# 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): **April 22, 2013** (April 21, 2013)

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

| | | |
|---|---|---|
| **Minnesota**<br>(State or other jurisdiction of incorporation) | **001-32936**<br>(Commission File Number) | **95-3409686**<br>(IRS Employer Identification No.) |
| **400 North Sam Houston Parkway East, Suite 400**<br>**Houston, Texas**<br>(Address of principal executive offices) | | **77060**<br>(Zip Code) |
| | **281-618-0400**<br>(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 April 21, 2013, Helix Energy Solutions Group, Inc. (“Helix”) issued a press release announcing its first quarter results of operation for the period ended March 31, 2013. Attached hereto as Exhibit 99.1, and incorporated by reference herein, is the press release.

**Item 7.01 Regulation FD Disclosure.**

On April 21, 2013, Helix issued a press release announcing its first quarter results of operation for the period ended March 31, 2013. In addition, on April 22, 2013, 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 First Quarter Earnings Conference Call Presentation issued by Helix. The presentation materials will also be posted beginning on April 21, 2013 in the *Presentations* section under *Investor Relations* 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 April 21, 2013 reporting financial results for the first quarter of 2013. |
| 99.2 | First Quarter 2013 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: April 22, 2013

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 April 21, 2013 reporting financial results for the first quarter of 2013. |
| 99.2 | First Quarter 2013 Conference Call Presentation. |

**PRESS**RELEASE
www.HelixESG.com

Helix Energy Solutions Group, Inc. · 400 N. Sam Houston Parkway E., Suite 400 · Houston, TX 77060-3500 · 281-618-0400 · fax: 281-618-0505

**For Immediate Release** **13-008**

**Date: April 21, 2013**

**Contact: Terrence Jamerson**
**Director, Finance & Investor Relations**

# Helix Reports First Quarter 2013 Results

HOUSTON, TX – Helix Energy Solutions Group, Inc. (NYSE: HLX) reported net income of $1.6 million, or $0.02 per diluted share, for the first quarter of 2013 compared with net income of $65.7 million, or $0.62 per diluted share, for the same period in 2012, and a net loss of $171.6 million, or $(1.64) per diluted share, in the fourth quarter of 2012.

First quarter 2013 results were impacted by $36.8 million of pre-tax charges and expenses ($0.24 per share after-tax) related to the sale of our former wholly-owned U.S. oil and gas subsidiary, Energy Resource Technology GOM, Inc. (ERT). The total non-reoccurring pre-tax charges are comprised of the following:

- $22.7 million loss on the sale of ERT and associated divestiture costs
- $14.1 million loss in connection with the settlement of our commodity hedge contracts associated with the oil and gas business

Owen Kratz, President and Chief Executive Officer of Helix, stated, “We continue to see strong customer demand for our well intervention services as demonstrated by the recent announcement of a five year contract for the *Q5000* semisubmersible currently under construction in Singapore. Furthermore, we have recently executed multi-year contract extensions with two key customers in the Gulf of Mexico for the *Q4000*, as well as increasing our contracted backlog for our North Sea well intervention assets.”

* * * * *

## Summary of Results

**(in thousands, except per share amounts and percentages, unaudited)**

| | Quarter Ended | | |
|---|---|---|---|
| | **3/31/2013** | **3/31/2012** | **12/31/2012** |
| Revenues | $ 197,429 | $ 229,842 | $ 201,696 |
| | | | |
| Gross Profit (Loss) | | | |
| Operating | $ 52,567 | $ 72,483 | $ 49,026 |
| | *27%* | *32%* | *24%* |
| Contracting Services Impairments [1] | - | - | (157,951) |
| Total | $ 52,567 | $ 72,483 | $ (108,925) |
| | | | |
| Net Income (Loss) Applicable to Common Shareholders | | | |
| Income (Loss) from continuing operations [2] | $ 557 | $ 16,874 | $ (99,679) |
| Income (Loss) from discontinued operations [3] | 1,058 | 48,853 | (71,888) |
| Total | $ 1,615 | $ 65,727 | $ (171,567) |
| | | | |
| Diluted Earnings (Loss) Per Share | | | |
| Income (Loss) from continuing operations ** | $ 0.01 | $ 0.16 | $ (0.95) |
| Income (Loss) from discontinued operations | $ 0.01 | $ 0.46 | $ (0.69) |
| Total | $ 0.02 | $ 0.62 | $ (1.64) |
| | | | |
| Adjusted EBITDA from continuing operations ** | $ 42,031 | $ 74,098 | $ 47,699 |
| Adjusted EBITDAX from discontinued operations | 31,754 | 134,543 | 65,528 |
| **Adjusted EBITDAX [4]** | **$ 73,785** | **$ 208,641** | **$ 113,227** |

** First quarter 2013 includes $14.1 million loss in connection with the settlement of our commodity hedge contracts associated with our former oil and gas business, which were not included in the sale of ERT.

