TODCO
Form 425
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Calyon
Energy Conference
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under the Securities Exchange Act of 1934
Subject Company: TODCO
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1

Forward-looking Statements

This presentation will contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements, which include any statement that does not relate strictly to historical facts, use terms such as anticipate,

assume,
believe,
estimate,
expect,
forecast,
intend,
plan,
position,
predict,
project,

or strategy

or the negative connotation or other variations of
such terms or other similar terminology. In particular, statements, express or implied, regarding future results of operations or ability to generate revenues, income or cash flow or to make acquisitions are forward-looking statements. These forward-looking statements are based on management s current plans, expectations, estimates, assumptions and beliefs concerning future events impacting Hercules Offshore, Inc. (Hercules) and therefore involve a number of risks and uncertainties, many of which are beyond management s control. These risks and uncertainties are further described in Hercules
annual report on Form 10-K and its most recent periodic reports and
other documents filed with the Securities and Exchange Commission which are available free of charge
at
the
SEC s
website
at
www.sec.gov
or
the
company s
website
at
www.herculesoffshore.com.
The
forward-looking
statements
involve
risks
and
uncertainties
that
affect
Hercules
operations
and
financial
performance.
All
forward-looking
statements
attributable
to
Hercules
representatives
are
expressly
qualified
in
their
entirety

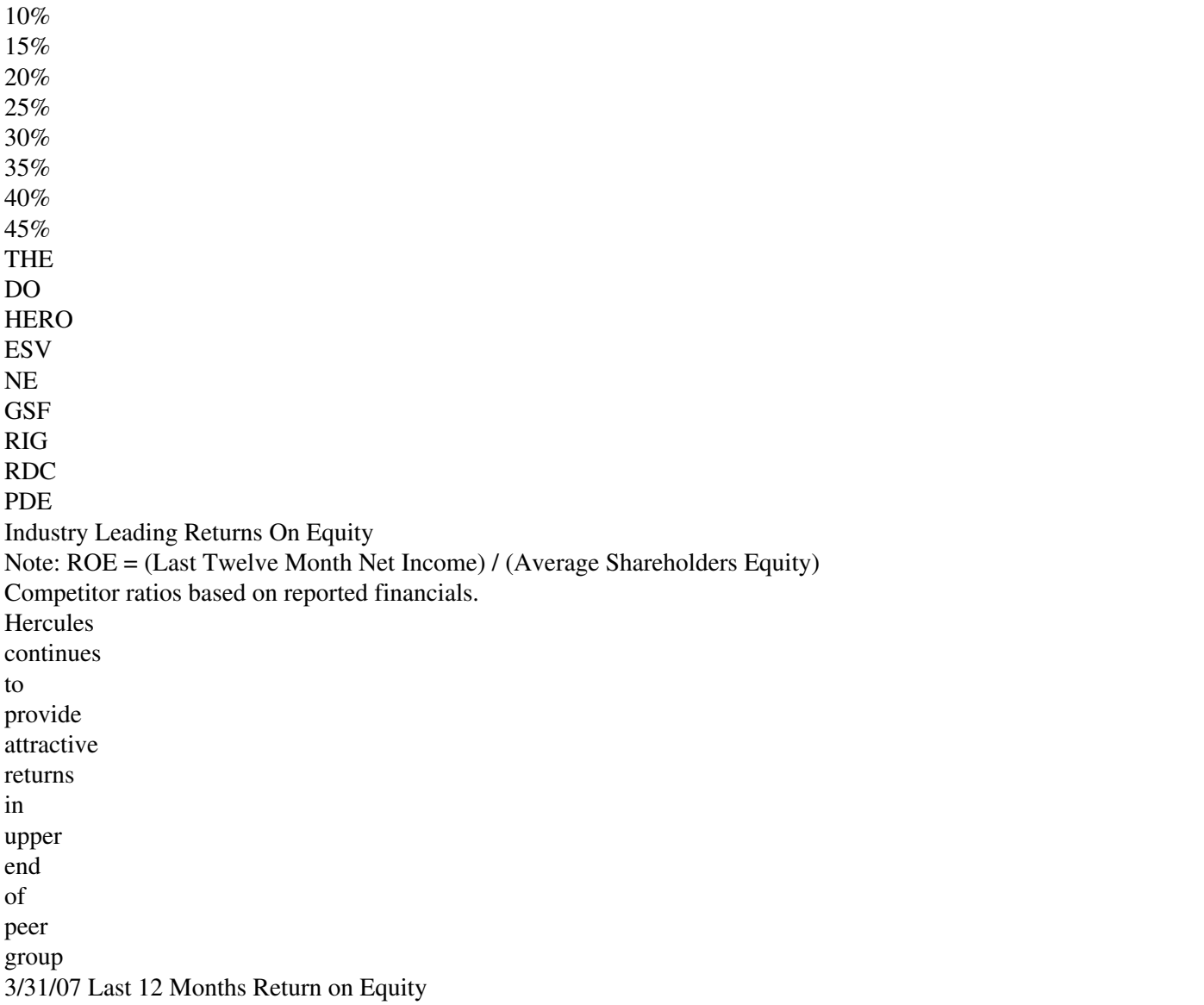
by
this
cautionary
statement.

