TIDEWATER INC
Form 424B3
November 16, 2018
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Registration No. 333-228029

Tidewater Inc.

3,434,934 Shares of Common Stock

Issuable upon the Exercise of Outstanding GLF Warrants

This prospectus relates to the delivery by Tidewater of up to 3,434,934 shares of common stock, par value $0.001 per share (the Common Stock), which are issuable upon the exercise of certain outstanding warrants (the GLF Warrants).

The GLF Warrants, originally issued by GulfMark Offshore, Inc. (GulfMark), were assumed by Tidewater as a result of the business combination between Tidewater and GulfMark that was consummated on November 15, 2018 (the business combination and the consummation of such business combination, the closing). The business combination was transacted pursuant to an Agreement and Plan of Merger, dated as of July 15, 2018, by and between Tidewater and GulfMark (the merger agreement).

In accordance with the terms of the merger agreement and the applicable warrant agreement (as assumed and amended by Tidewater at the closing), each GLF Warrant represents the right to receive 1.100 shares of Common Stock upon payment to Tidewater of the applicable exercise price and subject to the other terms and conditions of the applicable warrant agreement, including cash paid in lieu of any fractional share. There are two series of GLF Warrants: GLF Jones Act Warrants, which may be exercised at any time until November 14, 2042 for an exercise price of $0.01 per share, and GLF Equity Warrants, which may be exercised at any time until November 14, 2024 for an exercise price of $100.00 per share. Although all of the GLF Warrants are immediately exercisable, exercise of any GLF Warrants is subject to, among other things, the limitations on foreign ownership as set forth in Tidewater s Amended and Restated Certificate of Incorporation (the Tidewater charter) that are intended to comply with the Merchant Marine Act of 1920 and the Shipping Act, 1916, as amended, and the rules and regulations promulgated thereunder (collectively, the Jones Act). Immediately following the closing, there were 2,339,658 GLF Jones Act Warrants outstanding, representing the right to purchase an aggregate of 2,573,624 shares of Common Stock and 783,009 GLF Equity Warrants outstanding, representing the right to purchase an aggregate 861,310 shares of Common Stock.

Tidewater will not receive any cash proceeds from the exercise of GLF Jones Act Warrants because, by their terms, these warrants may only be exercised through a cashless exercise procedure, where the number of shares of Common Stock delivered upon exercise will be reduced by the number of shares of Common Stock necessary to cover the aggregate exercise price. Holders of GLF Equity Warrants may elect either to exercise their warrants using a cashless exercise procedure or to pay the aggregate exercise price in cash. Tidewater will receive the proceeds from any cash exercise of the GLF Equity Warrants. If all GLF Equity Warrants that were outstanding as of the closing were exercised for cash, we would receive gross proceeds of approximately $86,131,000. Any such proceeds would be used for general corporate purposes.

Our Common Stock is listed on the New York Stock Exchange (the NYSE) under the symbol TDW. On November 9, 2018, the last reported closing sale price of our Common Stock on the NYSE was $27.03.

Holding shares of our Common Stock involves risks that are described in the Risk Factors section beginning on page 5 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is November 15, 2018.

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IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS

You should rely only on the information contained in, or incorporated by reference into, this prospectus. Tidewater has not authorized any other person to provide you with different or additional information. If anyone provides you with different or inconsistent information, you should not rely on it. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. Unless otherwise specifically provided in this prospectus, you should not assume that the information contained in this prospectus is accurate as of any date other than the date on the front cover. Further, you should not assume that any information incorporated by reference into this prospectus is accurate as of any date other than the date of the incorporated document.

You should also read and consider the information in the documents to which we have referred you under the captions Additional Information and Information Incorporated by Reference in this prospectus.

This prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in any jurisdiction in which or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction.

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SUMMARY

This summary description about us and our business highlights selected information included elsewhere in, or incorporated by reference into, this prospectus. As this summary may not contain all of the information that may be important to you, we urge you to read the entirety of this document and the other documents to which we refer.

Information about the Company

Tidewater Inc.

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Tidewater Inc., a Delaware corporation, provides offshore support vessels and marine support services to the global offshore energy industry through the operation of a diversified fleet of marine service vessels. Tidewater was incorporated in 1956 and conducts its operations through wholly-owned United States and international subsidiaries, as well as through joint ventures in which Tidewater has either majority or, occasionally, non-controlling interests (generally where required to satisfy local ownership or local content requirements). Headquartered in Houston, Texas, Tidewater s U.S. marine operations are based in Amelia, Louisiana and Houston, Texas, and Tidewater conducts international operations through facilities and offices located in over 30 countries. Tidewater has one of the broadest geographic operating footprints in the offshore energy industry with over 60 years of international experience and operations in most of the world s significant offshore crude oil and natural gas exploration and production regions. On June 30, 2018, Tidewater owned 204 vessels (excluding 8 joint venture vessels, but including 66 stacked vessels) available to serve the global energy industry.

As a result of the business combination between Tidewater and GulfMark (see Recent Developments below) that was consummated on November 15, 2018, the operational asset base of the combined company, which continues to operate under the Tidewater name, has been increased by 66 owned and 3 managed offshore supply vessels, with a significantly-expanded operational presence in the North Sea, offshore Southeast Asia, and offshore of the Americas.

Tidewater s vessels and associated vessel services provide support for all phases of offshore exploration, field development and production.

Shares of Tidewater s common stock, $0.001 par value per share (the Common Stock), are listed on the New York Stock Exchange (the NYSE) under the symbol TDW.

Recent Developments the Business Combination with GulfMark

On November 15, 2018, Tidewater and GulfMark Offshore, Inc., a Delaware corporation (GulfMark), completed the transactions contemplated by the Agreement and Plan of Merger (the merger agreement), dated as of July 15, 2018, by and among Tidewater and GulfMark, providing for the combination of Tidewater with GulfMark (the business combination and the consummation of such business combination, the closing). The business combination was effected as a two-step reverse merger, with (1) GulfMark merging with and into a newly-formed, wholly-owned subsidiary of Tidewater, with GulfMark continuing as the surviving entity and a wholly-owned subsidiary of Tidewater (the Surviving Corporation) and then, immediately afterwards, (2) the Surviving Corporation merging with and into a second newly-formed, wholly-owned subsidiary of Tidewater (Gorgon NewCo, LLC, a Delaware limited liability company, or Gorgon), with Gorgon continuing as the surviving entity and a direct, wholly-owned subsidiary of Tidewater.

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Assumption of the GLF Warrants

As provided in the merger agreement, at the closing, each share of GulfMark common stock that was issued and outstanding immediately prior to the business combination was converted into the right to receive 1.100 of a fully paid, validly issued and nonassessable share of Common Stock (the exchange ratio). In addition, as provided in the merger agreement and the applicable warrant agreement (as assumed and amended by Tidewater at the closing), each GulfMark warrant that was outstanding immediately prior to the business combination (collectively, the GLF Warrants) was automatically converted into a warrant representing a right to acquire shares of Common Stock on substantially the same terms and conditions as applied to such warrant immediately prior to the business combination, as adjusted to reflect the exchange ratio and subject to the limitations on foreign ownership set forth in the Tidewater charter intended to comply with the Jones Act. As a result, following the closing, each GLF Warrant is exercisable for a 1.100 share of Common Stock upon payment to Tidewater of the applicable exercise price and subject to the other terms and conditions of the applicable warrant agreement, including cash paid in lieu of any fractional share.

The terms and conditions of the business combination are contained in the merger agreement, which is filed as an exhibit to, and incorporated by reference into, this prospectus.

Description of GLF Warrants

Tidewater is not offering to issue or sell GLF Warrants. Rather, as described in greater detail in this prospectus, Tidewater is obligated to issue shares of Common Stock to the holders of GLF Warrants from time to time and in amounts determined by such holders through their exercise of GLF Warrants, subject to the limitations set forth in the Tidewater charter intended to comply with the Jones Act, and the shares of Common Stock subject to this registration statement are being registered for this purpose.

In accordance with the terms and conditions of the merger agreement and the applicable warrant agreement (as assumed and amended by Tidewater at the closing), each GLF Warrant represents the right to purchase 1.100 shares of Common Stock upon payment to Tidewater of the applicable exercise price and subject to the other terms and conditions of the applicable warrant agreement, including cash paid in lieu of any fractional share by Tidewater to an exercising warrant holder.

There are two series of GLF Warrants: GLF Jones Act Warrants, which may be exercised at any time until November 14, 2042 for an exercise price of $0.01 per share, and GLF Equity Warrants, which may be exercised at any time until November 14, 2024 for an exercise price of $100.00 per share. Although all of the GLF Warrants are immediately exercisable, exercise of any GLF Warrants is subject to the limitations on foreign ownership as set forth in the Tidewater charter that are intended to comply with the Jones Act. Immediately following the closing, there were 2,339,658 GLF Jones Act Warrants outstanding, representing the right to purchase an aggregate of 2,573,624 shares of Common Stock and 783,009 GLF Equity Warrants outstanding, representing the right to purchase an aggregate 861,310 shares of Common Stock.

The exercise of the GLF Jones Act Warrants is subject to the terms and conditions of the applicable warrant agreement, as amended by a written instrument executed by Tidewater, GulfMark, and the warrant agent (as amended, the GLF Jones Act Warrant Agreement). The documents comprising the GLF Jones Act Warrant Agreement are filed as Exhibits 4.1 and 4.2 to, and are incorporated by reference into, this prospectus.

Similarly, exercise of the GLF Equity Warrants is subject to the terms and conditions of the applicable warrant agreement, as amended by a written instrument executed by Tidewater, GulfMark, and the warrant agent (as amended, the GLF Equity Warrant Agreement). The documents comprising the GLF Equity Warrant Agreement are filed as

Exhibits 4.3 and 4.4 to, and are incorporated by reference into, this prospectus.

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Listing of Shares of Tidewater Common Stock

We have applied to the NYSE to have the shares of Common Stock issuable under the GLF Warrants listed on the NYSE, where our Common Stock is currently traded under the symbol TDW.

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RISK FACTORS

In addition to the other information contained in, or incorporated by reference into, this prospectus, including our financial statements and related notes and the matters addressed in the section entitled, Cautionary Statement Regarding Forward-Looking Statements beginning on page 24, we recommend that holders of GLF Warrants carefully consider the following risks before deciding whether to invest in shares of our Common Stock through the exercise of GLF Warrants. For access to documents that are or may be incorporated by reference into this prospectus, please see the section entitled, Additional Information and Information Incorporated by Reference beginning on page 149.

Risks Relating to the Business Combination

The business combination may not be accretive, and may be dilutive, to Tidewater s earnings per share and cash flow from operations which may negatively affect the market price of shares of Tidewater common stock.

Earnings per share and cash flow from operations in the future are based on preliminary estimates that may materially change. In addition, future events and conditions could decrease or delay any accretion, result in dilution or cause greater dilution than is currently expected, including:

- adverse changes in the offshore support vessel market conditions;
- commodity prices for oil, natural gas and natural gas liquids;
- production levels;
- operating results;
- competitive conditions;
- laws and regulations affecting the offshore support vessel business and energy business;
- capital expenditure obligations;
- lower than expected synergies;
- later than expected recovery timeline in the North Sea;

- less than expected proceeds from the sale of certain vessels; and

- general economic conditions.

Any dilution of, or decrease or delay of any accretion to, Tidewater s earnings per share or cash flow from operations could cause the market price of Tidewater common stock to decline.

Tidewater and GulfMark will incur significant transaction and merger-related costs in connection with the business combination, which may be in excess of those anticipated by Tidewater or GulfMark.

Tidewater expects to continue to incur a number of non-recurring costs associated with combining the operations of the two companies and achieving desired synergies. These fees and costs will continue to be substantial. The substantial majority of non-recurring expenses will consist of transaction costs related to the business combination and include, among others, employee retention costs, fees paid to financial, legal and accounting advisors, severance and benefit costs and filing fees.

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Tidewater and GulfMark will also incur transaction fees and costs related to formulating and implementing integration plans, including facilities and systems consolidation costs and employment-related costs. Additional unanticipated costs may be incurred in connection with the business combination and the integration of the two companies businesses. Although Tidewater and GulfMark each expects that the elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of the businesses, should allow Tidewater and GulfMark to offset integration-related costs over time, this net benefit may not be achieved in the near term, or at all. See the risk factor entitled *The integration of GulfMark into Tidewater may not be as successful as anticipated* below.

The costs described above, as well as other unanticipated costs and expenses could have an adverse effect on the financial condition and operating results of Tidewater following the completion of the business combination.

The unaudited pro forma condensed consolidated combined financial information and unaudited forecasted financial information included in or incorporated by reference into this prospectus is presented for illustrative purposes only and does not represent the actual financial position or results of operations of the combined company following the business combination. Future results of the combined company may differ, possibly materially, from the unaudited pro forma condensed consolidated combined financial information and unaudited forecasted financial information presented in or incorporated by reference into this prospectus. The unaudited pro forma condensed consolidated combined financial information and unaudited forecasted financial information was prepared prior to the consummation of the business combination and does not reflect the current results of operations.

The unaudited pro forma condensed consolidated combined financial statements and unaudited forecasted financial information contained in or incorporated by reference into this prospectus are presented for illustrative purposes only, contain a variety of adjustments, assumptions and preliminary estimates and do not represent the actual financial position or results of operations of Tidewater and GulfMark prior to the completion of the business combination or that of the combined company following the completion of the business combination for several reasons. Specifically, Tidewater and GulfMark have not completed the detailed valuation analyses to arrive at the final estimates of the fair values of the assets to be acquired and liabilities to be assumed and the related allocation of purchase price and the unaudited pro forma condensed consolidated combined financial statements do not reflect the effects of all transaction-related costs and integration costs. In addition, the post-business combination integration process may give rise to unexpected liabilities and costs, including costs associated with the defense and resolution of any litigation or other claims related to the business combination. Unexpected delays in connection with the post-business combination integration process may significantly increase the related costs and expenses incurred by Tidewater. The actual financial positions and results of operations of Tidewater and GulfMark prior to the completion of the business combination and that of the combined company following the completion of the business combination may be different, possibly materially, from the unaudited pro forma condensed consolidated combined financial statements or forecasted financial information included in or incorporated by reference into this prospectus. In addition, the assumptions used in preparing the unaudited pro forma condensed consolidated combined financial statements and forecasted financial information included in or incorporated by reference into this prospectus may not prove to be accurate and may be affected by other factors. Any significant changes in the market price of Tidewater common stock may cause a significant change in the purchase price used for Tidewater s accounting purposes and the unaudited pro forma financial statements contained in or incorporated by reference into this prospectus.

The integration of GulfMark into Tidewater may not be as successful as anticipated.

The business combination involves numerous operational, strategic, financial, accounting, legal, tax and other risks, potential liabilities associated with the acquired businesses and uncertainties related to the design, operation and integration of GulfMark s internal control over financial reporting. Difficulties in integrating GulfMark into Tidewater may result in Tidewater encountering operational challenges with respect to the combined company or in the failure to realize anticipated expense-related efficiencies. Tidewater s existing

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businesses could also be negatively impacted as a result of the business combination. Potential difficulties that may be encountered in the integration process include, among other factors:

- the inability to successfully integrate the businesses of GulfMark into Tidewater in a manner that permits Tidewater to achieve the cost savings anticipated from the business combination;
- complexities associated with managing the larger, more complex, integrated business;
- not realizing anticipated operating synergies or incurring unexpected costs to realize such synergies;
- integrating personnel from the two companies while maintaining focus on providing consistent, high-quality products and services;
- potential unknown liabilities and unforeseen expenses, delays or regulatory conditions associated with the business combination;
- loss of key employees;
- integrating relationships with customers, vendors and business partners;
- performance shortfalls at one or both of the companies as a result of the diversion of management s attention caused by completion of the business combination and integrating GulfMark s operations into Tidewater; and
- the disruption of, or the loss of momentum in, each company s ongoing business or inconsistencies in standards, controls, procedures and policies.

Tidewater s results may suffer if it does not effectively manage its expanded operations.

Tidewater s success in the future will depend, in part, on its ability to manage its expansion following the consummation of the business combination, which poses numerous risks and uncertainties, including the need to integrate the operations and business of GulfMark into its existing business in an efficient and timely manner, to combine systems and management controls and to integrate relationships with customers, vendors and business partners.

Tidewater may fail to realize all of the anticipated benefits of the business combination that closed on November 15, 2018.

The success of the business combination will depend, in part, on Tidewater s ability to realize the anticipated benefits and cost savings from combining Tidewater s and GulfMark s businesses, including the approximately $30 million of annual cost and operational synergies that Tidewater expects the combined company to realize. The anticipated benefits and cost savings of the business combination may not be realized fully or at all, may take longer to realize than expected, may require more non-recurring costs and expenditures to realize than expected or could have other adverse effects that Tidewater does not currently foresee. Some of the assumptions that Tidewater has made, such as with respect to anticipated operating synergies or the costs associated with realizing such synergies, the benefit from a substantial increase in scale and geographic diversity specifically in the North Sea and the continuation of Tidewater s investment in its fleet of vessels may not be realized. The integration process may, for each of Tidewater and GulfMark, result in the loss of key employees, the disruption of ongoing businesses or inconsistencies in standards, controls, procedures and policies. There could be potential unknown liabilities and unforeseen expenses associated with the business combination that were not discovered in the course of performing due diligence.

Uncertainties associated with the business combination may cause a loss of management personnel and other employees, which could adversely affect the future business and operations of the combined company.

The combined company is dependent on the experience and industry knowledge of its officers and other employees to execute its business plans. The combined company s success after the completion of the business combination will depend in part upon the ability of Tidewater to retain management personnel and other employees. Current and prospective employees of Tidewater may experience uncertainty about their roles within the combined company prior to and following the completion of the business combination in connection with the integration efforts, which may have an adverse effect on the ability of Tidewater to attract or retain management and other personnel. Accordingly, no assurance can be given that the combined company will be able to attract or retain management and other personnel to the same extent that Tidewater has previously been able to attract or retain its employees prior to the consummation of the business combination.

The market price of shares of Tidewater common stock may decline in the future as a result of the sale of shares of Tidewater common stock held by former GulfMark stockholders or current Tidewater stockholders.

At the closing, Tidewater issued or reserved for issuance approximately 11,987,730 shares of Tidewater common stock to GulfMark stockholders, GulfMark RSU holders and GLF Warrant holders in the business combination. In connection with their receipt of shares of Tidewater common stock as merger consideration in the business combination, former GulfMark stockholders may seek to sell the shares of Tidewater common stock delivered to them. Other Tidewater stockholders may also seek to sell shares of Tidewater common stock held by them following completion of the business combination. These sales (or the perception that these sales may occur), coupled with the increase in the outstanding number of shares of Tidewater common stock, may affect the market for, and the market price of, Tidewater common stock in an adverse manner.

The combined company may record goodwill and may record other intangible assets that could become impaired and result in material non-cash charges to the results of operations of the combined company in the future.

The business combination will be accounted for as an acquisition by Tidewater in accordance with accounting principles generally accepted in the United States. Under the acquisition method of accounting, the assets and liabilities of GulfMark and its subsidiaries will be recorded, as of completion, at their respective fair values and added to those of Tidewater. The reported financial condition and results of operations of Tidewater for periods after completion of the business combination will reflect GulfMark balances and results after completion of the business combination, but will not be restated retroactively to reflect the historical financial position or results of operations of GulfMark and its subsidiaries for periods prior to the completion of the business combination.

Under the acquisition method of accounting, the total purchase price will be allocated to GulfMark s tangible assets and liabilities and any identifiable intangible assets based on their fair values as of the date of completion of the business combination. The excess of the purchase price over those fair values, if any, would be recorded as goodwill. To the extent the value of tangible assets, goodwill or other identified intangibles becomes impaired, the combined company may incur material non-cash charges relating to such impairment. The combined company s operating results may be significantly impacted from both the impairment and the underlying trends in the business that triggered the impairment.

The impact of the recent significant federal tax reform on the combined company is uncertain and may significantly affect the operations of the combined company after the business combination.

On December 22, 2017, the U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (the Tax Act). The changes included in the Tax Act are broad and complex. The impact of these changes on how the combined company s earnings are taxed include, among other items, (i) reducing the U.S. federal corporate tax rate from 35% to 21%; (ii) repealing the corporate alternative minimum tax and changing how existing credits can be utilized; (iii) temporarily providing for elective immediate expensing for certain depreciable property; (iv) creating a new limitation on the deductibility of interest expense; and (v) changing rules related to uses and limitations of net operating losses created in tax years beginning after December 31, 2017. Tidewater and GulfMark continue to evaluate the Tax Act and its impact on the combined company s businesses. It is possible that the Tax Act will be subject to further changes either in a technical

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corrections bill or entirely new legislation. The overall impact of the Tax Act also depends on the future interpretations and regulations that may be issued by U.S. tax authorities. Tidewater expects there will be further guidance provided by these authorities potentially having a material adverse effect on the combined company s financial condition or results of operations. The impact of broad proposals or of regulatory issuances on the combined company s business can vary substantially depending upon the specific changes or further guidance made and how the changes or guidance are implemented by the authorities.

Risks Relating to Tidewater s Business

The prices for oil and gas affect the level of capital spending by Tidewater s customers.

Even in a more favorable commodity pricing climate, prices for crude oil and natural gas are highly volatile and extremely sensitive to the respective supply/demand relationship for crude oil and natural gas. The significant decline in crude oil and natural gas prices that began in 2014 has continued to cause many of Tidewater s customers to significantly reduce drilling, completion and other production activities and related spending on Tidewater s products and services through the six months ended June 30, 2018. Some industry analysts expect that a further decrease in offshore spending is likely during calendar year 2018 and that any improvements in offshore exploration and development activity would likely not occur until late in calendar year 2019 or early in calendar year 2020. In addition, the reduction in demand from Tidewater s customers has resulted in an oversupply of the vessels available for service, and such oversupply has substantially reduced the prices Tidewater can charge its customers for its services.

Many factors affect the supply of and demand for crude oil and natural gas and, therefore, influence prices of these commodities, including:

- domestic and foreign supply of oil and natural gas, including increased availability of non-traditional energy resources such as shale oil and gas;
- prices, and expectations about future prices, of oil and natural gas;
- domestic and worldwide economic conditions, and the resulting global demand for oil and natural gas;
- the price and quantity of imports of foreign oil and natural gas including the ability of OPEC to set and maintain production levels for oil, and decisions by OPEC and non-OPEC producers to change production levels;
- sanctions imposed by the U.S., the European Union, or other governments against oil producing countries;
- the cost of exploring for, developing, producing and delivering oil and natural gas;
- the level of excess production capacity, available pipeline, storage and other transportation capacity;

lead times associated with acquiring equipment and products and availability of qualified personnel;

the expected rates of decline in production from existing and prospective wells;

the discovery rates of new oil and gas reserves;

federal, state and local regulation of (i) exploration and drilling activities, (ii) equipment, material, supplies or services that Tidewater furnishes and (iii) oil and gas exports;

public pressure on, and legislative and regulatory interest within, federal, state and local governments to stop, significantly limit or regulate hydraulic fracturing (fracking) activities;

weather conditions, including hurricanes, that can affect oil and natural gas operations over a wide area and severe winter weather that can interfere with oil and gas development and production operations;

political instability and social unrest in oil and natural gas producing countries;

advances in exploration, development and production technologies or in technologies affecting energy consumption (such as fracking);

the price and availability of alternative fuel and energy sources;

uncertainty in capital and commodities markets; and

changes in the value of the U.S. dollar relative to other major global currencies.

