

**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): **July 21, 2014**



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 July 21, 2014, Helix Energy Solutions Group, Inc. ("Helix") issued a press release announcing its second quarter results of operations for the period ended June 30, 2014. Attached hereto as Exhibit 99.1, and incorporated by reference herein, is the press release.

Item 7.01 Regulation FD Disclosure.

On July 21, 2014, Helix issued a press release announcing its second quarter results of operations for the period ended June 30, 2014. In addition, on July 22, 2014, 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 Second Quarter Earnings Conference Call Presentation issued by Helix. The presentation materials were also posted on July 21, 2014 under *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 July 21, 2014 reporting financial results for the second quarter of 2014.
99.2	Second Quarter 2014 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: July 21, 2014

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 July 21, 2014 reporting financial results for the second quarter of 2014.
- 99.2 Second Quarter 2014 Conference Call Presentation.
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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

14-010

Date: July 21, 2014

Contact: Terrence Jamerson
Director, Finance & Investor Relations

Helix Reports Second Quarter 2014 Results

HOUSTON, TX – Helix Energy Solutions Group, Inc. (NYSE: HLX) reported net income of \$57.8 million, or \$0.55 per diluted share, for the second quarter of 2014 compared to net income of \$27.2 million, or \$0.26 per diluted share, for the same period in 2013 and net income of \$53.7 million, or \$0.51 per diluted share, in the first quarter of 2014. Net income for the six months ended June 30, 2014 was \$111.5 million, or \$1.05 per diluted share, compared with net income of \$28.8 million, or \$0.27 per diluted share, for the six months ended June 30, 2013.

The first quarter 2014 results included a \$10.5 million gain on the sale of our former spoolbase facility located in Ingleside, Texas, and a \$7.2 million insurance claim settlement related to our former oil and gas business. These items contributed \$0.11 of after-tax earnings per diluted share in the first quarter of 2014.

Owen Kratz, President and Chief Executive Officer of Helix, stated, “We believe that the market environment remains positive for well intervention services, and our well intervention assets have continued to perform at a high level. Robotics delivered increased results in the second quarter reflecting both stronger demand for trenching services and normal seasonal activity uplift.”

Summary of Results

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

	<u>Quarter Ended</u>			<u>Six Months Ended</u>	
	<u>6/30/2014</u>	<u>6/30/2013</u>	<u>3/31/2014</u>	<u>6/30/2014</u>	<u>6/30/2013</u>
Revenues	\$ 305,587	\$ 232,178	\$ 253,572	\$ 559,159	\$ 429,607
Gross Profit	\$ 109,138	\$ 67,497	\$ 75,846	\$ 184,984	\$ 120,064
	36%	29%	30%	33%	28%
Net Income Applicable to Common Shareholders					
Income (Loss) from continuing operations	\$ 57,782	\$ 27,240	\$ 53,719	\$ 111,501	\$ 27,797
Income (Loss) from discontinued operations	-	(29)	-	-	1,029
Total	<u>\$ 57,782</u>	<u>\$ 27,211</u>	<u>\$ 53,719</u>	<u>\$ 111,501</u>	<u>\$ 28,826</u>
Diluted Earnings Per Share					
Income from continuing operations	\$ 0.55	\$ 0.26	\$ 0.51	\$ 1.05	\$ 0.26
Income from discontinued operations	\$ -	\$ -	\$ -	\$ -	\$ 0.01
Total	<u>\$ 0.55</u>	<u>\$ 0.26</u>	<u>\$ 0.51</u>	<u>\$ 1.05</u>	<u>\$ 0.27</u>
Adjusted EBITDA from continuing operations	\$ 109,050	\$ 74,533	\$ 92,501	\$ 201,551	\$ 116,564

Segment Information, Operational and Financial Highlights

(in thousands, unaudited)

