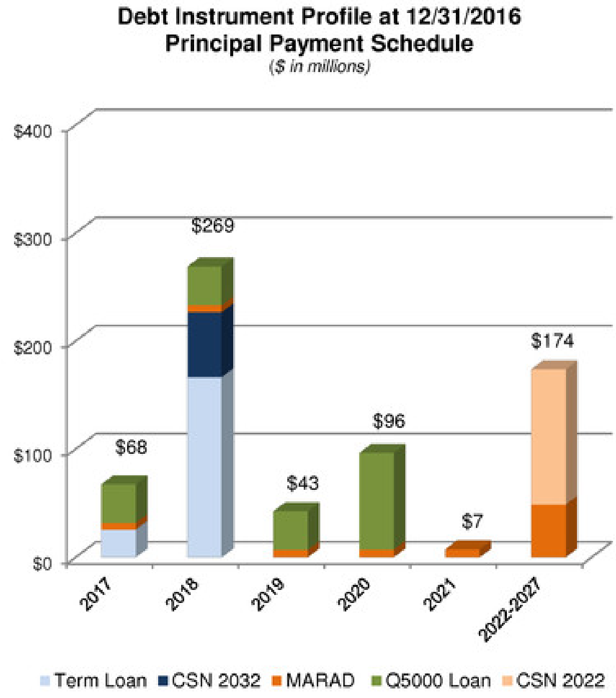
Key Financial Metrics

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

Debt Instrument Profile

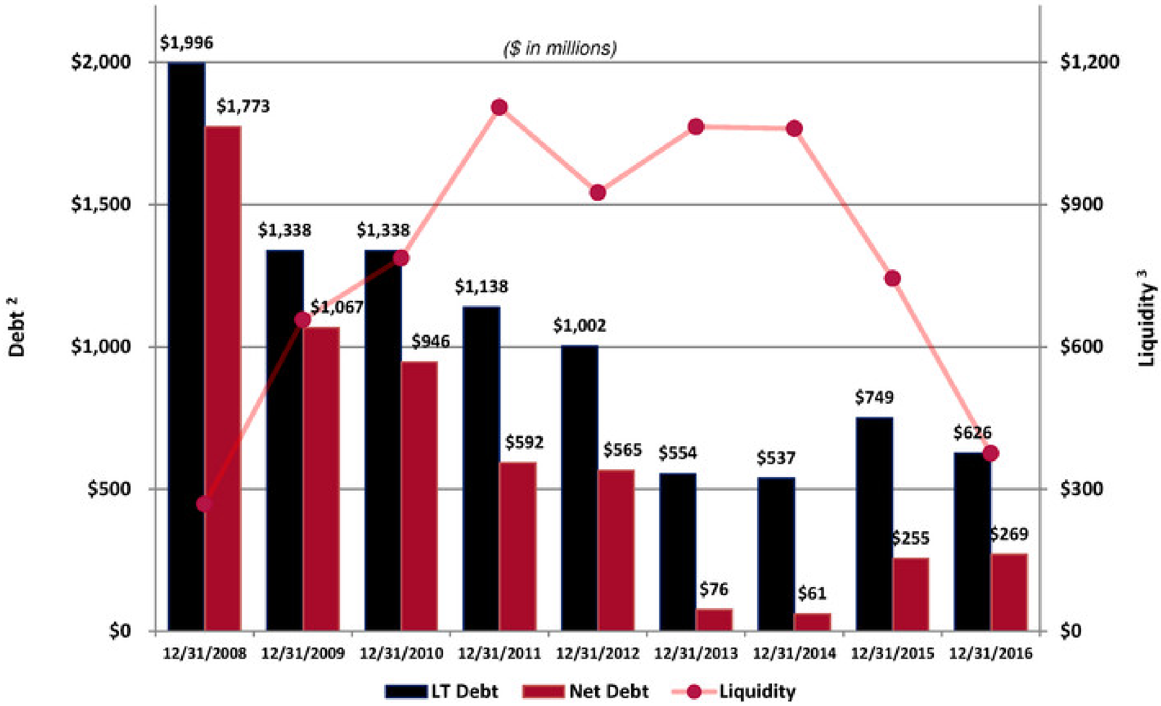
Total funded debt[1] of $657 million at end of Q4 2016