In recent years, the depressed level of oil and natural gas prices significantly curtailed Tidewater s customers drilling, completion and other production activities and related spending on Tidewater s services. The energy industry s level of capital spending is substantially related to current and expected future demand for hydrocarbons and the prevailing commodity prices of crude oil and, to a lesser extent, natural gas. When commodity prices are low, or when Tidewater s customers believe that they will be low in the future, Tidewater s customers generally reduce their capital spending budgets for onshore and offshore drilling, exploration and field development. The depressed levels of crude oil and natural gas prices has reduced significantly the energy industry s level of capital spending and as long as current conditions persist, capital spending and demand for Tidewater s services may remain similarly depressed. It is difficult to predict how long the current commodity price conditions will continue, or to what extent low commodity prices will affect Tidewater s business. Because a prolonged material downturn in crude oil and natural gas prices and/or perceptions of long-term lower commodity prices can negatively impact the development plans of exploration and production companies given the long-term nature of large-scale development projects, a downturn of any such duration would likely result in a significant decline in demand for offshore support services. Declining or continuing depressed oil and natural gas prices may result in negative pressures on:

customer s capital spending and spending on Tidewater s services;

charter rates and/or utilization rates;

results of operations, cash flows and financial condition;

the fair market value of Tidewater s vessels;

ability to maintain or increase Tidewater s borrowing capacity;

ability to obtain additional capital to finance Tidewater s business and make acquisitions, and the cost of that capital; and

the collectability of Tidewater s receivables.

Moreover, higher commodity prices will not necessarily translate into increased demand for offshore support services or sustained higher pricing for offshore support vessel services, in part because customer demand is based on future commodity price expectations and not solely on current prices. Additionally, increased commodity demand may in the future be satisfied by land-based energy resource production and any increased demand for offshore support vessel services can be more than offset by an increased supply of offshore support vessels resulting from the reactivation of currently idle offshore support vessels and/or the construction of additional offshore support vessels.

Crude oil pricing volatility has increased in recent years as crude oil has emerged as a widely-traded financial asset class. To the extent speculative trading of crude oil causes excessive crude oil pricing volatility, Tidewater s results of operations could potentially be negatively impacted if such price volatility affects spending and investment decisions of offshore exploration, development and production companies.

Tidewater s customer base has undergone consolidation, and additional consolidation is possible.

Oil and natural gas companies and other energy companies and energy services companies have undergone consolidation, and additional consolidation is possible. Consolidation reduces the number of customers for

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Tidewater s equipment, and may negatively affect exploration, development and production activity as consolidated companies focus, at least initially, on increasing efficiency and reducing costs and may delay or abandon exploration activity with less promise. Such activity could adversely affect demand for Tidewater s offshore services.

The high level of competition in the offshore marine service industry could negatively impact pricing for Tidewater s services.

Tidewater operates in a highly competitive industry, which could depress charter and utilization rates and adversely affect its financial performance. Tidewater competes for business with Tidewater s competitors on the basis of price; reputation for quality service; quality, suitability and technical capabilities of its vessels; availability of vessels; safety and efficiency; cost of mobilizing vessels from one market to a different market; and national flag preference. In addition, competition in international markets may be adversely affected by regulations requiring, among other things, local construction, flagging, ownership or control of vessels, the awarding of contracts to local contractors, the employment of local citizens and/or the purchase of supplies from local vendors.

Tidewater derives a significant amount of revenue from a relatively small number of customers.

For the periods from August 1, 2017 through December 31, 2017 (Successor, which refers to Tidewater post-reorganization), April 1, 2017 through July 31, 2017 (Predecessor, which refers to Tidewater pre-reorganization), and the twelve months ended March 31, 2017 (Predecessor), the five largest customers accounted for approximately 45%, 48% and 53%, respectively, of Tidewater s total revenues, while the 10 largest customers accounted for approximately 64%, 69% and 75%, respectively, of Tidewater s total revenues. While it is normal for Tidewater s customer base to change over time as its time charter contracts expire and are replaced, Tidewater s results of operations, financial condition and cash flows could be materially adversely affected if one or more of these customers were to decide to interrupt or curtail their activities, in general, or their activities with Tidewater, terminate their contracts with Tidewater, fail to renew existing contracts, and/or refuse to award new contracts.

The rise in production of unconventional crude oil and gas resources could increase supply without a commensurate growth in demand which would negatively impact oil and gas prices.

The rise in production of unconventional crude oil and gas resources in North America and the commissioning of a number of new large Liquefied Natural Gas (LNG) export facilities around the world have contributed to an over-supplied natural gas market. Production from unconventional resources has increased as drilling efficiencies have improved, lowering the costs of extraction. There has also been a buildup of crude oil inventories in the United States in part due to the increased development of unconventional crude oil resources. Prolonged increases in the worldwide supply of crude oil and natural gas, whether from conventional or unconventional sources, without a commensurate growth in demand for crude oil and natural gas will likely continue to weigh on the price of crude oil and natural gas. A prolonged period of low crude oil and natural gas prices would likely have a negative impact on development plans of exploration and production companies, which in turn, may result in a decrease in demand for offshore support vessel services.

Uncertain economic conditions may lead Tidewater s customers to postpone capital spending.

Uncertainty about future global economic market conditions makes it challenging to forecast operating results and to make decisions about future investments. The success of Tidewater s business is both directly and indirectly dependent upon conditions in the global financial and credit markets that are outside of Tidewater s control and difficult to predict. Uncertain economic conditions may lead Tidewater s customers to postpone capital spending in response to tighter credit markets and reductions in Tidewater s customers income or asset values. Similarly, when lenders and institutional investors reduce, and in some cases, cease to provide funding to corporate and other industrial borrowers, the liquidity and financial condition of Tidewater and Tidewater s customers can be adversely impacted. These factors may also adversely affect Tidewater s liquidity and financial condition. Factors such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation), trade barriers, commodity prices, currency exchange rates and controls, and national and international political circumstances (including wars, terrorist acts, security operations, and seaborne refugee issues) can have a material negative effect on Tidewater s business, revenues and profitability.

An increase in vessel supply without a corresponding increase in the working offshore rig count could exacerbate the industry s currently oversupplied condition.

Over the past decade, the combination of historically high commodity prices and technological advances resulted in significant growth in deepwater exploration, field development and production. During this time, construction of offshore vessels increased significantly in order to meet projected requirements of customers and potential customers. Excess offshore support vessel capacity usually exerts downward pressure on charter day rates. Excess capacity can occur when newly constructed vessels enter the worldwide offshore support vessel market and also when vessels migrate between markets. A discussion about Tidewater s vessel fleet and vessel construction programs appears in the *Management s Discussion and Analysis of Financial Condition and Results of Operations Vessel Count, Dispositions, Acquisitions and Construction Programs for the Six Months Ended June 30, 2018 and 2017* and *Management s Discussion and Analysis of Financial Condition and Results of Operations Vessel Count, Dispositions, Acquisitions and Construction Programs for the Nine Months Ended December 31, 2017 and 2016* sections of this prospectus.

The offshore support vessel market has approximately 240 new-build offshore support vessels (deepwater PSVs, deepwater AHTS vessels and towing-supply vessels only) either under construction, on order or planned as of June 2018, which may be delivered to the worldwide offshore support vessel market primarily over the next 12 to 24 months, according to IHS-Markit. The current worldwide fleet of these classes of vessels is estimated at 3,520 vessels, according to the same source. An increase in vessel capacity without a corresponding increase in the working offshore rig count could exacerbate the industry s currently oversupplied condition which may have the effect of lowering charter rates and utilization rates, which, in turn, could result in lower revenues to Tidewater.

In addition, the provisions of U.S. shipping laws restricting engagement of U.S. coastwise trade to vessels controlled by U.S. citizens may from time to time be circumvented by foreign competitors that seek to engage in trade reserved for vessels controlled by U.S. citizens and otherwise qualifying for coastwise trade. A repeal, suspension or significant modification of U.S. shipping laws, or the administrative erosion of their benefits, permitting vessels that are either foreign-flagged, foreign-built, foreign-owned, foreign-controlled or foreign-operated to engage in the U.S. coastwise trade, could also result in excess vessel capacity and increased competition, especially for Tidewater s vessels that operate in the United States.

Tidewater operates in various regions throughout the world and is exposed to many risks inherent in doing business in countries other than the United States.

Tidewater operates in various regions throughout the world and is exposed to many risks inherent in doing business in countries other than the United States, some of which have recently become more pronounced. Tidewater s customary risks of operating internationally include political and economic instability within the host country; possible vessel seizures or nationalization of assets and other governmental actions by the host country, including enforcement of customs, immigration or other laws that are not well developed or consistently enforced; foreign government regulations that favor or require the awarding of contracts to local competitors; an inability to recruit, retain or obtain work visas for workers of international operations; difficulties or delays in collecting customer and other accounts receivable; changing taxation policies; fluctuations in currency exchange rates; foreign currency revaluations and devaluations; restrictions on converting foreign currencies into U.S. dollars; expatriating customer and other payments made in jurisdictions outside of the United States; and import/export quotas and restrictions or other trade barriers, most of which are beyond the control of Tidewater. See

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Management s Discussion and Analysis of Financial Condition and Results of Operations Legal Proceedings and *Additional Information About Tidewater Challenges Tidewater Confronts as an International Offshore Vessel Company Sonatide Joint Venture* and Note (14) of *Notes to Consolidated Financial Statements* included in this prospectus for a discussion of Tidewater s Sonatide joint venture in Angola. While Tidewater no longer operates in Venezuela, Tidewater has substantial operations in Brazil, Mexico, Saudi Arabia, Angola, Nigeria and along the west coast of Africa, which generate a large portion of Tidewater s revenue, where Tidewater is exposed to the risks described above. By virtue of the business combination, Tidewater will also inherit the risks associated with GulfMark s operations in its various service areas around the world.

Tidewater is also subject to acts of piracy and kidnappings that put Tidewater s assets and personnel at risk. The increase in the level of these criminal or terrorist acts over the last several years has been well-publicized.

As a marine services company that operates in offshore, coastal or tidal waters in challenging areas, Tidewater is particularly vulnerable to these kinds of unlawful activities. Although Tidewater takes what it considers to be prudent measures to protect its personnel and assets in markets that present these risks, including solicitation of advice from third-party experts, Tidewater has confronted these kinds of incidents in the past, and there can be no assurance it will not be subjected to them in the future.

The continued threat of terrorist activity, other acts of war or hostility and civil unrest have significantly increased the risk of political, economic and social instability in some of the geographic areas in which Tidewater operates. It is possible that further acts of terrorism or civil unrest may be directed against the United States domestically or abroad, and such acts of terrorism or civil unrest could be directed against properties and personnel of U.S. headquartered companies such as Tidewater. To date, Tidewater has not experienced any material adverse effects on its results of operations and financial condition as a result of terrorism, political instability, civil unrest or war.

Tidewater may not be able to generate sufficient cash flow to meet its debt service and other obligations.

Tidewater s ability to make payments on its indebtedness and to fund its operations depends on Tidewater s ability to generate cash in the future. This, to a large extent, is subject to conditions in the oil and natural gas industry, including commodity prices, demand for its services and the prices Tidewater is able to charge for its services, general economic and financial conditions, competition in the markets in which Tidewater operates, the impact of legislative and regulatory actions on how Tidewater conducts its business and other factors, all of which are beyond its control.

Lower levels of offshore exploration and development activity and spending by Tidewater s customers globally has had a direct and significant impact on its financial performance, financial condition and financial outlook.

Tidewater may record additional losses or impairment charges related to its vessels.

Tidewater reviews the vessels in Tidewater s active fleet for impairment whenever events occur or changes in circumstances indicate that the carrying amount of an asset group may not be recoverable and Tidewater also performs a review of its stacked vessels not expected to return to active service whenever changes in circumstances indicate that the carrying amount of a vessel may not be recoverable. Tidewater has recorded impairment charges of $16.8 million, $184.7 million and $419.9 million, during the period from August 1, 2017 through December 31, 2017 (Successor), the period from April 1, 2017 through July 31, 2017 (Predecessor) and the nine-month period ended December 31, 2016 (Predecessor), respectively. In the event that offshore exploration and production industry conditions continue to deteriorate, or persist at current levels, Tidewater could be subject to additional vessel impairments in future periods. An impairment loss on Tidewater s property and equipment exists when the estimated undiscounted cash flows expected to result from the use of the asset and its eventual disposition are less than its carrying amount and the carrying amount exceeds its fair value. Any impairment loss recognized represents the excess of the asset s carrying value over the estimated fair value. As part of this analysis, Tidewater makes assumptions and estimates regarding future market conditions. To the

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extent actual results do not meet Tidewater s estimated assumptions it may take an impairment loss in the future. Additionally, there can be no assurance that Tidewater will not have to take additional impairment charges in the future, if the currently depressed market conditions persist.

There are uncertainties in identifying and/or integrating acquisitions.

Although acquisitions have historically been an element of Tidewater s business strategy, Tidewater cannot assure that it will be able to identify and acquire acceptable acquisition candidates on terms favorable to Tidewater in the future. Tidewater may be required to incur substantial indebtedness or issue equity to finance future acquisitions. Such additional debt service requirements may impose a significant burden on Tidewater s results of operations and financial condition, and any equity issuance could have a dilutive impact on Tidewater s stockholders. Tidewater cannot be certain that it will be able to successfully consolidate the operations and assets of any acquired business with its own business. Acquisitions may not perform as expected when the transaction was completed and may be dilutive to Tidewater s overall operating results. In addition, Tidewater s management may not be able to effectively manage a substantially larger business or successfully operate a new line of business.

Tidewater may not be able to successfully enter or grow a new line of business.

Historically, Tidewater s operations and acquisitions focused primarily on offshore marine vessel services for the oil and gas industry. Entry into, or further development of, lines of business in which Tidewater has not historically operated may expose it to business and operational risks that are different from those Tidewater has experienced historically. Tidewater s management may not be able to effectively manage these additional risks or implement successful business strategies in new lines of business. Additionally, Tidewater s competitors in these lines of business may possess substantially greater operational knowledge, resources and experience than Tidewater.

Tidewater may have disruptions or disagreements with its foreign joint venture partners, which could lead to an unwinding of the joint venture.

Tidewater operates in several foreign areas through joint ventures with local companies, in some cases as a result of local laws requiring local company ownership. While the joint venture partner may provide local knowledge and experience, entering into joint ventures often requires Tidewater to surrender a measure of control over the assets and operations devoted to the joint venture, and occasions may arise when Tidewater does not agree with the business goals and objectives of its partner, or other factors may arise that make the continuation of the relationship unwise or untenable. Any such disagreements or discontinuation of the relationship could disrupt Tidewater s operations, put assets dedicated to the joint venture at risk, or affect the continuity of its business. If Tidewater is unable to resolve issues with a joint venture partner, Tidewater may decide to terminate the joint venture and either locate a different partner and continue to work in the area or seek opportunities for Tidewater s assets in another market. The unwinding of an existing joint venture could prove to be difficult or time-consuming, and the loss of revenue related to the termination or unwinding of a joint venture and costs related to the sourcing of a new partner or the mobilization of assets to another market could adversely affect Tidewater s financial condition, results of operations or cash flows. Please refer to *Additional Information About Tidewater Business* beginning on page 35 and *Management s Discussion and Analysis of Financial Condition and Results of Operations* beginning on page 51 for additional discussion of Tidewater s Sonatide joint venture in Angola and Tidewater s joint venture in Nigeria, respectively.

Tidewater s international operations expose it to currency devaluation and fluctuation risk.

As a global company, Tidewater s international operations are exposed to foreign currency exchange rate risks on all charter hire contracts denominated in foreign currencies. For some of Tidewater s international contracts, a portion of the revenue and local expenses is incurred in local currencies and Tidewater is at risk of changes in the

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exchange rates between the U.S. dollar and foreign currencies. In some instances, Tidewater receives payments in currencies which are not easily traded and may be illiquid. Tidewater generally does not (and in some cases cannot) hedge against any foreign currency rate fluctuations associated with foreign currency contracts that arise in the normal course of business, which exposes Tidewater to the risk of exchange rate losses. Gains and losses from the revaluation of Tidewater s monetary assets and liabilities denominated in currencies other than the U.S. dollar are included in its consolidated statements of operations. Foreign currency fluctuations may cause the U.S. dollar value of Tidewater s non-U.S. results of operations and net assets to vary with exchange rate fluctuations. This could have a negative impact on Tidewater s results of operations and financial position. In addition, fluctuations in currencies relative to currencies in which the earnings are generated may make it more difficult to perform period-to-period comparisons of Tidewater s reported results of operations.

To minimize the financial impact of these items, Tidewater attempts to contract a significant majority of its services in U.S. dollars and, when feasible, Tidewater attempts to not maintain large, non-U.S. dollar-denominated cash balances. In addition, Tidewater attempts to minimize the financial impact of these risks by matching the currency of Tidewater s operating costs with the currency of revenue streams when considered appropriate. Tidewater monitors the currency exchange risks associated with all contracts not denominated in U.S. dollars.

As of June 30, 2018, Tidewater s joint venture in Angola, Sonatide, maintained the equivalent of approximately $43 million of Angolan kwanza-denominated deposits in Angolan banks, largely related to customer receipts that had not yet been converted to U.S. dollars, expatriated and then remitted to Tidewater. A devaluation in the Angolan kwanza relative to the U.S. dollar would result in foreign exchange losses for Sonatide to the extent the Angolan kwanza-denominated asset balances were in excess of kwanza-denominated liabilities, 49% under the current joint venture structure would be borne by Tidewater. In addition, the joint venture structure could be modified by mutual agreement of Tidewater and its partner, which may increase the foreign exchange losses borne by Tidewater.

Tidewater s insurance coverage and contractual indemnity protections may not be sufficient to protect Tidewater under all circumstances or against all risks.

Tidewater s operations are subject to the hazards inherent in the offshore oilfield business. These include blowouts, explosions, fires, collisions, capsizings, sinkings, groundings and severe weather conditions. Some of these events could be the result of (or exacerbated by) mechanical failure or navigation or operational errors. These hazards could result in personal injury and loss of life, severe damage to or destruction of property and equipment (including to the property and equipment of third parties), pollution or environmental damage and suspension of operations, increased costs and loss of business. Damages arising from such occurrences may result in lawsuits alleging large claims, and Tidewater may incur substantial liabilities or losses as a result of these hazards.

Tidewater carries what it considers to be prudent levels of liability insurance, and Tidewater s vessels are generally insured for their estimated market value against damage or loss, including war, terrorism acts and pollution risks. While Tidewater maintains insurance protection and seeks to obtain indemnity agreements from its customers requiring the customers to hold Tidewater harmless from some of these risks, Tidewater s insurance and contractual indemnity protection may not be sufficient or effective to protect it under all circumstances or against all risks. Tidewater s insurance coverages are subject to deductibles, the aggregate amount of which could be material, and certain exclusions. Tidewater does not directly or fully insure for business interruption. Insurance policies are subject to compliance with certain conditions, the failure of which could lead to a denial of coverage to a particular claim or the voiding of a particular insurance policy. The occurrence of a significant event not fully insured or indemnified against or the failure of a customer to meet its indemnification obligations to Tidewater could have a material and adverse effect on Tidewater s results of operations and financial condition. Additionally, while Tidewater believes that it should be able to maintain adequate insurance in the future at rates considered commercially acceptable, Tidewater cannot guarantee that such insurance will continue to be available at commercially acceptable rates beyond the renewal periods, or that

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it will be adequate to cover future claims that may arise given the markets in which it operates, and providing that, Tidewater may not be able to secure sufficient insurance on favorable terms to cover operations of the combined company.

With Tidewater s extensive international operations, it is subject to certain compliance risks under the Foreign Corrupt Practices Act or similar worldwide anti-bribery laws.

Tidewater s global operations require it to comply with a number of U.S. and international laws and regulations, including those involving anti-bribery and anti-corruption. As a U.S. corporation, Tidewater is subject to the regulations imposed by the Foreign Corrupt Practices Act (FCPA), which generally prohibits U.S. companies and their intermediaries from making improper payments to foreign officials for the purpose of obtaining or keeping business or obtaining an improper business benefit. Tidewater has adopted proactive procedures to promote compliance with the FCPA, but it may be held liable for actions taken by local partners or agents even though these partners or agents may themselves not be subject to the FCPA. Any determination that Tidewater has violated the FCPA (or any other applicable anti-bribery laws in countries in which Tidewater does business) could have a material adverse effect on its business and business reputation, as well as Tidewater s results of operations, and cash flows. GulfMark was also subject to FCPA risks within its service areas around the world that Tidewater will inherit by virtue of the business combination.

There may be changes to complex and developing laws and regulations to which Tidewater is subject that would increase its cost of compliance and operational risk.

Tidewater s operations are subject to many complex and burdensome laws and regulations. Stringent federal, state, local and foreign laws and regulations governing worker health and safety and the manning, construction and operation of vessels significantly affect its operations. Many aspects of the marine industry are subject to extensive governmental regulation by the United States Coast Guard, the United States Customs and Border Protection, and their foreign equivalents; as well as to standards imposed by private industry organizations such as the American Bureau of Shipping, the Oil Companies International Marine Forum, and the International Marine Contractors Association.

Further, many of the countries in which Tidewater operates have laws, regulations and enforcement systems that are less well developed than the laws, regulations and enforcement systems of the United States, and the requirements of these systems are not always readily discernible even to experienced and proactive participants. These countries laws can be unclear, and, the application and enforcement of these laws and regulations can be unpredictable and subject to frequent change or reinterpretation. Sometimes governments may apply such changes or reinterpretations with retroactive effect, and may impose associated taxes, fees, fines or penalties on Tidewater based on that reinterpretation or retroactive effect. While Tidewater endeavors to comply with applicable laws and regulations, its compliance efforts might not always be wholly successful, and failure to comply may result in administrative and civil penalties, criminal sanctions, imposition of remedial obligations or the suspension or termination of Tidewater s operations. These laws and regulations may expose Tidewater to liability for the conduct of, or conditions caused by, others, including charterers or third party agents. Moreover, these laws and regulations could be changed or be interpreted in new, unexpected ways that substantially increase costs that Tidewater may not be able to pass along to its customers. Any changes in laws, regulations or standards imposing additional requirements or restrictions could adversely affect Tidewater s financial condition, results of operations or cash flows.

There may be changes in the laws governing U.S. taxation of foreign source income.

Tidewater operates globally through various subsidiaries which are subject to changes in applicable tax laws, treaties or regulations in the jurisdictions in which it conducts its business, including laws or policies directed toward companies organized in jurisdictions with low tax rates. Tidewater determines its income tax expense based on its interpretation of the applicable tax laws and regulations in effect in each jurisdiction for the period during which Tidewater operates and earns income. A material change in the tax laws, tax treaties, regulations or accounting principles, or interpretation thereof, in one or more countries in which it conducts business, or in which Tidewater is incorporated or a resident of, could result in a higher effective tax rate on its worldwide earnings, and such change could be significant to its financial results. In addition, Tidewater s overall effective tax rate could be adversely and suddenly affected by lower than anticipated earnings in countries with lower statutory rates and higher than anticipated earnings in countries with higher statutory rates, or by changes in the valuation of Tidewater s deferred tax assets and liabilities.

Approximately 90% of Tidewater s revenues and a majority of its net income are generated by Tidewater s operations outside of the United States. Beginning in the quarter ended June 30, 2015, Tidewater uses a discrete effective tax rate method to calculate taxes for interim periods. Tidewater determined that due to the level of volatility and unpredictability of earnings in our industry, both overall and by jurisdiction, use of the discrete method will continue to be proper until facts and circumstances change.

