

**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): **October 20, 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 October 20, 2014, Helix Energy Solutions Group, Inc. ("Helix") issued a press release announcing its third quarter results of operations for the period ended September 30, 2014. Attached hereto as Exhibit 99.1, and incorporated by reference herein, is the press release.

Item 7.01 Regulation FD Disclosure.

On October 20, 2014, Helix issued a press release announcing its third quarter results of operations for the period ended September 30, 2014. In addition, on October 21, 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 Third Quarter Earnings Conference Call Presentation issued by Helix. The presentation materials are also available beginning on October 20, 2014 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 October 20, 2014 reporting financial results for the third quarter of 2014.
99.2	Third 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: October 20, 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 October 20, 2014 reporting financial results for the third quarter of 2014.
- 99.2 Third 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

14-015

Date: October 20, 2014

Contact: Terrence Jamerson
Director, Finance & Investor
Relations

Helix Reports Third Quarter 2014 Results

HOUSTON, TX – Helix Energy Solutions Group, Inc. (NYSE: HLX) reported net income of \$75.6 million, or \$0.71 per diluted share, for the third quarter of 2014 compared to net income of \$44.6 million, or \$0.42 per diluted share, for the same period in 2013 and net income of \$57.8 million, or \$0.55 per diluted share, in the second quarter of 2014. Net income for the nine months ended September 30, 2014 was \$187.1 million, or \$1.77 per diluted share, compared with net income of \$73.4 million, or \$0.69 per diluted share, for the nine months ended September 30, 2013.

Owen Kratz, President and Chief Executive Officer of Helix, stated, “We executed at a high level in the third quarter for both the Well Intervention and the Robotics businesses. This quarter’s results reflect the strong demand for our services and the earnings ability of our existing asset base. As previously forecasted, the fourth quarter’s earnings are expected to decline as a result of two of our Well Intervention vessels – the *Skandi Constructor* and the *Seawell* – entering dry dock, as well as normal seasonal factors in the Robotics business.”

* * * * *

Summary of Results

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

	<u>Three Months Ended</u>			<u>Nine Months Ended</u>	
	<u>9/30/2014</u>	<u>9/30/2013</u>	<u>6/30/2014</u>	<u>9/30/2014</u>	<u>9/30/2013</u>
Revenues	\$ 340,837	\$ 220,117	\$ 305,587	\$ 899,996	\$ 649,724
Gross Profit	\$ 126,247	\$ 69,457	\$ 109,138	\$ 311,231	\$ 189,521
	37%	32%	36%	35%	29%
Net Income Applicable to Common Shareholders					
Income from continuing operations	\$ 75,586	\$ 44,549	\$ 57,782	\$ 187,087	\$ 72,346
Income from discontinued operations	-	44	-	-	1,073
Total	<u>\$ 75,586</u>	<u>\$ 44,593</u>	<u>\$ 57,782</u>	<u>\$ 187,087</u>	<u>\$ 73,419</u>
Diluted Earnings Per Share					
Income from continuing operations	\$ 0.71	\$ 0.42	\$ 0.55	\$ 1.77	\$ 0.68
Income from discontinued operations	-	-	-	-	0.01
Total	<u>\$ 0.71</u>	<u>\$ 0.42</u>	<u>\$ 0.55</u>	<u>\$ 1.77</u>	<u>\$ 0.69</u>
Adjusted EBITDA from continuing operations	\$ 137,097	\$ 70,198	\$ 109,050	\$ 338,648	\$ 186,762

Segment Information, Operational and Financial Highlights

(in thousands, unaudited)

	Three Months Ended		
	9/30/2014	9/30/2013	6/30/2014
Revenues:			
Well Intervention	\$ 205,139	\$ 114,238	\$ 181,218
Robotics	131,707	90,370	119,704
Subsea Construction	-	4,120	-
Production Facilities	24,184	24,366	24,049
Intercompany Eliminations	(20,193)	(12,977)	(19,384)
Total	<u>\$ 340,837</u>	<u>\$ 220,117</u>	<u>\$ 305,587</u>
Income from Operations:			
Well Intervention	\$ 80,789	\$ 33,544	\$ 64,775
Robotics	28,397	16,166	21,877
Subsea Construction	41	(498)	145
Production Facilities	11,284	14,136	10,459
Gain (Loss) on Disposition of Assets	-	15,812	(1,078)
Corporate / Other	(14,283)	(16,522)	(17,467)
Intercompany Eliminations	103	21	45
Total	<u>\$ 106,331</u>	<u>\$ 62,659</u>	<u>\$ 78,756</u>