*Note: Footnotes appear at end of press release.*

**Segment Information, Operational and Financial Highlights**
**(in thousands, unaudited)**

| | Three Months Ended | | |
|---|---|---|---|
| | 3/31/2013 | 3/31/2012 | 12/31/2012 |
| **Continuing Operations:** | | | |
| **Revenues:** | | | |
| Contracting Services | $ 198,054 | $ 244,544 | $ 224,201 |
| Production Facilities | 20,393 | 20,022 | 20,082 |
| Intercompany Eliminations | (21,018) | (34,724) | (42,587) |
| Total | $ 197,429 | $ 229,842 | $ 201,696 |
| | | | |
| Income (Loss) from Operations: | | | |
| Contracting Services | $ 39,304 | $ 59,124 | $ 39,433 |
| Production Facilities | 11,185 | 10,049 | 9,971 |
| Loss on sale of asset | - | - | (543) |
| Contracting Services Impairments (1) | - | - | (157,951) |
| Corporate/Other | (33,531) | (16,085) | (31,551) |
| Intercompany Eliminations | (1,720) | (3,020) | (4,995) |
| Total | $ 15,238 | $ 50,068 | $ (145,636) |
| Equity in Earnings of Equity Investments | $ 610 | $ 407 | $ 887 |
| | | | |
| **Discontinued Operations (Oil and Gas):** | | | |
| Revenues | $ 48,847 | $ 178,085 | $ 110,089 |
| Income (Loss) from Operations (2) | $ 4,360 | $ 82,129 | $ (103,611) |

*Note: Footnotes appear at end of press release.*

*Contracting Services*

- Well Intervention revenues increased slightly in the first quarter of 2013 compared to the fourth quarter of 2012 due to full vessel utilization of the fleet. On a combined basis, vessel utilization increased to 100% in the first quarter of 2013 compared to 94% in the fourth quarter of 2012. There was full utilization in the North Sea for the first quarter of 2013 compared to 91% in the fourth quarter of 2012. The *Q4000* achieved 100% utilization in the Gulf of Mexico in the first quarter of 2013, marking it the third consecutive quarter of full utilization.

- Robotics revenues decreased in the first quarter of 2013 compared to the fourth quarter of 2012, primarily reflecting a reduction in vessel utilization. Most significantly, the *Deep Cygnus* was idle for 75 days during the first quarter. Chartered vessel utilization in the first quarter of 2013 was 69% compared to 87% in the fourth quarter of 2012. The utilization decrease reflects the potentially harsh weather conditions in the North Sea during the winter months resulting in a seasonal decline in the scheduling of robotics activities during that period.

- Subsea Construction revenues remained relatively flat in the first quarter of 2013 compared to the fourth quarter of 2012. Although utilization for the *Express* improved quarter over quarter, the vessel worked at standby rates for approximately one month during the quarter due to customer scheduling delays. The *Caesar* continued its work offshore Mexico on an accommodations project for the entire first quarter of 2013. On a combined basis, Subsea Construction vessel utilization increased to 90% in the first quarter of 2013 from 78% in the fourth quarter of 2012.

*Other Expenses*

- Selling, general and administrative expenses were 11.8% of revenue in the first quarter of 2013, 12.7% of revenue in the fourth quarter of 2012, and 9.8% in the first quarter of 2012.

- Net interest expense and other increased to $14.1 million in the first quarter of 2013 from $11.9 million in the fourth quarter of 2012. Net interest expense decreased slightly to $10.3 million in the first quarter of 2013 compared to $10.8 million in the fourth quarter of 2012, primarily due to the repayment of $318.4 million of our Term Loan and Revolver debt in February 2013. Offset in part by a $2.9 million charge to accelerate a pro rata portion of the deferred financing costs associated with this Term Loan debt repayment.

*Financial Condition and Liquidity*

- Consolidated net debt at March 31, 2013 decreased to $72 million from $582 million at December 31, 2012. Our total liquidity at March 31, 2013 was approximately $1.1 billion, consisting of cash on hand of $626 million and revolver availability of $514 million. Net debt to book capitalization at March 31, 2013 was 5%. (Net debt to book capitalization is a non-GAAP measure. See reconciliation attached hereto.)

- We incurred capital expenditures (including capitalized interest) totaling $80 million in the first quarter of 2013, compared to $157 million in the fourth quarter of 2012 and $107 million in the first quarter of 2012. $30 million of first quarter 2013 capital expenditures related to the *H534* conversion.

Footnotes to “Summary of Results”:

(1) Fourth quarter 2012 asset impairment charge of $157.8 million related to the pending sale of the *Caesar* and related mobile pipelay equipment.

(2) Fourth quarter 2012 included impact of $157.8 million asset impairment charge related to the pending sale of the *Caesar* and related mobile pipelay equipment.