Changes in applicable tax regulations could negatively affect Tidewater s financial results. Tidewater is subject to taxation in the U.S. and numerous foreign jurisdictions. Tidewater s financial results may differ from the estimates provided elsewhere in this prospectus, possibly materially, due to, among other things, the Tax Act, changes in interpretations of the Tax Act, any legislative action to address questions that arise because of the Tax Act, any changes in accounting standards for income taxes or related interpretations in response to the Tax Act, or any updates or changes to estimates Tidewater has utilized to calculate the transition impacts. Additionally, longstanding international tax norms that determine each country s jurisdiction to tax cross-border international trade are evolving as a result of the Base Erosion and Profit Shifting reporting requirements recommended by the G8, G20 and Organization for Economic Cooperation and Development. As these and other tax laws and related regulations change, Tidewater s financial results could be materially impacted. Given the unpredictability of these possible changes and their potential interdependency, it is very difficult to assess whether the overall effect of such potential tax changes would be cumulatively positive or negative for Tidewater s earnings and cash flow, but such changes could adversely impact its financial results.

In addition, Tidewater s income tax returns are subject to review and examination by the U.S. Internal Revenue Service (IRS) and other tax authorities where tax returns are filed. Tidewater routinely evaluates the likelihood of adverse outcomes resulting from these examinations to determine the adequacy of Tidewater s provision for taxes. Tidewater does not recognize the benefit of income tax positions it believes are more likely than not to be disallowed upon challenge by a tax authority. If any tax authority successfully challenges Tidewater s operational structure or intercompany transfer pricing policies, or if the terms of certain income tax treaties were to be interpreted in a manner that is adverse to its structure, or if Tidewater loses a material tax dispute in any country, Tidewater s effective tax rate on its worldwide earnings could increase, and Tidewater s financial condition and results of operations could be materially and adversely affected.

Any changes in environmental regulations could increase the cost of energy and future production of oil and gas.

Tidewater s operations are subject to federal, state, local and international laws and regulations that control the discharge of pollutants into the environment or otherwise relate to environmental protection. Compliance with such laws and regulations may require installation of costly equipment, increased manning or operational changes. Some environmental laws impose strict liability for remediation of spills and releases of oil and hazardous substances, which could subject Tidewater to liability without regard to whether it was negligent or at fault.

A variety of regulatory developments, proposals and requirements have been introduced (and in some cases enacted) in the U.S. and various other countries that are focused on restricting the emission of carbon dioxide, methane and other gases. Notwithstanding the current downturn in the oil industry punctuated by lessened demand and lower oil prices, any such regulations could ultimately result in the increased cost of energy as well

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as environmental and other costs, and capital expenditures could be necessary to comply with the limitations. These developments may have an adverse effect on future production and demand for hydrocarbons such as crude oil and natural gas in areas of the world where Tidewater s customers operate and thus adversely affect future demand for Tidewater s offshore support vessels and other assets, which are highly dependent on the level of activity in offshore oil and natural gas exploration, development and production markets. In addition, the increased regulation of environmental emissions may create greater incentives for the use of alternative energy sources. Unless and until regulations are implemented and their effects are known, Tidewater cannot reasonably or reliably estimate their impact on its financial condition, results of operations and ability to compete. However, any long term material adverse effect on the crude oil and natural gas industry may adversely affect Tidewater s financial condition, results of operations and cash flows.

Adoption of climate change and greenhouse gas restrictions could increase the cost of energy and future production of oil and gas.

Due to concern over the risk of climate change, a number of countries have adopted, or are considering the adoption of, regulatory frameworks to reduce greenhouse gas emissions. These include adoption of cap and trade regimes, carbon taxes, restrictive permitting, increased efficiency standards, and incentives or mandates for renewable energy. These requirements could make Tidewater s customer s products more expensive and reduce demand for hydrocarbons, as well as shift hydrocarbon demand toward relatively lower-carbon sources such as natural gas, any of which may reduce demand for its services.

Tidewater may be subject to additional unionization efforts, new collective bargaining agreements or work stoppages.

In locations in which it is required to do so, including in service area locations acquired by virtue of the business combination with GulfMark, Tidewater has union workers, subject to collective bargaining agreements, that are periodically in negotiation. These negotiations could result in higher personnel expenses, other increased costs, or increased operational restrictions. Further, efforts have been made from time to time to unionize other portions of Tidewater s workforce, including its U.S. Gulf of Mexico employees. Tidewater has also been subjected to threatened strikes or work stoppages and other labor disruptions in certain countries. Additional unionization efforts, new collective bargaining agreements or work stoppages could materially increase Tidewater s costs and operating restrictions, reduce its revenues, or limit its flexibility.

Risks Relating to Tidewater s Securities

Tidewater common stock is subject to restrictions on foreign ownership and possible required divestiture by non-U.S. Citizen stockholders.

Certain of Tidewater s operations are conducted in the U.S. coastwise trade and are governed by the U.S. federal law commonly known as the Jones Act. The Jones Act restricts waterborne transportation of goods and passengers between points in the United States (known as coastwise trade) to vessels owned and controlled by U.S. Citizens as defined thereunder (which Tidewater refers to as U.S. Citizens). Tidewater could lose the privilege of owning and operating vessels in the coastwise trade if non-U.S. Citizens were to own or control, in the aggregate, more than 25% of common stock in Tidewater. Such loss could have a material adverse effect on Tidewater s results of operations.

The Tidewater charter and the Tidewater bylaws (as amended and restated in connection with the business combination, the Tidewater bylaws) authorize the Tidewater board of directors (the Tidewater Board) to establish with respect to any class or series of capital stock of Tidewater certain rules, policies and procedures, including procedures with respect to transfer of shares, to ensure compliance with the Jones Act. In order to provide a reasonable margin for compliance with the Jones Act, the Tidewater charter provides that, all non-U.S. Citizens in the aggregate may own up to 24% of the outstanding shares of common stock and any individual non-U.S. Citizen may own up to 4.9% of the outstanding shares of common stock.

On the Emergence Date (as defined under the section entitled *Additional Information About Tidewater Reorganization of Tidewater*), approximately 22% of Tidewater s outstanding common stock was owned by non-U.S. Citizens. At and during such time that the permitted limit of ownership by non-U.S. Citizens is reached with respect to shares of common stock, as applicable, Tidewater will be unable to issue any further shares of such class of common stock or approve transfers of such class of common stock to non-U.S. Citizens. Any purported transfer of shares of Tidewater common stock in violation of these ownership provisions will be ineffective to transfer the common stock or any voting, dividend or other rights associated with them. The existence and enforcement of these requirements could have an adverse impact on the liquidity or market value of Tidewater s equity securities in the event that U.S. Citizens were unable to transfer Tidewater shares to non-U.S. Citizens. Furthermore, under certain circumstances, this ownership requirement could discourage, delay or prevent a change of control of Tidewater.

The market price of Tidewater s securities is subject to volatility.

Upon emergence from the Chapter 11 proceeding, Tidewater s old common stock was canceled and Tidewater issued new common stock. The market price of Tidewater common stock could be subject to wide fluctuations in response to, and the level of trading that develops with Tidewater common stock may be affected by, numerous factors beyond Tidewater s control such as, Tidewater s limited trading history subsequent to Tidewater s emergence from bankruptcy, on occasion Tidewater s securities are thinly traded, the lack of comparable historical financial information due to Tidewater s adoption of fresh-start accounting, actual or anticipated variations in Tidewater s operating results and cash flow, business conditions in Tidewater s markets and the general state of the securities markets and the market for energy-related stocks, as well as general economic and market conditions and other factors that may affect Tidewater s future results, including those described in this prospectus.

Because Tidewater currently has no plans to pay cash dividends or other distributions on Tidewater common stock, you may not receive any return on investment unless you sell your common stock for a price greater than that which you paid for it.

Tidewater currently does not expect to pay any cash dividends or other distributions on Tidewater common stock in the foreseeable future. Any future determination to pay cash dividends or other distributions on Tidewater common stock will be at the sole discretion of the Tidewater Board and, if Tidewater elects to pay such dividends in the future, Tidewater may reduce or discontinue entirely the payment of such dividends at any time. The Tidewater Board may take into account general and economic conditions, Tidewater s financial condition and operating results, Tidewater s available cash and current and anticipated cash needs, capital requirements, agreements governing any existing and future indebtedness of Tidewater or its subsidiaries may incur and other contractual, legal, tax and regulatory restrictions and implications on the payment of dividends by Tidewater to its stockholders, and such other factors as the Tidewater Board may deem relevant. As a result, you may not receive any return on an investment in Tidewater common stock unless you sell Tidewater common stock for a price greater than that which you paid for it.

Tidewater s ability to raise capital in the future may be limited, which could make it unable to fund Tidewater s capital requirements.

Tidewater s business and operations may consume cash more quickly than it anticipates potentially impairing its ability to make capital expenditures to maintain Tidewater s fleet and other assets in suitable operating condition. If Tidewater s cash flows from operating activities are not sufficient to fund capital expenditures, it would be required to further reduce these expenditures or to fund capital expenditures through debt or equity issuances or through alternative financing plans or selling assets. If adequate funds are not available on acceptable terms, Tidewater may be unable to fund its capital requirements. Tidewater s ability to raise debt or equity capital or to refinance or restructure existing debt arrangements are limited by its existing debt arrangements and will depend on the condition of the capital markets and Tidewater s financial condition at such time, among other things. Any

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limitations in Tidewater s ability to finance future capital expenditures may limit Tidewater s ability to respond to changes in customer preferences, technological change and other market conditions, which may diminish Tidewater s competitive position within its sector.

If Tidewater issues additional equity securities, existing stockholders will experience dilution. The Tidewater certificate of incorporation permits the Tidewater Board to issue preferred stock, which could have rights and preferences senior to those of Tidewater common stock. Because Tidewater s decision to issue securities in any future offering will depend on market conditions and other factors beyond its control, Tidewater cannot predict or estimate the amount, timing or nature of its future offerings. Thus, Tidewater s security holders bear the risk of its future securities offerings reducing the market price of Tidewater common stock or other securities, diluting their interest or being subject to rights and preferences senior to their own.

If securities analysts do not publish research or reports about Tidewater s business or if they downgrade or provide a negative outlook on Tidewater s securities or its industry, the market price of Tidewater s securities and its trading volume could decline.

The trading markets for Tidewater s securities rely in part on the research and reports that industry or financial analysts publish about Tidewater or its business. Tidewater does not control these analysts. Furthermore, if one or more of the analysts who do cover Tidewater downgrade or provide a negative outlook on Tidewater s securities or its industry or the stock of any of Tidewater s competitors, or publish inaccurate or unfavorable research about Tidewater s business, the price of Tidewater s securities could decline. If one or more of these analysts ceases coverage of Tidewater s business or fails to publish reports on Tidewater regularly, Tidewater could lose visibility in the market, which in turn could cause the price or trading volume of Tidewater s securities to decline.

Anti-takeover provisions and limitations on foreign ownership in Tidewater s organizational documents could delay or prevent a change of control.

Certain provisions of the Tidewater certificate of incorporation and the Tidewater bylaws may have an anti-takeover effect and may delay, defer or prevent a merger, acquisition, tender offer, takeover attempt or other change of control transaction that a stockholder might consider in its best interest, including those attempts that might result in a premium over the market price for the shares held by Tidewater s stockholders. These provisions provide for, among other things:

- the ability of the Tidewater Board to issue, and determine the rights, powers and preferences of, one or more series of preferred stock;

- advance notice for nominations of directors by stockholders and for stockholders to present matters for consideration at Tidewater s annual meetings;

- limitations on convening special stockholder meetings;

- the prohibition on stockholders to act by written consent;

- supermajority vote of stockholders to amend certain provisions of the certificate of incorporation;
- limitations on expanding the size of the Tidewater Board;
- the availability for issuance of additional shares of common stock; and
- restrictions on the ability of any natural person or entity that does not satisfy the citizenship requirements of the U.S. maritime laws to own, in the aggregate, more than 24% of the outstanding shares of Tidewater common stock.

These anti-takeover provisions and foreign ownership limitations could discourage, delay or prevent a transaction involving a change in control of Tidewater, including actions that Tidewater s stockholders may deem

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advantageous, or negatively affect the trading price of Tidewater common stock and other securities. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your choosing and to cause Tidewater to take other corporate actions you desire.

The exercise of all or any number of outstanding warrants or the issuance or vesting of equity awards may dilute your ownership of shares of Common Stock.

Tidewater has a number of outstanding securities that provide for the right to purchase or receive shares of Common Stock, including five series of warrants (three issued by Tidewater and two originally issued by GulfMark and assumed by Tidewater as a result of the business combination) and certain compensatory equity awards.

As of September 30, 2018, Tidewater had 3,512,416 shares of Common Stock issuable upon the exercise of Tidewater creditor warrants, with an exercise price of $0.001 per share (the creditor warrants or the TDW Jones Act Warrants). Tidewater also has up to 2,432,432 and 2,629,657 shares of Common Stock issuable upon the exercise of the 2,432,432 Series A Warrants and 2,629,657 Series B Warrants with exercise prices of $57.06 and $62.28 per share, respectively (together, the equity warrants or the TDW Equity Warrants).

As a result of the business combination that closed on November 15, 2018, Tidewater assumed the GLF Warrants, of which there are two series (GLF Jones Act Warrants and GLF Equity Warrants). At the closing, pursuant to the merger agreement and the applicable warrant agreement (as assumed and amended by Tidewater at the closing), each GLF Warrant was automatically converted into a warrant exercisable for 1.100 shares of Common Stock upon payment to Tidewater of the applicable exercise price and subject to the other terms and conditions of the applicable warrant agreement, including cash paid in lieu of any fractional share. At the closing, there were 2,339,658 GLF Jones Act Warrants outstanding, representing the right to purchase an aggregate of 2,573,624 shares of Common Stock with an exercise price of $0.01 per share, and 783,009 GLF Equity Warrants outstanding, representing the right to purchase an aggregate 861,310 shares of Common Stock with an exercise price of $100.00 per share.

Investors could be subject to voting dilution upon the exercise of TDW Jones Act Warrants and GLF Jones Act Warrants, each on a nominal exercise price subject to Jones Act-related foreign ownership restrictions, and voting and economic dilution upon the exercise of TDW Equity Warrants and GLF Equity Warrants.

With respect to compensatory equity awards, a total of 3,048,877 shares of Tidewater Common Stock have been reserved for issuance under the 2017 Stock Incentive Plan as equity-based awards to Tidewater employees, directors and certain other persons. As of June 30, 2018, 1,471,423 restricted stock units are outstanding under the 2017 Stock Incentive Plan, subject to vesting requirements. In addition, at the closing, as provided in the merger agreement, Tidewater assumed certain outstanding restricted stock units that had been originally granted by GulfMark under the GulfMark Management Incentive Plan (the GLF MIP). As adjusted to reflect the exchange ratio, these legacy GulfMark restricted stock units represent the right to receive an aggregate 88,479 shares of Common Stock, provided the applicable vesting requirements are met. In addition, following the closing, Tidewater adopted the GLF MIP and the shares remaining available for issuance under it, which, as adjusted to reflect the exchange ratio, represents an additional 835,872 shares of Tidewater common stock that may be issued to certain service providers to the extent permitted under NYSE listing rules.

The grant or vesting of equity awards, including any that Tidewater may grant or assume in the future, whether under the 2017 Stock Incentive Plan or any other equity plan sponsored by Tidewater, and the exercise of warrants and the subsequent issuance of shares of Common Stock could have an adverse effect on the market for Common Stock, including the price that an investor could obtain for their shares of Common Stock.

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There may be a limited trading market for the TDW Jones Act Warrants and the GLF Jones Act Warrants and you may have difficulty trading and obtaining quotations for TDW Jones Act Warrants or GLF Jones Act Warrants.

While there is sporadic trading of TDW Jones Act Warrants and GLF Jones Act Warrants, there is currently no active trading market for either of the TDW Jones Act Warrants or GLF Jones Act Warrants, and there can be no assurance that an active trading market will develop. The lack of an active trading market may impair your ability to sell your TDW Jones Act Warrants or GLF Jones Act Warrants at the time you wish to sell them or at a price that you consider acceptable. The lack of an active trading market may also reduce the fair market value of your TDW Jones Act Warrants or GLF Jones Act Warrants. While there are unsolicited quotes for TDW Jones Act Warrants and GLF Jones Act Warrants on the OTC Pink Market, there is no market maker for this security on the OTC Pink Market. As a result, you may find it difficult to dispose of, or to obtain accurate quotations of the price of, TDW Jones Act Warrants or GLF Jones Act Warrants. This severely limits the liquidity of the TDW Jones Act Warrants and the GLF Jones Act Warrants, and will likely reduce the market price of the TDW Jones Act Warrants and the GLF Jones Act Warrants.

There is no guarantee that the Series A Warrants, Series B Warrants, or the GLF Equity Warrants will ever be in the money, and unexercised warrants may expire with limited or no value. Further, the terms of such warrants may be amended.

As long as Tidewater s stock price is below the strike price of each of the Series A Warrants and Series B Warrants ($57.06 per share for Series A Warrants, and $62.28 per share for Series B Warrants), or the strike price of the GLF Equity Warrants ($100.00 per share), these warrants will have limited economic value, and they may expire before any value is realized. In addition, each warrant agreement provides that the terms of the warrants subject to that agreement may be amended without the consent of any holder of such warrants to cure any ambiguity or correct any defective provision. However, for any change that would adversely affect the interests of all holders of a given series of warrants, the applicable warrant agreement requires that such amendment be approved by the holders of at least a certain percentage of the then-outstanding warrants to make such a change.

Tidewater may not be able to maintain a listing of Tidewater common stock on the NYSE.

Tidewater must continue to meet certain financial and liquidity criteria to maintain the listing of Tidewater s securities on the NYSE. If Tidewater fails to meet any of the NYSE s continued listing standards, Tidewater common stock may be delisted. A delisting of Tidewater common stock may materially impair Tidewater s stockholders ability to buy and sell Tidewater common stock and could have an adverse effect on the market price of, and the efficiency of, the trading market for these securities. A delisting of Tidewater common stock could significantly impair Tidewater s ability to raise capital.

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MARKET PRICE OF TIDEWATER COMMON STOCK AND DIVIDEND INFORMATION

Tidewater Market Price and Dividend Information

Tidewater common stock is listed on the NYSE under the symbol TDW. The following table sets forth the high and low prices per share for Tidewater common stock for the periods indicated, in each case rounded to the nearest whole cent. Tidewater s fiscal year ends on December 31.

	High ($)	Low ($)
Year Ended December 31, 2018 (Successor):		
Quarter ended December 31, 2018 (through November 9, 2018)	36.09	25.44
Quarter ended September 30, 2018	34.40	28.26
Quarter ended June 30, 2018	35.65	27.75
Quarter ended March 31, 2018	30.00	23.82
Nine Month Transition Period Ended December 31, 2017:		
Quarter ended December 31, 2017 (Successor)	29.08	23.56
Period from August 1, 2017 to September 30, 2017 (Successor)	30.31	20.38
Period from July 1, 2017 to July 31, 2017 (Predecessor)	1.05	0.72
Quarter ended June 30, 2017 (Predecessor)	1.19	0.66
Year ended March 31, 2017 (Predecessor):		
Quarter ended March 31, 2017	3.93	0.80
Quarter ended December 31, 2016	4.49	1.44
Quarter ended September 30, 2016	5.21	2.16
Quarter ended June 30, 2016	9.37	3.79

There were no dividends declared by Tidewater during the year ended March 31, 2017 (nor during the nine-month transition period ended December 31, 2017) and there were no dividends declared by Tidewater during the quarters ended March 31, 2018, June 30, 2018 or September 30, 2018.

You should obtain current market quotations for shares of Tidewater common stock, as the market price of Tidewater common stock will fluctuate between the date of this prospectus and the date on which the GLF Warrants are exercised for shares of Tidewater common stock, at times in between and thereafter. You can obtain these quotations from publicly available sources.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This registration statement on Form S-1, of which this prospectus forms a part, and the documents to which Tidewater refers you in this registration statement, of which this prospectus forms a part, include certain forward-looking statements within the meaning of, and subject to the safe harbor created by, Section 27A of the Securities Act of 1933 and Section 21E of the Exchange Act (the safe harbor provisions). Words such as anticipate, assume, believe, bui continue, create, design, estimate, expect, focus, forecast, future, goal, guidance, imply, inter opportunity, outlook, plan, position, potential, predict, project, prospective, pursue, seek, strateg may, should, would, will or the negative of such terms or other variations thereof, and words and terms of similar substance used in connection with any discussion of future plans, actions, or events, identify forward-looking statements with respect to the business, strategies and plans of Tidewater, its expectations relating to the business combination and its future financial condition and performance. Tidewater cautions investors that any forward-looking statements are subject to risks and uncertainties that may cause actual results and future trends to differ materially from those matters expressed in or implied by such forward-looking statements. Investors are cautioned not to place undue reliance on forward-looking statements. Among the risks and uncertainties that could cause actual results to differ from those described in forward-looking statements are the following:

- the risk that the business combination may not be accretive, and may be dilutive, to Tidewater s earnings per share, which may negatively affect the market price of shares of Tidewater common stock;
- the risk that Tidewater may fail to realize the benefits expected from the business combination;
- the risk that any announcements relating to, or the completion of, the business combination could have adverse effects on the market price of Tidewater common stock;
- the risk related to any unknown or unforeseen liability of GulfMark;
- the risk that the business combination and its announcement and/or completion could have an adverse effect on the ability of Tidewater and GulfMark to retain customers and retain and hire key personnel and maintain relationships with their suppliers and customers;
- the risk of any changes in general economic, market or business conditions, or changes in the economic or financial condition of Tidewater; and
- the risks to its operating results and business generally.

Such factors are difficult to predict and in many cases may be beyond the control of Tidewater. Tidewater s forward-looking statements are based on assumptions that Tidewater believes to be reasonable but that may not prove to be accurate. All of the forward-looking statements made by Tidewater in this prospectus are qualified by the information contained herein, including the information contained under this heading.

Tidewater undertakes no obligation to publicly release the result of any revisions to any such forward-looking statements that may be made to reflect events or circumstances that occur, or which it becomes aware of, except as required by applicable law or regulation. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

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THE OFFERING

Issuer:	Tidewater Inc.
Shares of Common Stock that may be offered by the Issuer:	3,434,934 shares of Common Stock, consisting of 2,573,624 shares issuable upon the exercise of GLF Jones Act Warrants and 861,310 shares issuable upon the exercise of GLF Equity Warrants
Offering:	The purpose of this offering is to register the shares of Common Stock that are issuable upon the exercise of two series of outstanding GLF Warrants: GLF Equity Warrants, which may be exercised at any time until November 14, 2024 for an exercise price of $100.00 per share, and GLF Jones Act Warrants, which may be exercised at any time until November 14, 2042 for an exercise price of $0.01 per share.
	As a result of the closing of the business combination between Tidewater and GulfMark that was consummated on November 15, 2018, Tidewater assumed the GLF Warrants and will issue shares of Common Stock to the holders of GLF Warrants in the future, at times and in amounts determined by such holders through their exercise of these GLF Warrants in accordance with the applicable GLF Warrant Agreement, and the shares of Common Stock subject to this registration statement are being registered for this purpose.
	In accordance with the terms of the merger agreement and the applicable warrant agreement (as assumed and amended by Tidewater at the closing), each GLF Warrant represents the right to receive 1.100 shares of Common Stock upon payment to Tidewater of the applicable exercise price and subject to the other terms and conditions of the applicable warrant agreement, including the limitations on foreign ownership as set forth in the Tidewater charter that are intended to comply with the Jones Act, with cash paid in lieu of any fractional share.
Use of Proceeds:	Tidewater will not receive any proceeds from the exercise of GLF Jones Act Warrants, as they may only be exercised using a cashless exercise procedure. Holders of GLF Equity Warrants may elect to exercise their warrants using a cashless exercise procedure or may pay the aggregate exercise price in cash. Tidewater would receive the proceeds from any cash exercise of the GLF Equity Warrants to purchase shares of Common Stock. Any such proceeds would be used for general corporate purposes.