Business Segment Results

- o Well Intervention revenues increased 13% in the third quarter of 2014 from revenues in the second quarter of 2014, primarily due to the successful well intervention project completed in Canadian waters with the *Skandi Constructor*. Overall, our North Sea well intervention fleet utilization was 99% in the third quarter of 2014 compared to 100% in the second quarter of 2014. Vessel utilization for the *Q4000* in the Gulf of Mexico was slightly down – 89% utilization in the third quarter of 2014 compared to 90% in the second quarter of 2014 – due to thruster repairs. The *H534* was at 100% utilization for the second consecutive quarter. The spare rental intervention riser system (IRS no. 2) was on-hire for the entire third quarter of 2014, with 16 more days at operating rates than the second quarter of 2014.
- o Robotics revenues increased 10% in the third quarter of 2014 from revenues in the second quarter of 2014. Overall vessel and asset utilization remained flat, quarter over quarter; the increase in spot vessel days was the primary driver in higher revenue and gross profit for the quarter. Spot vessel utilization for the third quarter increased by 36 days (197 days total) over the second quarter of 2014.

Other Expenses

- o Selling, general and administrative expenses were 5.8% of revenue in the third quarter of 2014, 9.6% of revenue in the second quarter of 2014 and 10.3% in the third quarter of 2013. Our second quarter 2014 expense included \$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 \$3.3 million in the third quarter of 2014 from \$4.5 million in the second quarter of 2014. Net interest expense decreased by \$0.7 million, while there was a \$0.6 million gain in other expense in the third quarter of 2014. Other expense reflects foreign exchange fluctuations in our non-U.S. dollar functional currencies.

Financial Condition and Liquidity

- o Our total liquidity at September 30, 2014 was approximately \$1.1 billion, consisting of \$547 million in cash and cash equivalents and \$583 million in unused capacity under our revolver. Consolidated net debt at September 30, 2014 was \$7 million. Net debt to book capitalization at September 30, 2014 was less than 1%. (Net debt to book capitalization is a non-GAAP measure. See reconciliation below.)
 - o We incurred capital expenditures (including capitalized interest) totaling \$68 million in the third quarter of 2014, compared to \$105 million in the second quarter of 2014 and \$176 million in the third quarter of 2013.
-

Conference Call Information

Further details are provided in the presentation for Helix's quarterly conference call to review its third 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, October 21, 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 800-616-7436 for persons in the United States and 1-303-223-2694 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 Sep. 30,		Nine Months Ended Sep. 30,	
	2014	2013	2014	2013
	(unaudited)		(unaudited)	
Net revenues	\$ 340,837	\$ 220,117	\$ 899,996	\$ 649,724
Cost of sales	214,590	150,660	588,765	460,203
Gross profit	126,247	69,457	311,231	189,521
Loss on commodity derivative contracts	-	-	-	(14,113)
Gain on disposition of assets, net	-	15,812	10,418	14,727
Selling, general and administrative expenses	(19,916)	(22,610)	(69,614)	(65,041)
Income from operations	106,331	62,659	252,035	125,094
Equity in earnings of investments	508	857	709	2,150
Other income - oil and gas	1,837	1,681	15,709	5,781
Net interest expense and other	(3,258)	(12,791)	(13,085)	(42,236)
Income before income taxes	105,418	52,406	255,368	90,789
Income tax provision	29,832	7,058	67,778	16,078
Net income from continuing operations	75,586	45,348	187,590	74,711
Income from discontinued operations, net of tax	-	44	-	1,073
Net income, including noncontrolling interests	75,586	45,392	187,590	75,784
Less net income applicable to noncontrolling interests	-	(799)	(503)	(2,365)
Net income applicable to Helix	<u>\$ 75,586</u>	<u>\$ 44,593</u>	<u>\$ 187,087</u>	<u>\$ 73,419</u>
Weighted Avg. Common Shares Outstanding:				
Basic	<u>104,997</u>	<u>105,029</u>	<u>105,038</u>	<u>105,036</u>
Diluted	<u>105,338</u>	<u>105,136</u>	<u>105,374</u>	<u>105,152</u>
Basic earnings per share of common stock:				
Continuing operations	\$ 0.72	\$ 0.42	\$ 1.77	\$ 0.68
Discontinued operations	-	-	-	0.01
Net income per share of common stock	<u>\$ 0.72</u>	<u>\$ 0.42</u>	<u>\$ 1.77</u>	<u>\$ 0.69</u>
Diluted earnings per share of common stock:				
Continuing operations	\$ 0.71	\$ 0.42	\$ 1.77	\$ 0.68
Discontinued operations	-	-	-	0.01
Net income per share of common stock	<u>\$ 0.71</u>	<u>\$ 0.42</u>	<u>\$ 1.77</u>	<u>\$ 0.69</u>

