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 29, 2008

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

Minnesota	**001-32936**	**95-3409686**
(State or other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

400 North Sam Houston Parkway East, Suite 400 Houston, Texas	**77060**
(Address of Principal Executive Offices)	(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:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o 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 29, 2008, Helix Energy Solutions Group, Inc. (“Helix”) issued a press release announcing its third quarter results of operation for the period ended September 30, 2008. Attached hereto as Exhibit 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 October 29, 2008, Helix issued a press release announcing its third quarter results of operation for the period ended September 30, 2008. In addition, on October 30, 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 Third Quarter Earnings Conference Call Presentation issued by Helix. The presentation materials will also be posted beginning on October 29, 2008 in the *Presentations* section under *Investor Relations* 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.*

Number	Description
99.1	Press Release of Helix Energy Solutions Group, Inc. dated October 29, 2008 reporting financial results for the third quarter of 2008.
99.2	Third 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: October 29, 2008

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 29, 2008 reporting financial results for the third quarter of 2008.
99.2	Third Quarter Earnings Conference Call Presentation.

Exhibit 99.1

HELIX ENERGY SOLUTIONS

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 08-019

Contact: Tony Tripodo

Date: October 29, 2008 Title: Chief Financial Officer

Helix Reports Quarter 3 Results and Updates 2008 Outlook

HOUSTON, TX — Helix Energy Solutions (NYSE: HLX) reported third quarter net income of $60.6 million, or $0.65 per diluted share. This compares to net income of $82.8 million, or $0.88 per diluted share, reported for the third quarter of 2007, and net income of $90.9 million, or $0.96 per diluted share, in the second quarter of 2008. Net income for the nine months ended September 30, 2008 was $225.8 million, or $2.40 per diluted share, compared to $196.4 million, or $2.07 per diluted share, for the nine months ended September 30, 2007. Net income for the third quarter of 2008 was negatively impacted by shut in oil and gas production resulting from both Hurricanes Gustav and Ike. Third quarter oil and gas production amounted to 10.5 bcfe, which was 4.4 bcfe lower than production for the second quarter of 2008. In addition to the decline in oil and gas production related to the hurricanes, the Company recorded an impairment charge of $6.7 million pre-tax related to oil and gas production in the Tiger field that will be abandoned as a result of damage caused by Hurricane Ike.

The Company realized pre-tax gains on asset sales of oil and gas properties of approximately $19 million in the second quarter of 2008 and $80 million in the nine months ending September 30, 2008. Excluding the impact of these gains, earnings per share for the second quarter of 2008 and nine months ending September 30, 2008 would have been $0.86* and $1.88*, respectively. Likewise, net income for the third quarter of 2007 reflected a pre-tax gain from the sale of a 30% interest in the Phoenix oil and gas field of $19 million, or $0.13 of earnings per share.

<u>Summary of Results</u>

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

	Quarter Ended			Nine Months Ended	
	September 30		June 30	September 30	
	2008	2007	2008	2008	2007
Revenues	$ 616,216	$ 460,573	$ 540,494	$ 1,607,447	$ 1,267,202
Gross Profit	200,825	166,318	192,414	514,118	443,698
	33%	*36%*	*36%*	*32%*	*35%*
Net Income	60,587	82,828	90,902	225,824	196,350
Diluted Earnings per Share	$ 0.65	$ 0.88	$ 0.96	$ 2.40	$ 2.07
Adjusted EBITDAX*	$ 201,584	$ 222,410	$ 241,181	$ 681,529	$ 575,077

* Non-GAAP measure. See reconciliation attached hereto.

Owen Kratz, President and Chief Executive Officer of Helix, stated, "During the third quarter, we achieved record quarterly revenues and gross profit, led by strong performance from both our Contracting Services segment as well as our Shelf Contracting Services segment (Cal Dive), which offset the deferred production resulting from the back-to-back disruptions caused by Hurricanes Gustav and Ike. However, these strong operating results did not translate into a corresponding record for earnings per share due to higher minority interest elimination resulting from Cal Dive's strong performance and the fact that we did not realize any gains for oil and gas property sales, as we had in the first two quarters of 2008.

Our near term efforts are focused on restoring our oil and gas production, managing our balance sheet as well as our ongoing capital projects."