2
$9.2
$10.8
$13.9
$24.0
$29.1
$33.7
$42.9
$47.3
$46.8
$24.9

$26.3
$28.2
$24.0
$27.0
$42.6
$54.3
$67.4
$63.7
1Q 05
2Q 05
3Q 05
4Q 05
1Q 06
2Q 06
3Q 06
4Q 06
1Q07
Liftboats
Drilling
$4.2
$4.6
$5.8
$11.7
$16.8
$20.7
$26.7
$24.5
21.7
$12.5
$12.6
$13.8
$11.3
$14.1
$26.8
$33.7
$44.0
40.2
1Q 05
2Q 05
3Q 05
4Q 05
1Q 06
2Q 06
3Q 06
4Q 06
1Q07
Liftboats
Drilling
Hercules Offshore Overview
Note: See Explanatory Information slide. Division Adjusted EBITDA does not include corporate G&A and other income/exp

Quarterly Revenue
Quarterly Adjusted EBITDA
($ in millions)
($ in millions)
Unique business mix within the oil services industry
Tremendous growth since inception in mid 2004
Experienced management team
Proven track record of strong return on capital and equity

3
37%
37%
36%
28%
27%
24%
23%
19%
13%
0%
5%



Industry Leading Returns On Equity

Note: ROE = (Last Twelve Month Net Income) / (Average Shareholders Equity)

Competitor ratios based on reported financials.

Hercules continues to provide attractive returns in upper end of peer group

3/31/07 Last 12 Months Return on Equity

4
Pending TODCO Acquisition Highlights
Consideration to TODCO shareholders
Average per share:

0.979 Hercules shares

$16.00 in cash
Cash or stock election feature (subject to proration)
Acquisition funded with existing cash on hand and a
senior secured term loan facility

Closing expected mid-2007

Subject to:

HSR approval

Hercules and TODCO shareholder votes
Post-transaction Board of Directors to include seven
Hercules and three TODCO nominees

5
A Gulf of Mexico Leader. . . With Global Reach
A New Leader in Jackup Drilling
A Leader in Liftboats
A Leader in Barge Drilling

6
Creates Shareholder Value in Near and Long-term
Accretive to earnings and cash flow per share
Opportunity to enhance future returns with lower cost of capital
Potential for multiple expansion due to size and growth prospects
1Q 07 pro forma trailing 12 month revenue of $1.4 billion and EBITDA of $630 million
Revenue
(1)
($mm)
EBITDA
(1)
($mm)

(1)
PF HERO represents Hercules plus TODCO financials per SEC filings; no accounting adjustments have been made.
$399
$1,369
0
500
1,000
1,500
HERO
PF HERO
$223
$630
0
250
500
750
HERO
PF HERO

7
Pro Forma Capital Structure as of 3/31/07
Total Debt/Total Capitalization
Total
Debt
as
a
Multiple
of
LTM
EBITDA
(1)
(1) For comparison purposes, EBITDA = Revenue
Operating Expenses

SG&A
Competitor ratios based on 1Q07 reported earnings.
1.7x
1.6x
1.4x
0.9x
0.6x
0.5x
0.4x
1.6x
0.0x
0.4x
0.8x
1.2x
1.6x
2.0x
RIG
PF
HERO
PDE
SPN
RDC
NE
GSF
DO
Acquisition-related debt allows Hercules to optimize its capital structure
Enhanced credit quality due to increased scale and scope
Term loan provides flexibility for rapid de-leveraging with significant expected free cash flow
Successful track record of de-leveraging following acquisitions
48%
34%
34%
33%
21%
19%
18%
12%
0%
20%
40%
60%
SPN
PF
HERO
RIG
PDE
RDC
NE
DO