	Quarter Ended		
	<u>6/30/2014</u>	<u>6/30/2013</u>	<u>3/31/2014</u>
Revenues:			
Well Intervention	\$ 181,218	\$ 99,323	\$ 159,700
Robotics	119,704	88,374	87,890
Subsea Construction	-	37,659	358
Production Facilities	24,049	24,174	23,140
Intercompany Eliminations	(19,384)	(17,352)	(17,516)
Total	<u>\$ 305,587</u>	<u>\$ 232,178</u>	<u>\$ 253,572</u>
Income from Operations:			
Well Intervention	\$ 64,775	\$ 23,912	\$ 48,733
Robotics	21,877	13,296	10,180
Subsea Construction	145	11,477	228
Production Facilities	10,459	14,643	11,384
Gain (Loss) on Disposition of Assets	(1,078)	(1,085)	11,496
Corporate / Other	(17,467)	(14,207)	(13,875)
Intercompany Eliminations	45	(839)	(1,198)
Total	<u>\$ 78,756</u>	<u>\$ 47,197</u>	<u>\$ 66,948</u>

Business Segment Results

- o Well Intervention revenues increased 13% in the second quarter of 2014 from revenues in the first quarter of 2014, due to having a full quarter of the *Helix 534* at full utilization, as well as all three North Sea vessels being 100% utilized in the second quarter. The spare rental intervention riser system (IRS no. 2) continues to positively contribute to revenues; the unit was on-hire for 86 days during the second quarter of 2014 versus 42 days in the first quarter of 2014. Vessel utilization for the *Q4000* in the Gulf of Mexico was slightly down – 90% utilization in the second quarter of 2014 versus 100% in the first quarter of 2014, due to a planned regulatory inspection and thruster repairs.
- o For Robotics, chartered vessel fleet utilization increased to 89% for the quarter from 80% in the first quarter of 2014. Overall stronger asset utilization and an increase in vessel days worked were the primary drivers resulting in a 36% growth in revenues in the second quarter of 2014 over the first quarter of 2014. Spot vessels contributed 161 days of vessel utilization during the second quarter of 2014. ROV, trencher and ROVDrill utilization in the second quarter of 2014 increased by 7% over the first quarter of 2014.
- o During the second quarter of 2014, the Marco Polo platform was shut in following a compressor fire on May 8, 2014. The platform remained shut in for the remainder of the quarter, thus marginally affecting Production Facilities earnings in the second quarter. Production resumed at the platform in early July 2014.

Other Expenses

- o Selling, general and administrative expenses were 9.6% of revenue in the second quarter of 2014, 8.0% of revenue in the first quarter of 2014 and 8.3% in the second quarter of 2013. Our second quarter 2014 expense includes \$5.2 million of charges associated with the provision for uncertain collection of a portion of our existing trade receivables related to our Robotics segment.
- o Net interest expense and other decreased to \$4.5 million in the second quarter of 2014 from \$5.3 million in the first quarter of 2014. Net interest expense remained flat at \$4.5 million in both the second and first quarter of 2014. Other expense was minimal in the second quarter of 2014 compared to \$0.8 million in the first quarter of 2014, which reflects foreign exchange fluctuations in our non-U.S. dollar functional currencies.

Financial Condition and Liquidity

- o Our total liquidity at June 30, 2014 was approximately \$1.1 billion, consisting of \$501 million in cash and cash equivalents and \$583 million in unused capacity under our revolver. Consolidated net debt at June 30, 2014 was \$57 million. Net debt to book capitalization at June 30, 2014 was 3%. (Net debt to book capitalization is a non-GAAP measure. See reconciliation below.)
 - o We incurred capital expenditures (including capitalized interest) totaling \$105 million in the second quarter of 2014, compared to \$70 million in the first quarter of 2014 and \$59 million in the second quarter of 2013.
-

Conference Call Information

Further details are provided in the presentation for Helix's quarterly conference call to review its second quarter 2014 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 Tuesday, July 22, 2014, 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 888-550-1479 for persons in the United States and 1-954-357-2908 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.

About Helix

Helix Energy Solutions Group, Inc., headquartered in Houston, Texas, is an international offshore energy 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 Adjusted EBITDA from continuing operations, 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. Net debt is calculated as the sum of financial debt less cash and cash 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 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; future operations expenditures; any statements regarding the plans, strategies and objectives of management for future operations; any statement concerning developments; any statements regarding future economic conditions or performance; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. The forward-looking statements are subject to a number of known and unknown risks, uncertainties and other factors including but not limited to the performance of contracts by suppliers, customers and partners; actions by governmental and regulatory authorities; operating hazards and delays; our ultimate ability to realize current backlog; employee management issues; complexities of global political and economic developments; geologic risks; volatility of oil and gas prices and other risks described from time to time in our reports filed with the Securities and Exchange Commission ("SEC"), including the Company's most recently filed Annual Report on Form 10-K and in the Company's other filings with the SEC, which are available free of charge on the SEC's website at www.sec.gov. We assume no obligation and do not intend to update these forward-looking statements except as required by the securities laws.

