SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(X) ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 (FEE REQUIRED) - For the Fiscal Year Ended March 31, 1994

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 (NO FEE REQUIRED) - 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 or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1440 Canal Street, New Orleans, Louisiana	70112
(Address of principal executive offices)	(Zip Code)

SECURITIES REGISTERED PURSUANT TO SECTION 12(B) OF THE ACT:

Title of each class	Name of each exchange on which registered
Common Stock, par value $0.10	New York Stock Exchange, Pacific Stock Exchange
Preferred Stock Purchase Rights	New York Stock Exchange, Pacific Stock Exchange

SECURITIES REGISTERED PURSUANT TO SECTION 12(G) OF THE ACT: None

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 the filing requirements for the past 90 days. Yes X No ___

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. (X)

As of May 2, 1994, the aggregate market value of the voting stock held by non-affiliates of the registrant was approximately $982,195,105.

53,072,749 shares of Tidewater Inc. common stock $0.10 par value per share were outstanding on May 2, 1994. Registrant has no other class of common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

None.

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PART I

PART I

ITEM 1. BUSINESS

GENERAL

Tidewater Inc. (the "Company") was incorporated in Delaware in 1956. The Company's principal executive offices are located at 1440 Canal Street, New Orleans, Louisiana 70112, and its telephone number is (504) 568-1010. Unless otherwise required by the context, the term "Company" as used herein refers to Tidewater Inc. and its consolidated subsidiaries.

The Company's two principal divisions are Tidewater Marine and Tidewater Compression. Tidewater Marine principally provides support services to the international offshore petroleum industry. Tidewater Compression principally provides natural gas and air compression equipment and services, primarily to the oil and gas and petrochemical industries.

The Company pioneered the offshore marine services industry in the mid-1950's with the construction of the first forward pilothouse vessels designed exclusively for use in the support of the offshore oil and gas industry. Operating in all major offshore exploration and production areas of the world, Tidewater Marine principally offers support services for the entire cycle of the offshore exploration and production process, including: towing and anchor handling of mobile drilling rigs and equipment; transporting supplies necessary to sustain drilling, workover and production activities; and supporting offshore pipelaying and construction activities. At March 31, 1994, approximately 35% of Tidewater Marine's vessels operated in the U.S. Gulf of Mexico and off the East and West Coasts of the United States. The remainder of Tidewater Marine's fleet operated internationally in areas such as offshore Australia, Brazil, Egypt, India, Indonesia, Malaysia, Mexico, New Zealand, Taiwan, Trinidad, Venezuela, and West Africa and in the North Sea and the Persian Gulf.

On January 15, 1992, the Company significantly expanded its marine equipment operations through the acquisition of Zapata Gulf Marine Corporation ("Zapata Gulf") pursuant to a merger of a wholly-owned subsidiary of the Company into Zapata Gulf (the "Zapata Gulf Merger"). The Zapata Gulf Merger was completed pursuant to an Agreement and Plan of Merger dated June 19, 1991 between the Company, Zapata Gulf, and each of the shareholders of Zapata Gulf. On the date of the Zapata Gulf Merger, the shareholders of Zapata Gulf received 23,786,000 shares of the Company's common stock in exchange for all of the issued and outstanding capital stock of Zapata Gulf. Information concerning the Zapata Gulf Merger appears in Note 1 to the Consolidated Financial Statements included herein.

Tidewater Compression is one of the leading suppliers of compression services in the United States. Tidewater Compression provides, mainly on a rental basis, natural gas and air compression equipment and services for a variety of applications, including all phases of

natural gas and oil production. Natural gas compressor demand is more closely related to the number of producing natural gas wells than to the level of natural gas exploration. Air compression units are used in a variety of industries, including petrochemical, refining, pulp/paper, pipeline, and electronics, as well as in oil and gas production. Tidewater Compression also provides the international energy industry with a broad range of engineered products and technical services used primarily in natural gas processing and the production, enhanced recovery, and transmission of natural gas.

Information concerning revenues, operating profits and assets for each of the Company's business segments and the geographic distribution of its operations is set forth in Item 7 of this report.

TIDEWATER MARINE

Tidewater Marine is the world's largest provider of offshore supply vessels and marine support services. With a fleet of approximately 600 vessels, Tidewater Marine operates, and has a leading market share, in most of the world's significant oil and gas exploration and production markets. Tidewater Marine provides services supporting all phases of offshore exploration, development and production, including: towing of and anchor-handling of mobile drilling rigs and equipment; transporting supplies and personnel necessary to sustain drilling, workover and production activities; and supporting pipelaying and other offshore construction activities.

