

BUY				HOLD			SELL						SELL	RATING SINCE	12/03/2018	
A+	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E+		E	E-	F
Annual Dividend Rate NA				Annual Dividend Yield NA			Beta -0.85			Market Capitalization \$900.9 Million			52-Week Range \$18.36-\$36.09		Price as of 4/17/2019 \$24.16	

Sector: **Energy** | Sub-Industry: **Oil & Gas Equipment & Services** | Source: **S&P**

TDW BUSINESS DESCRIPTION

Tidewater Inc. provides offshore marine support and transportation services to the offshore energy industry through the operation of a fleet of marine service vessels worldwide.

STOCK PERFORMANCE (%)

	3 Mo.	1 Yr.	3 Yr (Ann)
Price Change	11.59	-25.11	NA

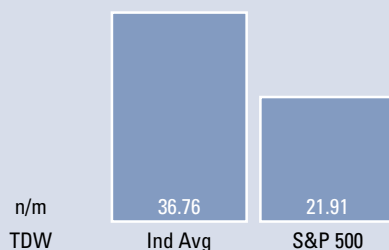
GROWTH (%)

	Last Qtr	12 Mo.	3 Yr CAGR
Revenues	5.53	-17.19	NA
Net Income	-283.95	90.37	NA
EPS	-177.45	91.63	NA

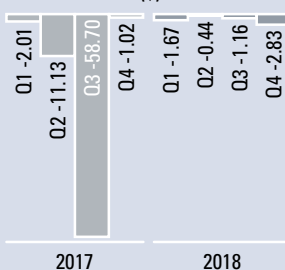
RETURN ON EQUITY (%)

	TDW	Ind Avg	S&P 500
Q4 2018	-14.99	5.80	15.83
Q4 2017	-174.65	-9.35	13.34
n/a	NA	-2.84	12.81

P/E COMPARISON



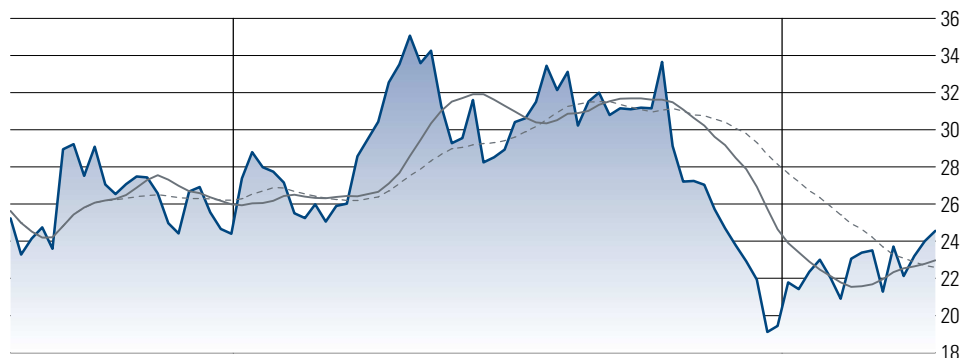
EPS ANALYSIS¹ (\$)



NA = not available NM = not meaningful

1 Compustat fiscal year convention is used for all fundamental data items.

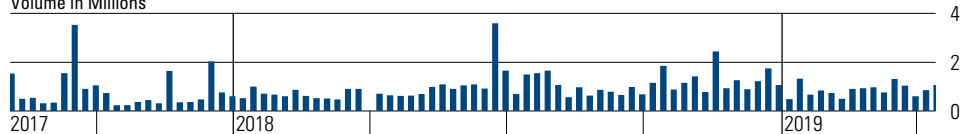
Weekly Price: (US\$) | SMA (50) — SMA (100) --- 1 Year | 2 Years



Rating History

HOLD SELL

Volume in Millions



COMPUSTAT for Price and Volume, TheStreet Ratings, Inc. for Rating History

RECOMMENDATION

We rate TIDEWATER INC (TDW) a SELL. This is driven by a few notable weaknesses, which we believe should have a greater impact than any strengths, and could make it more difficult for investors to achieve positive results compared to most of the stocks we cover. The company's weaknesses can be seen in multiple areas, such as its unimpressive growth in net income, poor profit margins and generally disappointing historical performance in the stock itself.