Social Media

From time to time we provide information about Helix on Twitter ([@Helix_ESG](https://twitter.com/Helix_ESG)) and LinkedIn (www.linkedin.com).



HELIX ENERGY SOLUTIONS GROUP, INC.

Comparative Condensed Consolidated Statements of Operations

(in thousands, except per share data)	Three Months Ended Jun. 30,		Six Months Ended Jun. 30,	
	2014	2013	2014	2013
	(unaudited)		(unaudited)	
Net revenues	\$ 305,587	\$ 232,178	\$ 559,159	\$ 429,607
Cost of sales	196,449	164,681	374,175	309,543
Gross profit	109,138	67,497	184,984	120,064
Loss on commodity derivative contracts	-	-	-	(14,113)
Gain (loss) on disposition of assets, net	(1,078)	(1,085)	10,418	(1,085)
Selling, general and administrative expenses	(29,304)	(19,215)	(49,698)	(42,431)
Income from operations	78,756	47,197	145,704	62,435
Equity in earnings (losses) of investments	(507)	683	201	1,293
Other income - oil and gas	1,596	1,282	13,872	4,100
Net interest expense and other	(4,534)	(12,556)	(9,827)	(29,445)
Income before income taxes	75,311	36,606	149,950	38,383
Income tax provision	17,529	8,577	37,946	9,020
Net income from continuing operations	57,782	28,029	112,004	29,363
Income (loss) from discontinued operations, net of tax	-	(29)	-	1,029
Net income, including noncontrolling interests	57,782	28,000	112,004	30,392
Less net income applicable to noncontrolling interests	-	(789)	(503)	(1,566)
Net income applicable to Helix	<u>\$ 57,782</u>	<u>\$ 27,211</u>	<u>\$ 111,501</u>	<u>\$ 28,826</u>
Weighted Avg. Common Shares Outstanding:				
Basic	<u>104,992</u>	<u>105,046</u>	<u>105,059</u>	<u>105,039</u>
Diluted	<u>105,295</u>	<u>105,133</u>	<u>105,359</u>	<u>105,141</u>
Basic earnings per share of common stock:				
Continuing operations	\$ 0.55	\$ 0.26	\$ 1.06	\$ 0.26
Discontinued operations	-	-	-	0.01
Net income per share of common stock	<u>\$ 0.55</u>	<u>\$ 0.26</u>	<u>\$ 1.06</u>	<u>\$ 0.27</u>
Diluted earnings per share of common stock:				
Continuing operations	\$ 0.55	\$ 0.26	\$ 1.05	\$ 0.26
Discontinued operations	-	-	-	0.01
Net income per share of common stock	<u>\$ 0.55</u>	<u>\$ 0.26</u>	<u>\$ 1.05</u>	<u>\$ 0.27</u>

Comparative Condensed Consolidated Balance Sheets

ASSETS			LIABILITIES & SHAREHOLDERS' EQUITY		
(in thousands)	Jun. 30, 2014	Dec. 31, 2013	(in thousands)	Jun. 30, 2014	Dec. 31, 2013
	(unaudited)			(unaudited)	
Current Assets:			Current Liabilities:		
Cash and equivalents	\$ 501,457	\$ 478,200	Accounts payable	\$ 157,553	\$ 72,602
(1) Accounts receivable, net	226,750	184,165	Accrued liabilities	79,130	96,482
Income tax receivable, net	23,771	-	Income tax payable	-	760
Current deferred tax assets	24,370	51,573	Current maturities of L-T debt (1)	20,508	20,376
Other current assets	41,917	29,709			
Total Current Assets	818,265	743,647	Total Current Liabilities	257,191	190,220
Property & equipment, net	1,604,188	1,532,217	Long-term debt (1)	538,254	545,776
Equity investments	152,877	157,919	Deferred tax liabilities	272,448	265,879
Goodwill	63,829	63,230	Other non-current liabilities	11,297	18,295
Other assets, net	61,951	47,267	Shareholders' equity (1)	1,621,920	1,524,110
Total Assets	\$ 2,701,110	\$ 2,544,280	Total Liabilities & Equity	\$ 2,701,110	\$ 2,544,280

(1) Net debt to book capitalization - 3% at June 30, 2014. Calculated as total debt less cash and equivalents (\$57,305) divided by sum of total net debt and shareholders' equity (\$1,679,225).

