
**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 30, 2008

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.)
400 North Sam Houston Parkway East, Suite 400 Houston, Texas (Address of Principal Executive Offices)		77060 (Zip Code)

Registrant's telephone number, including area code: **281-618-0400**

(Former name or former address if changed since last report.)

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:

- 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))
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Item 2.02 Results of Operations and Financial Condition.

On April 30, 2008, Helix Energy Solutions Group, Inc. (“Helix”) issued a press release announcing its first quarter results of operation for the period ended March 31, 2008. Attached hereto as Exhibits 99.1, and incorporated by reference herein, is the press release.

This information is not deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (“Exchange Act”), or otherwise subject to the liabilities of that section, and such information is not incorporated by reference into any registration statements or other document filed under the Securities Act of 1933, as amended (“Securities Act”), or the Exchange Act, regardless of the general incorporation language contained in such filing, except as shall be expressly set forth by specific reference to this filing.

Item 7.01 Regulation FD Disclosure.

On April 30, 2008, Helix issued a press release announcing its first quarter results of operation for the period ended March 31, 2008. In addition, on May 1, 2008, 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 in the Investor Relations section of Helix’s website, www.HelixESG.com.

This information is not deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (“Exchange Act”), or otherwise subject to the liabilities of that section, and such information is not incorporated by reference into any registration statements or other document filed under the Securities Act of 1933, as amended (“Securities Act”), or the Exchange Act, regardless of the general incorporation language contained in such filing, except as shall be expressly set forth by specific reference to this filing.

Item 9.01 Financial Statements and Exhibits.

(c) *Exhibits.*

<u>Number</u>	<u>Description</u>
99.1	Press Release of Helix Energy Solutions Group, Inc. dated April 30, 2008 reporting financial results for the first quarter of 2008.
99.2	First Quarter Earnings 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 30, 2008

HELIX ENERGY SOLUTIONS GROUP, INC.

By: /s/ A. WADE PURSELL

A. Wade Pursell
Executive Vice President and Chief Financial Officer

Index to Exhibits

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99.2	First Quarter Earnings Conference Call Presentation.



PRESSRELEASE

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**08-010****Date: April 30, 2008**
Contact: Wade Pursell
Title: Chief Financial Officer
Helix Reports First Quarter Results

HOUSTON, TX — Helix Energy Solutions (NYSE: HLX) reported first quarter net income of \$74.3 million, or \$0.79 per diluted share, compared to \$55.8 million, or \$0.60 per diluted share reported for the first quarter of 2007.

Summary of Results

(in thousands, except per share amounts and percentages)

	First Quarter		Fourth Quarter
	2008	2007	2007
Revenues	\$ 450,737	\$ 396,055	\$ 500,243
Gross Profit	120,879	135,615	70,058
	27%	34%	14%
Net Income	74,335	55,820	120,412*
	17%	14%	24%
Diluted Earnings Per Share	\$ 0.79	\$ 0.60	\$ 1.25*
EBITDAX	\$ 238,764	\$ 166,461	\$ 228,351

* Includes gain on Cal Dive's acquisition of Horizon.

Owen Kratz, President and Chief Executive Officer of Helix, stated, "A few months ago we laid our budget assumptions for 2008. I am pleased to report first quarter was a strong operating quarter for us. Services performed better than our budget assumptions and production rates as well as commodity prices exceeded our budget assumptions. We also executed the first of the budgeted production sales in this quarter with others progressing as planned."