HIGHLIGHTS

The company, on the basis of change in net income from the same quarter one year ago, has significantly underperformed when compared to that of the S&P 500 and the Energy Equipment & Services industry. The net income has significantly decreased by 283.9% when compared to the same quarter one year ago, falling from -\$23.57 million to -\$90.51 million.

The gross profit margin for TIDEWATER INC is currently lower than what is desirable, coming in at 31.33%. It has decreased from the same quarter the previous year. Along with this, the net profit margin of -82.10% is significantly below that of the industry average.

Despite any intermediate fluctuations, we have only bad news to report on this stock's performance over the last year: it has tumbled by 25.11%, worse than the S&P 500's performance. Consistent with the plunge in the stock price, the company's earnings per share are down 177.45% compared to the year-earlier quarter. Naturally, the overall market trend is bound to be a significant factor. However, in one sense, the stock's sharp decline last year is a positive for future investors, making it cheaper (in proportion to its earnings over the past year) than most other stocks in its industry. But due to other concerns, we feel the stock is still not a good buy right now.

The company's current return on equity greatly increased when compared to its ROE from the same quarter one year prior. This is a signal of significant strength within the corporation. Compared to other companies in the Energy Equipment & Services industry and the overall market, TIDEWATER INC's return on equity significantly trails that of both the industry average and the S&P 500.

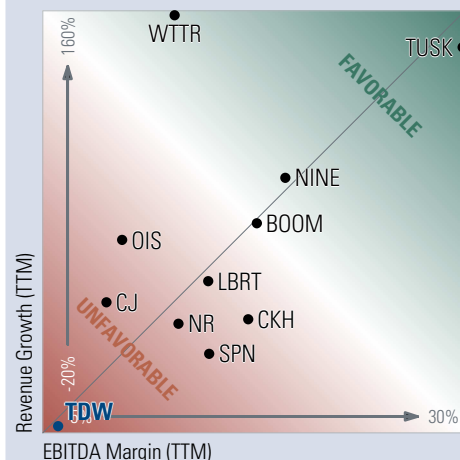
Despite currently having a low debt-to-equity ratio of 0.38, it is higher than that of the industry average, inferring that management of debt levels may need to be evaluated further. Even though the debt-to-equity ratio shows mixed results, the company's quick ratio of 4.05 is very high and demonstrates very strong liquidity.

Sector: Energy | Oil & Gas Equipment & Services | Source: S&P

Annual Dividend Rate NA	Annual Dividend Yield NA	Beta -0.85	Market Capitalization \$900.9 Million	52-Week Range \$18.36-\$36.09	Price as of 4/17/2019 \$24.16
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PEER GROUP ANALYSIS

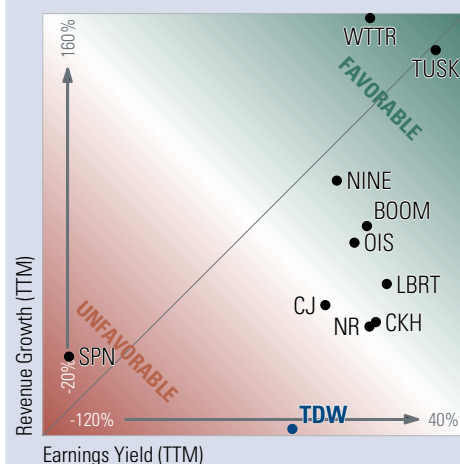
REVENUE GROWTH AND EBITDA MARGIN*



Companies with higher EBITDA margins and revenue growth rates are outperforming companies with lower EBITDA margins and revenue growth rates. Companies for this scatter plot have a market capitalization between \$648.6 Million and \$1.2 Billion. Companies with NA or NM values do not appear.