Comparative Condensed Consolidated Balance Sheets

ASSETS			LIABILITIES & SHAREHOLDERS' EQUITY		
(in thousands)	Sep. 30, 2014	Dec. 31, 2013	(in thousands)	Sep. 30, 2014	Dec. 31, 2013
	(unaudited)			(unaudited)	
Current Assets:			Current Liabilities:		
Cash and equivalents			Accounts payable		
(1)	\$ 546,529	\$ 478,200	Accrued liabilities	\$ 117,280	\$ 72,602
Accounts receivable, net	208,195	184,165	Income tax payable	85,969	96,482
Current deferred tax assets	26,342	51,573	Current maturities of L-T debt (1)	25,588	760
Other current assets	48,006	29,709	Total Current Liabilities	24,394	20,376
Total Current Assets	829,072	743,647		253,231	190,220
Property & equipment, net	1,640,187	1,532,217	Long-term debt (1)	529,281	545,776
Equity investments	152,588	157,919	Deferred tax liabilities	267,409	265,879
Goodwill	62,839	63,230	Other non-current liabilities	17,592	18,295
Other assets, net	60,270	47,267	Shareholders' equity (1)	1,677,443	1,524,110
Total Assets	\$ 2,744,956	\$ 2,544,280	Total Liabilities & Equity	\$ 2,744,956	\$ 2,544,280

(1) Net debt to book capitalization - 0.4% at September 30, 2014. Calculated as total debt less cash and equivalents (\$7,146) divided by sum of total net debt and shareholders' equity (\$1,684,589).

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

Earnings Release:

Reconciliation From Net Income from Continuing Operations to Adjusted EBITDA:

	<u>3Q14</u>	<u>3Q13</u>	<u>2Q14</u>	<u>Nine Months</u>	
				<u>2014</u>	<u>2013</u>
	(in thousands)				
Net income from continuing operations	\$ 75,586	\$ 45,348	\$ 57,782	\$ 187,590	\$ 74,711
Adjustments:					
Income tax provision	29,832	7,058	17,529	67,778	16,078
Net interest expense and other	3,258	12,791	4,534	13,085	42,236
Depreciation and amortization	28,421	21,850	28,127	81,274	71,542
EBITDA from continuing operations	<u>137,097</u>	<u>87,047</u>	<u>107,972</u>	<u>349,727</u>	<u>204,567</u>
Adjustments:					
Noncontrolling interests	-	(1,037)	-	(661)	(3,078)
(Gain) loss on disposition of assets, net	-	(15,812)	1,078	(10,418)	(14,727)
Adjusted EBITDA from continuing operations	<u>\$ 137,097</u>	<u>\$ 70,198</u>	<u>\$ 109,050</u>	<u>\$ 338,648</u>	<u>\$ 186,762</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.

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**Third Quarter 2014
Conference Call**

October 21, 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.

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/company/helix-energy-solutions-group).