(3) Fourth quarter 2012 included $138.6 million asset impairment charge related to the February 2013 sale of our oil and gas business.

(4) Non-GAAP measure. See reconciliation attached hereto.

Footnotes to “Segment Information, Operational and Financial Highlights”:

(1) Fourth quarter 2012 asset impairment charge of $157.8 million related to the pending sale of the *Caesar* and related mobile pipelay equipment.

(2) Fourth quarter 2012 included $138.6 million asset impairment charge related to February 2013 the sale of our oil and gas business.

* * * * *

*Conference Call Information*

Further details are provided in the presentation for Helix’s quarterly conference call to review its first quarter 2013 results (see the “Investor Relations” page of Helix’s website, www.HelixESG.com). The call, scheduled for 9:00 a.m. Central Daylight Time on Monday, April 22, 2013, 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 800-728-2056 for persons in the United States and +1-212-231-2900 for international participants. The passcode is "Tripodo". A replay of the conference 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.

Helix Energy Solutions Group, headquartered in Houston, Texas, is an international offshore energy company that provides key life of field services to the energy market. 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 Adjusted EBITDA from continuing operations and Adjusted EBITDAX, net debt and net debt to book capitalization. We calculate Adjusted EBITDA from continuing operations as earnings before net interest expense and other, taxes, depreciation and amortization. Adjusted EBITDAX is Adjusted EBITDA plus the earnings of our former oil and gas business before net interest expense and other, taxes, depreciation and amortization, and exploration expenses. Net debt is calculated as the sum of financial debt less cash and equivalents on hand. Net debt to book capitalization is calculated by dividing net debt by the sum of net debt, convertible preferred stock and shareholders’ equity. 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 EBITDA and 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.

*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 future utilization, any projections of financial items; the timing of the closing of our pipelay vessel sales; future operations expenditures; any statements of 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; delays, costs and difficulties related to the pipelay vessel sales; 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.

## HELIX ENERGY SOLUTIONS GROUP, INC.

### Comparative Condensed Consolidated Statements of Operations

| (in thousands, except per share data) | Three Months Ended Mar. 31, 2013 | Three Months Ended Mar. 31, 2012 |
|---|---|---|
| | (unaudited) | |
| Revenues | $ 197,429 | $ 229,842 |
| Cost of sales | 144,862 | 157,359 |
| Gross profit | 52,567 | 72,483 |
| Loss on settlement of commodity derivative contracts | (14,113) | - |
| Selling, general and administrative expenses | (23,216) | (22,415) |
| Income from operations | 15,238 | 50,068 |
| Equity in earnings of investments | 610 | 407 |
| Other income - oil and gas | 2,818 | - |
| Net interest expense and other | (16,889) | (31,534) |
| Income before income taxes | 1,777 | 18,941 |
| Income tax provision | 443 | 1,278 |
| Income from continuing operations | 1,334 | 17,663 |
| Discontinued operations, net of tax | 1,058 | 48,853 |
| Net income, including noncontrolling interests | 2,392 | 66,516 |
| Less net income applicable to noncontrolling interests | (777) | (789) |
| Net income applicable to Helix | $ 1,615 | $ 65,727 |
| | | |
| Weighted Avg. Common Shares Outstanding: | | |
| Basic | 105,032 | 104,530 |
| Diluted | 105,165 | 104,989 |
| | | |
| Basic earnings per share of common stock: | | |
| Continuing operations | $ 0.01 | $ 0.16 |
| Discontinued operations | 0.01 | 0.46 |
| Net income per share of common stock | $ 0.02 | $ 0.62 |
| | | |
| Diluted earnings per share of common stock: | | |
| Continuing operations | $ 0.01 | $ 0.16 |
| Discontinued operations | 0.01 | 0.46 |
| Net income per share of common stock | $ 0.02 | $ 0.62 |

## Comparative Condensed Consolidated Balance Sheets

| *ASSETS* (in thousands) | Mar. 31, 2013 | Dec. 31, 2012 | *LIABILITIES & SHAREHOLDERS' EQUITY* (in thousands) | Mar. 31, 2013 | Dec. 31, 2012 |
|---|---|---|---|---|---|
| | (unaudited) | | | (unaudited) | |
| Current Assets: | | | Current Liabilities: | | |
| Cash and equivalents (1) | $ 625,650 | $ 437,100 | Accounts payable | $ 100,553 | $ 92,398 |
| Accounts receivable | 177,623 | 186,073 | Accrued liabilities | 122,024 | 161,514 |
| Other current assets | 61,189 | 96,934 | Income tax payable | 35,797 | - |
| C-A of discontinued operations | - | 84,000 | Current mat of L-T debt (1) | 10,247 | 16,607 |
| | | | C-L of discontinued operations | - | 182,527 |
| Total Current Assets | 864,462 | 804,107 | Total Current Liabilities | 268,621 | 453,046 |
| Property & Equipment | 1,532,727 | 1,485,875 | Long-term debt (1) | 687,461 | 1,002,621 |
| Equity investments | 165,452 | 167,599 | Deferred income taxes | 290,102 | 359,237 |
| Goodwill | 61,732 | 62,935 | Other long-term liabilities | 14,976 | 5,025 |
| Other assets, net | 41,958 | 49,837 | N-C liabilities of discontinued operations | - | 147,237 |
| N-C assets of discontinued operations | - | 816,227 | Shareholders' equity (1) | 1,405,171 | 1,419,414 |
| Total Assets | $2,666,331 | $3,386,580 | Total Liabilities & Equity | $2,666,331 | $3,386,580 |