Risk Factors:	For more information, see the section entitled Risk Factors beginning on page 5 of this prospectus and other information included in this prospectus for a discussion of factors you should carefully consider.
NYSE Common Stock symbol:	TDW
Transfer Agent and Registrar:	Computershare

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USE OF PROCEEDS

Tidewater will not receive any cash proceeds from the exercise of GLF Jones Act Warrants because, by their terms, GLF Jones Act Warrants may only be exercised through a cashless exercise procedure, in which the number of shares of Common Stock delivered to the exercising warrantholder upon exercise will be reduced by the number of shares of Common Stock necessary to cover the aggregate exercise price. Holders of GLF Equity Warrants may elect either to exercise their warrants using a cashless exercise procedure or to pay the aggregate exercise price in cash. Tidewater will receive the proceeds from any cash exercise of the GLF Equity Warrants. If all GLF Equity Warrants that were outstanding as of the closing were exercised for cash, we would receive gross proceeds of approximately $86,131,000. Tidewater intends to use any proceeds received upon the cash exercise of GLF Equity Warrants for general corporate purposes.

DETERMINATION OF OFFERING PRICE

The offering price per share of Common Stock issuable under the GLF Warrants is an exercise price set forth in the applicable GLF Warrant Agreement. For GLF Jones Act Warrants, the exercise price is $0.01 per share of Common Stock and for GLF Equity Warrants, the exercise price is $100.00 per share of Common Stock, in each case, subject to adjustment as provided in the applicable GLF Warrant Agreement.

PLAN OF DISTRIBUTION

As provided in the applicable GLF Warrant Agreement, the shares of Common Stock offered and sold pursuant to this prospectus will be delivered by Tidewater directly to warrantholders upon the exercise of GLF Warrants, when and to the extent such warrantholder elects to exercise such GLF Warrants, subject to the limitations set forth in the Tidewater charter intended to comply with the Jones Act.

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THE WARRANTS

As a result of the business combination, Tidewater assumed the GLF Warrants and will be obligated to issue shares of Common Stock to the holders of GLF Warrants from time to time in the future, in amounts determined by such holders through their exercise of these GLF Warrants, subject to the limits set forth in the Tidewater charter intended to comply with the Jones Act, and the shares of Common Stock subject to this registration statement are being registered for this purpose.

There are two series of GLF Warrants: GLF Jones Act Warrants, which may be exercised at any time until November 14, 2042 for an exercise price of $0.01 per share, and GLF Equity Warrants, which may be exercised at any time until November 14, 2024 for an exercise price of $100.00 per share. Each series of GLF Warrant is subject to the terms and conditions of a warrant agreement, which was amended in connection with the business combination and assumed by Tidewater effective upon the closing (the GLF Jones Act Warrant Agreement and the GLF Equity Warrant Agreement and together, the GLF Warrant Agreements). Although all of the GLF Warrants are immediately exercisable, exercise of any GLF Warrants is subject to, among other things, the limitations on foreign ownership as set forth in the Tidewater charter that are intended to comply with the Jones Act.

Specifically, the Jones Act, which applies to companies that engage in maritime transportation of merchandise and passengers between points in the United States (known as marine cabotage services or coastwise trade), requires, among other things, that the aggregate ownership of common stock of a publicly-traded company by non-U.S. citizens not exceed 25% of its outstanding common stock. Therefore, in order to ensure compliance with the Jones Act, Tidewater s charter restricts ownership of the total number of shares of capital stock by all non-U.S. citizens to not more than 24% in the aggregate and restricts ownership of the total number of shares of capital stock by any individual non-U.S. citizen to not more than 4.9%.

As adjusted by the merger agreement and the applicable GLF Warrant Agreement, each GLF Warrant represents the right to receive 1.100 shares of Common Stock upon payment to Tidewater of the applicable exercise price and subject to the other terms and conditions of the applicable GLF Warrant Agreement, including the limitations on foreign ownership as set forth in the Tidewater charter that are intended to comply with the Jones Act. As provided in the applicable warrant agreement, no fractional shares will be issued upon the exercise of GLF Warrants; rather, in exchange for payment of the applicable aggregate per-share exercise price, an exercising warrantholder will be entitled to receive a number of shares of Common Stock equal to all GLF Warrants of that series being exercised by such holder multiplied by 1.100, rounded down to the nearest whole share, with cash paid in lieu of any fractional share based on the closing price of a share of Common Stock on the NYSE on November 14, 2018, the last trading day prior to the closing.

The foregoing description of the GLF Warrants is not complete and is qualified by reference to the applicable GLF Warrant Agreement. With respect to the GLF Jones Act Warrants, the two documents constituting the GLF Jones Act Warrant Agreement are filed as Exhibits 4.1 and 4.2 to, and are incorporated by reference into, this prospectus. With respect to the GLF Equity Warrants, the two documents constituting the GLF Equity Warrant Agreement are filed as Exhibits 4.3 and 4.4 to, and are incorporated by reference into, this prospectus.

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INFORMATION REGARDING TIDEWATER DIRECTORS FOLLOWING THE BUSINESS COMBINATION

Director Biographies

A biography of each director of Tidewater immediately following the consummation of the business combination is set forth below. The information in each biography is presented as of November 9, 2018.

Name, Age and Position	Business and Leadership Experience	Tidewater Director since
Thomas R. Bates, Jr., 69 Chairman of the Board Member of the Compensation Committee and Nominating and Corporate Governance Committee	***Business and Leadership Experience***: Mr. Bates has been an Adjunct Professor at the Neeley School of Business at Texas Christian University since January 2011 and currently serves as the Co-Chair of the Advisory Board for the Energy MBA Program. Mr. Bates began his career with Shell Oil Company where he was responsible for aspects of drilling research and operations. He served as President of the Anadrill division of Schlumberger Limited from 1992 to 1997, Chief Executive Officer of Weatherford Enterra, Inc. from 1997 to 1998, Senior Vice President and Discovery Group President of Baker Hughes Incorporated from 1998 to 2000, and Managing Director and Senior Advisor of Lime Rock Partners from 2002 to 2012. Mr. Bates holds B.S.E., M.S.E., and Ph.D. degrees in Mechanical Engineering from the University of Michigan. Mr. Bates currently serves as Chairman and Director of both Independence Contract Drilling, Inc. and Vantage Drilling International. He also serves on the boards of Alacer Gold Corporation, TETRA Technologies, Inc. and Wellflex Energy Partners, LLC. He previously served on the boards of FTS International Inc., T-3 Energy Services, Inc., Hercules Offshore, Inc. and NATCO Group, Inc.	2017
Alan J. Carr, 48 Chairman of the Nominating and Corporate Governance Committee and Member of the Compensation Committee	***Business and Leadership Experience***: Mr. Carr has served as the Chief Executive Officer and Managing Member of Drivetrain, LLC, a fiduciary services firm which supports the investment community, since 2013. Mr. Carr practiced as a corporate restructuring attorney at Ravin, Sarasohn, Baumgarten, Fisch & Rosen from 1995 to 1997 and at Skadden, Arps, Slate, Meagher & Flom LLP from 1997 to 2003. From 2003 to 2013, he served as the Managing Director at Strategic Value Partners LLC, an investment manager for hedge funds and private equity funds. Mr. Carr holds a B.A. in Economics from Brandeis University and a J.D. from Tulane Law School. Mr. Carr currently serves on the boards of Sears Holdings Corp., TEAC Corporation,	2017

	Verso Corporation, and Midstates Petroleum Company. He previously served on the boards of LightSquared Inc. and LightSquared LLP.	
Randee E. Day, 69		2017
Member of the Audit Committee and Nominating	***Business and Leadership Experience***: Ms. Day has served as the Chief Executive Officer of Goldin Maritime, LLC, since 2016. She previously led the boutique restructuring and advisory firm Day & Partners, LLC from	

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Name, Age and Position	Business and Leadership Experience	Tidewater Director since
and Corporate Governance Committee	2011 to 2016; and in 2011, she served as the interim Chief Executive Officer of DHT Maritime, Inc. Ms. Day served as a Managing Director at the Seabury Group, a transportation advisory firm from 2004 to 2010, where she led the maritime practice and was the Division Head of JP Morgan s shipping group in New York from 1978 to 1985. Ms. Day currently serves as a director on the boards of Eagle Bulk Shipping Inc. and International Seaways, Inc. She has previously served on the boards of numerous public companies, including TBS International Ltd., Ocean Rig ASA, DHT Maritime Inc. and Excel Maritime. Ms. Day is a graduate of the School of International Relations at the University of Southern California and undertook graduate business studies at The George Washington University. In December 2014, she graduated from the Senior Executives in National and International Security Program at the Kennedy School at Harvard University.	
Dick Fagerstal, 57 Chairman of the Audit Committee	***Business and Leadership Experience***: Mr. Fagerstal has served as Chairman and Chief Executive Officer of Global Marine Holdings LLC and Executive Chairman of Global Marine Systems Ltd. since 2014. He previously served as a director of Frontier Oil Corporation. He served in the Royal Swedish Army (Special Forces) from 1979 to 1983. Mr. Fagerstal was previously employed by Seacor Holdings, Inc. serving as Senior Vice President, Finance & Corporate Development from 2003 to 2014 and as Vice President Finance & Treasurer from 2002 to 2003. Mr. Fagerstal served as Executive Vice President, Chief Financial Officer and director of Era Group Inc. from 2011 to 2012. Mr. Fagerstal was the Senior Vice President and Chief Financial Officer and director of Chiles Offshore Inc. from 1997 to 2002 and served as a banker in various positions at DnB NOR Bank ASA from 1986 to 1997. Mr. Fagerstal received a B.S. in Economics from the University of Gothenburg in 1984 and an M.B.A. in Finance as a Fulbright Scholar from New York University in 1986.	2017
Steven L. Newman, 53 Chairman of the	***Business and Leadership Experience***: Mr. Newman served as the Chief Executive Officer at Transocean Ltd. from March 2010 to February 2015 and as President from May 2008 to February 2015. He served as the Chief Operating Officer of Transocean Ltd. from May 2008 to November 2009 and held various other positions with Transocean	2017

Compensation Committee	beginning in 1994. Prior to working with Transocean, he served as a Financial Analyst at Chevron from 1992 to 1994,
and Member of the Audit Committee	and was a Reservoir Engineer with

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Name, Age and Position	Business and Leadership Experience	Tidewater Director since
	Mobil E&P, US from 1989 to 1990. Mr. Newman currently serves as a director of Dril-Quip, Inc. and of SNC-Lavalin Group Inc. He previously served as a director of Transocean Ltd. and of Bumi Armada Berhad. Mr. Newman received a B.S. in Petroleum Engineering from the Colorado School of Mines and an MBA from the Harvard University Graduate School of Business.	
Louis Raspino, 65	***Business and Leadership Experience***: Mr. Raspino s career has spanned almost 40 years in the energy industry, most recently as Chairman of Clarion Offshore Partners, a partnership with Blackstone that served as its platform for pursuing worldwide investments in the offshore oil & gas services sector, from October 2015 until October 2017. Mr. Raspino served as President, Chief Executive Officer and a director of Pride International, Inc. from June 2005 until the company merged with Ensco plc in May 2011 and as its Executive Vice President and Chief Financial Officer from December 2003 until June 2005. From July 2001 until December 2003, he served as Senior Vice President, Finance and Chief Financial Officer of Grant Prideco, Inc. and from February 1999 until March 2001, he served as Vice President of Finance at Halliburton. Prior to joining Haliburton, Mr. Raspino served as Senior Vice President at Burlington Resources, Inc. from October 1997 until July 1998. From 1978 until its merger with Burlington Resources, Inc. in 1997, he held a variety of positions at Louisiana Land and Exploration Company, most recently as Senior Vice President, Finance and Administration and Chief Financial Officer. Mr. Raspino previously served as a director of Chesapeake Energy Corporation and chairman of its audit committee from March 2013 until March 2016, and as a director of Dresser-Rand Group, Inc., where he served as chairman of the compensation committee and member of the audit committee, from December 2005 until its merger into Siemens in June 2015. He has served as a director of Forum Energy Technologies, an NYSE-listed global oilfield products company, since January 2012 and currently serves as the chairman of its compensation committee. Mr. Raspino also currently serves on the board of The American Bureau of Shipping, where he is a member of the audit and compensation committees. Mr. Raspino has served as Chairman of the GulfMark Board since November 2017.	2018
Larry T. Rigdon, 70	***Business and Leadership Experience***: Mr. Rigdon, who was initially appointed to serve as an independent director in	2017

connection with the Restructuring, served as Tidewater s interim President and Chief Executive Officer between October 16, 2017 and March 5, 2018. He has

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Name, Age and Position	Business and Leadership Experience	Tidewater Director since
	nearly 40 years of experience in the offshore oil and gas industry. Mr. Rigdon worked as a consultant for FTI Consulting from 2015 to 2016 and for Duff and Phelps, LLC from 2010 to 2011. He served as the Chairman and Chief Executive Officer of Rigdon Marine from 2002 to 2008. Previously at Tidewater, Mr. Rigdon served as an Executive Vice President from 2000 to 2002, a Senior Vice President from 1997 to 2000, and a Vice President from 1992 to 1997. Before working at Tidewater, he served as Vice President at Zapata Gulf Marine from 1985 to 1992, and in various capacities, including Vice President of Domestic Divisions from 1983 to 1985, at Gulf Fleet Marine from 1977 to 1985. Mr. Rigdon currently serves as a director of Professional Rental Tools, LLC. He formerly served as a director of Jackson Offshore Holdings, Terresolve Technologies, GulfMark Offshore, and Rigdon Marine.	
John T. Rynd, 60	***Business and Leadership Experience***: Mr. Rynd was appointed to serve as Tidewater s president, chief executive officer, and a director effective March 5, 2018. He served as an outside director of Hornbeck Offshore, Inc. from 2011 to February 2018. From 2008 through 2016, Mr. Rynd served as President, Chief Executive Officer, and a director of Hercules Offshore, Inc., a publicly traded global provider of offshore contract drilling and liftboat services (Hercules). On August 13, 2015, Hercules and certain of its subsidiaries filed voluntary petitions for relief under the provisions of Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware. On November 6, 2015, Hercules emerged from bankruptcy. On June 5, 2016, Hercules again filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware. On December 2, 2016, Hercules assets were transferred to the HERO Liquidating Trust, and the common stock was canceled pursuant to its Chapter 11 plan. Prior to his time with Hercules, Mr. Rynd spent 11 years with Noble Drilling Services, Inc., where he served in a variety of management roles. Earlier in his career, he served in various roles of increasing levels of responsibility with Chiles Offshore and Rowan Companies. Mr. Rynd served as Chairman of the National Ocean Industries Association (NOIA) from 2014-15 and currently holds an Ex-Officio position on the Executive Committee. He currently serves on the board of directors of Fieldwood Holdings LLC (a portfolio company of Riverstone Holdings LLC), which is	2018

focused on the acquisition and development of conventional oil and gas assets in North America, including the Gulf of Mexico.

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Name, Age and Position	Business and Leadership Experience	Tidewater Director since
Robert P. Tamburrino, 62	***Business and Leadership Experience***: Mr. Tamburrino served as an Operating Partner for affiliates of Q Investments, L.P. from September 2006 through June 2016. Mr. Tamburrino served as the Chief Restructuring Officer and member of the Office of Chief Executive at Vantage Drilling International from March 21, 2016 to June 23, 2016. He served as the president and manager of Key 3 Casting, LLC from November 2009 through December 2013, following his roles as the Chief Executive Officer, President and Chief Operating Officer of INTERMET Corporation, and Chief Executive Officer and Chairman of the Board of Environmental Systems Products, an auto emissions testing business. He served as the Chief Financial Officer of Milgard Manufacturing, a Masco company from September 2004 through August 2006. He served in the Chief Financial Officer, Treasurer and Vice President, and Chief Operating Officer roles of Old Ladder Co. (DE), Inc. (also known as Werner Holding Co. (DE), Inc.) during December 1998 to April 2002. Prior to joining Werner Holding, he served in financial roles for Usinor subsidiaries from 1991 through 1998 including Chief Financial Officer for the steel service center group of Usinor, Senior Vice President and Chief Financial Officer of Francosteel Corporation, and Executive Vice President and Chief Financial Officer of Edgcomb Metals Company. He held financial and Chief Executive Officer positions with Rome Cable Corp., a manufacturer and distributor of copper electrical wire and cable from 1984 to 1990 and was employed by KPMG Peat Marwick from 1978 to 1984. Mr. Tamburrino is a certified public account. Since 2016, Mr. Tamburrino has also served in advisory and consulting roles in the energy sector. He recently served on the boards of directors of SVP Worldwide (also known as Singer Company) and Alloy Die Casting. He currently serves as a director and chair of the finance committee for the Board of Directors of Basset Health Care Network, a non-profit. He graduated from Clarkson University, and has a Master of Business Administration from Columbia University.	2018
Kenneth Traub, 57	***Business and Leadership Experience***: Mr. Traub has served as a Managing Partner of Raging Capital Management, LLC, a diversified investment firm, since December 2015. Prior to joining Raging Capital Management, LLC, he served as President and Chief Executive Officer of Ethos Management, LLC from 2009 through 2015. From 1999	2018

until its acquisition by JDS Uniphase Corp. (JDSU) in 2008, Mr. Traub served as President and Chief Executive Officer of American Bank Note Holographics, Inc. (ABNH), a leading global

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Name, Age and Position	Business and Leadership Experience	Tidewater Director since
	supplier of optical security devices for the protection of documents and products against counterfeiting. Following the sale of ABNH, he served as Vice President of JDSU, a global leader in optical technologies and telecommunications. Mr. Traub currently serves on the boards of directors of the following public companies: (i) DSP Group, Inc., (NASDAQ-DSPG), a leading supplier of wireless chipset solutions for converged communications, since 2012, and where Mr. Traub has served as Chairman since 2017, (ii) Intermolecular, Inc., (NASDAQ-IMI), an innovator in materials sciences, since 2016 and where Mr. Traub has served as Chairman since 2018 and (iii) Immersion Corporation (NASDAQ: IMMR), a leading provider of haptics technology, since 2018, each of which is a Raging Capital Management, LLC portfolio company. Mr. Traub has previously served on the boards of numerous companies including MIPS Technologies, Inc., a provider of industry standard processor architectures and cores, from 2011 until the company was sold in 2013, Xyratex Limited, a leading supplier of data storage technologies, from 2013 until the company was sold in 2014, Vitesse Semiconductor Corporation, a supplier of integrated circuit solutions for next-generation carrier and enterprise networks, from 2013 until the company was sold in 2015, Athersys, Inc., a biotechnology company engaged in the discovery and development of therapeutic product candidates, from 2012 to 2016, A. M. Castle & Co., a specialty metals distribution company from, 2014 to 2016, IDW Media Holdings, Inc., a diversified media company, from 2016 to 2018, and as Chairman of MRV Communications, Inc., a supplier of communication networking equipment, from 2011 until the company was sold in 2017. Mr. Traub has served as a member of the GulfMark Board since November 2017. Mr. Traub earned a B.A. degree from Emory University and an M.B.A. from Harvard Business School.	

Director Independence

In connection with nominating directors for election at the 2018 annual meeting, the Tidewater Board determined that six of Tidewater s seven pre-combination directors Messrs. Bates, Carr, Fagerstal, Newman, and Rigdon and Ms. Day are independent. However, Mr. Rigdon, who was appointed as an independent director immediately following Tidewater s emergence from bankruptcy (the Restructuring), was not independent during his five-month tenure as Tidewater s interim president and chief executive officer (October 16, 2017 March 5, 2018). The seventh director, Mr. Rynd, who was appointed as Tidewater s president, chief executive officer and director on March 5, 2018, is not independent.

Immediately following the closing of the business combination, the Tidewater Board was increased from seven to ten directors and Messrs. Raspino, Tamburrino, and Traub were appointed to fill the three newly-created directorships. Prior to the closing, the Tidewater Board determined that Messrs. Raspino and Traub are

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independent but Mr. Tamburrino is not, given that Tidewater engaged him to provide consulting services to Tidewater during a short period of time immediately following the Restructuring. For more information on Tidewater s previous consulting relationship with Mr. Tamburrino, please see the section entitled, Certain Relationships and Related Party Transactions.

The standards relied upon by the Tidewater Board in affirmatively determining whether a director is independent are the objective standards set forth in the corporate governance listing standards of the NYSE. In making independence determinations, the Tidewater Board evaluates responses to a questionnaire completed annually by each director regarding relationships and possible conflicts of interest between each director, Tidewater, and management. In its review of director independence, the Tidewater Board also considers any commercial, industrial, banking, consulting, legal, accounting, charitable, and familial relationships any director may have with Tidewater or management of which it is aware.

Information Regarding the Tidewater Executive Officers

Information regarding each of Tidewater s executive officers (other than Mr. Rynd, who also serves as a director and is included in the section above), including all offices held by the officer as of November 9, 2018, is as follows:

Name	Age	Position
Jeffrey A. Gorski	57	Chief Operating Officer and Executive Vice President since June 2012. Senior Vice President from January 2012 to May 2012. Prior to January 2012, Mr. Gorski was a Vice-President of Global Accounts with Schlumberger Inc., a publicly-held oilfield services company.
Quinn P. Fanning	55	Chief Financial Officer since September 2008. Executive Vice President since July 2008.
Bruce D. Lundstrom	55	Executive Vice President since August 2008. General Counsel and Secretary since September 2007. Senior Vice President from September 2007 to July 2008.

There are no family relationships between any of the directors or executive officers of Tidewater or any arrangements or understandings between any of the executive officers and any other person pursuant to which any of the executive officers were selected as an officer. Tidewater s executive officers are appointed by, and serve at the pleasure of, the Tidewater Board.

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ADDITIONAL INFORMATION ABOUT TIDEWATER

Business

Tidewater, a Delaware corporation that is listed on the NYSE under the symbol TDW, provides offshore support vessels and marine support services to the global offshore energy industry through the operation of a diversified fleet of marine service vessels. Tidewater was incorporated in 1956 and conducts its operations through wholly-owned United States (U.S.) and international subsidiaries, as well as through joint ventures in which Tidewater has either majority interests, (non-controlling interests generally in order to satisfy local ownership or local content requirements). On July 31, 2017, Tidewater successfully emerged from Chapter 11 bankruptcy proceedings.

Explanatory Note Regarding the Change in Fiscal Year End

On September 12, 2017, the Tidewater Board approved changing Tidewater s fiscal year from a fiscal year ending on March 31 to a fiscal year ending on December 31, beginning with the period ending December 31, 2017. A Transition Report on Form 10-K covering the period from April 1, 2017 to December 31, 2017, which is the period between the close of Tidewater s immediately prior fiscal year and the opening date of Tidewater s newly selected fiscal year, was filed with the SEC on March 15, 2018.