United States Operations. The Company's domestic activities are primarily conducted in the U.S. Gulf of Mexico. In addition, the Company has vessels on the East and West Coasts of the United States, including Alaska. For information concerning revenues derived from domestic marine operations, see "Marine Segment" in Item 7 of this report.

Foreign Operations. The Company's principal areas of foreign marine equipment operations, which are primarily conducted through wholly-owned subsidiaries, currently include areas offshore Brazil, Egypt, India, Indonesia, Malaysia, Mexico, Taiwan, Trinidad, Venezuela, and West Africa and in the North Sea and the Persian Gulf. In addition, the Company conducts marine equipment operations in Abu Dhabi, Australia, Brunei, Egypt, Malaysia, Mexico, New Zealand, Nigeria, Saudi Arabia and Venezuela through joint ventures. For information concerning revenues derived from foreign marine operations, see "Marine Segment" in Item 7 of this report.

The Company's foreign marine equipment operations are subject to the usual risks inherent in doing business in foreign countries. Such risks include political changes, possible vessel seizure, company nationalization or other governmental actions, currency restrictions and revaluations, and import/export restrictions, all of which are beyond the control of the Company. Although it is impossible to predict the likelihood of such occurrences or their effect on the Company, the Company believes these risks to be within acceptable limits, and,

in view of the mobile nature of the Company's principal revenue producing assets, does not consider them to constitute a factor materially adverse to the conduct of its foreign marine equipment operations as a whole.

Marine Services Equipment. Tables comparing the number of vessels in the Company's marine fleet by class and geographic distribution appear under "Marine Segment" in Item 7 of this report.

Towing-Supply and Supply Vessels. The Company charters its towing-supply and supply vessels to customers for use principally in transporting supplies and equipment from shore bases to offshore drilling rigs, platforms and other installations. Towing-supply vessels (from 180 to 218 feet in length and up to 8,000 horsepower) and supply vessels (from 165 to 194 feet in length) carry drill pipe, drilling mud, drilling water, fuel and miscellaneous equipment to offshore locations. In addition, vessels of the towing- supply class are equipped for and are capable of towing drilling rigs and other marine equipment and setting anchors for positioning and mooring drilling rigs.

Crew and Utility Vessels. Crew and utility vessels are chartered to customers for use principally in transporting supplies and personnel from shore bases to offshore drilling rigs, platforms and other installations. Crewboats (25 to 120 feet in length) transport personnel, food and supplies, while utility vessels (100 to 120 feet in length) perform a variety of oilfield support functions.

Offshore Tugs. Offshore tugs are engaged in towing floating drilling rigs to and from drilling locations in the Gulf of Mexico and foreign operating areas. Offshore tugs also dock tankers, tow barges, including Company barges, and assist pipelaying and construction barges. Additionally, the Company's offshore tugs are used in a variety of other commercial towing operations, including towing barges carrying bulk cargo, rail cars, and containerized cargo. The Company generally operates such tugs with its own personnel and charges for their operation primarily on an hourly or daily basis.

Other Vessels. The Company's other vessels include inshore tugs and both inshore and offshore barges, production, line- handling, and various special purpose vessels. Inshore tugs, which are operated principally within inland waters, tow drilling rigs to and from their locations, tow barges carrying equipment and materials for use principally in inland water drilling and production operations. Inshore towing vessels are generally operated by the Company's personnel and the Company charges for these operations primarily on a daily or hourly basis. Barges are either used in conjunction with Company tugs or are bareboat chartered to others.

Recent Vessel Acquisitions. In fiscal 1994, the Company acquired 5 used vessels, including 2 towing supply vessels, 1 crewboat, and 2 other vessels.

Contributions of Main Classes of Vessels. Of the Company's revenues from marine vessel equipment operations, the following percentages were contributed by the main classes of vessels:

	Year Ended March 31,		
	1994	1993	1992
Towing-supply and supply vessels	67%	68%	71%
Crew and utility vessels	9%	8%	7%
Offshore tugs	20%	19%	16%
Other vessels	4%	5%	6%

Risks of Operation and Insurance. The operation of any marine equipment involves an inherent risk of catastrophic marine disaster, adverse weather conditions, mechanical failure, collisions, property losses to the vessel and business interruption due to political action in foreign countries. Any such event may result in a reduction in revenues or increased costs. The Company's vessels are insured for estimated market value against damage or loss, including war and pollution risks. The Company also carries workers compensation, maritime employer's liability, general liability (including third party pollution), and other insurance customary in the industry.