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. 22)
- **Questions & Answers**



Intervention riser system undergoing testing

Executive Summary



Q5000 under construction in Singapore

Executive Summary



(\$ in millions, except per share data)

	Three Months Ended			Nine Months Ended	
	9/30/2014	9/30/2013	6/30/2014	9/30/2014	9/30/2013
Revenues	\$ 341	\$ 220	\$ 306	\$ 900	\$ 650
Gross profit:	\$ 126 37%	\$ 69 32%	\$ 109 36%	\$ 311 35%	\$ 190 29%
Net income from continuing operations	\$ 76	\$ 45	\$ 58	\$ 187	\$ 72
Net income from discontinued operations	\$ -	\$ -	\$ -	\$ -	\$ 1
Diluted earnings per share:					
Continuing operations	\$ 0.71	\$ 0.42	\$ 0.55	\$ 1.77	\$ 0.68
Discontinued operations (Oil and Gas)	\$ -	\$ -	\$ -	\$ -	\$ 0.01
Adjusted EBITDA ^(A)					
Business Segments	\$ 148	\$ 83	\$ 123	\$ 365	\$ 244
Corporate / Elimination	(11)	(13)	(14)	(26)	(57)
Adjusted EBITDA from continuing operations	\$ 137	\$ 70	\$ 109	\$ 339	\$ 187

(A) See nonGAAP reconciliation on slide 23.

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Executive Summary



- Q3 2014 earnings per diluted share of \$0.71 per diluted share compared to \$0.55 per diluted share in Q2 2014
- Contracting Services and Production Facilities
 - 97% utilization of Well Intervention vessels; strong outlook and backlog expected for remainder of 2014 and beyond
 - Q4000 at 89% utilization for Q3
 - *Helix 534* continues operations in the Gulf of Mexico; in Q3 the vessel was fully utilized
 - The combined utilization of all three North Sea well intervention vessels was 99% in Q3
 - *Skandi Constructor* completed the company's first well intervention project in Canadian waters
 - Robotics chartered vessel fleet utilization of 90% in Q3 (86% for long-term chartered fleet); 78% for ROVs, trenchers and ROVDrill
 - Four of the five trenchers were utilized throughout the quarter for an overall trencher utilization of 69%, yielding our strongest trenching quarter of the year at 316 days in Q3

Executive Summary



Balance sheet

- Liquidity* of \$1.1 billion at 09/30/2014
- Cash and cash equivalents totaled \$547 million at 09/30/2014
- Net debt of \$7 million at 09/30/2014
- See updated debt maturity profile on slide 14

* We define liquidity as the total of cash and cash equivalents (\$547 million) plus unused capacity under our revolving credit facility (\$583 million).

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Operational Highlights



Business Segment Results



(\$ in millions)

	Three Months Ended							
	9/30/2014		9/30/2013		6/30/2014			
Revenues								
Well Intervention	\$	205	\$	114	\$	181		
Robotics		132		90		120		
Subsea Construction		-		4		-		
Production Facilities		24		24		24		
Intercompany Eliminations		(20)		(13)		(19)		
Total Revenue	\$	341	\$	220	\$	306		
Gross Profit								
Well Intervention		84	41%	36	32%	69	38%	
Robotics		32	24%	20	22%	30	25%	
Subsea Construction		-	-	-	0%	-	-	
Production Facilities		11	45%	14	61%	11	44%	
Eliminations / Other		(1)		(1)		(1)		
Total Gross Profit	\$	126	37%	\$	69	\$	109	36%

- 97% utilization for the Well Intervention fleet
- 90% chartered vessel utilization in Robotics
- Robotics utilized 3 spotvessels for a total of 197 days in the quarter
- Skandi Constructor completed company's first well intervention project in Canadian waters



Q4000

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Well Intervention

GOM

- Q4000 was 89% utilized during Q3; vessel down for 10 days for thruster repairs
- Helix 534 fully utilized during Q3
- Both vessels are expecting strong utilization in Q4 of 2014
- IRS no. 2 on hire for the entire quarter (14 days at standby rate)