GSF

8
Summary of Strategic Rationale
Enhances position in Gulf of Mexico and increases operational flexibility
Provides asset and geographic diversity
Expands international footprint for future growth
Creates larger, more diverse jackup fleet
Timely combination in a fragmented jackup market
Combines leaders in barge drilling and liftboats
Potential to realize meaningful synergies

Economies of scale

Procurement of materials, insurance, employee benefits

Operational synergies and redundant public company

expenses

9
Provides Asset Diversity
1Q 2007 Revenue Segmentation Analysis
Pre-Transaction
$110 MM
Post-Transaction
$352 MM
GOM Contract
Drilling
38%
Domestic
Liftboats
30%
International
Contract Drilling
19%
International
Liftboats

13%
Domestic
Liftboats
9%
Inland Barge
Drilling
18%
International
Contract
Drilling
20%
International
Liftboats
4%
GOM Contract
Drilling
43%
Delta Towing
6%

10
1Q 2007 Geographic Revenue Analysis
Provides Geographic Diversity
Pre-Transaction
$110 MM
Post-Transaction
$352 MM
We expect international contribution to represent a greater portion of our revenues in the future
Middle East
6%
US GOM
68%

India
13%
West Africa
13%
US GOM, 58%
Inland US, 18%
Latin America,
13%
West Africa, 5%
India, 4%
Middle East, 2%

11
A Global Footprint with Significant Expansion Potential
Mexico
Jackup Rigs
2
Platform Rig
1
West Africa
Jackup Rig
1
Liftboats
17

Middle East
Jackup Rig 1
Malaysia
(1)
Jackup Rig 1
U.S. Gulf Coast
Inland Barges
27
Land Rigs (TX)
2
Trinidad
Jackup Rig
1
Land Rig
1
(1)
Pro forma for TODCO s
announced THE 208 relocation.
(2)
Includes Hercules *Rig 26*, marketing internationally.
Brazil
Jackup Rig 1
Venezuela
Land Rigs 6
U.S. Gulf of Mexico
Jackup Rigs
25
Submersible 3
Liftboats
47
India
Jackup Rig 1
Global Summary
Liftboats
64
Jackup Rigs
33
Inland Barges
27
Land Rigs
9
Submersible
3
Platform Rigs
1
(2)

12
24
18
14
11
9
9
8
6
3
3
0
5

10
15
20
25
PF
HERO
THE
ESV
PDE
DO
NBR
RDC
HERO
Blake
GSF
Fourth Largest Global Jackup Fleet
Current Global Jackup Landscape
Current Gulf of Mexico Jackup Landscape
(1)
Source: ODS-Petrodata
(1)
Excludes
rigs
that
have
announced
mobilization
out
of
the
GOM,
including
Hercules
Rig
26
and
Pride
Mississippi
44
43
40
33
27
25
24
20
16
13
11
10

9
0
5
10
15
20
25
30
35
40
45
ESV
GSF
NE
PF
HERO
PDE
RIG
THE
RDC
NBR
DO
COSL
Nat'l
Drilling
HERO

13
A
Leading Player in US Gulf Coast Inland Barge Rigs
Note: GOM drilling barges only, excludes workover rigs
Source:
Company estimates based on public information.
27
14
4
3
2
2
0

5
10
15
20
25
30
PF HERO
PKD
Axxis
NBR
Tetra
Coastal

14
A Leading Provider of Liftboat Services
Current Gulf of Mexico Liftboat Landscape
Current West Africa Liftboat Landscape
Source:
Company estimates based on public information.
(1)
Denotes cold-stacked or abandoned vessels.
47
27
15
6
6

4
3
3
2
1
0
10
20
30
40
50
HERO
SPN
Aries
Montco
OL
Laredo
AMC
OMC
Seahorse
CS Liftboats
17
3
2
1
1
0
5
10
15
20
HERO
Zumax
(1)
Zukus
(1)
NV De Brandt
Shoreline