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

	Quarter Ended		
	September 30		June 30
	2008	2007	2008
Revenues:			
Contracting Services	$ 284,671	$ 192,331	$ 228,351
Shelf Contracting	278,709	176,928	171,970
Oil and Gas	134,619	141,821	194,161
Intercompany Elim.	(81,783)	(50,507)	(53,988)
Total	$ 616,216	$ 460,573	$ 540,494
Income from Operations:			
Contracting Services	$ 56,845	$ 43,697	$ 37,993
Shelf Contracting	72,719	56,993	29,498
Production Facilities & Equity Investments	(140)	(182)	(156)
Oil and Gas (1)	34,198	51,443	104,202
Intercompany Elim.	(13,520)	(7,078)	(4,241)
Total	$ 150,102	$ 144,873	$ 167,296
Equity in earnings of equity investments	$ 8,886	$ 7,889	$ 6,155

(1) Q3, 2007 included a pre-tax gain on the sale of a 30% working interest in the Phoenix field of $19 million. Q2, 2008 included a pre-tax gain of $19 million on sales of oil and gas properties.

<u>Contracting Services</u>

- Deepwater construction revenues in the third quarter of 2008 benefitted from high asset utilization compared to prior periods, combined with high utilization of our robotics assets.
- Revenues from well intervention operations increased in the third quarter as compared to the second quarter of 2008 due mainly to having the Q4000 available for a full quarter at high utilization levels after completing its capital upgrades near the end of the second quarter.
- Gross profit margins for the Company's Contracting Services segment improved from the second quarter mainly as a result of higher asset utilization.

Shelf Contracting

- Shelf Contracting (Cal Dive) revenues, gross profit and net income increased significantly compared to the second quarter of 2008 as a result of seasonal improvement in demand for its vessels and higher vessel utilization.
- Higher demand rates for Cal Dive's vessels are allowing the Shelf Contracting segment to realize higher contracting rates, particularly for its surface diving vessels.

Oil and Gas

- Oil and Gas revenues for the three months ended September 30, 2008 decreased significantly compared to the second quarter of 2008 primarily as a result of production shut in from Hurricanes Gustav and Ike. Production for the third quarter of 2008 fell to 10.5 bcfe compared to 14.9 bcfe for the second quarter of 2008.
- As disclosed in the Company's press release of September 23, 2008, nearly all the Company's oil and gas production was shut in as a result of Hurricane Ike. As of Monday, October 27, production had been restored to a level of approximately 30% of pre-Hurricane Ike levels of approximately 160 mmcfe/day. Further, the Company's ability to restore production is subject, for the most part, to the repair and restoration of third party pipelines and onshore production facilities, a matter largely out of the Company's control. Based on present estimates of when these pipelines and assets will become operational again, the Company anticipates reaching pre-Hurricane Ike production levels by the end of December. Based on these estimates, the Company expects fourth quarter, 2008 production to be in the range of 7.5 to 8.0 bcfe with production in the first quarter of 2009 expected to surpass second quarter, 2008 levels as a result of incremental production anticipated from the Noonan gas discovery. Again, these forecasted production rates are subject to estimated dates for the operational restoration of third party pipelines and onshore processing facilities, a matter largely beyond the Company's control.

Other Expenses

- Selling, general and administrative expenses for the quarter were 8.2% of revenue, compared to 8.1% in the second quarter of 2008.
- Net interest expense and other increased to $23.5 million in the third quarter of 2008, up from $18.7 million in the second quarter. The increase in other expense was primarily due to higher foreign exchange losses recorded during the quarter as a result of the strengthening of the U.S. dollar.

Financial Condition and Liquidity

- Consolidated net debt at September 30, 2008 increased to $1.87 billion from $1.84 billion as of June 30, 2008. $335 million of total indebtedness relates to Cal Dive's borrowings under its senior credit facilities, which are non-recourse to Helix. Net debt to book capitalization as of September 30, 2008 was 47%. (Net debt to book capitalization is a non-GAAP measure. See reconciliation attached hereto.)
- As of September 30, 2008, the Company had borrowings and L/Cs outstanding under its revolving credit facility totaling $198.5 million, with $221.5 million available to be drawn under the facility. In order to ensure adequate and readily available liquidity, the Company drew $175 million under the facility during the month of October. The Company expects to utilize a portion of this additional drawdown during the fourth quarter in order to fund its ongoing capital program as well as to fund operations in light of reduced oil and gas production levels.
- Year-to-date capital expenditures (excluding $71 million related to Cal Dive) through September 30, 2008 totaled $658 million. Helix's projected capital expenditures for 2008 (excluding Cal Dive) will range from $800 to $850 million.
- In light of the impacts to the Company from decreased oil and gas revenues due to hurricane related shut in, the Company has taken the following actions to bolster its financial condition and liquidity:

- Hedged an additional amount of expected 2009 oil and gas production (see quarterly conference call presentation for more details) in order to protect more of the Company's expected 2009 cash flow.
- Reduced the planned level of 2008 capital expenditures. The previously disclosed range of $800 to $850 million is lower than the $875 to $925 million range previously forecasted after the second quarter of 2008. We have also reduced planned capital spending for 2009 and now expect 2009 capital spending to be approximately half of 2008 levels.
- Drew down the previously mentioned $175 million on its revolving credit facilities. Based on the Company's current financial projections, assumptions on commodity prices and expected restoration levels of oil and gas production, the Company expects that the remaining capacity in its revolving credit facility will be sufficient to fund operations and capital spending without having to seek additional financial capital.