North Sea

- 99% utilization of all three vessels during Q3 on a variety of well intervention projects
- Skandi Constructor completed its first well intervention campaign in Canadian waters in August
- Skandi Constructor scheduled for an ~30 day dry dock commencing in November 2014
- Seawell re-fit dry dock expected to commence in December 2014 with return to service early Q2 of 2015



Q5000 at shipyard in Singapore



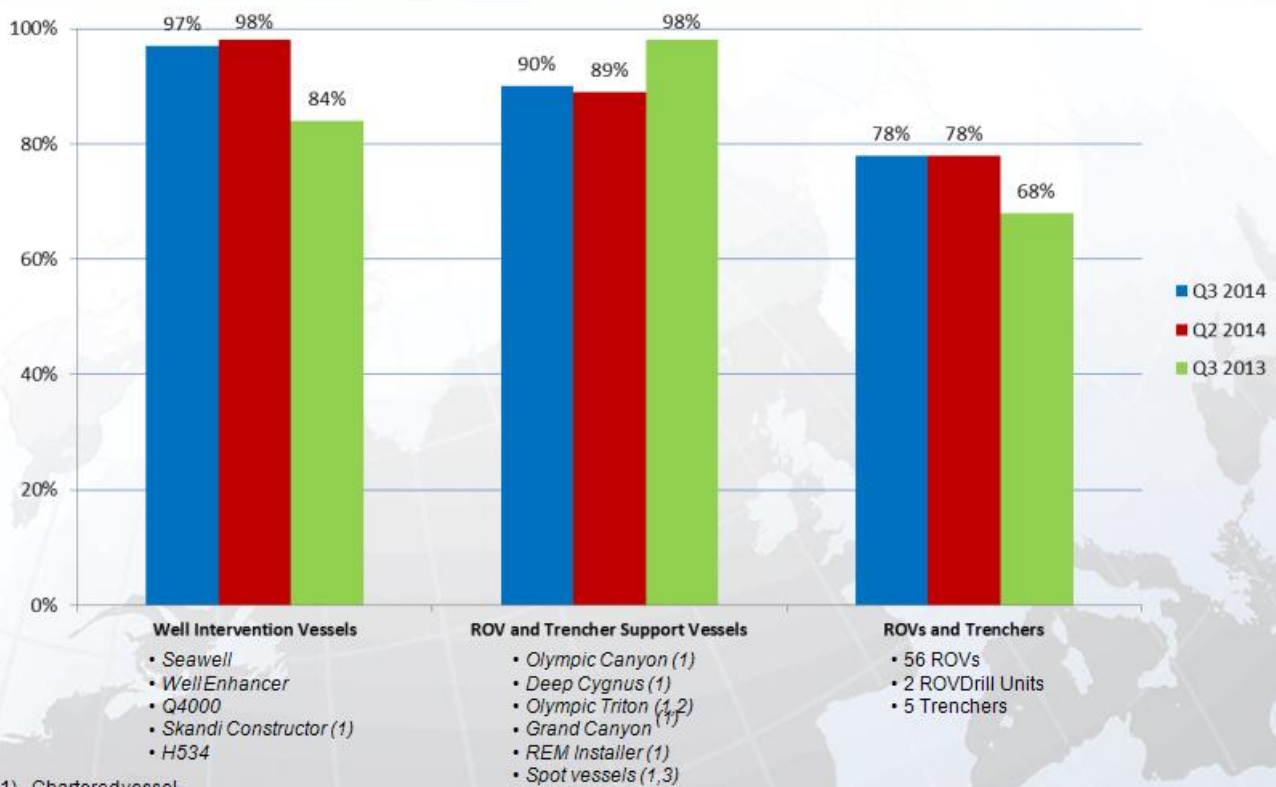
Skandi Constructor in Bay Bulls Canada

- 90% chartered vessel fleet utilization in Q3
 - 197 days utilized on spot vessels (100% utilization)
 - *Olympic Triton* returned to vessel owner in September
- 78% utilization for ROVs, trenchers and ROVDrill
- *T1500* jet trencher completed both oil & gas and windfarm trenching projects on-board a spot vessel during the quarter
- *REM Installer* completed a seven month “walk-to-work” accommodation project in the North Sea; vessel transiting to the GOM in early Q4 of 2014
- *Grand Canyon* completed North Sea trenching project utilizing *T1200* jet trencher, then returned to North Sea to commence ROV services project
- *Olympic Canyon* fully utilized in India during Q3
- *Deep Cygnus* completed ROV services project and dive support project in the North Sea; vessel off-hire for approximately 24 days in September for scheduled crane maintenance



