Third Quarter Earnings Conference Call

October 30, 2008

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, 2007 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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Presentation Outline

- **Executive Summary**
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  - B. 2008 Outlook Update
  - C. Production & Hurricane Recovery
  - D. Liquidity and Capital Resources

- **Operational Highlights by Segment**
  - A. Contracting Services
  - B. Oil & Gas

- **Questions & Answers**

Well Ops' Intervention Riser System recovers a tubing head spool with tubing in one recovery trip

Executive Summary

Highlights

($ in millions, except per share data)

	Quarter Ended			Nine Months Ended	
	9/30/2008	9/30/2007	6/30/2008	9/30/2008	9/30/2007
Revenues	**$ 616**	**$ 461**	**$ 540**	**$ 1,607**	**$ 1,267**
Gross Profit	201	166	192	514	444
	33%	*36%*	*36%*	*32%*	*35%*
Net Income	61	83	91	226	196
Diluted EPS	**$ 0.65**	**$ 0.88**	**$ 0.96**	**$ 2.40**	**$ 2.07**
Adjusted EBITDAX (A)					
Contracting Svcs.	$ 127	$ 110	$ 82	$ 266	$ 273
Oil & Gas	89	119	163	438	317
Elimination	(14)	(7)	(4)	(22)	(15)
Adjusted EBITDAX	**$ 202**	**$ 222**	**$ 241**	**$ 682**	**$ 575**

(A) See non-GAAP reconciliations on slides 19-22

Executive Summary

Highlights of the Quarter

- Record quarterly revenues and gross profit
- Continued strong demand and utilization for Helix Contracting Services (Well Operations, Subsea Construction and Robotics)
- Shelf Contracting (Cal Dive) posts stronger quarter/higher asset utilization
- Noonan pipeline was completed and commissioned, with first production achieved prior to Hurricane Gustav
- Production disruptions from Hurricanes Gustav and Ike negatively impacted revenue and profit for the quarter
  - Many third-party facilities damaged as a result of Hurricane Ike
  - Production, as of 10/27/2008, at 30% of pre-Ike levels
  - Production in Q4 expected to range from 7.5 to 8.0 bcfe
  - Pre-hurricane level production expected to be restored by the end of 2008

2008 Outlook Update

($ in millions, except per share data)

Revenue	Updated 2008 Guidance	Prior 2008 Guidance
Contracting Services **(A)**	$ 1,800	$ 1,670
Oil & Gas	560	750
Elimination	(200)	(170)
Total Revenue	**$ 2,160**	**$ 2,250**
Adjusted EBITDAX (B)		
Contracting Services **(C)**	$ 375	$ 340
Oil & Gas	450	620
Elimination	(25)	(20)
Adjusted EBITDAX	**$ 800**	**$ 940**
Earnings per Share	**$ 2.76**	**$ 3.36**

Notes:

(A) Includes 100% of Cal Dive revenues

(B) See Non-GAAP reconciliations on slides 19-22

(C) Includes our proportionate share of Cal Dive EBITDA

- Production shut-ins resulting from Hurricanes Ike and Gustav negatively impact production by 15 bcfe. (4.5 bcfe in Q3, remainder in Q4)
- Market pressure on commodity prices results in lower realized price expectations compared to $120 / $9 assumptions previously used.
- Improvement in Contracting Services due to strong performance in the Well Intervention, Robotics, Pipelay and Shelf Contracting.

Production & Hurricane Recovery Updates

Production impact from Hurricanes Ike and Gustav was ~4.5 Bcfe for Q3, and expected to be ~15 Bcfe for the full year

- Onshore processing and damaged third party pipelines are the primary delay in restoring production, but we expect most of these should be resolved by December
- Expected exit rate at the end of December is 160+ mmcfe / day
- 2009 production is expected to be approximately 55 – 75 Bcfe

Preliminary infrastructure damage assessments have been completed, final loss and repair estimates are in process

- Inspection and repair work commenced in Q3
- No damage to major deepwater developments (Noonan, Gunnison, Bass Lite)
- Significant infrastructure damage was avoided, with the exception of some shelf platforms
- Initial damage estimates for all infrastructure expected to fall within Helix insurance caps, with a deductible of $6 million

Liquidity and Capital Resources

Helix has sufficient liquidity available on hand and available under its revolver

- During October, we drew on our revolver ($175 million) to ensure liquidity was available during this temporary period of reduced cashflow from shut-in production
- $44 million of additional capacity remains available to be drawn under the revolver
- Planned capital expenditures have been reduced for the remainder of 2008 for items not required for the current operation of our business
- 2009 planned capital expenditures will include only completion of major projects and limited new exploration drilling
- Additional commodity hedges were put in place to minimize cashflow risk in 2009

Liquidity and Capital Resources

Credit Facilities, Commitments and Amortization

- *$420 Million Revolving Credit Facility* – committed facility through June 2011. No required amortization
- *$420 Million Term Loan B* – committed facility through June 2013. $4.3 million amortization annually
- *$550 Million High Yield Notes* – Interest only until maturity (2016) or called by Helix. First Helix call date is 2012
- *$300 Million Convertible Notes* – Interest only until put by noteholders, or called by Helix. First put/call date is 2012, although noteholders have the right to put prior to that if certain stock price triggers are met
- *MARAD* – 25 year term, $4 million principal payments annually