Financial Highlights

- Revenues: The \$54.7 million increase in year-over-year first quarter revenues was driven by increases in revenue from both Oil and Gas production and Contracting Services due primarily to continued market demand in the deepwater and an increase in year-over-year commodity prices.
- Margins: Margins of 27% for the first quarter 2008 were 7 points lower than 34% in the first quarter of 2007 as Cal Dive experienced a seasonal margin decline, the Q4000 was out of service for upgrades, and we experienced a \$14 million impairment at our Devil's Island field.
- Sale of Oil and Gas Interests: The Company sold 30% working interests in its Danny Noonan discoveries in two separate transactions for total cash consideration of approximately \$165 million, an obligation of the purchaser to pay their 30% share of all related future capital expenditures and an obligation to pay up to an additional \$20 million based on reaching production milestones. The first transaction for 20% closed March 31, 2008 and resulted in a gain of \$61.1 million in the first quarter. The second transaction for 10% closed on April 23, 2008.
- SG&A: \$47.8 million increased \$17.2 million over the same period a year ago due primarily to increased overhead to support our growth (particularly Cal Dive) and severance relating to the resignation of our former CEO. Excluding the severance, this level of SG&A was 9% of first quarter revenues, compared to 8% in the year ago quarter.
- Equity in Earnings: \$10.9 million is comprised of our share of earnings for the quarter relating to the Marco Polo facility and the Independence Hub facility.
- Income Tax Provision: The Company's effective tax rate for the quarter was 36.6%, compared to the 34% effective rate for last year's first quarter due primarily to provision of deferred taxes relating to Cal Dive's earnings.
- Balance Sheet: Total consolidated net debt as of March 31, 2008 was \$1.7 billion. This includes \$335 million outstanding under Cal Dive's term loan that was used to fund the cash portion of its acquisition of Horizon Offshore, which loan is non-recourse to Helix. Total consolidated net debt as of March 31, 2008 represents 46% net debt to book capitalization.

Further details are provided in the presentation for Helix's quarterly conference call (see the Investor Relations page of www.HelixESG.com). The call, scheduled for 8:00 a.m. Central Daylight Time on Thursday, May 1, 2008, will be webcast live. If you wish to dial in to the call the telephone number is 888 791 6044 (Domestic) or 1-210-234-0006 (International). The pass code is Pursell. A replay will be available from the Audio Archives page on our website.

Helix Energy Solutions, headquartered in Houston, Texas, is an international offshore energy company that provides development solutions and other key life of field services to the open energy market as well as to our own oil and gas business unit.

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 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 statement concerning developments, performance or industry rankings; 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 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 ending December 31, 2007. We assume no obligation and do not intend to update these forward-looking statements.

HELIX ENERGY SOLUTIONS GROUP, INC.

Comparative Condensed Consolidated Statements of Operations

(in thousands, except per share data)	Three Months Ended Mar. 31,	
	2008	2007
	(Unaudited)	
Net revenues:		
Contracting services	\$ 279,686	\$ 265,088
Oil and gas	171,051	130,967
	450,737	396,055
Cost of sales:		
Contracting services	220,186	178,055
Oil and gas	109,672	82,385
	329,858	260,440
Gross profit	120,879	135,615
Gain on sale of assets, net	61,113	—
Selling and administrative expense	47,784	30,600
Income from operations	134,208	105,015
Equity in earnings of investments	10,923	6,104
Net interest expense and other	26,046	13,012
Income before income taxes	119,085	98,107
Provision for income taxes	43,632	33,123
Minority interest	237	8,219
Net income	75,216	56,765
Preferred stock dividends	881	945
Net income applicable to common shareholders	\$ 74,335	\$ 55,820
Weighted Avg. Common Shares Outstanding:		
Basic	90,413	89,994
Diluted	95,186	94,312
Earnings Per Common Share:		
Basic	\$ 0.82	\$ 0.62
Diluted	\$ 0.79	\$ 0.60

Comparative Condensed Consolidated Balance Sheets

ASSETS

(in thousands)	Mar. 31, 2008 (unaudited)	Dec. 31, 2007
Current Assets:		
Cash and equivalents	\$ 176,119	\$ 89,555
Accounts receivable	404,008	512,132
Other current assets	122,720	125,582
Total Current Assets	702,847	727,269
Net Property & Equipment:		
Contracting Services	1,618,051	1,507,463
Oil and Gas	1,776,719	1,737,225
Equity investments	207,579	213,429
Goodwill	1,087,904	1,089,758
Other assets, net	194,870	177,209
Total Assets	\$ 5,587,970	\$ 5,452,353