Helix Energy Solutions Group, Inc.
Reconciliation of Non GAAP Measures
Three and Six Months Ended June 30, 2014

Earnings Release:

Reconciliation From Net Income from Continuing Operations to Adjusted EBITDA:

	<u>2Q14</u>	<u>2Q13</u>	<u>1Q14</u>	<u>Six Months</u>	
				<u>2014</u>	<u>2013</u>
	(in thousands)				
Net income from continuing operations	\$ 57,782	\$ 28,029	\$ 54,222	\$ 112,004	\$ 29,363
Adjustments:					
Income tax provision	17,529	8,577	20,417	37,946	9,020
Net interest expense and other	4,534	12,556	5,293	9,827	29,445
Depreciation and amortization	28,127	25,312	24,726	52,853	49,692
EBITDA from continuing operations	<u>107,972</u>	<u>74,474</u>	<u>104,658</u>	<u>212,630</u>	<u>117,520</u>
Adjustments:					
Noncontrolling interests	-	(1,026)	(661)	(661)	(2,041)
(Gain) loss on disposition of assets, net	1,078	1,085	(11,496)	(10,418)	1,085
Adjusted EBITDA from continuing operations	<u>\$ 109,050</u>	<u>\$ 74,533</u>	<u>\$ 92,501</u>	<u>\$ 201,551</u>	<u>\$ 116,564</u>

We calculate adjusted EBITDA from continuing operations as earnings before net interest expense and other, taxes and depreciation and amortization. This non-GAAP measure is useful to investors and other internal and external users of our financial statements in evaluating our operating performance because it is 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 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 and Six Months Ended June 30, 2014

Earnings Release:

Reconciliation of significant items:

(in thousands, except per share data)

	<u>2Q14</u>	<u>1Q14</u>
Significant items:		
Gain on sale of Ingleside spoolbase	\$ -	\$ 10,457
Insurance reimbursement settlement	-	7,217
Provision for uncertain collection of receivables	5,196	-
Tax provision of the above	(1,819)	(6,186)
Significant items, net:	<u>\$ 3,377</u>	<u>\$ 11,488</u>
Diluted shares	<u>105,295</u>	<u>105,375</u>
Net after income tax effect per share	<u>\$ 0.03</u>	<u>\$ 0.11</u>

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Second Quarter 2014 Conference Call

July 22, 2014

Forward-Looking Statements



This presentation contains forward-looking statements that involve risks, uncertainties and assumptions that could cause our results to differ materially from those expressed or implied by such forward-looking statements. All statements, other than statements of historical fact, are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, any statements regarding our strategy; any statements regarding future utilization; any projections of financial items; future operations expenditures; any statements regarding the plans, strategies and objectives of management for future operations; any statement concerning developments; any statements regarding future economic conditions or performance; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. The forward-looking statements are subject to a number of known and unknown risks, uncertainties and other factors including but not limited to the performance of contracts by suppliers, customers and partners; actions by governmental and regulatory authorities; operating hazards and delays; our ultimate ability to realize current backlog; employee management issues; complexities of global political and economic developments; geologic risks; volatility of oil and gas prices and other risks described from time to time in our reports filed with the Securities and Exchange Commission ("SEC"), including the Company's most recently filed Annual Report on Form 10-K and in the Company's other filings with the SEC, which are available free of charge on the SEC's website at www.sec.gov. We assume no obligation 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** (pg. 4)
- **Operational Highlights by Segment** (pg. 8)
- **Key Balance Sheet Metrics** (pg. 13)
- **2014 Outlook** (pg. 16)
- **Non-GAAP Reconciliations** (pg. 21)
- **Questions & Answers**



Intervention riser system undergoing testing

Executive Summary



Q5000 under construction in Singapore

Executive Summary



(\$ in millions, except per share data)