*(1) Net debt to book capitalization - 5% at March 31, 2013. Calculated as total debt less cash and equivalents ($72,058) divided by sum of total net debt, convertible preferred stock and shareholders' equity ($1,477,229).*

**Helix Energy Solutions Group, Inc.**
**Reconciliation of Non GAAP Measures**
**Three Months Ended March 31, 2013**

**Earnings Release:**

**Reconciliation From Net Income from Continuing Operations to Adjusted EBITDAX:**

| | 1Q13 | 1Q12 | 4Q12 |
|---|---|---|---|
| | | (in thousands) | |
| Net income (loss) from continuing operations | $ 1,334 | $ 17,663 | $ (98,872) |
| Adjustments: | | | |
| Income tax provision (benefit) | 443 | 1,278 | (57,753) |
| Net interest expense and other | 16,889 | 31,534 | 11,876 |
| Depreciation and amortization | 24,380 | 24,649 | 25,016 |
| Asset impairment charges | - | - | 157,951 |
| EBITDA | 43,046 | 75,124 | 38,218 |
| Adjustments: | | | |
| Noncontrolling interest | (1,015) | (1,026) | (1,039) |
| Loss on commodity derivative contracts | - | - | 9,977 |
| Loss on sale of assets | - | - | 543 |
| Adjusted EBITDA from continuing operations | 42,031 | 74,098 | 47,699 |
| | | | |
| Adjusted EBITDAX from discontinued operations | 31,754 | 134,543 | 65,528 |
| Adjusted EBITDAX | **$ 73,785** | **$ 208,641** | **$ 113,227** |

*We calculate adjusted EBITDA from continuing operations as earnings before net interest expense and other, taxes, depreciation and amortization. Adjusted EBITDAX is adjusted EBITDA plus the earnings of our former oil and gas business before net interest expense and other, taxes, depreciation and amortization, and exploration expenses. 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 EBITDA and 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.*

**Helix Energy Solutions Group, Inc.**
**Reconciliation of Non GAAP Measures**
**Three Months Ended March 31, 2013**

**Earnings Release:**

**Reconciliation of significant items:**

| | | 1Q13 (in thousands, except earnings per share data) |
|---|---|---|
| Nonrecurring items in continuing operations: | | |
| Loss on settlement of commodity derivative contracts | $ | 14,113 |
| Tax benefit of the above | | (4,940) |
| Nonrecurring items in continuing operations, net: | $ | 9,173 |
| | | |
| Diluted shares | | 105,165 |
| Net after income tax effect per share | $ | 0.09 |
| | | |
| Nonrecurring items in discontinued operations: | | |
| Loss on sale of ERT | $ | 22,653 |
| Tax benefit of the above | | (7,929) |
| Nonrecurring items in discontinued operations, net: | $ | 14,724 |
| | | |
| Diluted shares | | 105,165 |
| Net after income tax effect per share | $ | 0.15 |

EXHIBIT 99.2

HELIX
ENERGY SOLUTIONS

# First Quarter 2013 Conference Call

April 22, 2013

# 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 "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, any projections of financial items; the timing of the closing of our pipelay vessel sales; projections of contracting services activity; future operations expenditures; projections of utilization; any statements of 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. These statements involve certain assumptions we made based on our experience and perception of historical trends, current conditions, expected future developments and other factors we believe are reasonable and appropriate under the circumstances. The forward-looking statements are subject to a number of known and unknown risks, uncertainties and other factors that could cause our actual results to differ materially. The risks, uncertainties and assumptions referred to above include the performance of contracts by suppliers, customers and partners; delays, costs and difficulties related to the pipelay vessel sales; actions by governmental and regulatory authorities; operating hazards and delays; our ultimate ability to realize current backlog; employee management issues; local, national and worldwide economic conditions; 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. Free copies of the reports can be found at the SEC's website, www.SEC.gov. 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.*