LIABILITIES & SHAREHOLDERS' EQUITY

(in thousands)	Mar. 31, 2008 (unaudited)	Dec. 31, 2007
Current Liabilities:		
Accounts payable	\$ 321,595	\$ 382,767
Accrued liabilities	215,092	221,366
Income taxes payable	26,849	—
Current mat of L-T debt (1)	54,301	74,846
Total Current Liabilities	617,837	678,979
Long-term debt (1)	1,835,878	1,725,541
Deferred income taxes	626,946	625,508
Decommissioning liabilities	192,727	193,650
Other long-term liabilities	66,026	63,183
Minority interest	267,978	263,926
Convertible preferred stock (1)	55,000	55,000
Shareholders' equity (1)	1,925,578	1,846,566
Total Liabilities & Equity	\$ 5,587,970	\$ 5,452,353

(1) Net debt to book capitalization — 46% at March 31, 2008. Calculated as total debt less cash and equivalents (\$1,714,060) divided by sum of total net debt, convertible preferred stock and shareholders' equity (\$3,694,638).

Helix Energy Solutions Group, Inc.
Reconciliation of Non GAAP Measures
Three Months Ended March 31, 2008

Earnings Release:

Reconciliation From Net Income to Adjusted EBITDAX:

	<u>1Q08</u>	<u>1Q07</u>	<u>4Q07</u>
		(in thousands)	
Net income applicable to common shareholders	\$ 74,335	\$ 55,820	\$ 120,412
Cal Dive gains	—	—	(98,602)
Non-cash impairment and other unusual items	—	—	57,814
Preferred stock dividends	881	945	881
Income tax provision	43,523	28,617	37,552
Net interest expense and other	23,236	12,331	14,396
Depreciation and amortization	94,901	67,558	84,695
Exploration expense	<u>1,888</u>	<u>1,190</u>	<u>11,203</u>
Adjusted EBITDAX	<u>\$ 238,764</u>	<u>\$ 166,461</u>	<u>\$ 228,351</u>

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. Adjusted EBITDAX margin is defined as adjusted EBITDAX divided by net revenues. 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.



First Quarter Earnings Conference Call

May 1, 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.

The United States Securities and Exchange Commission permits oil and gas companies, in their filings with the SEC, to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. Statements of proved reserves are only estimates and may be imprecise. Any reserve estimates provided in this presentation that are not specifically designated as being estimates of proved reserves may include not only proved reserves but also other categories of reserves that the SEC's guidelines strictly prohibit the Company from including in filings with the SEC. Investors are urged to consider closely the disclosure in the Company's 2007 Form 10-K.



Presentation Outline

- **Executive Summary**
 - A. Summary of Results
 - B. 2008 Outlook
- **Strategy**
- **Operational Highlights by Segment**
 - A. Contracting Services
 - B. Oil & Gas
- **Questions & Answers**



Executive Summary

Highlights

(\$ in millions, except per share data)

	1Q2008	1Q2007
Revenue	\$450.7	\$396.1
EBITDAX ^(A)	\$238.8	\$166.5
Net Income	\$74.3	\$55.8
EPS	\$0.79	\$0.60

First Quarter Highlights

- EBITDAX Totaled \$238.8 million
 - Contracting Services \$ 56.9 million
 - Oil & Gas \$186.2 million
 - Elimination \$ (4.3) million
 - Total \$238.8 million
- Contracting Services exceeded expectations
 - Continuing strong market demand in deepwater
 - Seasonal decline in activity on the shelf, as anticipated
- E&P Production exceeded our expectation and we executed sell down of deepwater discovery

^(A) See GAAP reconciliation on page 19.