*EBITDA – Earnings Before Interest, Taxes, Depreciation and Amortization.

REVENUE GROWTH AND EARNINGS YIELD



Companies that exhibit both a high earnings yield and high revenue growth are generally more attractive than companies with low revenue growth and low earnings yield. Companies for this scatter plot have revenue growth rates between -17.2% and 158%. Companies with NA or NM values do not appear.

INDUSTRY ANALYSIS

The Energy Equipment & Services industry comprises firms that do everything from providing information on oilfields, to the actual drilling of wells, to logistical and other specialized support services. Some firms offer a wide range of services, while others specialize, most notably in contract drilling. The energy industry is cyclical and mature - its fortunes are directly tied to the general economic activity that drives energy demand. While the Equipment & Services companies tend to rely more on supply management and cost containment than technological progress for growth, innovation is not absent - new seismic and surveying technologies, drilling equipment and techniques are continually developed.

The stocks of companies in the industry, as measured by the Philadelphia Oil Services Sector Index (OSX) have been some of the best- and worst-performing in the market in the recent past. Record high energy prices have moderated on weaker global demand reducing the call for exploration and drilling in expensive locations by the major oil and gas companies, which contract with the service firms to perform the work. Improved company fundamentals continue to be achieved through cost containment and better worldwide fleet management. The combination of higher spending plans by the major producers and tightening capacity would mean elevated profits for the Equipment & Services industry in the longer term. However, without a commitment to building capacity, demand could eventually catch up with supply. This is how companies of the Energy Equipment & Services industry could benefit in the longer term. The biggest operational risk is that depressed energy prices lead to under-investment. This could negatively impact the industry's outlook, and with it share prices.

The largest players in the contract drilling space are Transocean Inc. (RIG), Nabors Industries Ltd. (NBR), Noble Corp. (NE), and Diamond Offshore Drilling Inc. (DO). When analyzing these companies, it is important to gauge the day-rates they command (a function of supply and demand), and the size, age and management of their fleets. The largest diversified players are Schlumberger Ltd. (SLB), Halliburton Co. (HAL), Baker Hughes Inc. (BHI), and Weatherford International (WFT). In analyzing these more diversified firms, one should know which activities are covered and how well management performs in terms of economic returns.

Along with industry information published by the companies themselves (e.g. Baker Hughes' rig count data), there are specialized services that compile data on the so-called "oil patch", such as Spears & Associates and Platts. Additionally, the US Department of Energy publishes current statistics and analysis, and the International Energy Agency offers a comprehensive and rich analysis, complete with forecasts and data. These are mainly macro decision support tools, however. We believe that a full analysis needs to also rely on company-level fundamentals.

PEER GROUP: Energy Equipment & Services

Ticker	Company Name	Recent Price (\$)	Market Cap (\$M)	Price/Earnings	Net Sales TTM (\$M)	Net Income TTM (\$M)
TDW	TIDEWATER INC	24.16	901	NM	406.52	-171.52
WTRR	SELECT ENERGY SERVICES INC	12.17	975	23.86	1,528.93	36.51
CKH	SEACOR HOLDINGS INC	44.30	813	15.82	835.75	58.15
TUSK	MAMMOTH ENERGY SERVICES IN	18.04	810	3.44	1,690.08	235.97
NR	NEWPARK RESOURCES	8.91	805	25.46	946.55	32.28
SPN	SUPERIOR ENERGY SERVICES INC	5.04	786	NM	2,130.27	-858.12
NINE	NINE ENERGY SERVICE INC	21.07	649	NM	827.17	-52.98
LBRT	LIBERTY OILFIELD SVS	17.19	1,182	9.50	2,155.14	135.05
OIS	OIL STATES INTL INC	17.91	1,083	NM	1,088.13	-19.11
BOOM	DMC GLOBAL INC	68.15	1,022	33.41	326.43	30.47
CJ	C&J ENERGY SERVICES INC	15.44	1,020	NM	2,222.09	-130.01

The peer group comparison is based on Major Oil & Gas Equipment & Services companies of comparable size.