HELIX ENERGY SOLUTIONS

# Presentation Outline



HELIX ENERGY SOLUTIONS

# Executive Summary

# Executive Summary

*($ in millions, except per share data)*

| | Quarter Ended | | |
|---|---|---|---|
| | 3/31/2013 | 3/31/2012 | 12/31/2012 |
| **Revenues** | **$ 197** | **$ 230** | **$ 202** |
| **Gross profit:** | | | |
| Operating | 53 | 72 | 49 |
| | *27%* | *32%* | *24%* |
| Contracting services impairments | - | - | (158) |
| Total | $ 53 | $ 72 | $ (109) |
| **Net income (loss) from continuing operations** | **$ 1** | **$ 17** | **$ (100)** |
| Net income (loss) from discontinued operations | $ 1 | $ 49 | $ (72) |
| Diluted earnings (loss) per share: | | | |
| Continuing operations (B) | $ 0.01 | $ 0.16 | $ (0.95) |
| Discontinued operations (Oil and Gas) | $ 0.01 | $ 0.46 | $ (0.69) |
| Adjusted EBITDAX (A) | | | |
| Contracting Services | $ 74 | $ 93 | $ 73 |
| Corporate / Elimination | (32) | (19) | (25) |
| Adjusted EBITDA from continuing operations (B) | $ 42 | $ 74 | $ 48 |
| Adjusted EBITDAX from discontinued operations | 32 | 135 | 65 |
| **Adjusted EBITDAX** | **$ 74** | **$ 209** | **$ 113** |

(A) See non-GAAP reconciliation on slide 24.

(B) 1Q 2013 includes $14.1 million loss in connection with the settlement of our commodity hedge contracts associated with the oil and gas business, which were not included with the sale of ERT.

HELIX ENERGY SOLUTIONS

# Executive Summary

- Q1 2013 earnings (loss) per share of $0.02 per diluted share compared with $(1.64) per diluted share in Q4 2012
  - $22.7 million loss related to the sale of our oil and gas business and associated divestiture costs
  - $14.1 million loss in connection with the settlement of our commodity hedge contracts associated with the oil and gas business
  - The two items above resulted in an after-tax impact of $(0.24) per diluted share - $(0.09) per diluted share continued operations and $(0.15) per diluted share discontinued operations

- Contracting Services and Production Facilities
  - 100% utilization of Well Intervention vessels and strong outlook for the remainder of 2013
  - Robotics operated 6 chartered vessels during the first quarter; low utilization (69%) due to typical seasonal factors
  - We have entered into a new contract to provide spill response using our Helix Fast Response System (HFRS) in the Gulf of Mexico for an additional 4 years commencing April 1, 2013
  - The sale of both remaining pipelay vessels, the *Express* and *Caesar*, now expected to close in July 2013

HELIX ENERGY SOLUTIONS

# Executive Summary

- Balance sheet
  - Cash increased to $626 million at 03/31/2013 from $437 million at 12/31/2012
  - Liquidity* at $1.1 billion at 03/31/2013
  - Net debt decreased to $72 million at 03/31/2013 from $582 million at 12/31/2012
    - $624 million in pre-tax proceeds from the sale of our oil and gas business in February 2013
    - $318 million of term loan debt retired in February 2013
  - See updated debt maturity profile on slide 15

* Liquidity, as we define it, is equal to cash and cash equivalents ($626 million), plus available capacity under our revolving credit facility ($514 million).

HELIX ENERGY SOLUTIONS

# Operational Highlights

# Contracting Services

*($ in millions, except percentages)*

| | Quarter Ended | | |
|---|---|---|---|
| | 3/31/2013 | 3/31/2012 | 12/31/2012 |
| **Revenues [A]** | | | |
| Well Intervention | $ 106 | $ 110 | $ 104 |
| Robotics | 64 | 74 | 90 |
| Subsea Construction | 28 | 61 | 30 |
| Production Facilities | 20 | 20 | 20 |
| Total Revenue | $ 218 | $ 265 | $ 244 |
| **Gross Profit** | | | |
| Contracting Services [B] | $ 45 | $ 67 | $ 47 |
| *Profit Margin* | *23%* | *27%* | *21%* |
| Production Facilities | $ 11 | $ 10 | $ 10 |
| *Profit Margin* | *56%* | *51%* | *51%* |
| Total Gross Profit | $ 56 | $ 77 | $ 57 |
| *Gross Profit Margin* | *26%* | *29%* | *23%* |

- 100% utilization for the Well Intervention fleet
- IRS no. 2 utilized on the *Ocean Victory* drilling rig
- *H534* expected to commence work in Q3
- Entered into multi-year contract for the *Q5000*
- 69% chartered vessel utilization in Robotics due to seasonality
- Pipelay vessels expected to remain fully booked until the close of the sale transactions in July 2013

(A) See non-GAAP reconciliation on slide 23. Amounts are prior to intercompany eliminations

(B) Before gross profit impact of asset impairment charges: $157.8 million for the *Caesar* in Q4.