2008 Outlook

Initial Guidance

(\$ in millions, except per share data)

Revenue	2008E	2007	% Increase
Contracting Services	\$1,700	\$1,335	27%
Oil & Gas	\$ 600	\$ 582	3%
Elimination	\$ (200)	\$(150)	
Total Revenue	\$2,100	\$1,767	19%

EBITDAX ^(A)			
Contracting Services ^(B)	\$ 400	\$ 380	5%
Oil & Gas	\$ 590	\$ 467	26%
Elimination	\$ (50)	\$ 23	
Total EBITDAX	\$ 940	\$ 824	14%

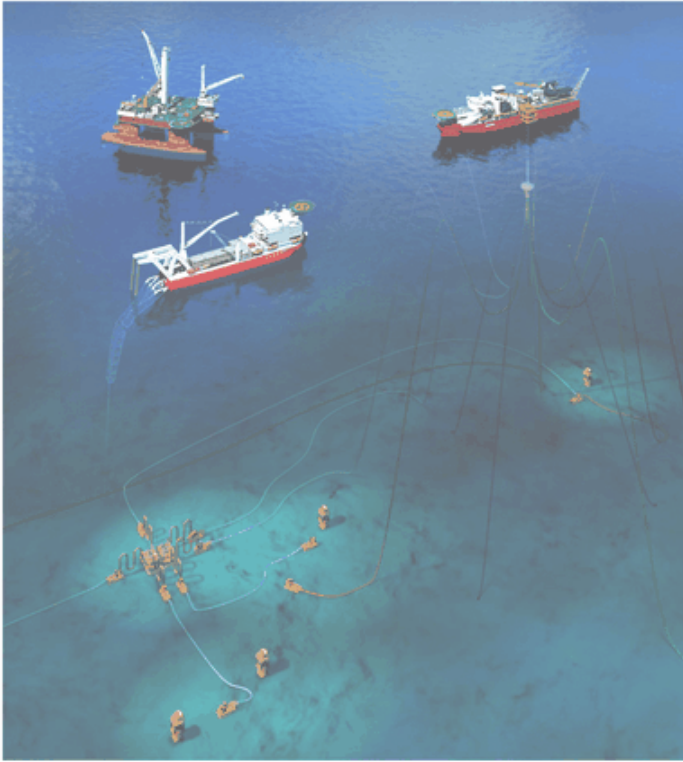
EPS	\$ 3.36	\$ 3.05^(C)	10%
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Notes

- A. See non GAAP reconciliation on page 19.
 B. Includes only our share of Cal Dive's EBITDA (58% in 2008, 73% in 2007)
 C. Excluding the impact of unusual items (gain on Horizon acquisition, oil and gas impairments, OTSL impairments and other)

Update

- Various moving parts with respect to initial assumptions, both positive and negative
- Reaffirm our 2008 base guidance (i.e., excluding the impact of Oil & Gas sales) without consideration of positive commodity price impact
- Currently reviewing extent of further Oil & Gas sell downs



STRATEGY



Objectives Update

2008 Objectives

Sell down interests in Oil & Gas properties capturing value while mitigating risk, reducing intercompany profit deferral and funding capital program.

Complete new services assets and deepwater developments.

Outperform guidance.

Q1 Update

- Sold 30% of Danny Noonan.
 - Additional properties being marketed.
-
- Q4000 marine upgrades and drilling capability completed.
 - Caesar pipelay vessel conversion progressing. Expected to be delayed to Q4 and over budget, but still at a competitive cost basis.
 - *Helix Producer I* (HPI) production vessel progressing. Expected to be delayed and over budget, but still cost effective.
 - Added 3 new ROVs.
 - Noonan development on or possibly ahead of budget and schedule.
 - Phoenix development delayed due to *HPI* delay.
-
- Outperformed budget for Q1. Too early in year to adjust guidance.