15
August
2005
Acquired
the *Whale*
Shark
liftboat from
CS Liftboats
June
2005
Acquired *Rig 16*
from Transocean
and 17 liftboats
from Superior
Energy
October

2004
Acquired 22
liftboats from
Global Industries
August
2004
Acquired five
jackup rigs from
Parker Drilling
Successful integration of 12 asset acquisitions since formation

Integrated several large fleets, operations and employees
Opportunistic acquisition strategy
Focus on return on capital employed
Successful Acquisition Track Record
February
2006
Acquired *Rig 26*
from Aries
Offshore
Partners Ltd.
November
2005
Acquired seven
liftboats from
Danos & Curole
September
2005
Acquired *Rig 31*
from Hydrocarbon
Capital II LLC
June
2006
Acquired six
liftboats from
Laborde Marine
Lifts
November
2006
Acquired eight
liftboats and
assumed rights to
operate five
additional liftboats
from Halliburton
January
2005
Acquired *Rig 25*
from Parker Drilling
and *Rig 30*

from Porterhouse Offshore, L.P.	March 2007	Entered into a definitive merger agreement to acquire TODCO

16
TODCO Transaction Consistent With Hercules
Strategy
Grow the Company

Merger expedites growth initiative

Utilize critical mass and financial strength to enhance future growth
Quickly integrate and deploy newly acquired assets

Identify and implement operational best practices

Past successes of effectively integrating acquisitions
Maintain Financial Discipline

Pro forma debt level of 1.6x LTM EBITDA is within industry range

Use significant expected free cash to de-lever
Diversify asset base and geographic footprint

Leverage combined operational and management depth to continue and accelerate international expansion

Business Outlook

18
Current GOM Jackup Backlog
US Gulf of Mexico Shows Signs of Stabilizing
Current GOM demand for 64 jackups against marketed supply of 73 jackups,
leaving 9 rigs hot-stacked
GOM dayrates
have been steady for past few months
GOM Jackup Supply and Demand
Source: ODS-Petrodata, Jefferies & Company, company estimates
Backlog
Dayrate

Jackup
Avail.
Supply
0
20
40
60
80
100
120
140
160
$0
$20
$40
$60
$80
$100
$120
Contracted
Stacked Ready
Dayrate
Contracted
Dayrate
53% reduction
in supply
0
50
100
150
200
250
300
$-
$25
$50
$75
$100
$125

19
International Jackup Demand Remains Strong
International Jackup Supply and Demand
International jackup utilization is still effectively at 100% and backlog is near record highs
Source: ODS-Petrodata, Jefferies & Company.
West Africa dayrates are used

to
approximate
average
market
rates
for
worldwide
jackup
rigs.
Current Worldwide Jackup Backlog
Backlog
Dayrate
Jackup
Avail.
Supply
0
20
40
60
80
100
120
140
160
180
$0
$20
$40
$60
$80
$100
$120
$140
$160
$180
$200
Contracted
Stacked Ready
Dayrate
Contracted
Dayrat
0
50
100
150
200
250
300
350
400

450
500
$-
$25
$50
$75
$100
$125
$150
$175
$200
Backlog
Dayrate

20
Latest Contracted Dayrates
Marketed
Rigs
Working
Rigs
Avg
High
Conventional
<2000hp
1
1

32,000
$
32,000
$
Conventional
2000hp
2
2
35,000
35,000
Conventional
3000hp
3
2
38,500
42,000
Posted
2000hp
3
1
68,000
68,000
Posted
3000hp
8
8
47,500
58,000
17
14
44,786
$
51,286
$
Inland Barge Update
Largest operator in US Gulf Coast

74 total barges of which 22 are workover only

Of 52 drilling barges, TODCO owns 27, Parker owns 14 (79% of supply)
TODCO holds excess supply with 17 operating and 10 cold stacked
Average Backlog 122 days
(1)
TODCO fleet as of April 30, 2007 and Hercules estimates
(1)

21
Hercules
Liftboat Fleet
Starfish
Class 140
Liftboat
Swordfish
Class 200
Liftboat
(1)
Within the liftboat industry, the terms leg-length and liftboat class are used interchangeably.
Note:
Utilization is defined as the total number of operating days in the period as a percentage of the total number of calendar days in

liftboats were actively marketed. Dayrates include reimbursements from customers under relevant contracts.