Competition and Customers. The principal competitive factors for the offshore vessel service industry are suitability and availability of equipment, price, and service. The Company has numerous competitors in virtually all areas in which it operates. Certain customers of the Company own and operate vessels to service certain of their offshore activities.

Although one customer accounted for 6% and the five largest customers accounted for approximately 24% of its marine revenues during the year ended March 31, 1994, the Company does not consider its marine operations dependent on any single customer.

Contractual arrangements with customers vary widely depending on the type of vessel and on the needs of the customer.

Government Regulations. The Company's vessels are subject to various statutes and regulations governing their operation and maintenance.

Under the Merchant Marine Act of 1936 and the Shipping Act, 1916, if persons other than U.S. citizens should in the aggregate own in excess of 25% of the Company's outstanding stock, the Company would lose the privilege of engaging in the transportation of passengers or merchandise in U.S. coastwise trade.

Through an amendment to its Restated Certificate of Incorporation, the Company has instituted a dual stock certificate system to prevent non-U.S. citizens from owning more than 25% of the outstanding shares of the Company's common stock. In addition, the Company's

Restated Certificate of Incorporation provides that any transfer or purported transfer of shares of the Company's common stock that would result in the ownership by non-U.S. citizens of more than 24% of the then outstanding common stock will not be effective against the Company except for purposes of effecting certain remedies. Based on information supplied to the Company by its transfer agent, approximately 10.1% of the Company's common stock outstanding was owned by non-citizens as of May 2, 1994.

At March 31, 1994, 187 vessels wholly owned by the Company were registered under flags other than the United States. In addition, all of the Company's 43 joint venture owned vessels were registered under non-U.S. flags at March 31, 1994. The laws of the United States provide that once a vessel is registered under a flag other than the United States, it cannot thereafter engage in U.S. coastwise trade. Therefore, the Company's non-U.S. flag vessels must continue to be operated abroad, and if the Company were not able to secure charters abroad for them, and work would otherwise have been available for them in the United States, its operations would be adversely affected.

All of the Company's offshore vessels are subject to international safety and classification standards. U.S. flag towing- supply and supply vessels are required to undergo periodic inspections and to be recertified under drydock examination at least twice every five years. Non-U.S. flag vessels are also subject to various similar regulations.

TIDEWATER COMPRESSION

Tidewater Compression provides natural gas and air compression equipment and services principally to the energy industry, primarily in the United States.

Gas Compression. The Company provides gas compressors to the oil and gas and petrochemical industries. The compressors are used primarily to boost the pressure of natural gas from the wellhead into gas gathering systems, into nearby gas processing plants, or into high pressure pipelines. Gas compression equipment and services offered by the Company are also used in the production of coalbed methane and in enhanced recovery projects such as fire-flooding, gas lift, or gas injection, with the objective of increasing the recovery of oil or condensate that can be recovered from a reservoir. Compressors are often rented rather than sold because the required compressor horsepower and stage configuration can change several times in the lifetime of a project. The primary market served is natural gas production activities in the United States, although the Company is actively seeking to establish markets outside the United States. A table setting forth utilization, rental rates, and fleet size of the Tidewater Compression gas rental fleet appears in "Compression Segment" in Item 7 of this report.

Air Compression. The Company sells and rents industrial and portable air compressors, coolers, dryers, vacuum pumps, and other related equipment to the oil and gas and petrochemical industries and to manufacturing and other concerns that use compressed air to

operate machinery, for instrumentation, and in manufacturing processes. A table setting forth utilization, rental rates, and fleet size of the Tidewater Compression air rental fleet appears in "Compression Segment" in Item 7 of this report.

Engineered Products. The Company's compression operations include a fabrication facility at which the Company designs and fabricates gas and air compression packages for sale. The highly-specialized compression packages consist of skid-mounted compressors designed to meet complex customer specifications for specialized applications.

Distributorships. The Company holds distributorships for various manufacturers of air and gas compressors, related equipment and a wide range of accessories. These manufacturers are the source for equipment and accessories sold by the Company.

Competition and Customers. The compression equipment market is highly competitive, with the principal competitive factors being price, service, and availability. The Company competes with a large number of companies, some of which have larger compression operations than the Company.

Although one customer accounted for 6% and the five largest customers accounted for approximately 14% of its compression revenues during the year ended March 31, 1994, the Company does not consider itself dependent on any one customer.

OTHER OPERATIONS

Shipyards. Quality Shipyards, Inc., a wholly-owned subsidiary of the Company, operates two shipyards in Houma, Louisiana, which build, repair, modify, and drydock vessels. Approximately 49% of the shipyards' business for the year ended March 31, 1994 related to repairs, modifications, and drydockings of the Company's vessels. The results of shipyard operations are included in marine equipment operations.