OPERATIONAL HIGHLIGHTS BY SEGMENT

Contracting Services – World Class fleet and Capabilities

Deepwater Construction

- MSV DP2 Intrepid (reeled pipelay vessel)
- MSV DP2 Express (reeled pipelay vessel)
- DP2 Caesar (S-Lay vessel) (2008; under conversion)



Production Facilities

- Marco Polo TLP (50% interest)
- Independence Hub (20% interest)
- Helix Producer I (2008; under conversion)



Shelf Contracting

- Cal Dive (~58% interest)

Robotics (Canyon Offshore)

- 42 ROVs
- 5 trenchers
- 2000 HP i- trencher (2008; under construction)
- 2 ROV drill units
- Portable pipelay system (2008; under construction)
- Long term charters
 - DP2 Northern Canyon
 - DP2 Olympic Canyon
 - DP2 Olympic Triton
 - DP2 Island Pioneer
 - DP2 Seacor Canyon
- Short term charters
 - On an opportunistic basis to serve spot market



Well Operations (Well ops)

- MSV DP2 Seawell
- MSV DP2 Q4000
- MSV DP2 Well Enhancer (2009; under construction)
- 3 SILs
- 1 IRS
- 1 VDS
- Tooling (AXE, CIT)



Reservoir Engineering and Well Technology Services

- Helix RDS

Contracting Services

(in millions, except percentages)

<u>Revenues</u> ^(A)	1Q2008		1Q2007		4Q2007	
Deepwater Contracting	\$149.4		\$92.5		\$175.8	
Shelf Contracting (Cal Dive)	144.6		149.2		162.2	
Well Operations	25.3		35.4		39.9	
Reservoir/Well Technology Services	9.1		9.8		8.4	
Contracting Services	\$328.4		\$286.9		\$386.3	
<u>Gross Profit</u> ^(A)	<u>Margin</u>		<u>Margin</u>		<u>Margin</u>	
Deepwater Contracting	\$36.7	25%	\$29.5	32%	\$40.7	23%
Shelf Contracting (Cal Dive)	24.7	17%	58.0	39%	53.9	33%
Well Operations	0.5	2%	3.7	10%	11.0	28%
Reservoir/Well Technology Services	2.3	25%	3.0	31%	1.2	14%
Contracting Services	\$64.2	20%	\$94.2	33%	\$106.8	27%
<u>Equity in Earnings</u>						
Production Facilities	\$10.9		\$5.2		\$10.5	

A. Amounts are before intercompany eliminations. See non GAAP reconciliation on page 20.

Contracting Services

Continued

Utilization	1Q2008	1Q2007	4Q2007
Deepwater: – Deepwater Construction	99%	93%	100%
– Robotics	66%	70%	68%
Shelf Contracting (Cal Dive)	31%	70%	52%
Well Operations	26%	65%	44%

Independence Hub & Marco Polo Production

Total throughput:

Marco Polo (MBOE)	3,126	2,978	3,554
Independence Hub (BCFe)	77.2	0	64.7

Contracting Services

Commentary (1)

Deepwater Construction

- The *Intrepid* and the *Express* had nearly full utilization and contributed \$20.1 MM of gross profit.
- Margins were lower due to the large increased amount of sub-contractor work and use of chartered vessel.
- The MSV *Express* and DSV *Eclipse* working offshore India on the Reliance KGD6 project.

Robotics (Canyon Offshore)

- Canyon had another strong quarter with gross profit of nearly \$16.6 MM. Canyon had five active vessels under contract during the quarter working in the North Sea, West Africa, Brazil, GOM, Malaysia and Australia
- Canyon was awarded a new contract from a minerals mining company for the use of Canyon's ROV drill units

Shelf Contracting (Cal Dive)

- Utilization and margins down due to more traditional seasonality.
- See separate earnings release and conference call for this majority owned subsidiary.