	Quarter Ended			Six Months Ended	
	6/30/2014	6/30/2013	3/31/2014	6/30/2014	6/30/2013
Revenues	\$ 306	\$ 232	\$ 254	\$ 559	\$ 430
Gross profit:	\$ 109	\$ 67	\$ 76	\$ 185	\$ 120
	36%	29%	30%	33%	28%
Net income from continuing operations	\$ 58	\$ 27	\$ 54	\$ 112	\$ 28
Net income from discontinued operations	\$ -	\$ -	\$ -	\$ -	\$ 1
Diluted earnings per share:					
Continuing operations	\$ 0.55	\$ 0.26	\$ 0.51	\$ 1.05	\$ 0.26
Discontinued operations (Oil and Gas)	\$ -	\$ -	\$ -	\$ -	\$ 0.01
Adjusted EBITDA ^(A)					
Business Segments	\$ 123	\$ 86	\$ 94	\$ 217	\$ 160
Corporate / Elimination	(14)	(12)	(1)	(15)	(44)
Adjusted EBITDA from continuing operations	\$ 109	\$ 74	\$ 93	\$ 202	\$ 116

(A) See nonGAAP reconciliation on slide 22.

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Executive Summary



- Q2 2014 earnings of \$0.55 per diluted share compared to \$0.51 per diluted share in Q1 2014
 - Q2 includes a \$5.2 million, \$(0.03) per diluted share after-tax, charges associated with the provision for uncertain collection of a portion of our existing trade receivables
 - Q1 includes a \$10.5 million gain on the sale of our former spoolbase facility, and a \$7.2 million insurance claim settlement related to our former oil and gas business, which together contributed to \$0.11 of after-tax diluted earnings per share
- Contracting Services and Production Facilities
 - 98% utilization of Well Intervention vessels; strong outlook and backlog expected for 2014 and beyond
 - *Helix 534* continues operations in the Gulf of Mexico; for Q2 the vessel was fully utilized
 - All three North Sea well intervention vessels utilized 100% throughout Q2
 - *Skandi Constructor* is operational for the company's first ever well intervention campaign in Canadian waters (project continues into Q3)
 - Robotics chartered vessel fleet utilization of 89% in Q2; 78% for ROVs, trenchers and ROV Drill
 - Latest 1,500 hp newbuild jet trencher, *T1500*, placed into service in Q2 and immediately mobilized in the North Sea for a trenching project
 - Marco Polo platform (Production Facilities) was out of service for over half of Q2 following a compressor fire on May 8th; the platform was placed back in service in early July

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Executive Summary



Balance sheet

- Liquidity* of \$1.1 billion at 06/30/2014
- Cash and cash equivalents totaled \$501 million at 06/30/2014
- Net debt of \$57 million at 06/30/2014
- See updated debt maturity profile on slide 14

* We define liquidity as the total of cash and cash equivalents (\$501 million) plus unused capacity under our revolving credit facility (\$583 million).

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Operational Highlights



Business Segment Results

(\$ in millions)

	Quarter Ended								
	6/30/2014		6/30/2013		3/31/2014				
Revenues									
Well Intervention	\$	181	\$	99	\$	160			
Robotics		120		88		88			
Subsea Construction		-		38		-			
Production Facilities		24		24		23			
Intercompany Eliminations		(19)		(17)		(17)			
Total Revenue	\$	306	\$	232	\$	254			
Gross Profit									
Well Intervention		69	38%	26	26%	53	33%		
Robotics		30	25%	16	18%	13	15%		
Subsea Construction		-	-	12	32%	-	-		
Production Facilities		11	44%	15	61%	12	50%		
Eliminations / Other		(1)		(2)		(2)			
Total Gross Profit	\$	109	36%	\$	67	29%	\$	76	30%

- 98% utilization for the Well Intervention fleet
- 89% chartered vessel utilization in Robotics
- T1500 trencher placed into service in the North Sea
- Skandi Constructor commences company's first ever well intervention campaign in Canadian waters



Seawell

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Well Intervention

GOM

- Q4000 was 90% utilized during Q2; off hire 9 days for planned annual inspection and thruster repairs
- Helix 534 fully utilized during Q2
- Both vessels have full backlog for the remainder of 2014
- IRS no. 2 on hire for 86 days during the quarter (24 days at standby rate)