DISCONTINUED OPERATIONS

On March 31, 1993, a 70%-owned subsidiary of the Company, Marine Transportation Services Sea-Barge Group, Inc. ("Sea-Barge") sold substantially all of its assets and liabilities to Sea-Barge, Inc., an entity controlled by the Company's joint venture partner, S.E.L. Maduro (Florida), Inc. Prior to the sale, Sea-Barge provided ocean transportation services of containers with cargo principally using tugs and barges owned by the Company between the continental United States and Puerto Rico and countries in the Caribbean basin. Since the sale, Sea-Barge, Inc. has continued to use tugs and barges furnished by the Company. See Note 2 of the Notes to Consolidated Financial Statements included in this report.

SEASONALITY

Tidewater Marine generally has its highest utilization rates in the warmer weather months when the weather is more favorable for offshore exploration, development and construction work. Tidewater Compression generally has its best results in the winter months when natural gas is in greater demand. However, business volume for both Tidewater Marine and Tidewater Compression is more dependent on oil and gas prices and the global supply and demand conditions for the Company's services than any seasonal variation.

EMPLOYEES

As of March 31, 1994, the Company had approximately 6,900 employees. The Company considers relations with employees to be satisfactory. The Company is not a party to any union contracts in the United States but through several subsidiaries is a party to union agreements covering local nationals in several foreign countries.

ITEM 2. PROPERTIES

MARINE SERVICES

At March 31, 1994, there were 594 vessels in the Company's marine fleet, including vessels operated by joint ventures in which the Company is a participant, of which 38 vessels were leased under operating and capitalized leases and the remaining vessels were owned. The Company's marine operations are conducted worldwide. The Company's vessels regularly and routinely move from one operating area to another, often to and from offshore operating areas of different continents. At March 31, 1994, approximately 35% of the Company's vessels operated in the U.S. Gulf of Mexico and off the East and West Coasts of the United States, including Alaska. The remainder of the Company's marine fleet operated internationally. For a description of the Company's marine vessels, see "Tidewater Marine" in Item 1 of this report.

COMPRESSION SERVICES

At March 31, 1994, the gas compression rental fleet of the Company was comprised of 988 units ranging from 25 to 2,250 horsepower and the air compression fleet consisted of 126 units ranging from 900 to 2,400 cubic feet per minute. These units are available for employment on an international basis, but are primarily rented only in the United States. At March 31, 1994, the Company owned all such units, except for 14 units that were leased under capitalized leases. For a description of the Company's compression fleet, see "Tidewater Compression" in Item 1 of this report.

REAL ESTATE

The Company's shipyard operations are conducted in Houma, Louisiana and include approximately 189 acres of land owned by the Company, of which about 44 acres are developed. The Company's Compression division is headquartered in Houston, Texas and is situated on an approximately 30-acre industrial site owned by the Company, of which about 13 acres are developed. The Company owns or leases various other properties incidental to its operations.

ITEM 3. LEGAL PROCEEDINGS

During the ordinary course of business, the company's operations are subject to a wide variety of environmental laws and regulations. The company attempts to comply with these laws and regulations in order to avoid costly accidents and related damage. The company is currently involved in litigation with the Environmental Protection Agency (EPA) concerning the legal disposal of oilfield wastes from drilling sites it previously operated, as well as from the disposal of other fluids used in the marine operations.

In August of 1989, the EPA notified a subsidiary of the company, Hilliard Oil and Gas, Inc. ("Hilliard"), that it was a PRP for cleanup costs at a National Priorities List site. EPA later nominated Hilliard a de minimis participant for this site, i.e., EPA determined that Hilliard's involvement in the site was minimal, and that the toxicity and amount of substance contributed by Hilliard was minimal in comparison to the other hazardous substances found at the site. EPA alleges that residue from trucks transporting Hilliard's saltwater (a non-hazardous substance) to a third party site, was subsequently washed out of the trucks' tanks at the subject site, thus making Hilliard a PRP for cleanup of the subject site. Hilliard believes that this is an insufficient nexus to establish liability, and has chosen to challenge EPA on this theory. Based upon the facts as Hilliard currently understands them, it is the company's belief that the ultimate resolution of this litigation will not have a material adverse effect on the company's financial position.