Workclass ROV - UHD 86

Utilization



Well Intervention Vessels

- Seawell
- Well Enhancer
- Q4000
- Skandi Constructor (1)
- H534

ROV and Trencher Support Vessels

- Olympic Canyon (1)
- Deep Cygnus (1)
- Olympic Triton (1,2)
- Grand Canyon (1)
- REM Installer (1)
- Spot vessels (1,3)

ROVs and Trenchers

- 56 ROVs
- 2 ROV Drill Units
- 5 Trenchers

- (1) Chartered vessel
- (2) Vessel returned to owner in September 2014.
- (3) Robotics chartered various spot vessels during Q3 of 2014 for a total of 197 days.

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Key Balance Sheet Metrics

Debt Instrument Profile



Total funded debt of \$576 million at end of Q3 2014:

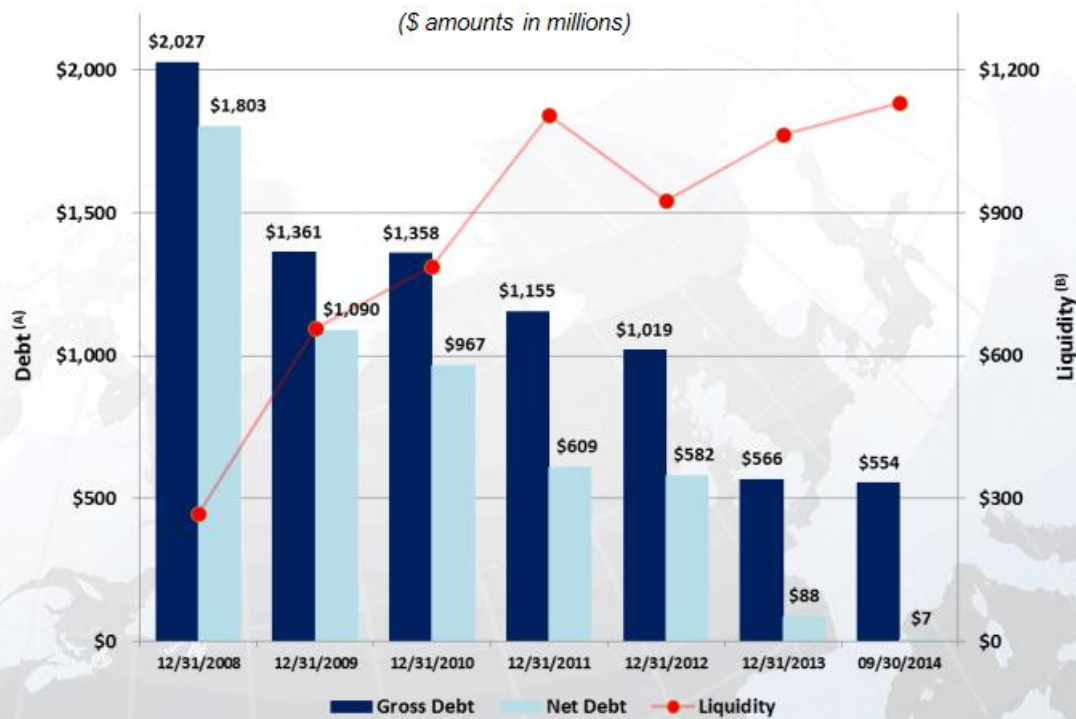
- \$200 million Convertible Senior Notes - 3.25% (A)
(\$178 million net of unamortized debt discount)
- \$281 million Term Loan - LIBOR + 2.25% (B)
 - Annual amortization payments of 5% in years 1 and 2, 10% per annum in years 3 through 5
- \$95 million MARAD Debt - 4.93%
 - Semi-annual amortization 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 09/30/2014 (\$ amounts in millions)