About Tidewater

Tidewater s vessels and associated vessel services provide support for all phases of offshore exploration, field development and production. These services include towing of, and anchor handling for, mobile offshore drilling units, transporting supplies and personnel necessary to sustain drilling, workover and production activities, offshore construction and seismic and subsea support, and a variety of specialized services such as pipe and cable laying.

Tidewater has one of the broadest geographic operating footprints in the offshore energy industry with operations in most of the world s significant offshore crude oil and natural gas exploration and production regions. Tidewater s global operating footprint allows it to react quickly to changing local market conditions and to be responsive to the changing requirements of the many customers with which Tidewater believes it has strong relationships. Tidewater is also one of the most experienced international operators in the offshore energy industry with over 60 years of international experience.

Tidewater s offshore support vessel fleet includes vessels that are operated under joint ventures, as well as vessels that have been stacked or withdrawn from service. At June 30, 2018, Tidewater owned or chartered 204 vessels (excluding 8 joint venture vessels, but including 66 stacked vessels) available to serve the global energy industry. Please refer to Note (1) of *Notes to Consolidated Financial Statements* for the nine month transition period ended December 31, 2017 included in this prospectus for additional information regarding Tidewater stacked vessels.

Tidewater s revenues, net earnings and cash flows from operations are largely dependent upon the activity level of its offshore support vessel fleet. As is the case with other offshore-focused energy service companies, Tidewater s business activity is largely dependent on offshore exploration, field development and production activity by its customers. Tidewater s customers business activity, in turn, is dependent on actual and expected crude oil and natural gas prices, which fluctuate depending on expected future levels of supply and demand for crude oil and natural gas, and on estimates of the cost to find, develop and produce reserves.

Reorganization of Tidewater

On July 31, 2017, Tidewater and certain of its subsidiaries that had been named as additional debtors in the Chapter 11 proceedings emerged from bankruptcy after successfully completing its reorganization pursuant to

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the Second Amended Joint Prepackaged Chapter 11 Plan of Reorganization of Tidewater and its Affiliated Debtors (the Plan). The Plan was confirmed on July 17, 2017 by the Bankruptcy Court. Refer to Note (2) of *Notes to Consolidated Financial Statements* for the nine month transition period ended December 31, 2017 included in this prospectus for further details on Tidewater s Chapter 11 bankruptcy and emergence.

Upon emergence of Tidewater from bankruptcy:

The lenders under Tidewater s Fourth Amended and Restated Revolving Credit Agreement, dated as of June 21, 2013, the holders of senior notes, and the lessors from whom Tidewater leased 16 vessels (the Sale Leaseback Parties) (collectively, the General Unsecured Creditors and the claims thereof, the General Unsecured Claims) received their pro rata share of (a) $225 million of cash, (b) subject to the limitations discussed below, common stock and, if applicable, warrants (the creditor warrants) to purchase common stock, representing 95% of the common equity in the reorganized company (subject to dilution by a management incentive plan and the exercise of warrants issued to existing stockholders under the Plan as described below); and (c) new 8% fixed rate secured notes due in 2022 in the aggregate principal amount of $350 million (the New Secured Notes).

Tidewater s existing shares of common stock were cancelled. Existing holders of Tidewater common stock received their pro rata share of common stock representing 5% of the common equity in the reorganized company (subject to dilution by a management incentive plan and the exercise of warrants issued to existing stockholders under the Plan) and six-year warrants to purchase additional shares of common stock of the reorganized company. These warrants were issued in two tranches, with the first tranche (the Series A Warrants) being exercisable immediately, at an exercise price of $57.06 per share, and the second tranche (the Series B Warrants) being exercisable immediately, at an exercise price of $62.28 per share. The Series A Warrants are exercisable for 2.4 million shares of common stock while the Series B Warrants are exercisable for 2.6 million shares of common stock. The Series A Warrants and the Series B Warrants do not grant the holder thereof any voting or control rights or dividend rights, or contain any negative covenants restricting the operation of Tidewater s business and are subject to the restrictions in the Tidewater certificate of incorporation that prohibits the exercise of such warrants where such exercise would cause the total number of shares held by non-U.S. citizens to exceed 24%. If, during the six-month period immediately preceding the Series A and Series B Warrants termination date, a non-U.S. Citizen is precluded from exercising the warrant because of the foreign ownership limitations, then the holder thereof may exercise and receive, in lieu of shares of common stock, warrants identical in all material respects to the creditor warrants, with one such warrant being issued for each share of common stock into which the Series A or Series B Warrants were otherwise convertible.

To assure the continuing ability of certain vessels owned by Tidewater s subsidiaries to engage in U.S. coastwise trade, the number of shares of Tidewater common stock that was otherwise issuable to the allowed General Unsecured Creditors was adjusted to assure that the foreign ownership limitations of the United States Jones Act are not exceeded. The Jones Act requires any corporation that engages in coastwise trade be a U.S. citizen within the meaning of that law, which requires, among other things, that the aggregate ownership of common stock by non-U.S. citizens within the meaning of the Jones Act be not more than 25% of its outstanding common stock. The Plan required that, at the time Tidewater emerged from bankruptcy, not more than 22% of the common stock will be held by non-U.S. citizens. To that end, the Plan provided for the issuance of a combination of common stock of the reorganized Tidewater and the creditor warrants exercisable for common stock of the reorganized Tidewater on a pro rata basis to any non-U.S. citizen among the allowed General Unsecured Creditors whose ownership of common stock, when combined with the shares to be issued to existing Tidewater stockholders that are non-U.S. citizens, would otherwise cause the 22% threshold to be exceeded. The creditor warrants do not grant the holder thereof any voting or control rights or dividend rights, or contain any negative covenants restricting the operation of Tidewater s business. Generally, the creditor warrants are exercisable immediately at a nominal exercise price, subject to restrictions contained in the Warrant Agreement between Tidewater and the warrant agent regarding the creditor warrants designed to assure Tidewater s continuing eligibility to engage in coastwise trade under the Jones Act that prohibit the exercise of such warrants where such exercise would cause the total number of shares held by non-U.S. citizens to exceed 24%. Tidewater has established, under the Tidewater certificate of incorporation and through Depository Trust Corporation (DTC), appropriate measures to assure compliance with these ownership limitations.

The undisputed claims of other unsecured creditors such as customers, employees, and vendors, were paid in full in the ordinary course of business (except as otherwise agreed among the parties).

As of July 31, 2017, the date of Tidewater s emergence from Chapter 11 bankruptcy (the Emergence Date), Tidewater and the Sale Leaseback Parties had not reached agreement with respect to the amount of the Sale Leaseback Claims, and a portion of the emergence consideration (including cash, creditor warrants and New Secured Notes, and based on up to $260.2 million of possible additional Sale Leaseback Claims) was set aside to allow for the settlement and payout of the Sale Leaseback Parties claims as they were settled. Tidewater successfully reached agreement with the Sale Leaseback Parties between August and November 2017. Pursuant to such settlements, approximately $233.6 million of additional Sale Leaseback Claims were allowed and emergence consideration was paid to the Sale Leaseback Parties as each claim was settled. The remaining emergence consideration withheld was distributed pro-rata to holders of allowed General Unsecured Claims, including the remaining Sale Leaseback Parties, in December 2017 and January 2018.

References to Successor or Successor Company relate to the financial position and results of operations of reorganized Tidewater subsequent to July 31, 2017. References to Predecessor or Predecessor Company relate to the financial position and results of operations of Tidewater through July 31, 2017.

Fresh-Start Accounting

Upon Tidewater s emergence from Chapter 11 bankruptcy, on July 31, 2017, Tidewater qualified for and adopted fresh-start accounting in accordance with the provisions set forth in ASC 852, Reorganizations, as (i) the Reorganization Value of Tidewater assets immediately prior to the date of confirmation was less than the post-petition liabilities and allowed claims and (ii) the holders of Tidewater existing voting shares of the Predecessor Company received less than 50% of the voting shares of the Successor Company. ASC 852 requires Tidewater to present its assets, liabilities, and equity as if it were a new entity upon emergence from bankruptcy. The implementation of the Plan and the application of fresh-start accounting materially changed the carrying amounts and classifications reported in Tidewater s consolidated financial statements and resulted in Tidewater becoming a new entity for financial reporting purposes.

Adopting fresh-start accounting results in a new financial reporting entity with no beginning retained earnings or deficit balance as of the fresh-start reporting date. Upon the adoption of fresh-start accounting, Tidewater assets and liabilities were recorded at their fair values as of the Emergence Date. Tidewater s adoption of fresh-start accounting may materially affect its results of operations following the Emergence Date (primarily through a corresponding reduction in depreciation expense), as Tidewater will have a new basis in its assets and liabilities. As a result of the application of fresh-start accounting and the effects of the implementation of the Plan, the financial statements after July 31, 2017 are not comparable with the financial statements prior to July 31, 2017. Therefore, black-line financial statements are presented to distinguish between the Predecessor and Successor companies.

Concurrent with Tidewater s emergence from Chapter 11 bankruptcy, Tidewater adopted a new policy for the recognition of the costs of planned major maintenance activities incurred to ensure compliance with applicable regulations and maintain certifications for vessels with classification societies. These costs include drydocking and survey costs necessary to maintain certifications and generally occur twice in every five-year period. These recertification costs are typically incurred while the vessel is in drydock and may be incurred concurrent with

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other vessel maintenance and improvement activities. Under Tidewater s new policy, costs related to the recertification of vessels are deferred and amortized over 30 months on a straight-line basis. Maintenance costs incurred at the time of the recertification drydocking that are not related to the recertification of the vessel will continue to be expensed as incurred. Costs related to vessel improvements that either extend the vessel s useful life or increase the vessel s functionality are capitalized and depreciated. Predecessor s policy was to expense vessel recertification costs in the period incurred.

Upon emergence from Chapter 11 bankruptcy, the Successor Company, to better reflect the current offshore supply vessel market, changed the estimated useful lives for vessels previously having 25 year useful lives to 20 years. Additionally, assumed salvage values for vessels at the end of such vessels estimated useful life were changed from 10% of original cost at year 25 to not more than 7.5% of original cost at year 20.

Offices and Facilities

Tidewater s worldwide headquarters and principal executive offices are located at 6002 Rogerdale Road, Suite 600, Houston, Texas 77072, and its telephone number is (713) 470-5300. Tidewater s U.S. marine operations are based in Amelia, Louisiana and Houston, Texas. Tidewater conducts its international operations through facilities and offices located in over 30 countries. Tidewater s principal international offices and/or warehouse facilities, most of which are leased, are located in Rio de Janeiro and Macae, Brazil, Ciudad Del Carmen, Mexico, Port of Spain, Trinidad; Aberdeen, Scotland; Amsterdam, Holland; Cairo, Egypt; Luanda and Cabinda, Angola; Lagos and Onne Port, Nigeria, Douala, Cameroon, Singapore, Al Khobar, Kingdom of Saudi Arabia, Dubai, United Arab Emirates, and Oslo and Tromso, Norway. Tidewater s operations generally do not require highly specialized facilities, and suitable facilities are generally available on a leased basis as required.

Business Segments

During calendar year 2018 Tidewater s Africa/Europe segment was split as a result of management realignment such that Tidewater s operations in Europe and Mediterranean Sea regions and Tidewater s West Africa regions are now separately reported segments. As such, Tidewater now discloses these new segments as Europe/Mediterranean Sea and West Africa, respectively. Tidewater s Americas and Middle East/Asia Pacific segments are not affected by this change. This new segment alignment is consistent with how Tidewater s chief operating decision maker reviews operating results for the purposes of allocating resources and assessing performance. Prior year amounts have also been recast to conform to the new segment alignment.

Tidewater s principal customers in each of these business segments are large, international oil and natural gas exploration, field development and production companies (IOCs); select independent exploration and production (E&P) companies; foreign government-owned or government-controlled organizations and other related companies that explore for, develop and produce oil and natural gas (NOCs); drilling contractors; and other companies that provide various services to the offshore energy industry, including but not limited to, offshore construction companies, diving companies and well stimulation companies.

Tidewater s vessels are dispersed throughout the major offshore crude oil and natural gas exploration, field development and production areas of the world. Although Tidewater considers, among other things, mobilization costs and the availability of suitable vessels in its fleet deployment decisions, and cabotage rules in certain countries occasionally restrict the ability of Tidewater to move vessels between markets, Tidewater s diverse, mobile asset base and the wide geographic distribution of its vessels generally enable Tidewater to respond relatively quickly to changing market conditions and customer requirements.

Revenues in each of Tidewater s segments are derived primarily from vessel time charter or similar contracts that are generally from three months to four years in duration as determined by customer requirements, and, to a lesser extent, from vessel time charter contracts on a spot basis, which is a short-term (one day to three

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months) agreement to provide offshore marine services to a customer for a specific short-term job. The base rate of hire for a term contract is generally a fixed rate, though some charter arrangements allow Tidewater to recover specific additional costs.

In each of Tidewater s segments, and depending on vessel capabilities and availability, Tidewater vessels operate in the shallow, intermediate and deepwater offshore markets. The deepwater offshore market has been an increasingly important sector of the offshore crude oil and natural gas markets due to technological developments that have made deepwater exploration and development feasible and, if the commodity pricing environment improves, deepwater exploration and development could return to being a source of potential long-term growth for Tidewater. Deepwater oil and gas development typically involves significant capital investment and multi-year development plans. Such projects are generally underwritten by the participating exploration, field development and production companies using relatively conservative crude oil and natural gas pricing assumptions. Although these projects are generally less susceptible to short-term fluctuations in the price of crude oil and natural gas, deepwater exploration and development projects can be costly relative to other onshore and offshore exploration and development. As a result, the sustained low levels of crude oil prices has caused, and may continue to cause, many E&P companies to restrain their level of capital expenditures in regards to deepwater projects.

Please refer to *Management s Discussion and Analysis of Financial Condition and Results of Operations* in this prospectus for a more detailed discussion of Tidewater s segments, including the macroeconomic environment in which Tidewater operates. In addition, please refer to Note (17) of *Notes to Consolidated Financial Statements* for the nine month transition period ended December 31, 2017 included in this prospectus for segment, geographical data and major customer information.

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Geographic Areas of Operation

Tidewater s fleet is deployed in the major global offshore oil and gas areas of the world. Revenues and operating profit derived from Tidewater operations along with total assets for Tidewater segments are summarized in the following table for the quarters and six month periods ended June 30, 2018 and 2017. Vessel revenues and operating costs relate to vessels owned and operated by Tidewater while other operating revenues relate to brokered vessels and other miscellaneous marine-related businesses.

(In thousands)	Successor Quarter Ended June 30, 2018	Predecessor Quarter Ended June 30, 2017	Successor Six Months Ended June 30, 2018	Predecessor Six Months Ended June 30, 2017
Revenues:				
Vessel revenues:				
Americas	$ 32,601	31,887	58,682	112,420
Middle East/Asia Pacific	22,406	27,766	40,794	54,444
Europe/Mediterranean Sea	13,357	11,031	22,980	21,197
West Africa	35,810	41,573	69,212	81,101
	104,174	112,257	191,668	269,162
Other operating revenues[(A)]	1,427	2,849	5,426	6,693
	$ 105,601	115,106	197,094	275,855
Vessel operating profit (loss):				
Americas	$ 5,681	(15,699)	10,592	14,919
Middle East/Asia Pacific	625	(1,316)	(1,628)	(7,480)
Europe/Mediterranean Sea	(1,142)	(10,163)	(4,696)	(17,265)
West Africa	1,705	(2,774)	(48)	(8,127)
	6,869	(29,952)	4,220	(17,953)
Other operating profit (loss)	778	55	2,284	(170)
	7,647	(29,897)	6,504	(18,123)
Corporate general and administrative expenses	(7,810)	(14,702)	(14,494)	(36,459)
Corporate depreciation	(100)	(541)	(200)	(1,105)
Corporate expenses	(7,910)	(15,243)	(14,694)	(37,564)
Gain on asset dispositions, net	1,338	3,189	3,257	9,253
Asset impairments[(B)]	(1,215)	(163,423)	(7,401)	(228,280)
Operating loss	$ (140)	(205,374)	(12,334)	(274,714)
Foreign exchange loss	(1,002)	(1,157)	(1,350)	(493)

Equity in net earnings (losses) of unconsolidated companies		390	4,517	(15,049)	7,358
Interest income and other, net		2,914	1,680	2,786	3,268
Reorganization items			(313,176)		(313,176)
Interest and other debt costs, net		(7,547)	(10,605)	(15,146)	(31,613)
Loss before income taxes	$	(5,385)	(524,115)	(41,093)	(609,370)
Depreciation and amortization:					
Americas	$	3,530	10,748	6,843	22,045
Middle East/Asia Pacific		2,844	7,746	5,613	16,245
Europe/Mediterranean Sea		2,239	6,803	4,043	13,364
West Africa		4,067	9,595	8,093	19,411
		12,680	34,892	24,592	71,065
Other		5	854	10	1,709
Corporate		100	541	200	1,105
	$	12,785	36,287	24,802	73,879
Additions to properties and equipment:					
Americas	$	1,230	27	2,267	27
Middle East/Asia Pacific		1,073	648	1,496	1,673
Europe/Mediterranean Sea		135		135	
West Africa			274	1	368
		2,438	949	3,899	2,068
Other					
Corporate(C)		1,659	678	1,876	7,632
	$	4,097	1,627	5,775	9,700

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(A) Included in other operating revenues for the quarter and six months ended June 30, 2017, were $0.5 million and $0.8 million, respectively, of revenues related to Tidewater s subsea business. The eight ROVs representing substantially all of Tidewater s subsea assets were sold in December 2017.

(B) Refer to Note (14) for additional information regarding asset impairment.

(C) Included in Corporate are additions to properties and equipment relating to a vessel under construction which has not yet been assigned to a non-corporate reporting segment as of the dates presented.

Please refer to *Management s Discussion and Analysis of Financial Condition and Results of Operations* in this prospectus for further information about segment revenues, operating profits and total assets by geographical areas in which Tidewater operates.

Tidewater Global Vessel Fleet

Tidewater operates one of the largest fleets of new offshore support vessels among its competitors in the industry. Tidewater will continue to carefully consider whether future proposed investments and transactions have the appropriate risk/return-on-investment profile.

The average age of Tidewater s 204 owned vessels (excluding joint-venture vessels) at June 30, 2018 is approximately 9.4 years. The average age of Tidewater s 138 active vessels at June 30, 2018 is 8.7 years. Of Tidewater s 204 vessels, 97 are deepwater platform supply vessels (PSVs) or deepwater anchor handling towing supply (AHTS) vessels, and 85 vessels are non-deepwater towing-supply vessels, which include both smaller PSVs and smaller AHTS vessels that primarily serve the jack-up drilling market. Included within Tidewater other vessel class are 32 vessels which are primarily crew boats and offshore tugs.

At June 30, 2018, Tidewater had a commitment to build one deepwater PSV, with approximately 5,400 deadweight tons of cargo carrying capacity, at a total cost, including contract costs and other incidental costs, of approximately $51.9 million. At June 30, 2018, Tidewater had invested approximately $51.9 million in progress payments towards the construction of the vessel, and the remaining expenditures necessary to complete construction was estimated at $2.3 million. The total cost of the new-build vessel includes contract costs and other incidental costs. Tidewater took delivery of this vessel on July 31, 2018.

Further discussions of Tidewater s vessel construction, acquisition and replacement program, including the various settlement agreements with certain international shipyards related to the construction of vessels and Tidewater s capital commitments, scheduled delivery dates and recent vessel sales are disclosed in the *Vessel Count, Dispositions, Acquisitions and Construction Programs* section of *Management s Discussion and Analysis of Financial Condition and Results of Operations* and Note (14) of *Notes to Consolidated Financial Statements* for the nine month transition period ended December 31, 2017 included in this prospectus.

The *Vessel Count, Dispositions, Acquisitions and Construction Programs* section of *Management s Discussion and Analysis of Financial Condition and Results of Operations* in this prospectus also contains a table comparing the actual December 31, 2017 and June 30, 2018 vessel counts and the average number of vessels by class and geographic distribution during the nine month transition period ended December 31, 2017 and the nine months ended December 31, 2016 and during the six month periods ended June 30, 2018 and 2017.

Tidewater Vessel Classifications

Tidewater s vessels routinely move from one geographic region and reporting segment to another, and from one operating area to another operating area within the geographic regions and reporting segments. Tidewater discloses its vessel statistical information, including revenue, utilization and average day rates, by vessel class. Listed below are

Tidewater s three major vessel classes along with a description of the type of vessels categorized in each vessel class and the services the respective vessels typically perform. Tables comparing the average size of Tidewater s vessel fleet by class and geographic distribution for the last three fiscal years are included in *Management s Discussion and Analysis of Financial Condition and Results of Operations* of this prospectus.

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Deepwater Vessels

Deepwater vessels, in the aggregate, are generally Tidewater s largest contributor to consolidated vessel revenue and vessel operating margin. Included in this vessel class are large PSVs (typically greater than 230-feet and/or with greater than 2,800 tons in dead weight cargo carrying capacity) and large, higher-horsepower AHTS vessels (generally greater than 10,000 horsepower). These vessels are generally chartered to customers for use in transporting supplies and equipment from shore bases to deepwater and intermediate water depth offshore drilling rigs and production platforms and for otherwise supporting intermediate and deepwater drilling, production, construction and maintenance operations. Deepwater PSVs generally have large cargo carrying capacities, both below deck (liquid mud tanks and dry bulk tanks) and above deck. Deepwater AHTS vessels are equipped to tow drilling rigs and other marine equipment, as well as to set anchors for the positioning and mooring of drilling rigs that generally do not have dynamic positioning capabilities. Many of Tidewater s deepwater PSVs and AHTS vessels are outfitted with dynamic positioning capabilities, which allow the vessel to maintain an absolute or relative position when mooring to an offshore installation, rig or another vessel is deemed unsafe, impractical or undesirable. Many of Tidewater s deepwater vessels also have oil recovery, firefighting, standby rescue and/or other specialized equipment. Tidewater s customers have high standards in regards to safety and other operational competencies and capabilities, in part to meet the more stringent regulatory standards, especially in the wake of the 2010 Macondo incident.

Tidewater s deepwater class of vessel also includes specialty vessels that can support offshore well stimulation, construction work, subsea services and/or serve as remote accommodation facilities. These vessels are generally available for routine supply and towing services, but these vessels are also outfitted, and primarily intended, for specialty services. For example, these vessels can be equipped with a variety of lifting and deployment systems, including large capacity cranes, winches or reel systems. Included in the specialty vessel category is Tidewater s one multi-purpose platform supply vessel (MPSV). Tidewater s MPSV is approximately 311 feet in length, has a 100-ton active heave compensating crane, a moonpool and a helideck and is designed for subsea service and light construction support activities. This vessel is significantly larger in size, more versatile, and more specialized than the PSVs discussed above, and typically commands a higher day rate.

Towing-Supply Vessels

Included in this class are non-deepwater AHTS vessels with horsepower below 10,000 BHP, and non-deepwater PSVs that are generally less than 230 feet. The vessels in this class perform the same respective functions and services as deepwater AHTS vessels and deepwater PSVs except towing-supply vessels are generally chartered to customers for use in intermediate and shallow waters.