In 1983, the United States Environmental Protection Agency (the "EPA") notified two subsidiaries of the Company, Zapata Gulf Marine Operators, Inc. ("Zapata Gulf") and Gulf Fleet Supply Vessels, Inc. ("Gulf Fleet") that they were potentially responsible parties ("PRPs") for cleanup costs at the Western Sand and Gravel site in Rhode Island. Zapata Gulf and Gulf Fleet are among 53 PRPs. At this time, Tidewater does not believe that the potential liability of Zapata Gulf and Gulf Fleet associated with these sites would be materially adverse to Tidewater's financial condition.

The Company is not a party to any other litigation which, in the opinion of management, is likely to have a material adverse effect on the Company's financial position or results of operations.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

There were no matters submitted to a vote of security holders during the fourth quarter of fiscal 1994.

ITEM 4A. EXECUTIVE OFFICERS OF THE REGISTRANT

EXECUTIVE OFFICERS OF THE COMPANY

The executive officers of the Company are as follows:

Name	Age	Position
John P. Laborde	70	Chairman of the Board of Directors, President and Chief Executive Officer
Richard M. Currence	55	Executive Vice President
Ken C. Tamblyn	51	Executive Vice President and Chief Financial Officer

William C. Hightower	52	Senior Vice President
Victor I. Koock	54	Senior Vice President, Secretary, and Co-General Counsel
Cliffe F. Laborde	42	Senior Vice President and Co-General Counsel
Stephen A. Snider	46	Senior Vice President
Michael L. Goldblatt	45	Vice President and Assistant Secretary
J. Keith Lousteau	47	Vice President and Treasurer
Thomas E. Hartford	44	Vice President
Gary D. Pope	59	Vice President
Larry T. Rigdon	46	Vice President
Robert D. Ryan	39	Vice President
Joseph C. Sarne	50	Vice President
Joseph M. Bennett	38	Controller

In addition to its executive officers, the officers of the Company also include the following:

Alvin A. Arcemont	49	Vice President
Van C. DeWitt	42	Vice President
Stephen W. Dick	44	Vice President
Peter F. Fortier	41	Vice President
J. Peter Laborde, Jr.	39	Vice President
Dean E. Taylor	45	Vice President

There are no family relationships between the officers of the Company, except that Cliffe F. Laborde and J. Peter Laborde, Jr. are the sons of John P. Laborde. The Company's officers are elected annually by the Board of Directors and serve for one-year terms or until their successors are elected. The following describes the business experience of the Company's officers.

John P. Laborde - Chief Executive Officer and Chairman of the Board of Directors since 1956. President of the Company from 1956 to 1981 and since June 1988.

Richard M. Currence - Elected Executive Vice President in March 1992 and prior thereto served as Senior Vice President since 1986. Mr. Currence joined the Company in 1966 and had a break in service from 1973 to 1985.

Ken C. Tamblyn - Elected Executive Vice President in March 1992 and prior thereto served as Senior Vice President since 1986. Mr. Tamblyn joined the Company in March 1986.

William C. Hightower - Elected Senior Vice President in June 1992 and prior thereto served as Vice President since February 1985. Mr. Hightower joined the Company in 1975.

Victor I. Koock - Elected Senior Vice President in October 1986, elected Secretary in February 1986, and appointed General Counsel in 1984. Mr. Koock joined the Company in 1968.

Cliffe F. Laborde - Joined the Company in January 1992 as a Senior Vice President and Co-General Counsel. Mr. Cliffe F. Laborde was previously a shareholder in Gelpi, Sullivan, Carroll & Laborde, a professional law corporation, from 1979 through 1992.

Stephen A. Snider - Joined the Company in September 1991 as a Senior Vice President. Prior thereto Mr. Snider joined the Company in 1975 and had a break in service from 1983 to 1991. During his break in service, Mr. Snider owned and operated Learning Associates, Inc.

Michael L. Goldblatt - Elected Vice President in October 1992 and prior thereto served as Associate General Counsel and Assistant Secretary since March 1986. Mr. Goldblatt joined the Company in 1974 and had breaks in service from 1974 to 1976 and 1984 to 1986.

J. Keith Lousteau - Elected Vice President in 1985 and elected Treasurer in 1987. Mr. Lousteau joined the Company in 1977.

Thomas E. Hartford - Elected Vice President in April 1994. Mr. Hartford joined the company in 1982.

Gary D. Pope - Elected Vice President of the Company in January 1992. Prior thereto he was employed by Zapata Gulf Marine Corporation where he served as Vice President since 1984.

Larry T. Rigdon - Elected Vice President of the Company in January 1992. Prior thereto he was employed by Zapata Gulf Marine Corporation where he served as Vice President since 1984.

Robert D. Ryan - Elected Vice President in April 1994. Mr. Ryan joined the Company in 1980.