HELIX ENERGY SOLUTIONS

# Contracting Services - Well Ops

**GOM**

- *Q4000* 100% utilized during Q1
- IRS no. 2 utilized for 59 days onboard the *Ocean Victory* during the quarter
- *Helix 534* remains on schedule for Q3 with full backlog the remainder of 2013
- Extended contract with major operator for the *Q4000* for 150 days per year for 2014-2015
- Entered into five-year contract for the *Q5000* with BP; initial utilization of 270 days annually

**North Sea**

- *Seawell* and *Well Enhancer* fully utilized during Q1 on various well intervention projects
- *Skandi Constructor* is currently under contract to provide ROV support services for windfarm project
  - Recently awarded commitment in West Africa for Q4 of 2013
- *Seawell* and *Well Enhancer* fully booked in Q2 and Q3, and partially booked in Q4 of 2013

***Helix 534* in Singapore**

***Q5000* artist rendering**

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# Contracting Services - Robotics

- 69% chartered vessel utilization in Q1
  - Four vessels under long-term charter, plus two vessels of opportunity
- 55% utilization for ROVs, trenchers, and ROVDrills
- *Deep Cygnus* idle for 75 days in Q1
- *T1200* aboard the *Grand Canyon* trenched and buried 60km of cables in the London Array windfarm offshore UK
- *Olympic Triton* commenced seismic cable lay project offshore Brazil, which continues into Q2
- Entered into long-term lease agreement for the *Rem Installer*, vessel is currently under construction
  - Three-year charter commencing mid-2013
  - (2) new 200hp work class ROVs

**XLX ROV mobilizing in the Gulf of Mexico**

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# Contracting Services - Subsea Construction

- *Express* had 80% utilization in Q1 working in the GOM
- *Caesar* had 100% utilization in Q1 working in Mexico's Bay of Campeche on accommodations project
- Sales of both pipelay assets expected to occur in July

**Coiled tubing connected to the pipeline recovered through the moonpool of the *Express***

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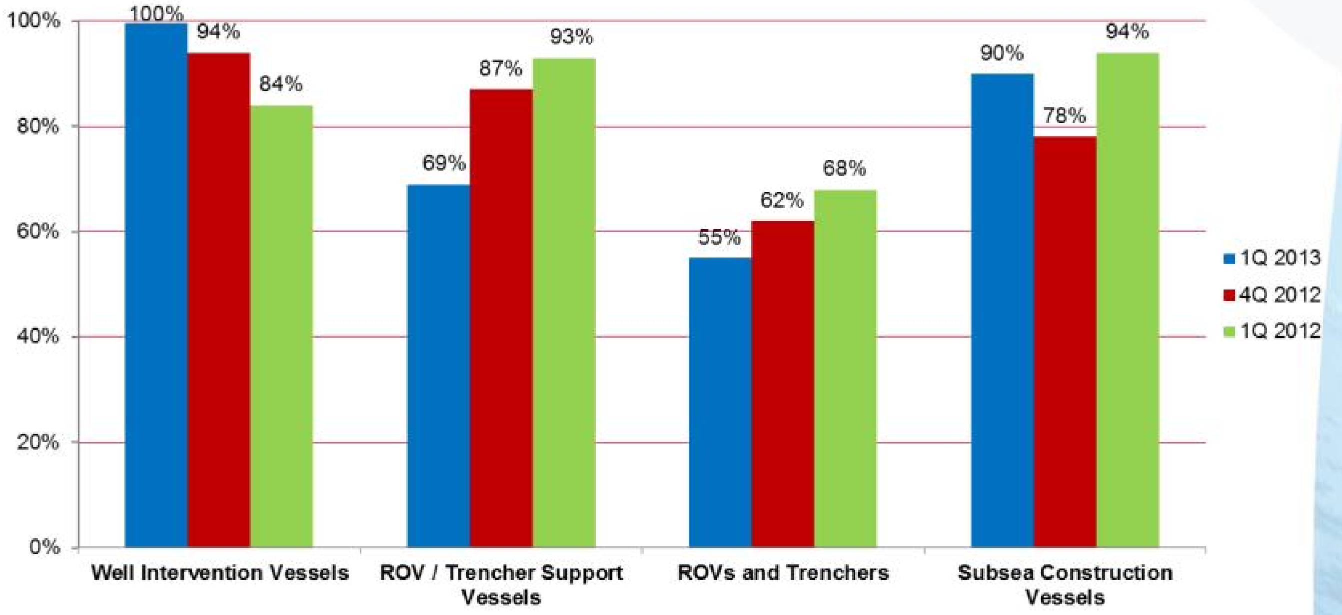
# Contracting Services Utilization




**Well Intervention Vessels**
- *Seawell*
- *Well Enhancer*
- *Q4000*

**ROV / Trencher Support Vessels**
- *Olympic Canyon (1)*
- *Deep Cygnus (1)*
- *Olympic Triton (1)*
- *Grand Canyon (1)*
- *(2) spot vessels (1)*

**ROVs and Trenchers**
- 49 ROVs
- 2 ROVDrill Units
- 4 Trenchers

**Subsea Construction Vessels**
- *Express*
- *Caesar*

(1) Charteredvessels.