North Sea

- 100% utilization of all three vessels during Q2 on a variety of well intervention projects
- Skandi Constructor left UK in mid-June to commence a well intervention campaign in Canadian waters
- All vessels with full backlog in Q3 and limited availability in Q4 2014
- Seawell and Skandi Constructor are both scheduled for dry docks in Q4 2014



Intervention Riser System



Well Enhancer

Robotics

- 89% chartered vessel fleet utilization in Q2
 - 161 days utilized on spot vessels
 - *Olympic Canyon* and *Deep Cygnus* dry docked in May
- 78% utilization for ROVs, trenchers and ROVDrill
- Awarded long term ROV services contract support for McDermott construction vessels
- Newbuild jet trencher, *T1500*, placed into service in Q2 and mobilized onboard a spot vessel for summer trenching project in the North Sea
- *REM Installer* fully utilized in Q2 on an accommodations project in the North Sea
- *Grand Canyon* completed trenching project offshore Saudi Arabia utilizing *i-Trencher* and *T1200*, then returned to North Sea to commence ROV services project
- *Olympic Canyon* continued operations in India through mid-May prior to completing a dry dock in Singapore; the vessel was returned to service in late June
- *Deep Cygnus* completed a trenching project utilizing *T750* prior to entering dry dock in May; the vessel returned to service in June performing ROV services projects in the North Sea



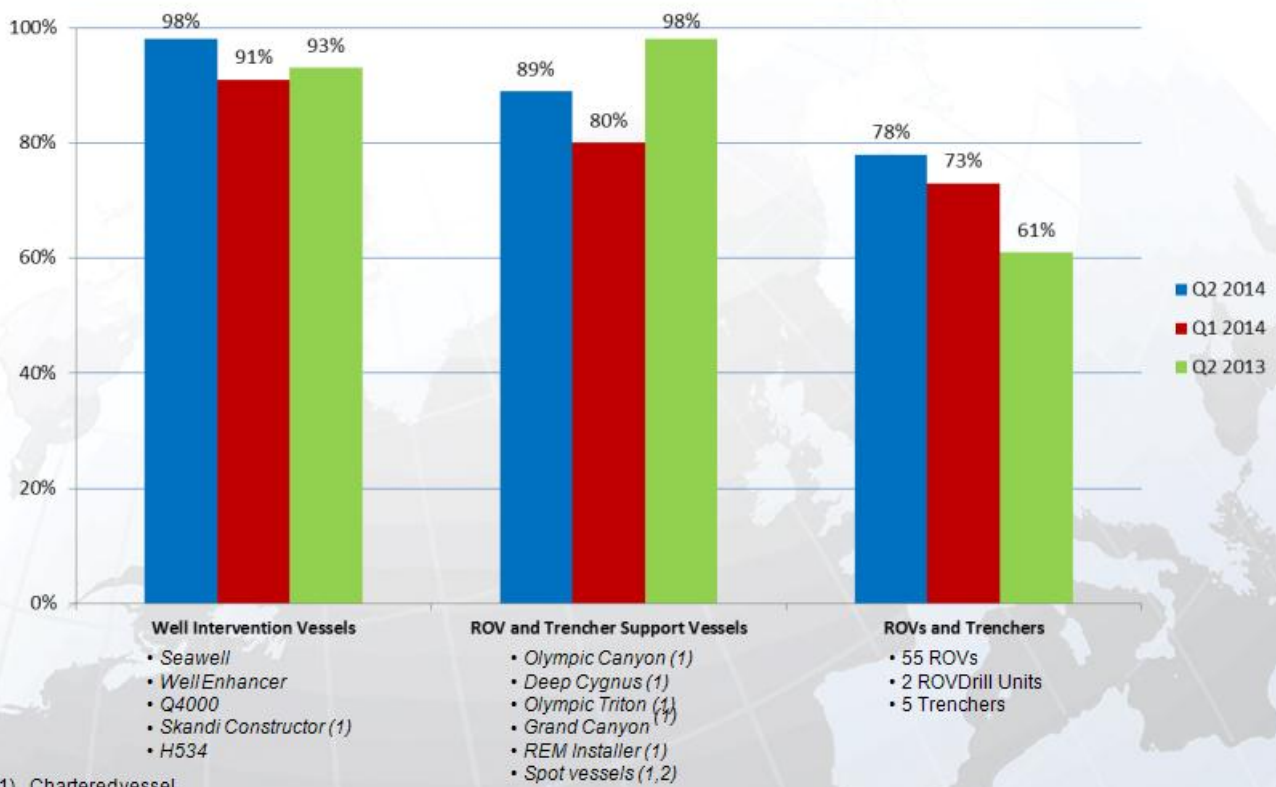
T1500



Grand Canyon at dock

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Utilization



(1) Chartered vessel
 (2) Robotics chartered various spot vessels during Q2 for a total of 161 days.