Helix projects continued compliance with key covenants

Operational Highlights by Segment

Canyon Offshore i-Trencher ROV deploys from *Island Pioneer* in the North Sea, September 2008

Contracting Services

($ in millions, except percentages)

	Quarter Ended		
	September 30		June 30
	2008	2007	2008
Revenues (A)			
Helix Contracting Services	$ 285	$ 192	$ 228
Shelf Contracting	279	177	172
Total Revenue	$ 564	$ 369	$ 400
Gross Profit (A)			
Helix Contracting Services	$ 77	$ 60	$ 51
Profit Margin	27%	31%	22%
Shelf Contracting	93	70	47
Profit Margin	33%	40%	27%
Total Gross Profit	$ 170	$ 130	$ 98
Gross Profit margin	30%	35%	25%
Equity in Earnings (B)	$ 9	$ 8	$ 9

(A) Amounts are before intercompany eliminations. See non-GAAP reconciliations on slides 19-22.

(B) Amounts represent equity in earnings of Marco Polo and Independence Hub production facilities only and exclude equity in losses of Cal Dive's investment in OTSL.

Contracting Services

Revenue and Gross Profit by Division ($ in millions)

	Quarter Ended		
	September 30		June 30
	2008	2007	2008
Revenues (A)			
Subsea Construction	$ 194	$ 127	$ 160
Well Operations	82	58	58
Reservoir / Well Tech	9	7	10
Revenue before Eliminations	$ 285	$ 192	$ 228
Gross Profit (A)			
Subsea Construction	$ 38	$ 37	$ 25
Well Operations	37	22	23
Reservoir / Well Tech	2	1	3
Gross Profit before Eliminations	$ 77	$ 60	$ 51
Gross Profit Margin	27%	31%	22%

A - Amounts are before intercompany eliminations. See Non-GAAP reconciliations on slides 19-22.

Contracting Services

Vessel Utilization	Quarter Ended September 30 2008	Quarter Ended September 30 2007	Quarter Ended June 30 2008
Helix Contracting			
Subsea Construction Vessels	98%	93%	93%
Well Operations	100%	83%	60%
Robotics	76%	85%	70%
Shelf Contracting	78%	74%	55%
Production Facilities Throughput			
Marco Polo (MBOE)	2256	3555	3634
Independence Hub (BCFE)	56.6	11.5	24.1

Contracting Services

Helix Contracting Services

- The *Intrepid* completed the ERT Noonan project, and commenced an extensive campaign for ENI on their Pegasus and Longhorn projects
- The MSV *Express* continued to work offshore India on the Reliance KGD6 project
- The Helix-chartered vessel *REM Forza* was mobilized to the Reliance project in India
- Canyon had another strong quarter with six active vessels under contract during the quarter working in the North Sea, India, GOM, USA East Coast, Papua New Guinea, Tonga and Australia
- Canyon's i-Trencher began work in the North Sea
- The *Seawell* and the *Q4000* had high utilization and excellent project execution

Q4000 Intervention Riser System in operation

Contracting Services

Shelf Contracting (Cal Dive)

- High utilization and margins during the quarter
- Significant backlog generated during the quarter as a result of hurricanes Ike and Gustav
- See separate earnings release and conference call for this majority owned subsidiary

Production Facilities

- Independence Hub platform shut in for hurricanes Gustav and Ike, and returned to operational status two days after hurricane Ike
- Marco Polo was shut-in after hurricane Ike due to downstream pipeline problems but has recently been restored to partial production

Oil & Gas

Financial Highlights

	Quarter Ended		
	September 30		June 30
	2008	2007	2008
Revenue (millions)	$ 135	$ 142	$ 194
Gross Profit (millions)	$ 44	$ 44	$ 98
Production (Bcfe):			
Shelf (A)	8.8	12.4	12.8
Deepwater	1.7	3.2	2.1
Total	10.5	15.6	14.9
Average Commodity Prices (B):			
Oil / Bbl	$ 107.14	$ 71.63	$ 105.48
Gas / Mcf	$ 10.22	$ 7.04	$ 10.36

(A) Includes UK production of 0.1 and 0.2 Bcfe in Q3 and Q2 2008, respectively
(B) Net of hedge impact

- Production shut-ins resulting from Hurricanes Gustav and Ike reduced quarterly production by approximately 4.5 bcfe
- Noonan production expected to recommence in Q4, reaching peak production of an estimated 60 mmcfe, net to Helix, during Q1 2009

Oil & Gas

Operating Costs ($ in millions, except per Mcfe data)