- $60 million Convertible Senior Notes due 2032 – 3.25%[2]
- $125 million Convertible Senior Notes due 2022 - 4.25%
- $192 million Term Loan – LIBOR + 4.50%
  - Annual amortization payments of 10%
- $83 million MARAD Debt – 4.93%
  - Semi-annual amortization payments
- $197 million Q5000 Loan – LIBOR + 2.50%[3]
  - Annual amortization payments of 14% over 5 years with a final balloon payment



[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

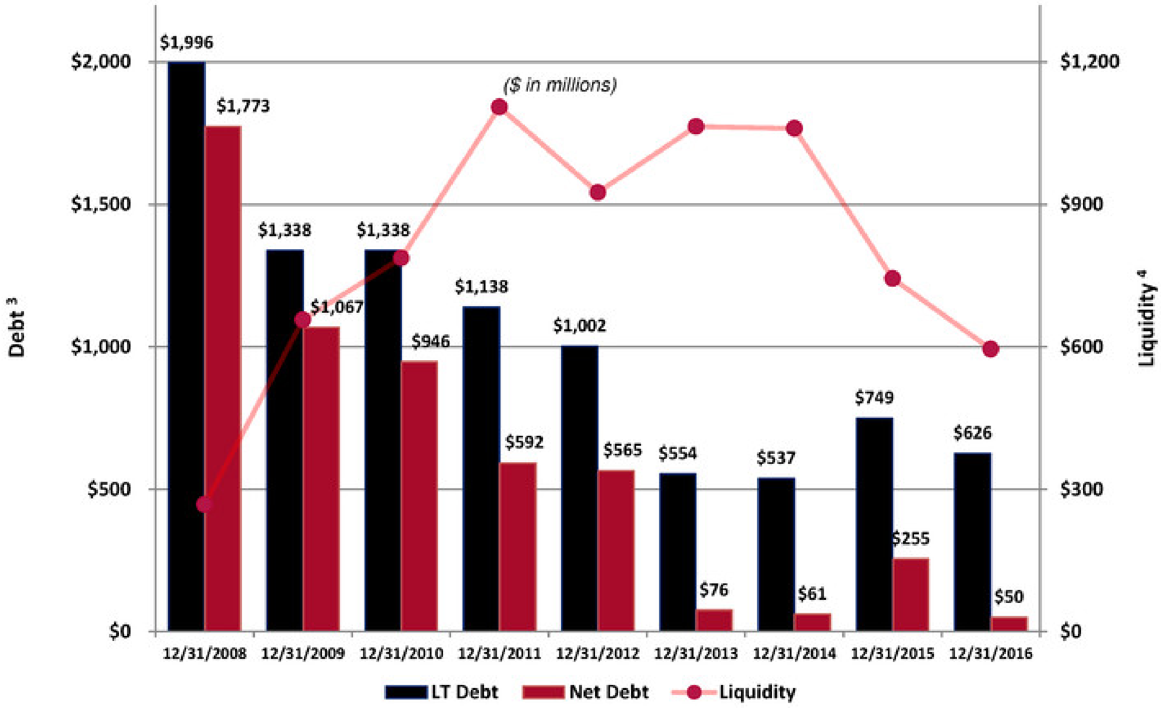
Debt & Liquidity Profile[1]



Liquidity of approximately $376 million at 12/31/2016

[1]Adjusted for new debt issuance cost accounting presentation, net of unamortized debt issuance costs (deferred financing costs)
[2]Net of unamortized debt discount under 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
[3]Liquidity is calculated as the sum of cash and cash equivalents ($357 million) and available capacity under our revolving credit facility ($19 million of the $400 million facility based on TTM EBITDA as defined by the credit agreement)

Proforma[1] Debt & Liquidity Profile[2]



Proforma[1] Liquidity of approximately $595 million at 12/31/2016

[1]Proforma 12/31/2016 for equity offering completed in January 2017, with net proceeds of approximately $220 million
[2]Adjusted for new debt issuance cost accounting presentation, net of unamortized debt issuance costs (deferred financing costs)
[3]Net of unamortized debt discount under 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
[4]Liquidity is calculated as the sum of cash and cash equivalents ($576 million) and available capacity under our revolving credit facility ($19 million of the $400 million facility based on TTM EBITDA as defined by the credit agreement)