Subsea manifold
being installed
by Express

Contracting Services

Commentary (2)

Well Operations

- The *Seawell* did not have any work in the month of January. She worked on Well Intervention projects in February and March and has work contracted for the majority of 2008.
- The *Q4000* spent the entire quarter in the shipyard for scheduled marine and drilling upgrades. The vessel has a busy schedule with tophole drilling, completion and deepwater well intervention work for the rest of the year.
- Well Ops SEA well intervention equipment mobilized on Havila Harmony on Woodside project offshore Australia

Reservoir / Well Technology Services

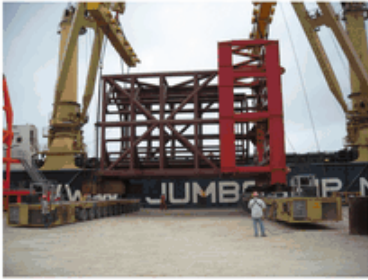
- Compared with the fourth quarter of 2007, Helix RDS business showed a welcome increase in contribution. We see increased demand for these highly specialized services.

Production Facilities

- Recorded a record equity in earnings of \$10.9 MM for the quarter due to strong contribution from our 20% interest in Independence Hub LLC.
- Independence Hub platform shut in on April 9, 2008 as the result of a leak in the Independence Trail gas export pipeline. The owner of the pipeline expects the shutdown to last until mid May.



Images of the Quarter



Offloading of the HPI DTS Hang-Off Structure at Kiewit's yard, Ingleside Texas



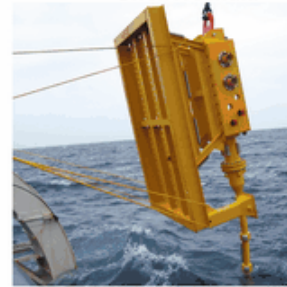
Caesar being painted in Nantong, China



Express working on Reliance KGD6 project Offshore India

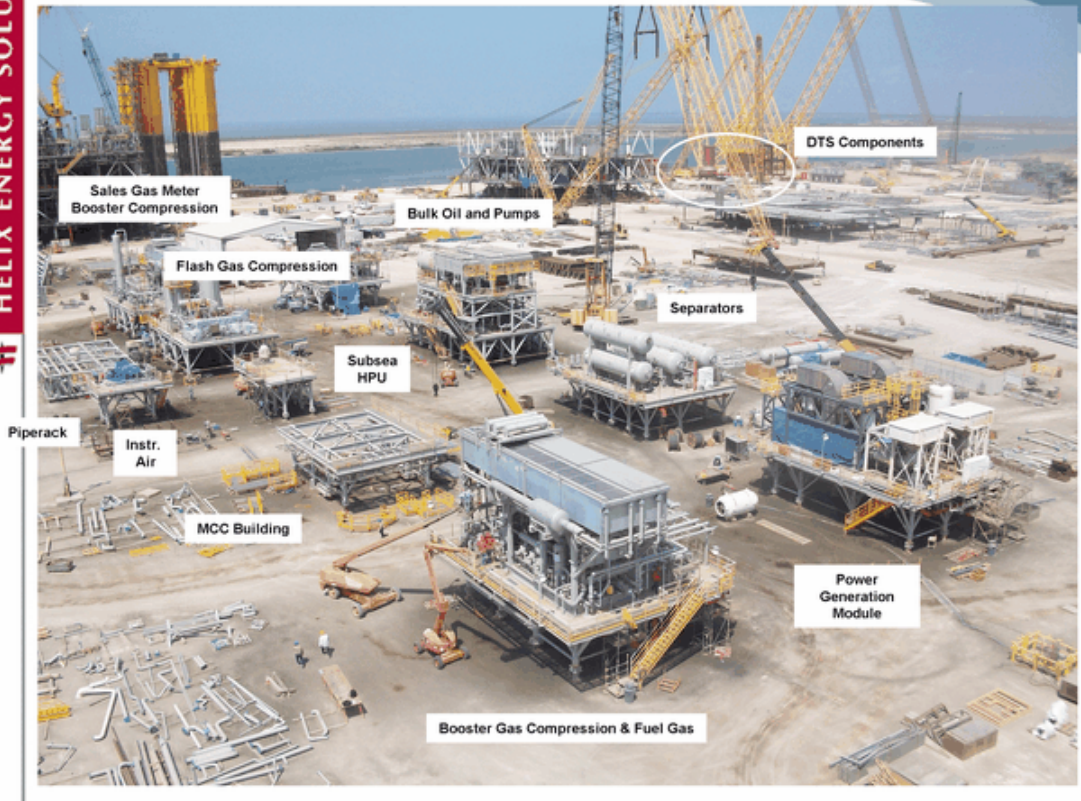


Well Enhancer construction at IHC Merwede's yard ongoing; launch scheduled for May 31, 2008