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# Key Balance Sheet Metrics

# Debt Maturity Profile

**Total funded debt of $728 million at end of Q1 2013 consisting of:**

- $200 million Convertible Senior Notes - 3.25% (A) ($170 million net of unamortized debt discount)
- $150 million in Term Loan / Revolver borrowings
  - LIBOR + 2.75% on $73 million of Term Loan
  - LIBOR + 2.75% on $78 million of Revolver
  - $522 million of revolver availability (including $8 million of LCs in place as of Q1 2013)
- $275 million Senior Unsecured Notes - 9.5%
- $103 million MARAD Debt - 4.93%

(A) Stated maturity 2032. First put / call date - March 2018.

**Maturity Profile at 3/31/2013**
*($ amounts in millions)*


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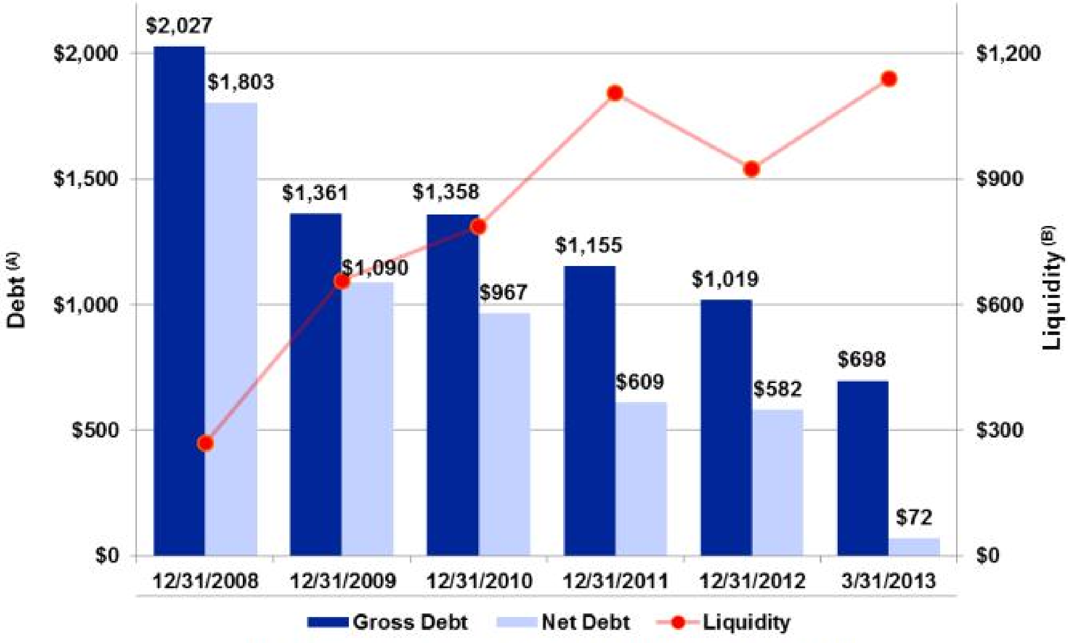
# Debt and Liquidity Profile

*($ amounts in millions)*




***Liquidity of approximately $1.1 billion at 3/31/2013***

(A) Includes impact of unamortized debt discount under our convertible senior notes.
(B) Liquidity, as we define it, is equal to cash and cash equivalents ($626 million), plus available capacity under our revolving credit facility ($514 million).

HELIX ENERGY SOLUTIONS


2013 Outlook
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# 2013 Outlook

*($ in millions)*

| | 2013 Outlook | 2012 Actual |
|---|---|---|
| Revenues (on-going operations) | $ 863 | $ 654 |
| EBITDA (A) | ~ 300 | 601 |
| EBITDA - Total 2013 Exit Rate (B) | ~ 350 | -- |
| CAPEX | ~ 365 | 492 |
| **Revenue Split:** | | |
| Well Intervention | $ 483 | $ 379 |
| Robotics | 341 | 329 |
| Production Facilities / ORRI | 86 | 80 |
| Elims | (47) | (134) |
| **On-going Operations** | **$ 863** | **$ 654** |
| Oil and Gas | 49 | 557 |
| Subsea Construction | 50 | 193 |
| **Total Revenues** | **$ 962** | **$ 1,403** |

(A) 2013 Outlook and 2012 Actual includes $32 million and $367 million from Oil and Gas discontinued operations.

(B) 2013 Outlook excluding Subsea Construction and Oil and Gas, plus expected annualized contribution from *Helix 534* and chartered *Skandi Constructor* vessel.