Sector: Energy | Oil & Gas Equipment & Services | Source: S&P

Annual Dividend Rate NA	Annual Dividend Yield NA	Beta -0.85	Market Capitalization \$900.9 Million	52-Week Range \$18.36-\$36.09	Price as of 4/17/2019 \$24.16
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COMPANY DESCRIPTION

Tidewater Inc. provides offshore marine support and transportation services to the offshore energy industry through the operation of a fleet of marine service vessels worldwide. It provides services in support of offshore exploration, field development, and production, including 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 various specialized services, such as pipe and cable laying. The company operates and charters deepwater vessels, including platform supply and anchor handling towing supply vessels for use in transporting supplies and equipment from shore bases to deepwater and intermediate water depth offshore drilling rigs and production platforms; towing-supply vessels for use in intermediate and shallow waters; and crew boats, utility vessels, and offshore tugs to transport personnel and supplies from shore bases to offshore drilling rigs, platforms, and other installations. It also operates offshore tugs for use in towing floating drilling rigs and barges; and assisting in the docking of tankers, as well as in pipe and cable laying, and construction barges. The company serves oil and natural gas exploration, field development, and production companies; independent exploration and production companies; government-owned or government-controlled organizations, and other companies; drilling contractors; and other companies, such as offshore construction, diving, and well stimulation companies. As of December 31, 2018, it owned or chartered 257 vessels. Tidewater Inc. was founded in 1956 and is headquartered in Houston, Texas.

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STOCK-AT-A-GLANCE

Below is a summary of the major fundamental and technical factors we consider when determining our overall recommendation of TDW shares. It is provided in order to give you a deeper understanding of our rating methodology as well as to paint a more complete picture of a stock's strengths and weaknesses. It is important to note, however, that these factors only tell part of the story. To gain an even more comprehensive understanding of our stance on the stock, these factors must be assessed in combination with the stock's valuation. Please refer to our Valuation section on page 5 for further information.

FACTOR	SCORE					
Growth	2.5 out of 5 stars	★	★	☆	☆	☆
Measures the growth of both the company's income statement and cash flow. On this factor, TDW has a growth score better than 40% of the stocks we rate.		weak				strong
Total Return	1.0 out of 5 stars	★	☆	☆	☆	☆
Measures the historical price movement of the stock. The stock performance of this company has beaten 10% of the companies we cover.		weak				strong
Efficiency	1.5 out of 5 stars	★	☆	☆	☆	☆
Measures the strength and historic growth of a company's return on invested capital. The company has generated more income per dollar of capital than 20% of the companies we review.		weak				strong
Price volatility	1.5 out of 5 stars	★	☆	☆	☆	☆
Measures the volatility of the company's stock price historically. The stock is less volatile than 20% of the stocks we monitor.		weak				strong
Solvency	2.0 out of 5 stars	★	★	☆	☆	☆
Measures the solvency of the company based on several ratios. The company is more solvent than 30% of the companies we analyze.		weak				strong
Income	0.5 out of 5 stars	☆	☆	☆	☆	☆
Measures dividend yield and payouts to shareholders. This company pays no dividends.		weak				strong

THE STREET RATINGS RESEARCH METHODOLOGY

TheStreet Ratings' stock model projects a stock's total return potential over a 12-month period including both price appreciation and dividends. Our Buy, Hold or Sell ratings designate how we expect these stocks to perform against a general benchmark of the equities market and interest rates. While our model is quantitative, it utilizes both subjective and objective elements. For instance, subjective elements include expected equities market returns, future interest rates, implied industry outlook and forecasted company earnings. Objective elements include volatility of past operating revenues, financial strength, and company cash flows.