Debt and Liquidity Profile



Liquidity of approximately \$1.1 billion at 09/30/2014

- (A) Includes impact of unamortized debt discount under our convertible senior notes.
- (B) We define liquidity as the total of cash and cash equivalents (\$547 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)	\$ 1,110	\$ 805
EBITDA	≥ 390	300
CAPEX	~ 385	343
<i>Earnings Per Share</i> ^(A)	~ \$1.85 – \$1.95	\$1.04
Revenue Split:		
Well Intervention	\$ 670	\$ 452
Robotics	410	333
Production Facilities	95	88
Elims	(65)	(68)
On-going Operations	\$ 1,110	\$ 805
Oil and Gas	-	49
Subsea Construction	-	71
Total Revenues	\$ 1,110	\$ 925

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

Built for success, positioned for growth

2014 Outlook



- Total backlog as of September 30, 2014 was approximately \$2.4 billion, of which approximately \$2.3 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 is expecting strong utilization in Q4 of 2014, 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 under contract in Brazil for an initial period of four years, commencing mid-2016
- Seawell re-fit dry dock expected to commence in December 2014 with return to service in early Q2 of 2015
- Skandi Constructor scheduled for ~30 day dry dock in November 2014.
- Well Enhancer committed to the North Sea until December, when it will transit to Spain for diving operations with potential intervention work. The vessel is expected to return to the North Sea in February 2015, where it has full backlog through November 2015.

2014 Outlook



- *Rem Installer* currently transiting to the Gulf of Mexico to provide a presence for a dedicated ROV support vessel for ROV services in the region
- *Deep Cygnus* completing jet trenching scopes with *T1500* in the North Sea, then expected to transit to the GOM at the end of Q4 2014 to perform trenching on ROV services projects
- *Grand Canyon*, *T1200* and *i-Trencher* to complete a cable burial project in the North Sea, then expected to transit to the Middle East to commence a cable burial project offshore Qatar mid Q4 2014 through Q2 2015
- *Grand Canyon II* and *III* vessels expected to enter Robotics long-term chartered fleet in Q1 and Q2 of 2015, respectively

Looking Forward



- Gulf of Mexico well intervention fleet activity is expected to remain strong in 2015 and beyond
 - Both vessels, *Q4000* and *H534*, have regulatory dry docks in 2015, which provide headwinds in 2015
- North Sea based well intervention activity may be softer during the winter months
- *Seawell* refurbishment project is expected to near 90+ days in early 2015
- *Q5000* expected to enter fleet in Q3 of 2015
- Robotics expected to follow record 2014 with another strong year

2014 Outlook - Capex



- Total capital expenditures forecasted at approximately \$385 million for 2014; \$242 million incurred year-to-date^(A)
- \$68 million incurred in Q3, including:
 - Approximately \$40 million for well intervention newbuilds
 - Approximately \$13 million in Robotics
 - Approximately \$6 million incurred intervention riser system newbuilds
 - Approximately \$9 million of maintenance capex, IT and leasehold improvements; includes \$8 million in capex associated with the *Seawell* life extension project
- Total growth capital of approximately \$305 million
 - Total maintenance capital of approximately \$55 million
 - Other capital includes \$5 million in IT and leasehold improvements and approximately \$20 million used 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)

	Three Months Ended			Nine Months Ended	
	9/30/2014	9/30/2013	6/30/2014	9/30/2014	9/30/2013
Net income from continuing operations	\$ 76	\$ 45	\$ 58	\$ 188	\$ 75
Adjustments:					
Income tax provision	30	7	17	68	16
Net interest expense and other	3	13	5	13	42
Depreciation and amortization	28	22	28	81	72
EBITDA	\$ 137	\$ 87	\$ 108	\$ 350	\$ 205
Adjustments:					
Noncontrolling interests	-	(1)	-	(1)	(3)
(Gain) loss on disposition of assets	-	(16)	1	(10)	(15)
Adjusted EBITDA from continuing operations	\$ 137	\$ 70	\$ 109	\$ 339	\$ 187

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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