2017 Outlook

2017 Outlook: Forecast

	Outlook	Actual
Revenues	~ 575	$ 488
EBITDA	~ 120-140	90
CAPEX	~ 200	189

Revenue Split:		
Well Intervention	$ 390	$ 294
Robotics	150	161
Production Facilities	65	72
Elimination	(30)	(39)
Total	**~ 575**	**$ 488**

Key forecast assumptions:

- *Siem Helix 1* start-up in late Q1 2017
- *Siem Helix 2* start-up in mid-Q4 2017
- Increased North Sea well intervention activities
- Robotics activity continues to be depressed
- Improved operational efficiency for *Q5000*

2017 Outlook: Well Intervention

- Total backlog as of December 31, 2016 was approximately $1.9 billion
- The *Q4000* has high utilization forecasted for 2017; vessel estimated to be out of service for approximately 45 days, starting late first quarter, to carry out ABS regulatory dry dock; the estimated 45 day dry dock could vary significantly based on actual observations when vessel enters dry dock
- The *Q5000* is under contract for BP; high utilization forecasted for 2017
- IRS #1 is actively marketed as a rental unit; short term project completed in Q1 2017
- Completion of 15K IRS system and ROAM second half of 2017
- The *Seawell* commenced operations in early February with committed intervention projects until mid-November; all work is expected to require diving support
- The *Well Enhancer* began 2017 idle before mobilizing for Maersk intervention project; operations commenced early February with committed work until August; high utilization is forecasted through mid-November
- *Skandi Constructor* idle; charter expires at the end of Q1 2017
- *Siem Helix 1* expected to be placed in service in late Q1 2017, subject to Petrobras acceptance testing
- *Siem Helix 2* topside equipment installation scheduled to begin in Q1 2017; contract revenues estimated to start in Q4 2017

2017 Outlook: Robotics

- Utilization for our Robotics fleet will be challenging in 2017, much like 2016
- Seasonal factors will continue to significantly impact utilization during the winter months; expected improvement in utilization from late spring through late fall of 2017
- Chartered vessel fleet is scheduled to increase with the delivery of the *Grand Canyon III* in Q2 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 Outlook: Capital Expenditures

2017 Capital Expenditures[1] is currently forecasted at approximately $200 million, consisting of the following:

- Growth Capex - $185 million in growth capital, primarily for newbuilds currently underway, including:
  - $90 million for *Q7000*
  - $75 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 Q4000 and other dry dock
  - $5 million intervention systems

[1]Capital 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.

2017 Outlook

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, which may include debt repayment
- Our total funded debt level is scheduled to decrease by $68 million ($657 million at 12/31/16 to $589 million at 12/31/17) as a result of scheduled principal repayments; the senior portion of our debt at year-end 2016 was $460 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	
	12/31/2016	12/31/2015	9/30/2016	12/31/2016	12/31/2015
Net income (loss)	$ (54)	$ (404)	$ 11	$ (81)	$ (377)
Adjustments:					
Income tax provision (benefit)	(3)	(102)	4	(12)	(101)
Net interest expense	6	9	7	31	27
Loss on repurchase of long-term debt	4	-	-	4	
Other (income) expense, net	1	18	(1)	(4)	24
Depreciation and amortization	29	34	28	114	121
Asset impairments	-	345	-	-	345
Goodwill impairments	45	16	-	45	16
Non-cash losses on equity investments	2	123	-	2	123
EBITDA	$ 30	$ 39	$ 49	$ 99	$ 178
Adjustments:					
Gain on disposition of assets, net	(1)	-	-	(1)	-
Cash settlements of ineffective foreign currency exchange contracts	(2)	(5)	(2)	(8)	(5)
Adjusted EBITDA	$ 27	$ 34	$ 47	$ 90	$ 173

We define EBITDA as earnings before income taxes, net interest expense, loss on repurchase of long-term debt, net other income or expense, and depreciation and amortization expense. We separately disclose our non-cash asset impairment charges, which, if not material, would be reflected as a component of our depreciation and amortization expense. Because these impairment charges are material to 2015 results of operations, we have reported them as a separate line item. Non-cash goodwill impairment charges and non-cash losses on equity investments 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 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.

HELIX
ENERGY SOLUTIONS

HLX Listed NYSE®
Follow Helix on Twitter - @Helix_ESG
www.linkedin.com/company/helix-energy-solutions-group

Navigating the present, focusing on the future.