Liftboat Class (1)	Leg - Length / (Feet)	Number of Vessels	Mar-06 Dayrate	Mar-07 Dayrate	Y-o-Y % Change	Q1 2007 Utilization
Gulf of Mexico						
260'	260'	1	$29,638	$33,514	13%	91%
230'	230'	3	$23,579	28,269	20%	37%
190-215'	190-215'	6	18,736	22,179	18%	83%
170'	170'	2	NA	19,627	NA	18%
140-150'	140-150'	6	8,583	10,293	20%	82%
120-130'	120-130'					

14
7,321
8,702
19%
62%
105'
15
5,669
7,136
26%
63%
Domestic Total
47
$10,040
$12,748
27%
65%
West Africa
All Vessels
17
$9,934
$11,485
16%
79%

22
Investment Highlights
Successful
History of
Growth
Leading Market
Positions
Diversification
by Assets,
Geography, and
Customers
Experienced
Management

Team
Favorable
Industry
Fundamentals
Industry Leading
Returns

23
Explanatory Information
Adjusted
EBITDA
is
calculated
as
net
income
before
interest
expense,
taxes,
depreciation
and
amortization,
gain

on disposal of assets and loss on early retirement of debt. Adjusted EBITDA is included in this presentation because our management considers it an important supplemental measure of our performance and believes that it is frequently used by securities analysts, investors and other interested parties in the evaluation of companies

in our industry, some of which present EBITDA and Adjusted EBITDA when reporting their results. We regularly evaluate our performance as compared to other companies in our industry that have different financing and capital structures and/or tax rates by using Adjusted EBITDA. In addition, we utilize Adjusted EBITDA in evaluating

acquisition targets. Management also believes that Adjusted EBITDA is a useful tool for measuring our ability to meet our future debt service, capital expenditures and working capital requirements, and Adjusted EBITDA is commonly used by us and our investors to measure our ability to service indebtedness. Adjusted EBITDA is not

a substitute for the GAAP measures of earnings or of cash flow and is not necessarily a measure of our ability to fund our cash needs. In addition, it should be noted that companies calculate EBITDA and Adjusted EBITDA differently and, therefore, Adjusted EBITDA as presented for us may not

be comparable to EBITDA and Adjusted EBITDA reported by other companies. Adjusted EBITDA has material limitations as a performance measure because it excludes interest expense, taxes, depreciation and amortization, gain on disposal of assets and loss on early retirement of debt. The following tables reconcile Adjusted EBITDA with net income.

Note: Reconciliations for Drilling and Liftboats do not include corporate adjustments.

EBITDA Reconciliation

($ in millions)

	1Q 05	2Q 05	Q3 05	4Q 05	1Q 06	2Q 06	3Q 06	4Q 06	1Q 07
Drilling									
Net Income	$9.5	$7.6	$10.5	$0.5	$25.6	$15.6	$19.1	$27.2	$25.7
Plus: Interest Expense	1.8	1.8	1.9	1.5	1.3	1.4	1.7		
Liftboats									
Net Income	$2.5	$1.5	$2.5	($1.6)	$7.5	$9.3	$12.6	$12.7	$7.8

2.3
1.4
0.5
0.6
0.9
0.8
0.7
0.8
0.9
1.4
0.8
Plus: Income Tax Expense

6.9
15.1
7.5
10.5
10.0
9.3

8.9
4.4
5.5
7.6
4.7
5.3
Plus: Depreciation and Amortization
1.3
1.3
1.4
1.5
1.7
2.3
3.5
4.0
3.9
1.2
1.5
2.3
3.2
4.3
5.2
5.6
5.7
7.8
Plus: Loss on Early Retirement of Debt

1.8

0.8

0.9

0.5

Less: Gain on Disposal of Assets

29.6

1.1

Adjusted EBITDA
$12.5
$12.6
$13.8
$11.3
$14.1
$26.8
$33.7
$43.5
$40.2
$4.2
$4.6
$5.8

$11.7
$16.8
$20.7
$26.7
$24.5
$21.7

24
Explanatory Information (cont.)
We have calculated pro forma EBITDA combining Hercules Offshore and TODCO. EBITDA is calculated as

total
revenues
less
direct
operating
expenses
less
general
&
administrative
expenses
not
including
depreciation
and
amortization.
The
pro
forma
represents
Hercules
plus
TODCO
financials
per
SEC
filings.
No
accounting
adjustments
have
been
made.
The
following
table
calculates
pro
forma
EBITDA.