Joseph C. Sarne - Elected Vice President of the Company in January 1992. Prior thereto he was employed by Zapata Gulf Marine Corporation where he served as Executive Vice President since 1984.

Joseph M. Bennett - Joined the Company in 1990. He was elected to the office of Controller in May 1992. Mr. Bennett was previously employed by KPMG Peat Marwick from January 1978 through March 1990.

Alvin A. Arcemont - Elected Vice President in April 1990. Mr. Arcemont joined the Company in 1972.

Van C. DeWitt - Elected Vice President in October 1993. Mr. DeWitt joined the Company in 1987.

Stephen W. Dick - Elected Vice President in April 1990. Mr. Dick has been Manager of the Company's towing division since 1985. Mr. Dick joined the Company in 1971 and had a break in service from 1983 to 1985.

Peter F. Fortier - Elected Vice President in October 1993. Mr. Fortier joined the Company in 1980.

J. Peter Laborde, Jr. - Elected Vice President in October 1993. Mr. Laborde joined the Company in 1980.

Dean E. Taylor - Elected Vice President in 1991. Mr. Taylor joined the Company in 1978.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON STOCK AND RELATED STOCKHOLDER MATTERS

The Company's common stock is traded on the New York Stock Exchange and the Pacific Stock Exchange under the symbol TDW. At March 31, 1994, there were approximately 2,600 record holders of the Company's common stock, based upon the record holder list maintained by the Company's stock transfer agent. The following table sets forth the high and low closing sales price of the Company's common stock as reported on the New York Stock Exchange Composite Tape and the amount of cash dividends per share declared on the common stock for the periods indicated.

Fiscal Year	Quarter	High	Low	Dividend
1994	First	$26-3/8	$21-1/8	---
	Second	23-1/4	19	$0.100
	Third	25-3/4	19-1/2	0.100
	Fourth	23-1/8	19-1/2	0.100
1993	First	17-1/8	12	0.075
	Second	19-1/2	14-7/8	0.075
	Third	21	17-1/4	0.075
	Fourth	24-3/4	16-3/8	0.100

The payment of dividends on common and preferred stock are subject to limitations under the Company's revolving credit and term loan agreement, although no preferred stock is currently outstanding. A further discussion of this matter is contained in Note 6 to the Consolidated Financial Statements included in this report.

As a result of the timing of the fiscal 1994 Board of Directors meetings, only three quarterly dividends of $.10 per common share each were declared during fiscal 1994.

ITEM 6. SELECTED FINANCIAL DATA

The following table sets forth a summary of selected financial data for each of the last five fiscal years. This information should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the Consolidated Financial Statements of the Company included in this report.

Years Ended March 31
(in thousands, except ratio and per share amounts)

	1994	1993	1992	1991	1990
Revenues:					
Marine operations	$ 466,601	413,439	430,681	394,325	322,401
Compression operations	55,471	62,099	54,561	61,479	52,151
	$ 522,072	475,538	485,242	455,804	374,552
Earnings (loss) from continuing operations	$ 36,130	27,809	25,904	36,904	(14,054)
Discontinued operations (1)	---	3,099	357	(2,258)	(1,371)
Extraordinary loss on early debt retirement (2)	(11,970)	---	---	---	---
Accounting change (3)	---	(6,640)	---	---	---
Net earnings (loss)	$ 24,160	24,268	26,261	34,646	(15,425)
Per common share:					
Earnings (loss) from continuing operations	$ .67	.53	.49	.70	(.30)
Discontinued operations (1)	---	.06	.01	(.04)	(.03)
Extraordinary loss on early debt retirement (2)	(.22)	---	---	---	---
Accounting change (3)	---	(.13)	---	---	---
Net earnings (loss)	$ .45	.46	.50	.66	(.33)
Total assets	$ 809,886	838,748	867,573	896,420	883,799
Long-term debt	$ 1,952	95,722	123,896	181,622	233,322
Working capital	$ 156,126	201,399	171,231	140,066	119,927

Current ratio	2.20	3.10	2.43	2.04	2.05
Cash dividends declared per common share (4)	$ .30	.325	--	--	--

(1) See Note (2) of Notes to Consolidated Financial Statements for further information concerning the disposal of the Container Shipping segment.
(2) For further details concerning the early debt retirement see Note (6) of Notes to Consolidated Financial Statements.
(3) For further details concerning the accounting change see Note (7) of Notes to Consolidated Financial Statements.
(4) As a result of the timing of the fiscal 1994 Board of Directors meetings, only three quarterly dividends of $.10 per common share each were declared during fiscal 1994.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This discussion and analysis of financial condition and results of operations should be read in conjunction with the consolidated financial statements, the related disclosures and the selected financial data.