	Quarter Ended					
	September 30				June 30	
	2008		2007		2008	
	Total	per Mcfe	Total	per Mcfe	Total	per Mcfe
DD&A (A)	**$ 39**	**$ 3.73**	**$ 54**	**$ 3.43**	**$ 54**	**$ 3.65**
Operating and Other:						
Operating Expenses (B)	$ 22	2.10	$ 23	1.44	$ 24	1.61
Workover	5	0.51	2	0.14	4	0.27
Transportation	2	0.15	1	0.07	2	0.15
Repairs & Maintenance	6	0.57	3	0.19	6	0.39
Abandonment	7	0.63	13	0.80	3	0.19
Impairment	7	0.66	-	-	0	0.02
Other	1	0.12	3	0.18	1	0.07
Total Operating & Other	**$ 50**	**4.74**	**$ 45**	**2.82**	**$ 40**	**2.70**
Total	**$ 89**	**$ 8.47**	**$ 99**	**$ 6.25**	**$ 94**	**$ 6.35**

(A) Includes Accretion Expense

(B) Excludes exploration expenses of $1.6, $1.5 and $1.5 million for the quarters ended September 30, 2008, September 30, 2007 and June 30, 2008, respectively

Summary of 2008-2009 Hedging Positions

(Oct 2008 – December 2009)

Oil (Bbls)		Forward Sales	Collars	Swaps	Total Volume Hedged	Forward Pricing	Swap Pricing	Average Collar Price Floor	Average Collar Price Ceiling
	2008	140,000	90,000	125,000	355,000	$ 72.20	$ 106.25	$ 60.00	$ 82.35
	2009	1,800,000	301,500	-	2,101,500	$ 71.79	$ -	$ 75.00	$ 89.55
Natural Gas (mcf)									
	2008			3,000,000	3,000,000		$ 7.02		
	2009	18,076,400	12,350,000	-	30,426,400	$ 8.23	$ -	$ 7.00	$ 7.90
Totals (mcfe)									
	2008	840,000	540,000	3,750,000	5,130,000				
	2009	28,876,400	14,159,000	-	43,035,400				
Grand Totals		**29,716,400**	**14,699,000**	**3,750,000**	**48,165,400**				

Non GAAP Reconciliations

Adjusted EBITDAX *($ in millions)*

	Quarter Ended			Nine Months Ended	
	September 30		June 30	September 30	
	2008	2007	2008	2008	2007
Net income applicable to common shareholders	$ 61	$ 83	$ 91	$ 226	$ 196
Non-cash impairment and other unusual items	-	-	-	-	9
Preferred stock dividends	1	1	1	3	3
Income tax provision	40	41	53	136	100
Net interest expense and other	21	13	16	61	39
Depreciation and amortization	77	84	79	251	223
Exploration expense	2	1	1	5	5
Adjusted EBITDAX	$ 202	$ 222	$ 241	$ 682	$ 575

We calculate adjusted EBITDAX as earnings before net interest expense, taxes, depreciation and amortization, and exploration expense. Further, we reduce adjusted EBITDAX for the minority interest in Cal Dive that we do not own. 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

Revenue and Gross Profit As Reported ($ in millions)

	Quarter Ended		
	September 30		June 30
	2008	2007	2008
Revenues			
Helix Contracting Services	$ 285	$ 192	$ 228
Shelf Contracting	279	177	172
Intercompany elim. - Helix Contracting Services	(66)	(31)	(43)
Intercompany elim. - Shelf Contracting	(16)	(19)	(11)
Revenue as Reported	$ 482	$ 319	$ 346
Gross Profit			
Helix Contracting Services	$ 77	$ 60	$ 51
Shelf Contracting	93	70	47
Intercompany elim. - Helix Contracting Services	(12)	(1)	(3)
Intercompany elim. - Shelf Contracting	(2)	(6)	(1)
Gross Profit as Reported	$ 156	$ 123	$ 94
Gross Profit Margin	32%	39%	27%

Non GAAP Reconciliations

Updated 2008 Outlook – Adjusted EBITDAX ($ in millions)

	Contracting Services	Oil & Gas	Eliminations	Total
Net Income	$ 136	$ 140	$ (16)	$ 260
Depreciation & Amortization	109	190	-	299
Income Tax Provision	75	74	(9)	140
Net Interest Expense & Other	52	33	-	85
Preferred Stock Dividends	3	-	-	3
Non-cash Impairment	-	13	-	13
Exploration Expense	-	-	-	-
Adjusted EBITDAX (A)	$ 375	$ 450	$ (25)	$ 800

(A) See definition on slide 19

Non GAAP Reconciliations

Prior 2008 Outlook – Adjusted EBITDAX ($ in millions)

	Contracting Services	Oil & Gas	Eliminations	Total
Net Income	$ 120	$ 222	$ (13)	$ 329
Depreciation & Amortization	100	232	-	332
Income Tax Provision	68	120	(7)	181
Net Interest Expense & Other	49	33	-	82
Preferred Stock Dividends	3	-	-	3
Non-cash Impairment	-	13	-	13
Exploration Expense	-	-	-	-
Adjusted EBITDAX (A)	$ 340	$ 620	$ (20)	$ 940

(A) See definition on slide 19

Helix Energy Solutions