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# 2013 Outlook

- **Contracting Services**
  - Backlog as of March 31, 2013 was $1.6 billion (pro forma for *Q4000* and *Q5000* multi-year contracts signed the first week in April)
  - Utilization expected to remain strong for the well intervention fleet
    - *Q4000* full backlog thru 2015
    - *Q5000* initial backlog of 270 days annually over first 5 years of operations
    - *Helix 534* expected in service in Q3, full backlog for remainder of 2013
      - Building backlog into 2014 thru 2016
    - *Seawell* and *Well Enhancer* fully booked in Q2 and Q3, and partially booked in Q4 of 2013; backlog building into 2014 and 2015
    - *Skandi Constructor* initial backlog of 95 days; currently under contract providing ROV support services for windfarm project
    - North Sea well intervention vessels have over 475 days of committed work in 2014 in the UK, Africa, and Canada
  - Entered into long-term lease agreement for the *Rem Installer* and expect charter to commence mid-2013
  - Continuing to add ROV systems in 2013 to support commercial growth in our Robotics business
- The *Express* and *Caesar* expected to be fully utilized until the vessel sales close
- Ingleside shorebase now leased to EMAS-AMC thru the end of 2013

HELIX ENERGY SOLUTIONS

# 2013 Outlook - Capex

- **Capital Expenditures**
  - Contracting Services (approximately $365 million in 2013)
    - $61 million incurred in Q1
    - *Q5000* new build (approximately $135 million in 2013)
      - On schedule for delivery in 2015
    - Newly acquired *Helix 534* continues conversion in Singapore into a well intervention vessel
      - Estimated $190 million for vessel, conversion and intervention riser system (approximately $45 million remaining be incurred in 2013)
      - Expect to deploy vessel in the Gulf of Mexico in Q3 2013
    - Approximately $45 million for intervention riser system and deck modifications for the *Skandi Constructor* (approximately $24 million remaining to be incurred in 2013)
    - Continued incremental investment in Robotics business
    - Maintenance capital for *Seawell* life extension and *Helix Producer I* dry dock

HELIX ENERGY SOLUTIONS

# Non-GAAP Reconciliations

# Non-GAAP Reconciliations

*($ in millions)*

| | Quarter Ended | | |
|---|---|---|---|
| | 3/31/2013 | 3/31/2012 | 12/31/2012 |
| Net income (loss) from continuing operations | $ 1 | $ 18 | $ (99) |
| Adjustments: | | | |
| Income tax provision (benefit) | 1 | 1 | (58) |
| Net interest expense and other | 17 | 31 | 12 |
| Depreciation and amortization | 24 | 25 | 25 |
| Asset impairment charges | - | - | 158 |
| EBITDA | $ 43 | $ 75 | $ 38 |
| Adjustments: | | | |
| Noncontrolling interest | (1) | (1) | (1) |
| Hedge Ineffectiveness and Non-Hedge Loss on Commodity Derivative Contracts | - | - | 10 |
| Loss on sale of assets | - | - | 1 |
| Adjusted EBITDA from continuing operations | $ 42 | $ 74 | $ 48 |
| Adjusted EBITDAX from discontinued operations | 32 | 135 | 65 |
| **Adjusted EBITDAX** | **$ 74** | **$ 209** | **$ 113** |

We calculate Adjusted EBITDA from continuing operations as earnings before net interest expense and other, taxes, depreciation and amortization. Adjusted EBITDAX is Adjusted EBITDA from continuing operations plus the earnings of our former oil and gas business before net interest expense and other, taxes, depreciation and amortization, and exploration expense. These non-GAAP measures are useful to investors and other internal and external users of our financial statements in evaluating our operating performance; 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 EBITDA from continuing operations and Adjusted EBITDAX should not be considered in isolation or as a substitute for, but instead is supplemental to, income from operations, net income and 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 from this measure.

HELIX ENERGY SOLUTIONS

# Non-GAAP Reconciliations

*($ in millions)*

| | Quarter Ended | | |
|---|---|---|---|
| | 3/31/2013 | 3/31/2012 | 12/31/2012 |
| **Revenues** | | | |
| Contracting Services | $ 198 | $ 245 | $ 224 |
| Production Facilities | 20 | 20 | 20 |
| Intercompany elim. - Contracting Services | (16) | (23) | (31) |
| Intercompany elim. - Production Facilities | (5) | (12) | (11) |
| Revenue as Reported | $ 197 | $ 230 | $ 202 |
| **Gross Profit** | | | |
| Contracting Services | $ 45 | $ 67 | $ 47 |
| Production Facilities | 11 | 10 | 10 |
| Corporate - Ops Support | (1) | (2) | (1) |
| Intercompany elim. - Contracting Services | (2) | (3) | (5) |
| Intercompany elim. - Production Facilities | - | - | - |
| Gross Profit as Reported | $ 53 | $ 72 | $ 52 |
| *Gross Profit Margin* | *27%* | *32%* | *26%* |

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