Fiscal 1994 earnings from continuing operations grew 30% and 40% above the fiscal 1993 and fiscal 1992 levels, respectively. The growth in earnings from continuing operations over the prior fiscal years is directly attributable to higher levels of utilization and day rates for the domestic-based vessel fleet which resulted from higher natural gas exploration and production activity in the U.S. Gulf of Mexico. Demand for offshore marine services in foreign markets throughout fiscal 1994 was generally weaker than in fiscal 1993 and fiscal 1992. Although the decline in demand for foreign offshore marine services appears to have stabilized, the future supply and price of oil are uncertain and could adversely impact demand and future operating results.

As had been the case in fiscal years 1993 and 1992, the Company's overall financial condition was again significantly improved during fiscal 1994 as a result of strong cash flows and the substantial reduction in long-term debt. With the early retirement of $51.1 million of long-term debt in September 1993 and the early redemption of the Company's convertible subordinated debentures in April 1994, Tidewater is essentially debt-free.

Even though the early debt retirements had an adverse impact on fiscal 1994 net earnings, future net earnings will benefit from lower interest costs. Improved financial condition over the past three fiscal years has and should continue to provide the necessary foundation to withstand cyclical fluctuations of the energy services industry.

LIQUIDITY AND CAPITAL RESOURCES

Selected financial ratios at March 31 are compared in the following table and illustrate the substantial improvement in financial condition achieved during fiscal 1994.

	1994	1993	1992
Cash to long-term debt	5,471%	114%	92%
Long-term debt to total capitalization	0.3%	15%	19%
Equity to total assets	69%	65%	62%

Fiscal 1994 operating activities generated a substantially higher level of cash than the corresponding amounts for fiscal 1993 and fiscal 1992. Marine operating margins primarily determine the overall level of net cash generated from operating activities. The following table compares operating margins for the Company's business segments.

	(in thousands) 1994	1993	1992
Marine	$ 177,665	161,012	176,751
Compression	25,133	25,816	25,372
	$ 202,798	186,828	202,123

Operating margin is defined as revenues less operating expenses, excluding depreciation.

Fluctuations in the level of Marine operating margins over the past three fiscal years were attributable primarily to increased levels of utilization and average day rates for the domestic-based vessel fleet from fiscal 1993 to fiscal 1994 and lower average day rates for the same vessel fleet from fiscal 1992 to fiscal 1993. Fiscal 1994 Compression operating margins were down slightly from fiscal 1993 due to an anticipated drop in sales of engineered products. For the past three fiscal years operating activities have generated cash in excess of the amount required to satisfy current obligations. Anticipated fiscal 1995 utilization levels and day/rental rates for the Marine vessel fleet and Compression rental equipment should maintain this condition.

Investing activities for fiscal 1994 consumed a slightly greater amount of cash compared with fiscal 1993. The principal components that determine the level of cash used in investing activities are additions to properties and equipment and proceeds from asset sales. The following tables compare these two items by business segment for the years ended March 31:

	(in thousands) 1994	1993	1992
Additions to Properties and Equipment:			
Marine:			
Additional equipment	$ 11,761	27,055	3,800
Modifications/additions to existing equipment	18,936	17,518	24,460
Other	1,697	1,530	2,124
	32,394	46,103	30,384
Compression:			
Additional equipment	15,976	3,579	6,687
Modifications/additions to existing equipment	3,729	1,177	1,368
Other	840	869	335
	20,545	5,625	8,390
General Corporate	380	638	572
	$ 53,319	52,366	39,346
Proceeds from sales of assets:			
Marine equipment	$ 8,107	3,890	8,654
Compression equipment	3,376	4,215	2,036
	$ 11,483	8,105	10,690

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During fiscal 1994 the Marine segment added only 5 used vessels to the fleet consisting of 2 towing-supply vessels, a crewboat, an inland tug and an offshore barge whereas fiscal 1993 additions of 42 used vessels to the Marine fleet consisted of 10 towing-supply and supply vessels, 15 offshore tugs, 16 crew and utility vessels, and an offshore barge. Fiscal 1994 Compression additions consisted primarily of 191 gas compressors. Fiscal 1993 Compression additions included the purchase of several oil-free air compressors. Over the past several years expansion of the Marine vessel fleet and Compression rental fleet has come primarily from existing, excess industry supplies. Because current economic circumstances do not generate an adequate return on investment relative to the costs of new construction, major new construction of Marine vessels or Compression rental equipment is not anticipated during the next fiscal year.