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 9:00 a.m. Central Daylight Time on Thursday, October 30, 2008, will be webcast live. If you wish to dial in to the call the telephone number is 800 475 0212 (Domestic) or 1-312-470-7004 (International). The pass code is Tripodo. 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 reservoir development solutions and other contracting services to the energy market as well as to its own oil and gas business unit. Helix's contracting services segment utilizes its vessels and offshore equipment that when applied with its methodologies reduce finding and development costs and cover the complete lifecycle of an offshore oil and gas field. Helix's oil and gas segment engages in prospect generation, exploration, development and production activities. Helix operates primarily in the Gulf of Mexico, North Sea, Asia Pacific and Middle East Regions.

Management evaluates Company performance and financial condition using certain non-GAAP metrics, primarily Adjusted EBITDAX, net debt and net debt to book capitalization. We calculate Adjusted EBITDAX as earnings before net interest expense, taxes, depreciation and amortization and exploration expense. Further, we reduce Adjusted EBITDAX for the minority interest in Cal Dive that we do not own. These non-GAAP measures are useful to investors and other internal and external users of our financial statements in evaluating our operating performance because they are widely used by investors in our industry to measure a company's operating performance without regard to items which can vary substantially from company to company, and help investors meaningfully compare our results from period to period. Adjusted EBITDAX should not be considered in isolation or as a substitute for, but instead is supplemental to, income from operations, net income or other income data prepared in accordance with GAAP. Net debt is calculated as the sum of financial debt less cash on hand. Net debt to book capitalization is calculated by dividing net debt by the sum of net debt, preferred stock and shareholders' equity. 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.

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 Sept. 30, 2008	Three Months Ended Sept. 30, 2007	Nine Months Ended Sept. 30, 2008	Nine Months Ended Sept. 30, 2007
	(unaudited)		(unaudited)	
Net revenues:				
Contracting services	$ 481,597	$ 318,752	$ 1,107,616	$ 852,332
Oil and gas	134,619	141,821	499,831	414,870
	616,216	460,573	1,607,447	1,267,202
Cost of sales:				
Contracting services	325,186	196,027	797,641	556,546
Oil and gas	90,205	98,228	295,688	266,958
	415,391	294,255	1,093,329	823,504
Gross profit	200,825	166,318	514,118	443,698
Gain on sale of assets, net	(23)	20,701	79,893	26,385
Selling and administrative expenses	50,700	42,146	142,405	106,134
Income from operations	150,102	144,873	451,606	363,949
Equity in earnings of investments	8,886	7,889	25,964	9,245
Net interest expense and other	23,464	13,467	68,178	40,765
Income before income taxes	135,524	139,295	409,392	332,429
Provision for income taxes	54,816	45,327	154,373	111,711
Minority interest	19,240	10,195	26,553	21,533
Net income	61,468	83,773	228,466	199,185
Preferred stock dividends	881	945	2,642	2,835
Net income applicable to common shareholders	$ 60,587	$ 82,828	$ 225,824	$ 196,350
Weighted Avg. Common Shares Outstanding:				
Basic	90,725	90,111	90,598	90,051
Diluted	94,779	95,649	95,266	96,087
Earnings Per Common Share:				
Basic	$ 0.67	$ 0.92	$ 2.49	$ 2.18
Diluted	$ 0.65	$ 0.88	$ 2.40	$ 2.07

Comparative Condensed Consolidated Balance Sheets

ASSETS

(in thousands)	**Sept. 30, 2008** (unaudited)	**Dec. 31, 2007**
Current Assets:		
Cash and equivalents	$ 35,761	$ 89,555
Accounts receivable	576,876	512,132
Other current assets	148,378	125,582
Total Current Assets	761,015	727,269
Net Property & Equipment:		
Contracting Services	1,822,045	1,507,463
Oil and Gas	1,785,625	1,737,225
Equity investments	206,805	213,429
Goodwill	1,077,411	1,089,758
Other assets, net	166,593	177,209
Total Assets	$ 5,819,494	$ 5,452,353

