

TODCO  
Form 425  
May 10, 2007

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UBS Leveraged Finance Conference  
Filed by Hercules Offshore, Inc.  
Pursuant to Rule 425 under the Securities Act of 1933  
and deemed filed pursuant to Rule 14a-12  
under the Securities Exchange Act of 1934  
Subject Company: TODCO  
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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](http://www.sec.gov) or the company's website at [www.herculesoffshore.com](http://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

3  
Pending TODCO Acquisition Highlights  
On  
March  
19  
th  
,  
Hercules  
entered  
into  
a  
definitive

agreement to acquire TODCO for \$2.3 billion with average per share consideration of:

0.979 Hercules shares (\$1.3 billion in equity)

\$16.00 in cash (\$930 million in cash)

Cash portion to be 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 approval

Other customary closing conditions

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





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A Gulf of Mexico Leader. . . With Global Reach

A New Leader in Jackup Drilling

A Leader in Barge Drilling

A Leader in Liftboats

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Creates Value for Stakeholders in Near and Long-term

Accretive to earnings and cash flow per share

Opportunity to enhance future returns with lower cost of capital

Diversifies Hercules

asset and customer base

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.  
\$223  
\$630  
0.0  
250.0  
500.0  
750.0  
HERO  
PF HERO  
\$399  
\$1,369  
0.0  
500.0  
1,000.0  
1,500.0  
HERO  
PF HERO

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Acquisition-related debt allows Hercules to optimize its capital structure

Enhanced credit quality due to increased scale and scope

Free cash flow expected to significantly exceed debt coverage needs

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

48%

34%

34%

33%

21%

19%

18%

12%

0.0%

20.0%

40.0%  
60.0%  
SPN  
PF  
HERO  
RIG  
PDE  
RDC  
NE  
DO  
GSF

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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



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Provides Asset Diversity

1Q 2007 Revenue Segmentation Analysis

Pre-Transaction

\$110 MM

Post-Transaction

\$352 MM

GOM Contract

Drilling

39%

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

42%

Delta Towing

6%

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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%

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A Global Footprint with Significant Expansion Potential

(1)

Pro forma for TODCO's  
announced THE 208 relocation.

(2)

Includes Hercules *Rig 26*, marketing internationally.

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  
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)

11  
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'lHERO  
Drilling  
24  
18  
14  
11  
9  
9  
8  
6  
3  
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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

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A

Leading Player in US Gulf Coast Inland Barge Rigs

Source:

Company estimates based on public information.

27

13

4

2

2

1

0

5

10

15

20  
25  
30  
PF  
HERO  
PKD  
Axxis  
Tetra  
Coastal  
NBR

13

A Leading Provider of Liftboat Services

Source:

Company estimates based on public information.

(1)

Denotes cold-stacked or abandoned vessels.

Current Gulf of Mexico Liftboat Landscape

Current West Africa Liftboat Landscape

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

14  
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



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Transaction is 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  
Diversify asset base and geographic footprint

Leverage combined operational and management depth to continue and

accelerate international expansion

Business Outlook

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Strong Outlook for Oil Prices . . .

OPEC Surplus Capacity & Utilization

OPEC surplus capacity is minimal

Sustained upward pressure on prices

Encourages investment in projects previously considered uneconomic

Source: US DOE, EIA

Global Oil Production versus

Drilling & Completion Spending

Source: EIA, Spears & Associates

Production 10yr CAGR 1% Spending