

TIDEWATER INC
Form 10-Q
May 15, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934

For the quarterly period ended March 31, 2018

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934

For the transition period from _____ to _____ .

Commission file number: 1-6311

Tidewater Inc.

(Exact name of registrant as specified in its charter)

Delaware 72-0487776
(State of incorporation) (I.R.S. Employer Identification No.)

6002 Rogerdale Road, Suite 600

Houston, Texas 77072

(Address of principal executive offices) (Zip code)

Registrant's telephone number, including area code: (713) 470-5300

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes No

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24,102,053 shares of Tidewater Inc. common stock \$0.001 par value per share were outstanding on April 27, 2018. Registrant has no other class of common stock outstanding.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

TIDEWATER INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited)

(In thousands, except share and par value data)

	Successor March 31, 2018	December 31, 2017
ASSETS		
Current assets:		
Cash and cash equivalents	\$442,472	432,035
Restricted cash	2,847	21,300
Trade and other receivables, net	115,754	114,184
Due from affiliate	207,919	230,315
Marine operating supplies	28,896	28,220
Other current assets	18,181	19,130
Total current assets	816,069	845,184
Investments in, at equity, and advances to unconsolidated companies	13,503	29,216
Net properties and equipment	814,263	837,520
Deferred drydocking and survey costs	11,430	3,208
Other assets	30,783	31,052
Total assets	\$1,686,048	1,746,180
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$45,781	38,497
Accrued expenses	56,408	54,806
Due to affiliate	78,135	99,448
Accrued property and liability losses	2,852	2,585
Current portion of long-term debt	5,215	5,103
Other current liabilities	8,826	19,693
Total current liabilities	197,217	220,132
Long-term debt	442,729	443,057
Accrued property and liability losses	2,561	2,471
Other liabilities	58,060	58,576
Commitments and Contingencies (Note 9)		
Equity:		
Successor Common stock of \$0.001 par value, 125,000,000 shares	24	22

authorized, 23,988,075 and 22,115,916 shares issued and outstanding

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at March 31, 2018 and December 31, 2017, respectively

Additional paid-in capital	1,061,983	1,059,120
Retained deficit	(78,438)	(39,266)
Accumulated other comprehensive loss	(446)	(147)
Total stockholders' equity	983,123	1,019,729
Noncontrolling interests	2,358	2,215
Total equity	985,481	1,021,944
Total liabilities and equity	\$1,686,048	1,746,180

The accompanying notes are an integral part of the condensed consolidated financial statements.

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TIDEWATER INC.

CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS (LOSS)

(Unaudited)

(In thousands, except share and per share data)

	Successor Quarter Ended March 31, 2018	Predecessor Quarter Ended March 31, 2017
Revenues:		
Vessel revenues	\$87,494	156,905
Other operating revenues	3,999	3,844
	91,493	160,749
Costs and expenses:		
Vessel operating costs	61,364	80,845
Costs of other operating revenues	2,474	2,689
General and administrative	23,565	41,727
Vessel operating leases	—	8,443
Depreciation and amortization	12,017	37,592
Gain on asset dispositions, net	(1,919)	(6,064)
Asset impairments	6,186	64,857
	103,687	230,089
Operating loss	(12,194)	(69,340)
Other income (expenses):		
Foreign exchange gain (loss)	(348)	664
Equity in net earnings (losses) of unconsolidated companies	(15,439)	2,841
Interest income and other, net	(128)	1,588
Interest and other debt costs, net	(7,599)	(21,008)
	(23,514)	(15,915)
Loss before income taxes	(35,708)	(85,255)
Income tax expense	3,321	