Other Vessels

Tidewater s Other vessels include crew boats, utility vessels and offshore tugs. Crew boats and utility vessels are chartered to customers for use in transporting personnel and supplies from shore bases to offshore drilling rigs, platforms and other installations. These vessels are also often equipped for oil field security missions in markets where piracy, kidnapping or other potential violence presents a concern. Offshore tugs are used to tow floating drilling rigs and barges; to assist in the docking of tankers; and to assist pipe laying, cable laying and construction barges.

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Revenue Contribution by Major Classes of Vessels

Revenues from vessel operations were derived from the following classes of vessels in the following percentages:

	Successor	Predecessor	
	Period from August 1, 2017 through December 31, 2017	Period from April 1, 2017 through July 31, 2017	Nine month period ended December 31, 2016
Deepwater	48.9%	44.1%	50.1%
Towing-supply	43.3%	49.9%	43.0%
Other	7.8%	6.0%	6.9%

Subsea Services

Historically, Tidewater s subsea services were composed primarily of seismic and subsea vessel support. During fiscal 2014, Tidewater expanded its subsea services capabilities by hiring a dedicated group of employees with substantial remotely operated vehicle (ROV) and subsea expertise and by purchasing six work-class ROVs. Two additional higher specification work-class ROVs were added to Tidewater s fleet in fiscal 2015. In December 2017, Tidewater sold its ROV equipment and related assets for a total purchase price of $23 million. This equipment and related assets constituted substantially all of the remaining assets of the ROV business of Tidewater. While Tidewater is no longer a direct provider of ROV equipment, Tidewater intends to maintain expertise and the capability to provide subsea vessel support for potential future customer requirements.

Customers and Contracting

Tidewater s operations are dependent upon the levels of activity in offshore crude oil and natural gas exploration, field development and production throughout the world, which is affected by trends in global crude oil and natural gas pricing, including expectations of future commodity pricing, which is ultimately influenced by the supply and demand relationship for these natural resources. The activity levels of Tidewater customers are also influenced by the cost of exploring for and producing crude oil and natural gas, which can be affected by environmental regulations, technological advances that affect energy production and consumption, significant weather conditions, the ability of Tidewater customers to raise capital, and local and international economic and political environments, including government mandated moratoriums.

The recent trend in crude oil prices and the current pricing outlook could lead to increased exploration, development and production activity as current prices for WTI and ICE Brent are approaching the range which some surveys have indicated that, if sustainable, Tidewater customers would begin to increase spending. However, a recovery in onshore exploration, development and production activity and spending, and in North American onshore activity and spending in particular, has already begun and is expected to continue to precede a recovery in offshore activity and spending, much of which takes place in the international markets. These same analysts also expect that any material improvements in offshore exploration and development activity would likely not occur until calendar year 2019 or calendar year 2020, the timing of which is generally consistent with the trend of the projected global working offshore rig count according to recent IHS-Markit reports. A discussion of current market conditions and trends appears under *Macroeconomic Environment and Outlook* in *Management s Discussion and Analysis of Financial Condition and Results of Operations* of this prospectus.

Tidewater s principal customers are IOCs; select independent E&P companies; NOCs; drilling contractors; and other companies that provide various services to the offshore energy industry, including but not limited to, offshore construction companies, diving companies and well stimulation companies.

Tidewater s primary source of revenue is derived from time charter contracts on Tidewater vessels on a rate per day of service basis; therefore, vessel revenues are recognized on a daily basis throughout the contract period. As noted above, these time charter contracts are generally either on a term or spot basis. There are no material differences in the cost structure of Tidewater s contracts based on whether the contracts are spot or term because the operating costs for an active vessel are generally the same without regard to the length of a contract.

The following table discloses Tidewater s customers that accounted for 10% or more of total revenues:

	Successor	Predecessor	
	Period from August 1, 2017 through December 31, 2017	Period from April 1, 2017 through July 31, 2017	Nine month period ended December 31, 2016
Chevron Corporation[(A)]	17.4%	17.5%	17.5%
Saudi Aramco	10.1%	11.7%	10.8%

(A) 79%, 78% and 78% revenue generated by Chevron for the periods from August 1, 2017 through December 31, 2017 (Successor), April 1, 2017 through July 31, 2017 (Predecessor), and nine month period ended December 31, 2016 (Predecessor), respectively relates to activity in Angola. Please refer to Sonatide Joint Venture disclosure below.

While it is normal for Tidewater s customer base to change over time as Tidewater s vessel time charter contracts turn over, the unexpected loss of any of these significant customers could, at least in the short term, have a material adverse effect on Tidewater s vessel utilization and its results of operations. Tidewater s five largest customers in aggregate accounted for approximately 45% and 48% of Tidewater s total revenues for the periods from August 1, 2017 through December 31, 2017 (Successor) and from April 1, 2017 through July 31, 2017 (Predecessor), respectively. The ten largest customers in aggregate accounted for approximately 64% and 69% of Tidewater s total revenues for the periods from August 1, 2017 through December 31, 2017 (Successor) and from April 1, 2017 through July 31, 2017 (Predecessor), respectively.

Competition

The principal competitive factors for the offshore support vessel industry are the suitability and availability of vessels and related equipment, price and quality of service. In addition, the ability to demonstrate a strong safety record and attract and retain qualified and skilled personnel are also important competitive factors. Tidewater has numerous competitors in all areas in which it operates around the world, and the business environment in all of these markets is highly competitive.

Tidewater s diverse, mobile asset base and the wide geographic distribution of its assets generally enables Tidewater to respond relatively quickly to changes in market conditions and to provide a broad range of vessel services to its customers around the world. Tidewater believes that size, age, diversity and geographic distribution of a vessel operator s fleet, economies of scale and experience level in the many areas of the world are competitive advantages in the offshore support vessel industry.

Increases in worldwide vessel capacity generally have the effect of lowering charter rates, particularly when there are lower levels of exploration, field development and production activity, as has been the case since late calendar 2014 when oil prices began to trend lower.

According to IHS-Markit, the global offshore support vessel market had approximately 240 new-build offshore support vessels (deepwater PSVs, deepwater AHTS vessels and towing-supply vessels only) either under construction (215 vessels), on order or planned at the end of June 2018. The majority of the vessels under construction are scheduled to be delivered into the worldwide offshore vessel market within the next 12 to 24 months. The current worldwide fleet of these classes of vessels is estimated at 3,520 vessels, of which Tidewater estimates that a significant portion are stacked or are not being actively marketed by the vessels owners. The worldwide offshore marine vessel industry, however, also has a large number of aged vessels, including an estimated 550 vessels, or 16%, of the worldwide offshore fleet, that are at least 25 years old and nearing or exceeding original expectations of their estimated economic lives. An additional 445 vessels or 13% of the

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worldwide fleet, are at least 15 years old, but less than 25 years old. Older offshore support vessels, whether such vessels are at least 25 years old or at least 15 years old, could potentially be removed from the market in the future if the cost of extending such vessels lives is not economical, especially in light of recent market conditions.

Excluding the 550 vessels that are at least 25 years old from the overall population, Tidewater estimates that the number of offshore support vessels under construction (215 vessels) represents approximately 7% of the remaining worldwide fleet of approximately 2,970 offshore support vessels. Excluding the 995 vessels that are at least 15 years old from the overall population, the number of offshore support vessels under construction (215 vessels) represents approximately 9% of the remaining worldwide fleet of approximately 2,525 offshore support vessels.

Although the future attrition rate of the older offshore support vessels cannot be determined with certainty, Tidewater believes that the retirement and/or sale to owners outside of the oil and gas market of a vast majority of these aged vessels (a majority of which Tidewater believes have already been stacked or are not being actively marketed to oil and gas development-focused customers by the vessels owners) could mitigate the potential negative effects on vessel utilization and vessel pricing of (i) additional offshore support vessel supply resulting from the delivery of additional new-build vessels and (ii) reduced demand for offshore support vessels resulting from reduced offshore spending by Tidewater customers and potential customers. Similarly, the cancellation or deferral of delivery of some portion of the offshore support vessels that are under construction according to IHS-Markit could also mitigate the potential negative effects on vessel utilization and vessel pricing of reduced demand for offshore support vessels resulting from reduced offshore spending by E&P companies.

In addition, Tidewater and other offshore support vessel owners have selectively stacked more recently constructed vessels as a result of the significant reduction in Tidewater s customers offshore oil and gas-related activity and the resulting more challenging offshore support vessel market that has existed since late calendar 2014. Tidewater has in the last 12 months been more actively selling/scrapping vessels Tidewater believes will not be marketable in the current and expected near term future. Should market conditions continue to remain depressed, the stacking or underutilization of recently constructed vessels by the offshore supply vessel industry will likely continue.

Challenges Tidewater Confronts as an International Offshore Vessel Company

Tidewater operates in many challenging operating environments around the world that present varying degrees of political, social, economic and other uncertainties. Tidewater operates in markets where risks of expropriation, confiscation or nationalization of Tidewater s vessels or other assets, terrorism, piracy, civil unrest, changing foreign currency exchange rates, and changing political conditions may adversely affect Tidewater s operations. Although Tidewater takes what it believes to be prudent measures to safeguard its property, personnel and financial condition against these risks, it cannot eliminate entirely the foregoing risks, though the wide geographic dispersal of Tidewater s vessels helps reduce the overall potential impact of these risks.

In addition, immigration, customs, tax and other regulations (and administrative and judicial interpretations thereof) can have a material impact on Tidewater s ability to work in certain countries and on Tidewater s operating costs.

In some international operating environments, local customs or laws may require or make it advisable that Tidewater form joint ventures with local owners or use local agents. Tidewater is dedicated to carrying out its international operations in compliance with the rules and regulations of the Office of Foreign Assets Control, the Trading with the Enemy Act, FCPA, and other applicable laws and regulations. Tidewater has adopted policies and procedures to mitigate the risks of violating these rules and regulations.

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Sonatide Joint Venture

Tidewater has previously disclosed the significant financial and operational challenges that it confronts with respect to its operations in Angola, as well as steps that Tidewater has taken to address or mitigate those risks. Most of Tidewater s attention has been focused on three areas: (i) reducing the net receivable balance due to Tidewater from Sonatide, its Angolan joint venture with Sonangol, for vessel services; (ii) reducing the foreign currency risk created by virtue of provisions of Angolan law that require that payment for a significant portion of the services provided by Sonatide be paid in Angolan kwanza; and (iii) optimizing opportunities, consistent with Angolan law, for services provided by Tidewater to be paid for directly in U.S. dollars. These challenges, and Tidewater s efforts to respond, continue.

Amounts due from Sonatide (due from affiliates in the consolidated balance sheets) at June 30, 2018 and December 31, 2017 of approximately $153 million and $230 million, respectively, represent cash received by Sonatide from customers and due to Tidewater, amounts due from customers that are expected to be remitted to Tidewater through Sonatide and costs incurred by Tidewater on behalf of Sonatide. Approximately $25 million of the balance at June 30, 2018 represents invoiced but unpaid vessel revenue related to services performed by Tidewater through the Sonatide joint venture. Remaining amounts due to Tidewater from Sonatide are, in part, supported by approximately $67 million of cash held by Sonatide, of which the equivalent of $43 million is denominated in Angolan kwanzas, pending conversion into U.S. dollars and subsequent expatriation. In addition, Tidewater owes Sonatide the aggregate sum of approximately $47 million, including $30 million in commissions payable by Tidewater to Sonatide. Tidewater monitors the aggregate amounts due from Sonatide relative to the amounts due to Sonatide.

For the six months ended June 30, 2018, Tidewater collected (primarily through Sonatide) approximately $51 million from its Angolan operations. Of the $51 million collected, approximately $47 million were U.S. dollars received by Sonatide on behalf of Tidewater or U.S. dollars received directly by Tidewater from customers. The balance of $4 million collected reflects Sonatide s conversion of Angolan kwanza into U.S. dollars and the subsequent expatriation of the dollars and payment to Tidewater. Tidewater also reduced the respective due from affiliates and due to affiliates balances by approximately $55 million during the six months ended June 30, 2018 through netting transactions based on an agreement with the joint venture.

Amounts due to Sonatide (due to affiliates in the consolidated balance sheets) at June 30, 2018 and December 31, 2017 of approximately $47 million and $99 million, respectively, represents amounts due to Sonatide for commissions payable and other costs paid by Sonatide on behalf of Tidewater.

Tidewater believes that the process for converting Angolan kwanzas continues to function, but the relative scarcity of U.S. dollars in Angola continues to hinder the conversion process. Sonatide continues to press the commercial banks with which it has relationships to increase the amount of U.S. dollars that are made available to Sonatide.

For the six month period ended June 30, 2018, Tidewater s Angolan operations generated vessel revenues of approximately $29 million, or 15%, of its consolidated vessel revenue, from an average of approximately 38 company-owned vessels that are marketed through the Sonatide joint venture (17 of which were stacked on average during the six months ended June 30, 2018). For the six months ended June 30, 2017, Tidewater s Angolan operations generated vessel revenues of approximately $53 million, or 20%, of consolidated vessel revenue, from an average of approximately 53 company-owned vessels (23 of which were stacked on average during the six months ended June 30, 2017).

In addition to vessels that Sonatide charters from Tidewater, Sonatide owns seven vessels (five of which are currently stacked) and certain other assets, in addition to earning commission from company-owned vessels marketed through the Sonatide joint venture (owned 49% by Tidewater). As of June 30, 2018 and December 31, 2017, the carrying value of Tidewater s investment in the Sonatide joint venture, which is included in

Investments in, at equity, and advances to unconsolidated companies, in Tidewater s consolidated financial statements, was $0 and approximately $27 million, respectively. During the six months ended June 30, 2018, the exchange rate of the Angolan kwanza versus the U.S. dollar was devalued from a ratio of approximately 168 to 1 to a ratio of approximately 250 to 1, or approximately 49%. As a result, Tidewater recognized 49% of the total foreign exchange loss, or approximately $20.6 million through equity in net earnings (losses) of unconsolidated companies.

Also during the quarter ended June 30, 2018, Tidewater received a dividend from Sonatide of $12.3 million which reduced the carrying value of Tidewater s investment in Sonatide to zero. Approximately $4.9 million of dividends received in excess of the investment balance was recognized in earnings during the quarter ended June 30, 2018.

Management continues to explore ways to profitably participate in the Angolan market while evaluating opportunities to reduce the overall level of exposure to the increased risks that Tidewater believes characterize the Angolan market. Included among mitigating measures taken by Tidewater to address these risks is the redeployment of vessels from time to time to other markets. Redeployment of vessels to and from Angola since June 30, 2017 has resulted in a net eight vessels transferred out of Angola. Tidewater -owned vessels operating in Angola decreased by 47 vessels, from June 30, 2014 to June 30, 2018 (from 84 vessels to 37 vessels). Tidewater-owned active vessels decreased in the same period by 58 vessels (from 80 vessels to 22 vessels).

International Labour Organization s Maritime Labour Convention

The International Labour Organization s Maritime Labour Convention, 2006 (the Convention) mandates globally, among other things, seafarer living and working conditions (accommodations, wages, conditions of employment, health and other benefits) aboard ships that are engaged in commercial activities. Since its initial entry into effect on August 20, 2013, 84 countries have now ratified the Convention.

Tidewater continues to prioritize certification of its vessels to Convention requirements based on the dates of enforcement by countries in which Tidewater has operations, performs maintenance and repairs at shipyards, or may make port calls during ocean voyages. Once obtained, vessel certifications are maintained, regardless of the area of operation. Additionally, where possible, Tidewater continues to work with its operationally identified flag states to seek substantial equivalencies to comparable national and industry laws that meet the intent of the Convention and allow Tidewater to standardize operational protocols among its fleet of vessels that work in various areas around the world.

Government Regulation

Tidewater is subject to various United States federal, state and local statutes and regulations governing the ownership, operation and maintenance of its vessels. Tidewater s U.S. flagged vessels are subject to the jurisdiction of the United States Coast Guard, the United States Customs and Border Protection, and the United States Maritime Administration. Tidewater is also subject to international laws and conventions and the laws of international jurisdictions where Tidewater and its offshore vessels operate.

Under the Jones Act, to be eligible to own or operate U.S.-flag vessels in U.S. coastwise trade, at least 75% of the outstanding shares of each class or series of the capital stock of Tidewater must be owned and controlled by U.S. citizens. For a company engaged in the U.S. coastwise trade to be deemed a U.S. citizen: (i) Tidewater must be organized under the laws of the United States or of a state, territory or possession thereof, (ii) each of the chief executive officer and the chairman of the Board of Directors of such corporation must be a U.S. citizen, (iii) no more than a minority of the number of directors of such corporation necessary to constitute a quorum for the transaction of business can be non-U.S. citizens and (iv) at least 75% of the interest in such company must be owned and controlled by U.S. citizens. Tidewater has a dual stock certificate system to protect against non-U.S. citizens owning more than 25% of its common stock. In addition, The Tidewater certificate of incorporation restricts ownership of the shares of its outstanding common stock by non-U.S. citizens in the aggregate to not more than 24% and further provides Tidewater with certain remedies with respect to any transfer or purported transfer of shares of Tidewater common stock that would result in the ownership by non-U.S. citizens of more than 24% of its common stock. At the time of Tidewater s emergence from bankruptcy on July 31, 2017, approximately 22% of Tidewater s outstanding common stock was owned by non-US citizens. Based on information supplied to Tidewater by its transfer agent, less than 24% of Tidewater s outstanding common stock was owned by non-U.S. citizens as of June 30, 2018.

Tidewater s vessel operations in the U.S. GOM are considered to be coastwise trade. United States law requires that vessels engaged in the U.S. coastwise trade must be built in the U.S. and registered under U.S. flag. In addition, once a U.S. built vessel is registered under a non-U.S. flag, it cannot thereafter engage in U.S. coastwise trade. Therefore, Tidewater s non-U.S. flagged vessels must operate outside of the U.S. coastwise trade zone. Of the total 204 vessels owned or operated by Tidewater at June 30, 2018, 195 vessels were registered under flags other than the United States and 9 vessels were registered under the U.S. flag.

All of Tidewater s offshore vessels are subject to either United States or international safety and classification standards or sometimes both. U.S. flagged deepwater PSVs, deepwater AHTS vessels, towing-supply vessels, and crewboats are required to undergo periodic inspections generally twice within every five-year period pursuant to U.S. Coast Guard regulations. Vessels registered under flags other than the United States are subject to similar regulations and are governed by the laws of the applicable international jurisdictions and the rules and requirements of various classification societies, such as the American Bureau of Shipping.

Tidewater is in compliance with the International Ship and Port Facility Security (ISPS) Code, an amendment to the Safety of Life at Sea (SOLAS) Convention (1974/1988), and further mandated in the Maritime Transportation and Security Act of 2002 to align United States regulations with those of SOLAS and the ISPS Code. Under the ISPS Code, Tidewater performs worldwide security assessments, risk analyses, and develops vessel and required port facility security plans to enhance safe and secure vessel and facility operations. Additionally, Tidewater has developed security annexes for those U.S. flag vessels that transit or work in waters designated as high risk by the United States Coast Guard pursuant to the latest revision of Marsec Directive 104-6.

Environmental Compliance

During the ordinary course of business, Tidewater s operations are subject to a wide variety of environmental laws and regulations that govern the discharge of oil and pollutants into navigable waters. Violations of these laws may result in civil and criminal penalties, fines, injunctions and other sanctions. Compliance with the existing governmental regulations that have been enacted or adopted regulating the discharge of materials into the environment, or otherwise relating to the protection of the environment has not had, nor is expected to have, a material effect on Tidewater. Environmental laws and regulations are subject to change, however, and may impose increasingly strict requirements, and, as such, Tidewater cannot estimate the ultimate cost of complying with such potential changes to environmental laws and regulations.

Tidewater is also involved in various legal proceedings that relate to asbestos and other environmental matters. The amount of ultimate liability, if any, with respect to these proceedings is not expected to have a material adverse effect on Tidewater s financial position, results of operations, or cash flows. Tidewater is proactive in establishing policies and operating procedures for safeguarding the environment against any hazardous materials aboard its vessels and at shore-based locations.

Whenever possible, hazardous materials are maintained or transferred in confined areas in an attempt to ensure containment, if accidents were to occur. In addition, Tidewater has established operating policies that are intended to increase awareness of actions that may harm the environment.

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Safety

Tidewater is dedicated to ensuring the safety of its operations for its employees, its customers and any personnel associated with Tidewater s operations. Tidewater s principal operations occur in offshore waters where the workplace environment presents many safety challenges. Management communicates frequently with company personnel to promote safety and instill safe work habits through the use of company media directed at, and regular training of, both Tidewater seamen and shore-based personnel. Personnel and resources are dedicated to ensure safe operations and regulatory compliance. Tidewater s Director of Health, Safety, Environment and Security (HSES) Management is involved in numerous proactive efforts to prevent accidents and injuries from occurring. The HSES Director also reviews all incidents that occur throughout Tidewater, focusing on lessons that can be learned from such incidents and opportunities to incorporate such lessons into Tidewater s on-going safety-related training. In addition, Tidewater employs safety personnel to be responsible for administering Tidewater s safety programs and fostering Tidewater s safety culture. Tidewater s position is that each of its employees is a safety supervisor, who has the authority and the obligation to stop any operation that they deem to be unsafe.

Risk Management

The operation of any marine vessel involves an inherent risk of marine losses (including physical damage to the vessel) attributable to adverse sea and weather conditions, mechanical failure, and collisions. In addition, the nature of Tidewater s operations exposes Tidewater to the potential risks of damage to and loss of drilling rigs and production facilities, hostile activities attributable to war, sabotage, piracy and terrorism, as well as business interruption due to political action or inaction, including nationalization of assets by foreign governments. Any such event may lead to a reduction in revenues or increased costs. Tidewater s vessels are generally insured for their estimated market value against damage or loss, including war, acts of terrorism, and pollution risks, but Tidewater does not directly or fully insure for business interruption. Tidewater also carries workers compensation, maritime employer s liability, director and officer liability, general liability (including third party pollution) and other insurance customary in the industry.

Tidewater seeks to secure appropriate insurance coverage at competitive rates, in part, by maintaining self-insurance up to certain individual and aggregate loss limits. Tidewater carefully monitors claims and participates actively in claims estimates and adjustments. Estimated costs of self-insured claims, which include estimates for incurred but unreported claims, are accrued as liabilities on Tidewater s balance sheet.

The continued threat of terrorist activity and other acts of war or hostility have significantly increased the risk of political, economic and social instability in some of the geographic areas in which Tidewater operates. It is possible that further acts of terrorism may be directed against the United States domestically or abroad, and such acts of terrorism could be directed against properties and personnel of U.S. headquartered companies such as Tidewater s. The resulting economic, political and social uncertainties, including the potential for future terrorist acts and war, could cause the premiums charged for the insurance coverage to increase. Tidewater currently maintains war risk coverage on its entire fleet.

Management believes that Tidewater s insurance coverage is adequate. Tidewater has not experienced a loss in excess of insurance policy limits; however, there is no assurance that Tidewater s liability coverage will be adequate to cover potential claims that may arise. While Tidewater believes that it should be able to maintain adequate insurance in the future at rates considered commercially acceptable, it cannot guarantee that such insurance will continue to be available at commercially acceptable rates given the markets in which Tidewater operates.