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Key Balance Sheet Metrics



Debt Instrument Profile



Total funded debt of \$583 million at end of Q2 2014:

- \$200 million Convertible Senior Notes - 3.25% (A)
(\$176 million net of unamortized debt discount)
- \$285 million Term Loan - LIBOR + 2.50% (B)
 - Annual amortization payments of 5% in years 1 and 2, 10% per annum in years 3 through 5
- \$98 million MARAD Debt - 4.93%
 - Semi-annual amortization payments

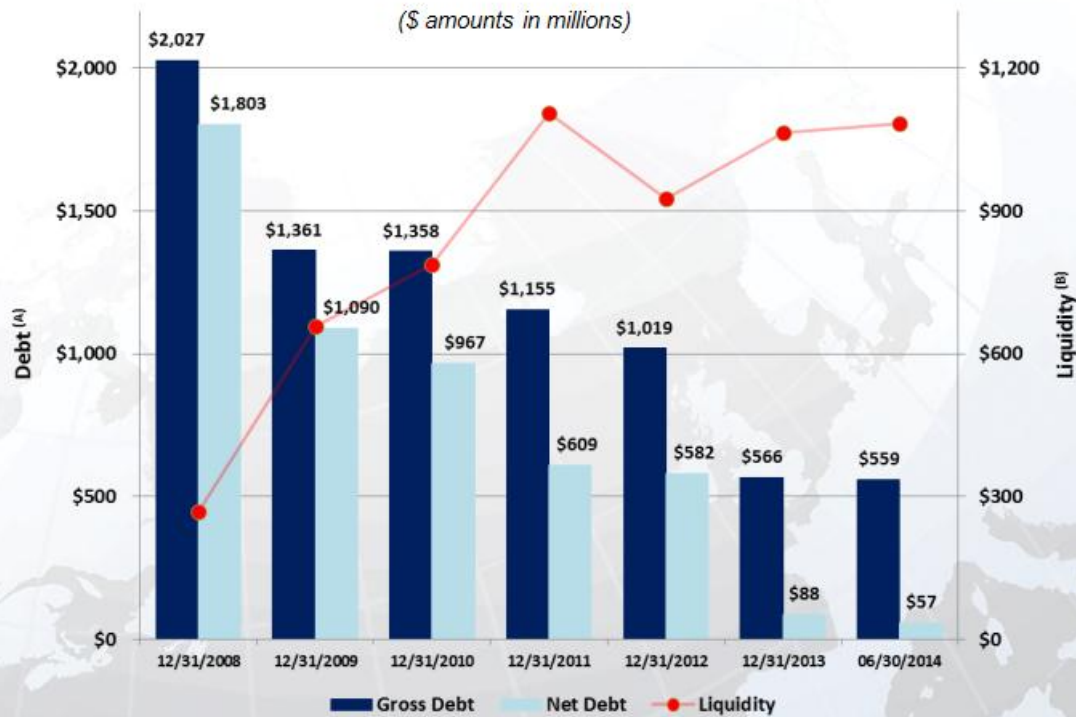
- (A) Stated maturity 2032. First put / call date is March 2018.
 (B) We have fixed through October 2016 the LIBOR interest rate on 50% of the Term Loan debt at 0.75% utilizing interest rate swaps.

Debt Instrument Profile at 06/30/2014
(\$ amounts in millions)



Built for success, positioned for growth

Debt and Liquidity Profile



Liquidity of approximately \$1.1 billion at 06/30/2014

- (A) Includes impact of unamortized debt discount under our convertible senior notes.
- (B) We define liquidity as the total of cash and cash equivalents (\$501 million) plus unused capacity under our revolving credit facility (\$583 million).