Installation of Noonan infield umbilical with UTA's

HPI Modules



Oil & Gas

Financial Highlights

	1Q2008	1Q2007	4Q2007
Revenue (in millions)	\$171.1	\$131.0	\$169.7
Gross Profit (in millions)	\$61.4	\$48.6	\$64.8 ^(A)
Gross Profit Margin	36%	37%	38%
Production (BCFe)			
• Shelf	13.2	12.2	14.1
• Deepwater	<u>2.2</u>	<u>3.4</u>	<u>3.4</u>
Quarter Total	15.4	15.6	17.5
Average Commodity Prices ^(B)			
• Oil / Bbl	\$87.30	\$56.36	\$80.53
• Gas / Mcf	\$8.94	\$7.66	\$7.99
• Hedge gain / (loss) (in millions)	\$1.1	\$2.1	\$(5.0)

(A) 4Q 2007 Gross Profit reflects the oil & gas amount without the \$91.0 million of impairment / dry hole related items.

(B) Net of hedging impact

Oil & Gas – Statistics (A)

(in millions, except per Mcfe data)

Cost	1Q2008		1Q2007		4Q2007	
	Total	Per Mcfe	Total	Per Mcfe	Total	Per Mcfe
Operating Expenses	\$25.2	\$1.63	\$22.0	\$1.41	\$23.3	\$1.33
Proved & Prospect Impairments	0	0	0	0	68.4	3.91
Exploration Expense ^(B)	1.9	0.12	1.2	0.08	11.2	0.64
Repair & Maintenance	7.6	0.49	6.6	0.42	8.2	0.47
DD&A ^(D)	70.1	4.54	46.9	3.01	71.2	4.07
Other ^(c)	3.9	0.25	3.8	0.25	12.1	0.69
	\$108.7	\$7.03	\$80.5	\$5.17	\$194.4	\$11.10

^(A) U.S. only.

^(B) Includes dry hole costs and expenditures on seismic data.

^(c) Includes accretion expense and abandonment overruns related to hurricanes, net of insurance.

^(D) Includes \$16.7 million and \$12.5 million incremental DDA for reserve impairments for 1Q08 and 4Q07, respectively.

Summary of 2008 – 2009 Hedging Positions

Helix Energy Solutions Group, Inc.
Summary of Hedging Positions
April 2008 through December 2009

<i>Oil (Bbls)</i>	Forward Sales	Collars	Swaps	Total Volume Hedged	Forward Pricing	Swap Pricing	Average Collar Price	
							Floor	Ceiling
2008	375,000	360,000	240,000	735,000	\$ 72.20	\$ 107.02	\$ 57.50	\$ 78.04
2009	1,800,000	-	-	1,800,000	\$ 71.79	\$ -	\$ -	\$ -
<i>Natural Gas (mcf)</i>								
2008	11,230,200	4,950,000	-	16,180,200	\$ 8.25	\$ -	\$ 7.23	\$ 9.77
2009	17,976,400	-	-	17,976,400	\$ 8.23	\$ -	\$ -	\$ -
<i>Totals (mcf)</i>								
2008	13,480,200	7,110,000	1,440,000	22,030,200				
2009	28,776,400	-	-	28,776,400				
Grand Totals	42,256,600	7,110,000	1,440,000	50,806,600				

Non GAAP Reconciliations

Slide 4 (Executive Summary):

Reconciliation From Net Income to Adjusted EBITDAX

	2008	2007
	(in thousands)	
Net income applicable to common shareholders	\$ 74,335	\$ 56,820
Preferred stock dividends	881	945
Income tax provision	43,523	28,617
Net interest expense and other	23,236	12,331
Depreciation and amortization	94,901	67,558
Exploration expense	1,888	1,190
Adjusted EBITDAX ⁽¹⁾	\$ 238,764	\$ 166,461

(1) 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. Adjusted EBITDAX margin is defined as adjusted EBITDAX divided by net revenues. 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.