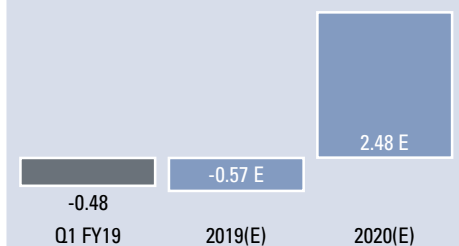
Our model gauges the relationship between risk and reward in several ways, including: the pricing drawdown as compared to potential profit volatility, i.e. how much one is willing to risk in order to earn profits; the level of acceptable volatility for highly performing stocks; the current valuation as compared to projected earnings growth; and the financial strength of the underlying company as compared to its stock's valuation as compared to projected earnings growth; and the financial strength of the underlying company as compared to its stock's performance. These and many more derived observations are then combined, ranked, weighted, and scenario-tested to create a more complete analysis. The result is a systematic and disciplined method of selecting stocks.

Sector: Energy | Oil & Gas Equipment & Services | Source: S&P

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Consensus EPS Estimates² (\$)

IBES consensus estimates are provided by Thomson Financial



INCOME STATEMENT

	Q4 FY18	Q4 FY17
Net Sales (\$mil)	110.23	104.45
EBITDA (\$mil)	6.55	4.27
EBIT (\$mil)	-13.55	-7.93
Net Income (\$mil)	-90.51	-23.57

BALANCE SHEET

	Q4 FY18	Q4 FY17
Cash & Equiv. (\$mil)	397.76	462.24
Total Assets (\$mil)	1,827.74	1,746.18
Total Debt (\$mil)	439.00	448.16
Equity (\$mil)	1,143.84	1,019.73

PROFITABILITY

	Q4 FY18	Q4 FY17
Gross Profit Margin	31.33%	33.17%
EBITDA Margin	5.93%	4.08%
Operating Margin	-12.30%	-7.59%
Sales Turnover	0.22	0.28
Return on Assets	-9.38%	-101.99%
Return on Equity	-14.99%	-174.65%

DEBT

	Q4 FY18	Q4 FY17
Current Ratio	4.32	3.84
Debt/Capital	0.28	0.31
Interest Expense	7.71	7.77
Interest Coverage	-1.76	-1.02

SHARE DATA

	Q4 FY18	Q4 FY17
Shares outstanding (mil)	37	22
Div / share	0.00	0.00
EPS	-2.83	-1.02
Book value / share	30.93	46.11
Institutional Own %	NA	NA
Avg Daily Volume	167,962	246,331

² Sum of quarterly figures may not match annual estimates due to use of median consensus estimates.

FINANCIAL ANALYSIS

TIDEWATER INC's gross profit margin for the fourth quarter of its fiscal year 2018 has decreased when compared to the same period a year ago. Even though sales increased, the net income has decreased, representing a decrease to the bottom line. TIDEWATER INC is extremely liquid. Currently, the Quick Ratio is 4.05 which clearly shows the ability to cover any short-term cash needs. TDW managed to increase the liquidity from the same period a year ago, despite already having very strong liquidity to begin with. This would indicate improved cash flow.

During the same period, stockholders' equity ("net worth") has increased by 12.17% from the same quarter last year. Overall, the key liquidity measurements indicate that the company is very unlikely to face financial difficulties in the near future.

STOCKS TO BUY: TheStreet Quant Ratings has identified a handful of stocks that can potentially TRIPLE in the next 12-months. To learn more visit www.TheStreetRatings.com.

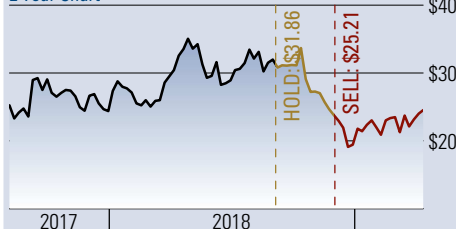
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RATINGS HISTORY

Our rating for TIDEWATER INC has not changed since 12/3/2018. As of 4/17/2019, the stock was trading at a price of \$24.16 which is 33.1% below its 52-week high of \$36.09 and 31.6% above its 52-week low of \$18.36.