LIABILITIES & SHAREHOLDERS' EQUITY

(in thousands)	**Sept. 30, 2008** (unaudited)	**Dec. 31, 2007**
Current Liabilities:		
Accounts payable	$ 344,088	$ 382,767
Accrued liabilities	213,555	221,366
Current mat of L-T debt (1)	93,540	74,846
Total Current Liabilities	651,183	678,979
Long-term debt (1)	1,815,083	1,725,541
Deferred income taxes	669,620	625,508
Decommissioning liabilities	185,306	193,650
Other long-term liabilities	74,532	63,183
Minority interest	296,248	263,926
Convertible preferred stock (1)	55,000	55,000
Shareholders' equity (1)	2,072,522	1,846,566
Total Liabilities & Equity	$ 5,819,494	$ 5,452,353

(1) Net debt to book capitalization — 47% at September 30, 2008. Calculated as total debt less cash and equivalents ($1,872,862) divided by sum of total net debt, convertible preferred stock and shareholders' equity ($4,000,384).

Helix Energy Solutions Group, Inc.
Reconciliation of Non GAAP Measures
Three and Nine Months Ended September 30, 2008

Earnings Release:

Reconciliation From Net Income to Adjusted EBITDAX:

	3Q08	3Q07	2Q08	2008	2007
			(in thousands)		
Net income applicable to common shareholders	$ 60,587	$ 82,828	$ 90,902	$ 225,824	$ 196,350
Non-cash impairment and other unusual items	—	—	—	—	8,602
Preferred stock dividends	881	945	880	2,642	2,835
Income tax provision	40,019	40,626	52,753	136,295	99,699
Net interest expense and other	21,303	12,971	16,572	61,111	38,907
Depreciation and amortization	77,149	83,564	78,600	250,650	223,040
Exploration expense	1,645	1,476	1,474	5,007	5,644
Adjusted EBITDAX	$ 201,584	$ 222,410	$ 241,181	$ 681,529	$ 575,077

We calculate adjusted EBITDAX as earnings before net interest expense, taxes, depreciation and amortization, and exploration expense. Further, we reduce adjusted EBITDAX for the minority interest in Cal Dive that we do not own. These non-GAAP measures are useful to investors and other internal and external users of our financial statements in evaluating our operating performance because they are widely used by investors in our industry to measure a company's operating performance without regard to items which can vary substantially from company to company and help investors meaningfully compare our results from period to period. Adjusted EBITDAX should not be considered in isolation or as a substitute for, but instead is supplemental to, income from operations, net income or other income data prepared in accordance with GAAP. Non-GAAP financial measures should be viewed in addition to, and not as an alternative to our reported results prepared in accordance with GAAP. Users of this financial information should consider the types of events and transactions which are excluded.

Helix Energy Solutions Group, Inc.
Reconciliation of Non GAAP Measures
Nine Months Ended September 30, 2008

Earnings Release:

Reconciliation from Net Income to Net Income Before Gain On Asset Sales Of Oil & Gas Properties, Net:

	2008 (in thousands)	2Q08 (in thousands)
Net income	$ 228,466	$ 91,782
Less: gain on asset sales of oil & gas properties, net of taxes (below)	(48,981)	(9,258)
Net income before gain on asset sales of oil & gas properties, net	$ 179,485	$ 82,524
Diluted shares	95,266	95,928
EPS before gain on asset sales of oil & gas properties, net	$ 1.88	$ 0.86
Gain on asset sales of oil & gas properties	$ 79,707	$ 18,595
Tax expense	30,726	9,337
Gain on asset sales of oil & gas properties, net of taxes	$ 48,981	$ 9,258

Exhibit 99.2

HELIX

ENERGY SOLUTIONS

Third Quarter Earnings Conference Call

October 30, 2008

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All such statements, other than statements of historical fact, are statements that could be deemed "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, any projections of revenue, gross margin, expenses, earnings or losses from operations, or other financial items; future production volumes, results of exploration, exploitation, development, acquisition and operations expenditures, and prospective reserve levels of property or wells; any statements of the plans, strategies and objectives of management for future operations; any statements concerning developments, performance or industry rankings; and any statements of assumptions underlying any of the foregoing. Although we believe that the expectations set forth in these forward-looking statements are reasonable, they do involve risks, uncertainties and assumptions that could cause our results to differ materially from those expressed or implied by such forward-looking statements. The risks, uncertainties and assumptions referred to above include the performance of contracts by suppliers, customers and partners; employee management issues; complexities of global political and economic developments; geologic risks and other risks described from time to time in our reports filed with the Securities and Exchange Commission ("SEC"), including the Company's Annual Report on Form 10-K for the year ended December 31, 2007 and subsequent quarterly reports on Form 10-Q. You should not place undue reliance on these forward-looking statements which speak only as of the date of this presentation and the associated press release. We assume no obligation or duty and do not intend to update these forward-looking statements except as required by the securities laws.