Slide 5 (2008 Outlook):

	Contracting Services	Cal Dive Adjustment	Adjusted Contracting Services	Oil & Gas	Eliminations	Total
	(in thousands)					
2008						
Net income applicable to common shareholders	\$ 150,000	\$ -	\$ 150,000	\$ 204,000	\$ (33,000)	\$ 321,000
Preferred stock dividends	3,000	-	3,000	-	-	3,000
Income tax provision	109,000	(25,000)	85,000	110,000	(18,000)	178,000
Net interest expense and other	60,000	(11,000)	49,000	33,000	-	82,000
Depreciation and amortization	143,000	(31,000)	112,000	205,000	-	317,000
Non-cash impairment	-	-	-	13,000	-	13,000
Exploration expense	-	-	-	26,000	-	26,000
Adjusted EBITDAX ⁽¹⁾	\$ 465,000	\$ (66,000)	\$ 400,000	\$ 591,000	\$ (51,000)	\$ 940,000
2007						
Net income applicable to common shareholders	\$ 190,415	\$ -	\$ 190,415	\$ 48,877	\$ (21,132)	\$ 218,160
Preferred stock dividends	3,716	-	3,716	-	-	3,716
Income tax provision	98,732	(15,715)	83,017	24,896	(1,794)	106,119
Net interest expense and other	9,864	(2,741)	7,123	49,580	-	56,703
Non-cash stock compensation expense	11,172	(964)	10,218	2,842	-	13,060
Depreciation and amortization	81,548	(11,664)	69,884	250,371	-	300,235
Non-cash impairment	-	-	-	73,950	-	73,950
Exploration expense	-	-	-	16,847	-	16,847
Non-recurring items	8,602	-	8,602	-	-	8,602
Share of equity investments:						
Depreciation	6,423	-	6,423	-	-	6,423
Interest expense, net	(239)	-	(239)	-	-	(239)
Adjusted EBITDAX ⁽¹⁾	\$ 410,233	\$ (31,084)	\$ 379,139	\$ 487,363	\$ (22,928)	\$ 823,576

Non GAAP Reconciliations Continued

Slide 10 (Contracting Services):	1Q08	1Q07	4Q07
	(in thousands, except percentages)		
Revenues:			
Deepwater Contracting	\$ 149,400	\$ 92,537	\$ 175,815
Shelf Contracting	144,571	149,226	162,203
Well Operations	25,318	35,379	39,879
Reservoir/Well Technology Services	9,071	9,801	8,372
Intercompany elimination Deepwater Contracting	(37,944)	(11,761)	(48,219)
Intercompany elimination Shelf Contracting	(6,351)	(7,259)	(2,839)
Intercompany elimination Well Operations	(4,379)	(2,835)	(4,661)
Revenues as Reported	<u>\$ 279,686</u>	<u>\$ 265,088</u>	<u>\$ 330,550</u>
Gross Profit:			
Deepwater Contracting	\$ 36,718	\$ 29,529	\$ 40,684
Shelf Contracting	24,690	57,952	53,941
Well Operations	505	3,704	11,039
Reservoir/Well Technology Services	2,346	3,002	1,165
Corp & Ops Support	(729)	(1,741)	(1,812)
Intercompany elimination Deepwater Contracting	(2,667)	(2,018)	(6,200)
Intercompany elimination Shelf Contracting	(1,117)	(3,395)	(1,423)
Intercompany elimination Well Operations	(246)	-	(286)
Gross Profit as Reported	<u>\$ 59,500</u>	<u>\$ 87,033</u>	<u>\$ 97,108</u>
Gross Profit Margin	21%	33%	29%



Thank You