2 Year Chart



MOST RECENT RATINGS CHANGES

Date	Price	Action	From	To
12/3/18	\$25.21	Downgrade	Hold	Sell
9/5/18	\$31.86	Initiated	--	Hold

Price reflects the closing price as of the date listed, if available

RATINGS DEFINITIONS & DISTRIBUTION OF THE STREET RATINGS

(as of 4/17/2019)

42.33% Buy - We believe that this stock has the opportunity to appreciate and produce a total return of more than 10% over the next 12 months.

31.98% Hold - We do not believe this stock offers conclusive evidence to warrant the purchase or sale of shares at this time and that its likelihood of positive total return is roughly in balance with the risk of loss.

25.69% Sell - We believe that this stock is likely to decline by more than 10% over the next 12 months, with the risk involved too great to compensate for any possible returns.

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VALUATION

SELL. This stock's P/E ratio is negative, making its value useless in the assessment of premium or discount valuation, only displaying that the company has negative earnings per share. Conducting a second comparison, its price-to-book ratio of 0.78 indicates a significant discount versus the S&P 500 average of 3.33 and a discount versus the industry average of 2.08. The price-to-sales ratio is similar to the S&P 500 average, but it is significantly above the industry average, indicating a premium. The valuation analysis reveals that, TIDEWATER INC seems to be trading at a premium to investment alternatives.

Price/Earnings

1	2	3	4	5
premium		discount		

TDW NM Peers **36.76**

- Neutral. The absence of a valid P/E ratio happens when a stock can not be valued on the basis of a negative stream of earnings.
- TDW's P/E is negative making this valuation measure meaningless.

Price/Projected Earnings

1	2	3	4	5
premium		discount		

TDW 9.76 Peers **37.52**

- Neutral. The absence of a valid price-to-projected earnings ratio happens when a stock can not be valued on the basis of a negative expected future earnings.
- TDW's ratio is negative making this valuation measure meaningless.

Price/Book

1	2	3	4	5
premium		discount		

TDW 0.78 Peers **2.08**

- Discount. A lower price-to-book ratio makes a stock more attractive to investors seeking stocks with lower market values per dollar of equity on the balance sheet.
- TDW is trading at a significant discount to its peers.

Price/Sales

1	2	3	4	5
premium		discount		

TDW 2.20 Peers **1.64**

- Premium. In the absence of P/E and P/B multiples, the price-to-sales ratio can display the value investors are placing on each dollar of sales.
- TDW is trading at a significant premium to its industry.

Price/CashFlow

1	2	3	4	5
premium		discount		

TDW 226.68 Peers **16.17**

- Premium. The P/CF ratio, a stock's price divided by the company's cash flow from operations, is useful for comparing companies with different capital requirements or financing structures.
- TDW is trading at a significant premium to its peers.

Price to Earnings/Growth

1	2	3	4	5
premium		discount		

TDW NA Peers **4.16**

- Neutral. The PEG ratio is the stock's P/E divided by the consensus estimate of long-term earnings growth. Faster growth can justify higher price multiples.
- Ratio not available.

Earnings Growth

1	2	3	4	5
lower		higher		

TDW 91.63 Peers **1.73**

- Higher. Elevated earnings growth rates can lead to capital appreciation and justify higher price-to-earnings ratios.
- TDW is expected to have an earnings growth rate that significantly exceeds its peers.

Sales Growth

1	2	3	4	5
lower		higher		

TDW -17.19 Peers **24.73**

- Lower. A sales growth rate that trails the industry implies that a company is losing market share.
- TDW significantly trails its peers on the basis of sales growth.

DISCLAIMER:

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