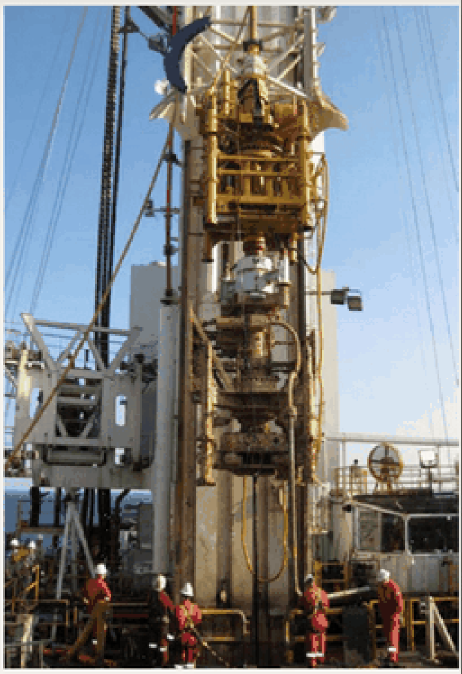
The United States Securities and Exchange Commission permits oil and gas companies, in their filings with the SEC, to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and 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 Update
  C. Production & Hurricane Recovery
  D. Liquidity and Capital Resources

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

- **Questions & Answers**



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

HELIX ENERGY SOLUTIONS

Executive Summary

Highlights

($ in millions, except per share data)

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

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

Executive Summary

Highlights of the Quarter

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

2008 Outlook Update

($ in millions, except per share data)

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

Notes:

(A) Includes 100% of Cal Dive revenues
(B) See Non-GAAP reconciliations on slides 19-22
(C) Includes our proportionate share of Cal Dive EBITDA

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

Production & Hurricane Recovery Updates

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

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

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

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

Liquidity and Capital Resources

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

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

Liquidity and Capital Resources

Credit Facilities, Commitments and Amortization

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

Helix projects continued compliance with key covenants

Operational Highlights by Segment

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

Contracting Services

($ in millions, except percentages)

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

(A) Amounts are before intercompany eliminations. See non-GAAP reconciliations on slides 19-22.
(B) Amounts represent equity in earnings of Marco Polo and Independence Hub production facilities only and exclude equity in losses of Cal Dive's investment in OTSL.

Contracting Services

Revenue and Gross Profit by Division ($ in millions)

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

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

Contracting Services

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

Contracting Services

Helix Contracting Services

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

Q4000 Intervention Riser System in operation

Contracting Services

Shelf Contracting (Cal Dive)

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

Production Facilities

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

Oil & Gas

Financial Highlights

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

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

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

Oil & Gas

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

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

(A) Includes Accretion Expense

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

Summary of 2008-2009 Hedging Positions

(Oct 2008 – December 2009)

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

Non GAAP Reconciliations

Adjusted EBITDAX *($ in millions)*

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

We calculate adjusted EBITDAX as earnings before net interest expense, taxes, depreciation and amortization, and exploration expense. Further, we reduce adjusted EBITDAX for the minority interest in Cal Dive that we do not own. These non-GAAP measures are useful to investors and other internal and external users of our financial statements in evaluating our operating performance because they are widely used by investors in our industry to measure a company's operating performance without regard to items which can vary substantially from company to company and help investors meaningfully compare our results from period to period. Adjusted EBITDAX should not be considered in isolation or as a substitute for, but instead is supplemental to, income from operations, net income or other income data prepared in accordance with GAAP. Non-GAAP financial measures should be viewed in addition to, and not as an alternative to our reported results prepared in accordance with GAAP. Users of this financial information should consider the types of events and transactions which are excluded.

Non GAAP Reconciliations

Revenue and Gross Profit As Reported ($ in millions)

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

Non GAAP Reconciliations

Updated 2008 Outlook – Adjusted EBITDAX ($ in millions)

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

(A) See definition on slide 19

Non GAAP Reconciliations

Prior 2008 Outlook – Adjusted EBITDAX ($ in millions)

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

(A) See definition on slide 19

Helix Energy Solutions