Pro forma HERO EBITDA Calculation
($ in millions)

	1Q 06	2Q 06	3Q 06	4Q 06	1Q 07	LTM
Hercules Revenue	$56					

$76
$97
$115
$110
$399
TODCO Revenue
$184
$226
$242
$260
$242
$970
Pro forma Revenue
$240
$302
$340
$375
$352
$1,369
Hercules Operating Expense
$22
$26
$33
$43
$42
$144
TODCO Operating Expense
$107
$141
$129
$133
$115
$518
Less: Pro forma Operating Expenses
$129
$167
$162
$176
$156
$661
Hercules General & Administrative
$7
$7
$7
$9
$9
$32
TODCO General & Administrative
$10
$11

$11
$10
$13
$45
Less: Pro forma G&A Expenses
$16
$17
$18
$20
$22
$77
Hercules EBITDA
$28
$43
$57
$63
$60
$223
TODCO EBITDA
$67
$75
$102
$117
$114
$408
PF HERO EBITDA
$94
$118
$159
$179
$174
$630

25
Explanatory Information (cont.)
Last Twelve Months Return on Equity is calculated as Net Income divided by average Shareholders Equity for the period. The
calculates Last Twelve Months Return on Equity for the period ending March 31, 2007.
($ in millions)
2006 Net Income
119
less: 1Q06 Net Income
31
plus: 1Q07 Net Income
33
3/31/07 LTM Net Income
121
3/31/07 Equity
431
3/31/06 Equity
248
Average Shareholders Equity

340
Return on Equity
36%
Hercules Offshore
3/31/07 Last Twelve Months Return On Equity Calculation

26

Risk Factors

Risks with respect to the combination of Hercules Offshore and TODCO, as well as other recent and future acquisitions, include the risk that we will not be able to close the transaction, as well as difficulties in the integration of the operations and personnel of the acquired company, diversion of management's attention away from other business concerns, and the assumption of any undisclosed or other liabilities of the acquired company. We expect to incur substantial transaction and merger related costs associated with completing the merger with TODCO, obtaining regulatory approvals, combining the operations of the two companies and achieving desired synergies. Additional unanticipated costs may be incurred in the integration of the businesses of Hercules Offshore and TODCO. Expected benefits of the merger may not be achieved in the near term, or at all. Hercules Offshore will have a significant amount of additional debt as a result of the merger. This debt will require us to use cash flow to repay indebtedness, may have a material adverse effect on our financial health, and may limit our future operations and ability to borrow additional funds. For additional information regarding the risks associated with the TODCO acquisition, please read the risk factors section in the joint proxy statement/prospectus included in Hercules registration statement in Form S-4 (No. 333-142314).

27

Important Information to be Filed

In connection with the TODCO acquisition, Hercules Offshore has filed with the SEC a registration statement on Form S-4 that contains a joint proxy statement/prospectus. Investors and security holders of Hercules Offshore and TODCO are urged to read the registration statement and definitive joint proxy statement/prospectus (if and when it becomes available) and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they contain and will contain important information about Hercules Offshore, TODCO and the merger. A definitive joint proxy statement/prospectus will be sent to security holders of Hercules Offshore seeking their approval of the issuance of shares of common stock in the acquisition. Investors and security holders may obtain these documents free of charge at the SEC's website at www.sec.gov.

In addition, the documents filed with the SEC by Hercules Offshore may be obtained free of charge from our website at www.herculesoffshore.com or by calling our investor relations department at (713) 979-9300.

The documents filed with the SEC by TODCO may be obtained free of charge from TODCO's website at www.theoffshoredrillingcompany.com or by calling TODCO's investor relations department at (713) 278-6000. Investors and security holders are urged to read the joint proxy statement/prospectus and the other relevant materials when they become available before making any voting or investment decision with respect to the proposed merger.

Hercules Offshore, TODCO and their respective directors, and executive officers may be considered participants in the solicitation of proxies in connection with the proposed transaction. Information about the participants in the solicitation is set for in the registration statement on Form S-4 and will be set forth in the joint proxy statement/prospectus when it becomes available.