Seasonality

Tidewater s global vessel fleet generally has its highest utilization rates in the warmer months when the weather is more favorable for offshore exploration, field development and construction work. Hurricanes, cyclones, the

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monsoon season, and other severe weather can negatively or positively impact vessel operations. In particular, Tidewater s U.S. GOM operations can be impacted by the Atlantic hurricane season from the months of June through November, when offshore exploration, field development and construction work tends to slow or halt in an effort to mitigate potential losses and damage that may occur to the offshore oil and gas infrastructure should a hurricane enter the area. However, demand for offshore marine vessels typically increases in the U.S. GOM in connection with repair and remediation work that follows any hurricane damage to offshore crude oil and natural gas infrastructure. Tidewater s vessels that operate offshore India in Southeast Asia and in the Western Pacific are impacted by the monsoon season, which moves across the region from November to April. Vessels that operate in the North Sea can be impacted by a seasonal slowdown in the winter months, generally from November to March. Although hurricanes, cyclones, monsoons and other severe weather can have a seasonal impact on operations, Tidewater s business volume is more dependent on crude oil and natural gas pricing, global supply of crude oil and natural gas, and demand for Tidewater s offshore support vessels and other services than on any seasonal variation.

Employees

As of June 30, 2018, Tidewater had approximately 4,513 employees worldwide, a reduction of approximately 953 from June 30, 2017, as a result of Tidewater s efforts to reduce costs due to the downturn in the offshore oil services industry. Tidewater is not a party to any union contract in the United States but through several subsidiaries is a party to union agreements covering local nationals in several countries other than the United States. In the past, Tidewater has been the subject of a union organizing campaign for the U.S. GOM employees by maritime labor unions. These union organizing efforts have abated, although the threat has not been completely eliminated. If the employees in the U.S. GOM were to unionize, Tidewater s flexibility in managing industry changes in the domestic market could be adversely affected.

Available Information

Tidewater makes available free of charge, on or through Tidewater s website (www.tdw.com), Tidewater s Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and other filings pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and amendments to such filings, as soon as reasonably practicable after each is electronically filed with, or furnished to, the SEC. You may read and copy any materials Tidewater files with the SEC at the SEC s Public Reference Room at 100 F Street, N.E., Washington, DC 20549. Information on the operation of the Public Reference Room may be obtained by calling the Commission at 1-800-SEC-0330. The SEC maintains a website that contains Tidewater s reports, proxy and information statements, and Tidewater s other SEC filings. The address of the SEC s website is www.sec.gov. Information appearing on Tidewater s website is not part of any report that it files with the SEC.

Tidewater has adopted a Code of Business Conduct and Ethics (Code), which is applicable to its directors, chief executive officer, chief financial officer, principal accounting officer, and other officers and employees on matters of business conduct and ethics, including compliance standards and procedures. The Code is publicly available on Tidewater s website at www.tdw.com. Tidewater will make timely disclosure by a Current Report on Form 8-K and on its website of any change to, or waiver from, the Code for Tidewater s chief executive officer, chief financial officer and principal accounting officer. Any changes or waivers to the Code will be maintained on Tidewater s website for at least 12 months. A copy of the Code is also available in print to any stockholder upon written request addressed to Tidewater Inc., 6002 Rogerdale Road, Suite 600, Houston, Texas, 77072.

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MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of financial condition and results of operations should be read in conjunction with the accompanying consolidated financial statements as of December 31, 2017 and June 30, 2018 and for the nine month transition period ended December 31, 2017 and for the six month periods ended June 30, 2018 and 2017 that Tidewater included in this prospectus. The following discussion and analysis contains forward-looking statements that involve risks and uncertainties. Tidewater s future results of operations could differ materially from its historical results or those anticipated in its forward-looking statements as a result of certain factors, including those set forth under Risk Factors in this prospectus. With respect to this *Management s Discussion and Analysis of Financial Condition and Results of Operations*, the cautionary language applicable to such forward-looking statements described under *Forward-Looking Statements* found in this prospectus is incorporated by reference into this *Management s Discussion and Analysis of Financial Condition and Results of Operations*.

Transition period ended December 31, 2017 Business Highlights and Key Focus

During the nine month transition period ended December 31, 2017, Tidewater continued to focus on identifying and implementing cost saving measures given the sharp reduction in revenues due to a continued challenging operating environment of lower crude oil prices and reduced customer spending (and reduced offshore spending by customers in particular). Key elements of Tidewater s response to these conditions during the nine months ended December 31, 2017, included sustaining its offshore support vessel fleet and its global operating footprint and successfully completing the restructuring of its debt pursuant to the Plan, resulting in the strengthening of its balance sheet and its liquidity that is available to fund operations. During the period, operating management was focused on safe, compliant operations, minimizing unscheduled vessel downtime, improving the oversight over major repairs and maintenance projects and drydockings, and maintaining disciplined cost control.

On July 31, 2017, Tidewater completed its reorganization pursuant to the Plan.

Due to Tidewater s change to its fiscal year end, this discussion summarizes the significant factors affecting the consolidated operating results, financial condition, liquidity and capital resources during the transition period ended December 31, 2017 and the comparable unaudited nine-month period ended December 31, 2016.

At December 31, 2017, Tidewater had 227 owned or chartered vessels (excluding joint-venture vessels) in its fleet with an average age of 9.0 years. The average age of Tidewater s 138 active vessels at December 31, 2017 was 7.7 years.

Revenues earned for the five month period of August 1, 2017 through December 31, 2017 (Successor), the four month period of April 1, 2017 through July 31, 2017 (Predecessor) and the nine months ended December 31, 2016 (Predecessor) were $178.8 million, $151.4 million and $440.9 million, respectively. Revenues have decreased as compared to prior year primarily as a result of the significant industry downturn that occurred over the latter half of calendar 2014 and that continued through December 2017.

Tidewater has responded to reductions in revenue by reducing vessel operating costs. During the five month period of August 1, 2017 through December 31, 2017 (Successor), the four month period of April 1, 2017 through July 31, 2017 (Predecessor) and the nine months ended December 31, 2016 (Predecessor) vessel operating costs were $120.5 million, $116.4 million and $278.3 million, respectively.

Depreciation expense for the five month period of August 1, 2017 through December 31, 2017 (Successor), the four month period of April 1, 2017 through July 31, 2017 (Predecessor) and the nine months ended December 31, 2016 (Predecessor) was $20.3 million, $47.4 million and $129.7 million, respectively. Depreciation expense for Successor periods is substantially lower than that of Predecessor periods as a result of the application of fresh-start accounting upon emergence from bankruptcy, which significantly reduced the carrying value of properties and equipment.

General and administrative expenses for the five month period of August 1, 2017 through December 31, 2017 (Successor), the four month period of April 1, 2017 through July 31, 2017 (Predecessor) and the nine months ended December 31, 2016 (Predecessor) were $46.6 million, $41.8 million and $104.2 million, respectively. Restructuring-related professional services costs for the five month period from August 1, 2017 through December 31, 2017 are included in reorganization items. Included in corporate general and administrative expenses for the four month period of April 1, 2017 through July 31, 2017 (Predecessor) and the nine months ended December 31, 2016 (Predecessor) were $6.7 million and $12.2 million of restructuring related professional service costs, respectively. General and administrative expenses have decreased in the nine month transition period ended December 31, 2017 as compared to the comparable period in the prior year primarily as a result of Tidewater s continuing efforts to reduce overhead costs due to the downturn in the offshore services market and lower restructuring-related professional fees.

Asset impairments for the five month period of August 1, 2017 through December 31, 2017 (Successor), the four month period of April 1, 2017 through July 31, 2017 (Predecessor) and the nine months ended December 31, 2016 (Predecessor) were $16.8 million, $184.7 million and $419.9 million, respectively. As of Tidewater s emergence from Chapter 11 bankruptcy on July 31, 2017, Tidewater adopted fresh-start accounting and significantly reduced the carrying values of its vessels and other long-lived assets.

Interest and other debt expenses for the five month period of August 1, 2017 through December 31, 2017 (Successor), the four month period of April 1, 2017 through July 31, 2017 (Predecessor) and the nine months ended December 31, 2016 (Predecessor) were $13 million, $11.2 million and $54.0 million, respectively. The filing of Tidewater s bankruptcy petition on May 17, 2017 (the Petition Date) resulted in the cessation of the accrual of interest expense on the term loan, revolver and senior notes as of the Petition Date through the Emergence Date. Interest and other debt costs from the five month period August 1, 2017 through December 31, 2017 reflect Tidewater s post-restructuring capital structure which included debt of $448.2 million at December 31, 2017.

Tidewater incurred reorganization charges of $4.3 million and $1.4 billion for the five month period of August 1, 2017 through December 31, 2017 (Successor) and the four month period of April 1, 2017 through July 31, 2017 (Predecessor), respectively. Successor reorganization items included the cost of delivering vessels operating under sale leaseback agreements to the respective lessors and restructuring-related professional fees. Predecessor reorganization items included (i) fresh-start adjustments of $1.8 billion to record the values of assets and liabilities on Tidewater s books at their fair values, (ii) $316.5 million related to settlement of liabilities associated with sale leaseback claims and make-whole claims on its debt, partially offset by deferred gains recognized on sale leaseback transactions and other items and (iii) professional fees of $28 million incurred subsequent to the Petition Date. Offsetting these reorganization charges is a gain on settlement of liabilities subject to compromise of $767.6 million.

Tidewater s outstanding receivable from Sonatide for work in Angola was reduced by approximately $33 million to approximately $230 million during the nine month transition period ended December 31, 2017. Tidewater s outstanding payable to Sonatide (including commissions payable) also decreased by approximately $34 million to approximately $99 million during the same period. Tidewater s outstanding receivable from Sonatide and outstanding payable to Sonatide (including commissions payable) at March 31, 2017, was approximately $263 million and approximately $133 million, respectively. Sonatide has had some success in obtaining contracts that allow for a portion of services in Angola to be paid in dollars, has successfully initiated some conversion of kwanzas into dollars and has also successfully reduced the due from affiliate and due to affiliate balances via netting transactions based on agreement with the joint venture. For additional disclosure regarding the Sonatide Joint Venture, refer to *Business* in this prospectus.

Macroeconomic Environment and Outlook

The primary driver of Tidewater s business (and revenues) is the level of its customers capital and operating expenditures for offshore oil and natural gas exploration, field development and production. These expenditures,

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in turn, generally reflect its customers expectations for future oil and natural gas prices, economic growth, hydrocarbon demand, estimates of current and future oil and natural gas production, the relative cost of exploring, developing and producing onshore and offshore oil and natural gas, and its customers ability to access exploitable oil and natural gas resources. Current and future estimated prices of crude oil and natural gas are critical factors in its customers investment and spending decisions, including their decisions to contract drilling rigs and offshore support vessels in support of offshore exploration, field development and production activities in the various global geographic markets.

After a significant decrease in the price of oil during calendar years 2014 and 2015 largely due to an increase in global supply without a commensurate increase in worldwide demand, the price of crude oil, though volatile, increased during the calendar years 2016 and 2017. Tidewater s longer-term utilization and average day rate trends for its vessels will generally correlate with demand for, and the price of, crude oil, which at the end of June 2018 was trading around $74 per barrel for West Texas Intermediate (WTI) crude and $75 per barrel for Intercontinental Exchange (ICE) Brent crude, up from $50 and $52 per barrel for WTI and ICE Brent, respectively, at the end of December 2017. Several analysts expect that oil production will continue to rise (led by North America) and that this should balance the market, if not create a supply surplus over the near to immediate term. A supply surplus would likely exert downward pressure on the recently improved market prices for crude oil.

A recovery in onshore exploration, development and production activity and spending, and in North American onshore activity and spending in particular, is already underway and is expected to continue if oil and gas prices remain at current levels or continue to rise. However, a recovery in offshore activity and spending, much of which takes place in the international markets, is expected to lag increases in onshore exploration, development and production activity and spending. These same analysts also expect that any material improvements in offshore exploration and development activity would likely not occur until calendar year 2019 or calendar year 2020, the timing of which is generally consistent with the trend of the projected global working offshore rig count according to recent IHS-Markit reports, as there are indications that E&P companies will remain conservative with their offshore-related capital expenditures in the near future.

The production of unconventional gas resources in North America and the commissioning of a number of Liquefied Natural Gas (LNG) export facilities around the world have contributed to an oversupplied natural gas market. Some analysts have noted that natural gas is being produced at historically high levels while consumption, at least in the United States, has waned somewhat in 2017 primarily as a result of less demand by the electric power sector. At the end of June 2018, natural gas was trading in the U.S. at approximately $3.00 per Mcf, which was comparable to natural gas prices as reported by the U.S. Energy Information Administration at the end of December 2017. Generally, high levels of onshore gas production and the prolonged downturn in natural gas prices experienced over the previous several years have had a negative impact on the offshore exploration and development plans of energy companies and the demand for offshore support vessel services.

Deepwater activity is a significant segment of the global offshore crude oil and natural gas markets, and development typically involves significant capital investment and multi-year development plans. Such projects are generally underwritten by the participating exploration, field development and production companies using relatively conservative crude oil and natural gas pricing assumptions. Although these projects are generally less susceptible to short-term fluctuations in the price of crude oil and natural gas, deepwater exploration and development projects can be more costly relative to onshore and non-deepwater offshore exploration and development. As a result, lower and volatile crude oil prices and a relatively greater emphasis on onshore exploration, development and production activity and spending have caused, and may continue to cause, many of Tidewater s customers and potential customers to reevaluate and further reduce their future capital expenditures in regards to offshore projects, in general, and deepwater projects, in particular.

Data published by IHS-Markit in June of 2018 estimate that the worldwide movable offshore drilling rig count is 850 rigs, of which approximately 435 offshore rigs were working in June of 2018, a slight increase over the approximate 430 working rigs in June of 2017, and a decrease of approximately 9%, or 45 working rigs, from the number of working rigs in June of 2016. While the supply of, and demand for, offshore drilling rigs that meet the technical requirements of end user exploration and development companies may be key drivers of pricing for contract drilling services, Tidewater believes that the number of rigs working offshore (rather than the total population of moveable offshore drilling rigs or the pricing for contract drilling services) is a more reliable indicator of overall offshore activity levels and the demand for offshore support vessel services.

According to IHS-Markit, of the estimated 850 movable offshore rigs worldwide, approximately 30%, or approximately 255 rigs, are designed to operate in deeper waters. Of the approximately 435 working offshore rigs at the end of June 2018, approximately 120 rigs, or 28%, are designed to operate in deeper waters. Utilization of deepwater rigs at the end of June 2018 was approximately 47% (120 working deepwater rigs divided by 255 total deepwater rigs). At the end of June 2018, the approximate 120 working deepwater rigs was comparable to the approximate number of working deepwater rigs at the end of June 2017 and down 20%, or approximately 30 working deepwater rigs, from the number of working deepwater rigs at the end of June 2016. IHS-Markit also estimates that approximately 29% of the approximate 140 total offshore rigs currently under construction, or approximately 40 rigs, are being built to operate in deeper waters, suggesting that new build deepwater rigs represent approximately 33% of the approximately 120 deepwater rigs working at the end of June 2018. There is uncertainty as to whether the deepwater rigs currently under construction will increase the working fleet or merely replace older, less productive drilling units. As a result, it is not clear what impact the delivery of additional rigs (deepwater and otherwise) within the next several years will have on the working rig count, especially in an environment of reduced offshore exploration and development spending.

Also, according to IHS-Markit, of the estimated 850 movable offshore rigs worldwide, approximately 61%, or approximately 515 rigs, are jack-up rigs. Of the approximately 435 working offshore rigs, approximately 290 rigs, or 67%, are jack-up rigs. As of the end of June 2018, the number of working jack-up rigs was nominally higher than the number of jack-up rigs that were working at the end of June 2017, suggesting that worldwide shallow-water exploration and production activity has at least stabilized during the last twelve months, despite a slight decrease of approximately 3%, or 10 working rigs, from the number of working rigs at the end of June 2016. Utilization of jack-up rigs at the end of June 2018 was approximately 56% (290 working jack-up rigs divided by 515 total jack-up rigs). The construction backlog for new jack-up rigs at the end of June 2018 (90 rigs) has been reduced from the jack-up construction backlog at the end of June 2017 by approximately 10 rigs. Nearly all of the jack-up rigs currently under construction are scheduled for delivery in the next 24 months, although the timing of such deliveries as scheduled remains uncertain given the generally depressed offshore rig market that currently exists. As discussed above with regards to the deepwater rig market and recognizing that 90 new build jack-up rigs represent 31% of the approximately 290 jack-up rigs working at the end of June 2018, there is also uncertainty as to how many of the jack-up rigs currently under construction, if delivered, will either increase the working fleet or replace older, less productive jack-up rigs.

The floating production unit market is also a current source of demand for offshore support vessels and also has potential to grow as a source of additional demand for offshore support vessels. Approximately 52 new floating production units are under construction, most of which are scheduled to be delivered over the next eighteen months. If delivered, these new units will supplement the approximately 375 floating production units currently operating worldwide, which is slightly higher than the number of floating production units working in June 2017 and approximately 9% higher than the number of floating production units working in June 2016. While the recent market trend in working floating production units currently appears to be a net positive for the offshore support vessel market, the risk of cancellation of some new build contracts or the stacking of currently operating floating production units remains.

In June 2018, the worldwide fleet of offshore support vessels (deepwater PSVs, deepwater AHTS vessels and towing-supply vessels only) is estimated at approximately 3,520 vessels which includes approximately 550 vessels, or approximately 16%, that are at least 25 years old and exceeding original expectations of their estimated economic lives. An additional 445 vessels, or 13% of the worldwide fleet, are at least 15 years old, but less than 25 years old. Older offshore support vessels, whether such vessels are at least 25 years old or at least 15 years old, could potentially be removed from the market if the cost of extending such vessels lives is not economical, especially in light of recent market conditions.

Also, according to IHS-Markit, there are approximately 240 new-build offshore support vessels (deepwater PSVs, deepwater AHTS vessels and towing-supply vessels only) either under construction (215 vessels), on order or planned at the end of June 2018. The majority of the vessels under construction are scheduled to be delivered within the next 12 to 24 months; however, Tidewater does not anticipate that all, or even a majority, of these vessels will ultimately be completed based on current and expected future offshore exploration and development activity, in addition to the substantial oversupply that still exists. Further increases in worldwide vessel capacity, due to either newbuild deliveries, or stacked vessel reactivations, would tend to have the effect of lowering charter rates, particularly when there are lower levels of exploration, field development and production activity.

Excluding the 550 vessels that are at least 25 years old from the overall population, the number of offshore support vessels under construction (215 vessels) represents approximately 7% of the remaining worldwide fleet of approximately 2,970 offshore support vessels. Excluding the 995 vessels that are at least 15 years old from the overall population, the number of offshore support vessels under construction (215 vessels) represents approximately 9% of the remaining worldwide fleet of approximately 2,525 offshore support vessels.

Since late 2014, the number of older offshore support vessels that have been removed from market has not been sufficient to counteract the significant reduction in offshore exploration, development and production activity by Tidewater s customers. As a result, Tidewater and other offshore support vessel owners have also selectively stacked more recently constructed vessels. Should market conditions further deteriorate, the stacking or underutilization of additional, more recently constructed vessels by the offshore support vessel industry is likely.

Although the future attrition rate of older offshore support vessels cannot be determined with certainty, Tidewater believes that the retirement and/or sale to owners outside of the oil and gas market of a vast majority of these aged vessels (a majority of which Tidewater believes have already been stacked or are not being actively marketed to oil and gas development-focused customers by the vessels owners) could mitigate the potential negative effects on vessel utilization and vessel pricing of (i) additional offshore support vessel supply resulting from the delivery of additional new-build vessels and/or (ii) reduced demand for offshore support vessels resulting from further reductions in offshore exploration, development and production spending by its customers.

Alternatively, the cancellation or deferral of delivery of some portion of the offshore support vessels that are under construction could mitigate the potential negative effects on vessel utilization and vessel pricing of reduced offshore exploration, development and production spending by Tidewater s customers. To the extent the significant increase in crude oil prices that began in early 2016 ultimately leads to an increase both in offshore spending by Tidewater s customers and additional vessel demand, additional vessel demand could also mitigate the possible negative effects of the new-build vessels being added to the global offshore support vessel fleet. In addition, the need to incur and fund recertification and other maintenance costs, particularly for vessels that have been stacked, may have an impact on the availability of vessels to support customers future offshore exploration, development and production activity, and could have a positive impact on the charter rates that vessel owners are able to secure for those vessels that have current certifications with the relevant classification societies and are otherwise available to work.

Tidewater believes that a material improvement in vessel utilization and vessel pricing will require a combination of increased vessel demand and a reduction in vessel supply, including the retirement of a majority of the vessels that are older than 15 years. Absent a significant and unexpected increase in vessel demand, Tidewater believes that low vessel utilization and average day rates will likely persist across the offshore support vessel industry, at least in the near to intermediate term, due to the current overcapacity in the worldwide offshore support vessel fleet. It is also possible that overcapacity and excess financial leverage will lead to industry consolidation and/or business failures within the global offshore support vessel industry.

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Principal Factors That Drive Tidewater s Revenues

Tidewater s revenues, net earnings and cash flows from operations are largely dependent upon the activity level of its offshore marine vessel fleet. As is the case with the numerous other vessel operators in its industry, its business activity is largely dependent on the level of exploration, field development and production activity of its customers. Its customers business activity, in turn, is dependent on crude oil and natural gas prices, which fluctuate depending on expected future levels of supply and demand for crude oil and natural gas, and on estimates of the cost to find, develop and produce reserves.

Tidewater s revenues in all segments are driven primarily by Tidewater s fleet size, vessel utilization and day rates. Because a sizeable portion of Tidewater s operating costs and its depreciation does not change proportionally with changes in revenue, Tidewater s operating profit is largely dependent on revenue levels.

Principal Factors That Drive Tidewater s Operating Costs

Operating costs consist primarily of crew costs, repair and maintenance costs, insurance costs and loss reserves, fuel, lube oil and supplies costs and other vessel operating costs. Fleet size, fleet composition, geographic areas of operation, supply and demand for marine personnel, and local labor requirements are the major factors which affect overall crew costs in all segments. In addition, Tidewater s newer, more technologically sophisticated PSVs and AHTS vessels generally require a greater number of specially trained, more highly compensated fleet personnel than Tidewater s older, smaller and less sophisticated vessels. Crew costs may increase if competition for skilled personnel intensifies, though a weaker offshore energy market should somewhat mitigate any potential inflation of crew costs.

Concurrent with emergence from Chapter 11 bankruptcy, the Successor Company adopted a new policy for the recognition of the costs of planned major maintenance activities incurred to ensure compliance with applicable regulations and maintain certifications for vessels with classification societies. These costs include drydocking and survey costs necessary to maintain certifications and generally occur twice in every five-year period. These recertification costs are typically incurred while the vessel is in drydock and may be incurred concurrent with other vessel maintenance and improvement activities. Costs related to the recertification of vessels are deferred and amortized over 30 months on a straight-line basis. Maintenance costs incurred at the time of the recertification drydocking that are not related to the recertification of the vessel are expensed as incurred. Costs related to vessel improvements that either extend the vessel s useful life or increase the vessel s functionality are capitalized and depreciated. Tidewater s previous policy (Predecessor) was to expense vessel recertification costs in the period incurred.

Insurance and loss reserves costs are dependent on a variety of factors, including Tidewater s safety record and pricing in the insurance markets, and can fluctuate over time. Tidewater s vessels are generally insured for up to their estimated fair market value in order to cover damage or loss resulting from marine casualties, adverse weather conditions, mechanical failure, collisions, and property losses to the vessel. Tidewater also purchases coverage for potential liabilities stemming from third-party losses with limits that it believes are reasonable for its operations, but does not generally purchase business interruption insurance or similar coverage. Insurance limits are reviewed annually, and third-party coverage is purchased based on the expected scope of ongoing operations and the cost of third-party coverage.