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2014 Outlook

2014 Outlook



(\$ in millions, except per share data)

	2014 Outlook	2013 Actual
Revenues (on-going operations)	\$ 1,060	\$ 805
EBITDA	> 360	300
CAPEX	~ 375	343
<i>Earnings Per Share</i> ^(A)	~ \$1.65 – \$1.75	\$1.04
Revenue Split:		
Well Intervention	\$ 635	\$ 452
Robotics	385	333
Production Facilities	95	88
Elims	(55)	(68)
On-going Operations	\$ 1,060	\$ 805
Oil and Gas	-	49
Subsea Construction	-	71
Total Revenues	\$ 1,060	\$ 925

(A) Earnings per share estimates based on a corporate tax rate ranging from 25% – 30%.

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2014 Outlook



- Total backlog as of June 30, 2014 was approximately \$2.7 billion, of which approximately \$2.5 billion is associated with our Well Intervention and Robotics businesses
- Utilization expected to remain strong for the well intervention fleet
- Q4000 has full backlog through 2015; current clients have first right of refusal to extend commitments into 2017
- *Helix 534* has full backlog through 2015, with visibility into 2017
- Q5000 backlog currently a minimum of 270 days annually in first 5 years of operations
- *Siem Helix 1 & 2* chartered vessels, in construction, under contract in Brazil for an initial period of four years, commencing mid 2016
- *Seawell*, *Well Enhancer* and *Skandi Constructor* have high levels of backlog in 2014 with contracts extending into 2015
- *Seawell* re-fit dry dock expected to commence in December 2014 with return to service at the end of Q1 2015
- *Skandi Constructor* scheduled for ~30 day dry dock in Q4 of 2014

2014 Outlook



- Trenching market in the North Sea, Norwegian Continental Shelf and Middle East more robust compared to 2013
- *T1500* performing well and has full backlog through Q3 2014
- *Rem Installer* expected to transit to the Gulf of Mexico in late Q3 2014 at the conclusion of its current “walk-to-work” accommodations project in the North Sea
- *Grand Canyon*, *T1200* and *i-Trencher* scheduled to commence cable burial offshore Qatar mid Q4 2014 through Q2 2015
- *Grand Canyon II* vessel expected to enter Robotics long-term chartered fleet early 2015
- *Olympic Triton* planned to be returned to vessel owner at the end of its current charter period in Q3 2014

2014 Outlook - Capex



- Total capital expenditures forecasted at approximately \$375 million for 2014; \$174 million incurred year-to-date^(A)
- \$105 million incurred in Q2, including:
 - Approximately \$69 million for well intervention newbuilds; inclusive of \$58 million milestone payment for *Q5000*
 - Approximately \$16 million for ROVs and *T1500* jet trencher
 - Approximately \$9 million incurred intervention riser system newbuilds
 - Approximately \$11 million of maintenance capex, IT and leasehold improvements; includes \$7 million in capex associated with the *Seawell* life extension project
- Total growth capital of approximately \$285 million
 - Total maintenance capital of approximately \$65 million
 - Other capital includes \$5 million in IT and leasehold improvements and approximately \$20 million to acquire the minority interest in the *Helix Producer 1*

(A) Incurred capital expenditures include capitalized interest

Non-GAAP Reconciliations



Non-GAAP Reconciliations



(\$ in millions)

	Quarter Ended			Six Months Ended	
	6/30/2014	6/30/2013	3/31/2014	6/30/2014	6/30/2013
Net income from continuing operations	\$ 58	\$ 28	\$ 54	\$ 112	\$ 29
Adjustments:					
Income tax provision	17	9	21	38	9
Net interest expense and other	5	12	5	10	29
Depreciation and amortization	28	25	25	53	50
EBITDA	\$ 108	\$ 74	\$ 105	\$ 213	\$ 117
Adjustments:					
Noncontrolling interests	-	(1)	(1)	(1)	(2)
(Gain) loss on disposition of assets	1	1	(11)	(10)	1
Adjusted EBITDA from continuing operations	\$ 109	\$ 74	\$ 93	\$ 202	\$ 116

We calculate Adjusted EBITDA from continuing operations as earnings before net interest expense and other, taxes, depreciation and amortization. This non-GAAP measure is useful to investors and other internal and external users of our financial statements in evaluating our operating performance; it is 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 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.

An offshore oil rig is silhouetted against a vibrant sunset sky with shades of orange, pink, and purple. The rig's lights are on, and its cranes are visible against the horizon.

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