Fuel and lube costs can also fluctuate in any given period depending on the number and distance of vessel mobilizations, the number of active vessels off charter, drydockings, and changes in fuel prices. Tidewater also incurs vessel operating costs that are aggregated as other vessel operating costs. These costs consist of brokers commissions, including commissions paid to unconsolidated joint venture companies, training costs and other miscellaneous costs.

Brokers commissions are incurred primarily in Tidewater s non-United States operations where brokers sometimes assist in obtaining work for Tidewater s vessels. Brokers generally are paid a percentage of day rates and, accordingly, commissions paid to brokers generally fluctuate in accordance with

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vessel revenue. Other costs include, but are not limited to, satellite communication fees, agent fees, port fees, canal transit fees, vessel certification fees, the amortization of previously deferred mobilization costs, temporary vessel importation fees and any fines or penalties.

Results of Operations for the Six Months Ended June 30, 2018

During the quarter ended March 31, 2018 Tidewater s Africa/Europe segment was split as a result of management realignment such that Tidewater s operations in Europe and Mediterranean Sea regions and Tidewater s West African regions are now separately reported segments. As such, Tidewater now discloses these new segments as Europe/Mediterranean Sea and West Africa, respectively. Tidewater s Americas and Middle East/Asia Pacific segments are not affected by this change. This new segment alignment is consistent with how Tidewater s chief operating decision maker reviews operating results for the purposes of allocating resources and assessing performance. Prior year amounts have been recast to conform to the new segment alignment.

The following table compares vessel revenues and vessel operating costs (excluding general and administrative expenses, depreciation and amortization expense, vessel operating leases and gains on asset dispositions, net) for Tidewater s owned and operated vessel fleet and the related percentage of vessel revenue for the quarters and six month periods ended June 30, 2018 and 2017:

	Successor Quarter Ended June 30, 2018		Predecessor Quarter Ended June 30, 2017		Successor Six Months Ended June 30, 2018		Predecessor Six Months Ended June 30, 2017	
(In thousands)		%		%		%		%
Vessel revenues:								
Americas[A]	$ 32,601	31%	31,887	28%	58,682	31%	112,420	42%
Middle East/Asia Pacific	22,406	21%	27,766	25%	40,794	21%	54,444	20%
Europe/Mediterranean Sea	13,357	13%	11,031	10%	22,980	12%	21,197	8%
West Africa	35,810	35%	41,573	37%	69,212	36%	81,101	30%
Total vessel revenues	$ 104,174	100%	112,257	100%	191,668	100%	269,162	100%
Vessel operating costs:								
Crew costs	$ 36,368	35%	42,210	38%	70,592	37%	84,039	31%
Repair and maintenance	7,978	8%	13,844	12%	15,682	8%	30,918	11%
Insurance and loss reserves	2,191	2%	3,124	3%	1,120	2%	1,357	1%
Fuel, lube and supplies	8,181	8%	9,428	8%	17,193	9%	18,707	7%
Other	13,294	13%	15,167	14%	24,789	13%	29,597	11%
Total vessel operating costs	$ 68,012	65%	83,773	75%	129,376	69%	164,618	61%

(A) Included in Americas vessel revenue for the six months ended June 30, 2017 is $39.1 million of revenue related to the early cancellation of a long-term vessel charter contract.

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The following table compares other operating revenues and costs related to brokered vessels, ROVs and other miscellaneous marine-related activities for the quarters and six month periods ended June 30, 2018 and 2017:

(In thousands)	Successor Quarter Ended June 30, 2018	Predecessor Quarter Ended June 30, 2017	Successor Six Months Ended June 30, 2018	Predecessor Six Months Ended June 30, 2017
Other operating revenues	$ 1,427	2,849	5,426	6,693
Costs of other operating revenues	642	1,585	3,116	4,274

The following table presents vessel operating costs by Tidewater s four geographic segments, the related segment vessel operating costs as a percentage of segment vessel revenues, total vessel operating costs and the related total vessel operating costs as a percentage of total vessel revenues for the quarters and six month periods ended June 30, 2018 and 2017:

(In thousands)	Successor Quarter Ended June 30, 2018	%	Predecessor Quarter Ended June 30, 2017	%	Successor Six Months Ended June 30, 2018	%	Predecessor Six Months Ended June 30, 2017	%
Vessel operating costs:								
Americas:								
Crew costs	$ 11,158	34%	14,457	45%	20,251	34%	30,218	27%
Repair and maintenance	1,529	5%	3,841	12%	3,259	6%	6,727	6%
Insurance and loss reserves	1,031	3%	933	3%	480	1%	414	1%
Fuel, lube and supplies	1,792	5%	3,394	11%	3,410	6%	7,290	6%
Other	2,790	9%	4,655	15%	3,196	5%	8,210	7%
	18,300	56%	27,280	86%	30,596	52%	52,859	47%
Middle East/Asia Pacific:								
Crew costs	$ 8,596	38%	9,795	35%	16,704	41%	19,290	35%
Repair and maintenance	1,594	7%	2,675	10%	3,057	7%	8,981	17%
Insurance and loss reserves	383	2%	681	2%	233	1%	(51)	(<1%)
Fuel, lube and supplies	2,221	10%	1,539	6%	4,560	11%	4,082	8%
Other	2,578	12%	2,908	10%	5,320	13%	6,259	11%
	15,372	69%	17,598	63%	29,874	73%	38,561	71%
Europe/Mediterranean Sea:								
Crew costs	$ 5,777	43%	5,593	51%	10,768	47%	10,520	50%
Repair and maintenance	1,983	15%	3,227	29%	3,561	15%	4,488	21%
Insurance and loss reserves	247	2%	426	4%	357	2%	652	3%
Fuel, lube and supplies	1,136	8%	1,393	13%	2,946	13%	2,494	12%
Other	1,459	11%	1,835	16%	3,065	13%	3,229	15%

	10,602	79%	12,474	113%	20,697	90%	21,383	101%
West Africa:								
Crew costs	$ 10,837	30%	12,365	30%	22,869	33%	24,011	30%
Repair and maintenance	2,872	8%	4,101	10%	5,805	9%	10,722	13%
Insurance and loss reserves	530	1%	1,084	3%	50	<1%	342	<1%
Fuel, lube and supplies	3,032	9%	3,102	7%	6,277	9%	4,841	6%
Other	6,467	18%	5,769	14%	13,208	19%	11,899	15%
	23,738	66%	26,421	64%	48,209	70%	51,815	64%
Total vessel operating costs	$ 68,012	65%	83,773	75%	129,376	68%	164,618	61%

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The following table presents vessel operations general and administrative expenses by Tidewater s four geographic segments, the related segment vessel operations general and administrative expenses as a percentage of segment vessel revenues, total vessel operations general and administrative expenses and the related total vessel operations general and administrative expenses as a percentage of total vessel revenues for the quarters and six month periods ended June 30, 2018 and 2017:

	Successor		Predecessor		Successor		Predecessor	
	Quarter Ended June 30, 2018		Quarter Ended June 30, 2017		Six Months Ended June 30, 2018		Six Months Ended June 30, 2017	
(In thousands)		%		%		%		%
Vessel operations general and administrative expenses:								
Americas	$ 5,090	16%	5,771	18%	10,651	18%	12,183	11%
Middle East/Asia Pacific	3,565	16%	3,738	13%	6,935	17%	7,118	13%
Europe/Mediterranean Sea	1,658	12%	1,196	11%	2,936	13%	2,562	12%
West Africa	6,300	18%	7,297	18%	12,958	19%	15,584	19%
Total vessel operations general and administrative expenses	$ 16,613	16%	18,002	16%	33,480	17%	37,447	14%

The following table presents vessel operating leases by Tidewater s four geographic segments, the related segment vessel operating leases as a percentage of segment vessel revenues, total vessel operating leases and the related total vessel operating leases as a percentage of total vessel revenues for the quarters and six month periods ended June 30, 2018 and 2017:

	Successor		Predecessor		Successor		Predecessor	
	Quarter Ended June 30, 2018		Quarter Ended June 30, 2017		Six Months Ended June 30, 2018		Six Months Ended June 30, 2017	
(In thousands)		%		%		%		%
Vessel operating leases[(A)]:								
Americas	$		3,787	12%			10,414	9%
Middle East/Asia Pacific								
Europe/Mediterranean Sea			721	7%			1,153	5%
West Africa			1,034	2%			2,418	3%
Total vessel operating leases	$		5,542	5%			13,985	5%

(A) As part of the Plan of reorganization, Tidewater rejected all vessel lease agreements during the quarter ended June 30, 2017.

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The following table presents vessel depreciation expense by Tidewater s geographic segments, the related segment vessel depreciation expense as a percentage of segment vessel revenues, total vessel depreciation expense and the related total vessel depreciation expense as a percentage of total vessel revenues for the quarters and six month periods ended June 30, 2018 and 2017:

	Successor		Predecessor		Successor		Predecessor	
	Quarter Ended June 30, 2018		Quarter Ended June 30, 2017		Six Months Ended June 30, 2018		Six Months Ended June 30, 2017	
(In thousands)		%		%		%		%
Vessel depreciation expense[A]:								
Americas	$ 3,530	11%	10,748	34%	6,843	12%	22,045	20%
Middle East/Asia Pacific	2,844	13%	7,746	28%	5,613	14%	16,245	30%
Europe/Mediterranean Sea	2,239	17%	6,803	62%	4,043	18%	13,364	63%
West Africa	4,067	11%	9,595	23%	8,093	12%	19,411	24%
Total vessel depreciation expense	$ 12,680	12%	34,892	31%	24,592	13%	71,065	26%

[A] As a result of the application of fresh-start accounting upon emergence from bankruptcy, Tidewater significantly reduced the carrying value of properties and equipment.

The following table compares other operating revenues and costs related to Tidewater s ROV and related subsea services operations, brokered vessels and other miscellaneous marine-related activities for the quarters and six month periods ended June 30, 2018 and 2017:

	Successor		Predecessor		Successor		Predecessor	
	Quarter Ended June 30, 2018		Quarter Ended June 30, 2017		Six Months Ended June 30, 2018		Six Months Ended June 30, 2017	
(In thousands)		%		%		%		%
Other operating revenues[A]	$ 1,427	100%	2,849	100%	5,426	100%	6,693	100%
Costs of other operating revenues	(642)	(45%)	(1,585)	(56%)	(3,116)	(57%)	(4,274)	(64%)
General and administrative expenses other operating activities	(2)	(<1%)	(355)	(12%)	(16)	(<1%)	(880)	(13%)
Depreciation and amortization other operating activities	(5)	(<1%)	(854)	(30%)	(10)	(<1%)	(1,709)	(26%)
Total other operating profit (loss)	$ 778	55%	55	2%	2,284	43%	(170)	(3%)

(A) Included in other operating revenues for the quarter and six months ended June 30, 2017, were $0.5 million and $0.8 million, respectively, of revenues related to Tidewater s subsea business. The eight ROVs representing substantially all of Tidewater s subsea assets were sold in December 2017.

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The following table compares operating loss and other components of loss before income taxes and its related percentage of total revenue for the quarters and six month periods ended June 30, 2018 and 2017:

(In thousands)	Successor Quarter Ended June 30, 2018	%	Predecessor Quarter Ended June 30, 2017	%	Successor Six Months Ended June 30, 2018	%	Predecessor Six Months Ended June 30, 2017	%
Vessel operating profit (loss):								
Americas[(A)]	$ 5,681	5%	(15,699)	(14%)	10,592	5%	14,919	5%
Middle East/Asia Pacific	625	1%	(1,316)	(1%)	(1,628)	(1%)	(7,480)	(3%)
Europe/Mediterranean Sea	(1,142)	(1%)	(10,163)	(9%)	(4,696)	(2%)	(17,265)	(6%)
West Africa	1,705	2%	(2,774)	(2%)	(48)	<1%	(8,127)	(3%)
	6,869	7%	(29,952)	(26%)	4,220	2%	(17,953)	(7%)
Other operating profit (loss)	778	1%	55	<1%	2,284	1%	(170)	(<1%)
	7,647	7%	(29,897)	(26%)	6,504	2%	(18,123)	(7%)
Corporate general and administrative expenses[(B)]	(7,810)	(7%)	(14,702)	(13%)	(14,494)	(7%)	(36,459)	(13%)
Corporate depreciation	(100)	(<1%)	(541)	(<1%)	(200)	(<1%)	(1,105)	(<1%)
Corporate expenses	(7,910)	(7%)	(15,243)	(13%)	(14,694)	(7%)	(37,564)	(13%)
Gain on asset dispositions, net	1,338	1%	3,189	3%	3,257	2%	9,253	3%
Asset impairments	(1,215)	(1%)	(163,423)	(142%)	(7,401)	(4%)	(228,280)	(83%)
Operating loss	$ (140)	(<1%)	(205,374)	(178%)	(12,334)	(6%)	(274,714)	(100%)
Foreign exchange loss	(1,002)	(1%)	(1,157)	(1%)	(1,350)	(1%)	(493)	(<1%)
Equity in net earnings (losses) of unconsolidated companies	390	<1%	4,517	4%	(15,049)	(8%)	7,358	3%
Interest income and other, net	2,914	3%	1,680	1%	2,786	2%	3,268	1%
Reorganization items			(313,176)	(272%)			(313,176)	(114%)
Interest and other debt costs, net	(7,547)	(7%)	(10,605)	(9%)	(15,146)	(8%)	(31,613)	(11%)
Loss before income taxes	$ (5,385)	(5%)	(524,115)	(455%)	(41,093)	(21%)	(609,370)	(221%)

(A) Included in Americas vessel operating profit for the six month period ended June 30, 2017 is $39.1 million of revenue related to the early cancellation of a long-term vessel charter contract.

(B) Included in corporate general and administrative expenses for the quarter and six month periods ended June 30, 2017 are restructuring-related professional services costs of $6.7 million and $23.4 million, respectively. Included in corporate general and administrative expenses for the quarter and six month periods ended June 30, 2018 are professional services costs related the proposed combination with GulfMark of $1.5 million.

During the first six months of 2018, Tidewater continued to focus on identifying and implementing cost saving measures given the sharp reduction in revenues due to a continued challenging operating environment and reduced exploration and production spending (and reduced offshore spending in particular). Key elements of Tidewater s response to these conditions during the first six months of 2018 included sustaining its offshore support vessel fleet and its global operating footprint while maintaining adequate liquidity to fund operations. During the period, operating management was focused on safe, compliant operations, minimizing unscheduled vessel downtime, improving the oversight over major repairs and maintenance projects and drydockings and maintaining disciplined cost control.

At June 30, 2018, Tidewater had 204 owned or chartered vessels (excluding joint-venture vessels) in its fleet with an average age of 9.4 years. The average age of Tidewater s 138 active vessels at June 30, 2018 is 8.7 years.

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Results of Operations for the Nine Months Ended December 31, 2017

Tidewater manages and measures its business performance primarily based on four distinct geographic operating segments: Americas, Middle East/Asia Pacific, Europe/Mediterranean Sea and West Africa. The following tables compare vessel revenues and vessel operating costs (excluding general and administrative expenses, depreciation expense, vessel operating leases and gains on asset dispositions, net) for Tidewater s owned and operated vessel fleet, and the related percentage of vessel revenue. Note that Successor periods reflect the deferral and amortization of drydocking and survey costs while Predecessor periods expense such costs as incurred.

	Successor			Predecessor			
	Period from August 1, 2017 through December 31, 2017			Period from April 1, 2017 through July 31, 2017		Nine month period ended December 31, 2016	
(In thousands)			%		%		%
Vessel revenues:							
Americas	$	45,784	27%	40,848	28%	159,310	37%
Middle East/Asia Pacific		39,845	23%	36,313	25%	87,940	21%
Europe/Mediterranean Sea		19,895	12%	15,466	11%	32,502	8%
West Africa		66,360	39%	53,970	37%	147,159	34%
Total vessel revenues	$	171,884	100%	146,597	100%	426,911	100%
Vessel operating costs							
Crew costs	$	64,854	38%	56,653	39%	148,642	35%
Repair and maintenance		14,082	8%	23,040	16%	43,183	10%
Insurance and loss reserves		4,625	3%	3,949	3%	11,775	2%
Fuel, lube and supplies		16,390	9%	12,279	8%	28,730	7%
Other		20,551	12%	20,517	14%	45,996	11%
Total vessel operating costs	$	120,502	70%	116,438	80%	278,326	65%

	Successor		Predecessor	
(In thousands)	Period from August 1, 2017 through December 31, 2017		Period from April 1, 2017 through July 31, 2017	Nine month period ended December 31, 2016
Other operating revenues	$	6,869	4,772	13,951
Costs of other operating revenues		3,792	2,348	10,040

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The following table presents vessel operating costs by Tidewater s segments, the related segment vessel operating costs as a percentage of segment vessel revenues, total vessel operating costs and the related total vessel operating costs as a percentage of total vessel revenues.

	Successor		Predecessor			
	Period from August 1, 2017 through December 31, 2017		Period from April 1, 2017 through July 31, 2017		Nine month period ended December 31, 2016	
(In thousands)		%		%		%
Vessel operating costs:						
Americas						
Crew costs	$ 19,592	43%	18,707	46%	53,917	34%
Repair and maintenance	3,530	8%	8,747	21%	17,360	11%
Insurance and loss reserves	1,192	2%	1,134	3%	3,755	2%
Fuel, lube and supplies	4,588	10%	4,154	10%	9,738	6%
Other	3,092	7%	5,191	13%	9,014	6%
	31,994	70%	37,933	93%	93,784	59%
Middle East/Asia Pacific:						
Crew costs	$ 14,628	36%	12,934	36%	29,593	34%
Repair and maintenance	4,302	11%	3,255	9%	11,254	13%
Insurance and loss reserves	1,147	3%	931	2%	3,288	4%
Fuel, lube and supplies	3,921	10%	1,996	5%	5,892	6%
Other	4,724	12%	3,884	11%	10,471	12%
	28,722	72%	23,000	63%	60,498	69%
Europe/Mediterranean Sea:						
Crew costs	$ 9,468	48%	7,733	50%	16,930	52%
Repair and maintenance	2,109	11%	3,982	26%	2,883	9%
Insurance and loss reserves	431	2%	513	3%	759	2%
Fuel, lube and supplies	1,617	8%	1,864	12%	3,345	10%
Other	2,618	13%	2,437	16%	3,951	13%
	16,243	82%	16,529	107%	27,868	86%
West Africa:						
Crew costs	$ 21,166	31%	17,279	32%	48,202	33%
Repair and maintenance	4,141	6%	7,056	13%	11,687	8%
Insurance and loss reserves	1,855	3%	1,371	2%	3,973	3%
Fuel, lube and supplies	6,264	9%	4,265	8%	9,755	7%
Other	10,117	15%	9,005	17%	22,559	14%
	43,543	66%	38,976	72%	96,176	65%

Total vessel operating costs	$ 120,502	70%	116,438	80%	278,326	65%

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The following table presents vessel operations general and administrative expenses by Tidewater s geographic segments, the related segment vessel operations general and administrative expenses as a percentage of segment vessel revenues, total vessel operations general and administrative expenses and the related total vessel operations general and administrative expenses as a percentage of total vessel revenues.

	Successor		**Predecessor**			
	Period from August 1, 2017 through December 31, 2017		**Period from April 1, 2017 through July 31, 2017**		**Nine month period ended December 31, 2016**	
(In thousands)		%		%		%
Vessel operations general and administrative expenses:						
Americas	$ 9,622	21%	7,670	19%	19,876	12%
Middle East/Asia Pacific	5,956	15%	4,780	13%	14,238	16%
Europe/Mediterranean Sea	1,907	10%	1,613	10%	4,287	13%
West Africa	13,675	21%	9,818	18%	30,460	21%
Total vessel operations general and administrative expenses	$ 31,160	18%	23,881	16%	68,861	16%

The following table presents vessel operating leases by Tidewater s geographic segments, the related segment vessel operating leases as a percentage of segment vessel revenues, total vessel operating leases and the related total vessel operating leases as a percentage of total vessel revenues.

	Successor		**Predecessor**			
	Period from August 1, 2017 through December 31, 2017		**Period from April 1, 2017 through July 31, 2017**		**Nine month period ended December 31, 2016**	
(In thousands)		%		%		%
Vessel operating leases:						
Americas	$		3,849	9%	19,878	12%
Middle East/Asia Pacific						
Europe/Mediterranean Sea	447	2%	943	6%		
West Africa	768	1%	1,373	3%	5,445	4%
Total vessel operating leases	$ 1,215	1%	6,165	4%	25,323	6%

The following table presents vessel depreciation expense by Tidewater s geographic segments, the related segment vessel depreciation expense as a percentage of segment vessel revenues, total vessel depreciation expense and the related total vessel depreciation expense as a percentage of total vessel revenues.

(In thousands)	Successor Period from August 1, 2017 through December 31, 2017	%	Predecessor Period from April 1, 2017 through July 31, 2017	%	Predecessor Nine month period ended December 31, 2016	%
Vessel depreciation expense:						
Americas	$ 5,767	13%	13,945	34%	37,517	24%
Middle East/Asia Pacific	4,716	12%	9,967	27%	32,350	37%
Europe/Mediterranean Sea	2,794	14%	9,060	59%	19,977	61%
West Africa	6,067	9%	12,632	23%	34,388	23%
Total vessel depreciation expense	$ 19,344	11%	45,604	31%	124,232	29%

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The following table compares other operating revenues and costs related to Tidewater s ROV and related subsea services operations, third-party activities of Tidewater s shipyards, brokered vessels and other miscellaneous marine-related activities.

	Successor		Predecessor			
	Period from August 1, 2017 through December 31, 2017		Period from April 1, 2017 through July 31, 2017		Nine month period ended December 31, 2016	
(In thousands)		%		%		%
Other operating revenues	$ 6,869	100%	4,772	100%	13,951	100%
Costs of other operating revenues	(3,792)	(55%)	(2,348)	(49%)	(10,040)	(72%)
General and administrative expenses other operating activities	(636)	(9%)	(409)	(9%)	(1,659)	(12%)
Depreciation and amortization other operating activities	(827)	(12%)	(1,139)	(24%)	(3,575)	(25%)
Total other operating profit (loss)	$ 1,614	24%	876	18%	(1,323)	(9%)

The following table compares operating income and other components of earnings before income taxes, and its related percentage of total revenues.

	Successor		Predecessor			
	Period from August 1, 2017 through December 31, 2017		Period from April 1, 2017 through July 31, 2017		Nine month period ended December 31, 2016	
(In thousands)		%		%		%
Vessel operating profit (loss):						
Americas	$ (1,599)	(1%)	(22,549)	(15%)	(11,745)	(3%)
Middle East/Asia Pacific	451	<1%	(1,434)	(1%)	(19,146)	(4%)
Europe/Mediterranean Sea	(1,497)	(1%)	(12,680)	(8%)	(19,631)	(5%)
West Africa	2,308	1%	(8,828)	(6%)	(19,309)	(4%)
	(337)	(<1%)	(45,491)	(30%)	(69,831)	(16%)
Other operating profit (loss)	1,614	1%	876	1%	(1,323)	(<1%)
	1,277	1%	(44,615)	(29%)	(71,154)	(16%)
Corporate general and administrative expenses[(A)]	(14,823)	(8%)	(17,542)	(12%)	(33,632)	(8%)
Corporate depreciation	(166)	(<1%)	(704)	(<1%)	(1,892)	(<1%)