Financing activities conducted during fiscal 1994 required a much higher level of cash than was consumed for fiscal years 1993 and 1992. The increase is primarily the result of higher principal payments on long-term debt. During fiscal 1994 approximately $57.6 million of available cash was used to retire, prior to maturity, $51.1 million of notes bearing interest rates ranging from 9.17% to 10%. The remainder of the cash used to retire the notes was for associated prepayment penalties. Fiscal 1994 principal payments also include approximately $9.0 million for termination of capitalized lease obligations and the related purchase of five marine vessels. Fiscal 1993 cash used in financing activities includes approximately $38.0 million of long-term debt retired prior to maturity of which approximately $3.0 million was used to redeem, at par value plus accrued interest, the 7-3/4% convertible subordinated debentures. Fiscal 1992 cash used in financing activities includes the January 15, 1992 retirement of approximately $86.5 million of Zapata Gulf indebtedness using available cash and $70.0 million in proceeds from borrowings under credit agreements.

On March 16, 1994 the Company called for redemption all of the approximately $47.2 million of 7% convertible subordinated debentures due 2010. Holders converted $1,113,000 of debentures into 44,520 shares of the Company's common stock at a conversion price of $25.00 per share. The remainder of the debentures were redeemed at 101.4% of par value plus accrued interest on April 18, 1994. An extraordinary charge to earnings of approximately $7.5 million (net of income taxes), or $.14 per common share, was recorded in the fourth quarter of fiscal 1994. The extraordinary charge consisted of $.6 million of prepayment premium and $11.0 million of unamortized original issue discount and deferred financing costs, less $4.1 million of income tax benefits.

A $60.0 million revolving credit and term loan agreement was expanded to $130.0 million during fiscal 1994 in order to provide additional resources to finance future cash needs.

Prior to fiscal 1993, dividend payments on common stock had been suspended since the first quarter of fiscal 1987. During fiscal 1993 dividends of $.075 per common share were declared and paid in each of the first three quarters and a $.10 per common share dividend was declared in the fourth quarter. Due to the timing of the meetings of the Board of Directors,

three quarterly dividends were declared in fiscal 1994, each at $.10 per common share. Continued dividend payments are subject to declaration by the Board of Directors and are subject to limitation by the Company's revolving credit and term loan agreement.

Statement of Financial Accounting Standards No. 112, "Employers'

Accounting for Postemployment Benefits," prescribes the accounting for the estimated costs of benefits provided to former or inactive employees after employment but before retirement. Because of the very limited nature of postemployment benefits offered to employees by the Company, the impact of Statement No. 112 is not material with respect to financial condition or results of operations.

In fiscal 1993 the Company adopted the methods of accounting for reinsuring of insurance contracts, for income taxes, and for postretirement benefits other than pensions prescribed by Statements of Financial Accounting Standards Nos. 113, 109, and 106, respectively. Adoption of Statement No. 113 resulted in the restatement of gross assets and gross liabilities for fiscal years prior to fiscal 1993. There was no cumulative effect of adopting Statement No. 109 and adoption of Statement No. 106 resulted in a cumulative charge to earnings, net of income taxes, of $6.6 million.

RESULTS OF OPERATIONS

Revenues, operating profits and certain other information by business segment and geographic distribution for the years ended March 31 are:

(in thousands)	1994	1993	1992
Revenues:			
Marine:			
United States	$ 197,262	131,229	149,425
Foreign (A)	269,339	282,210	281,256
	466,601	413,439	430,681
Compression - United States	55,471	62,099	54,561
	$ 522,072	475,538	485,242
Operating profit:			
Marine:			
United States	35,018	912	3,236
Foreign (A)	30,765	52,085	55,353
	65,783	52,997	58,589
Compression - United States	6,895	10,177	10,380
Equity in net earnings of unconsolidated companies	2,686	2,525	2,225
Other income	1,034	367	4,374
Other expense	---	(3,771)	---
Gain on settlement of litigation	---	---	14,160
Merger expenses	---	---	(22,014)
General corporate expenses	(10,806)	(9,797)	(6,144)
Interest expense	(7,939)	(12,323)	(18,600)
Earnings from continuing operations before income taxes	$ 57,653	40,175	42,970
Identifiable assets:			
Marine:			
United States	271,040	295,008	292,167
Foreign (A)	327,975	348,767	367,886
	599,015	643,775	660,053
Compression - United States	68,285	57,143	62,447
Total operating segments	667,300	700,918	722,500
Investments in and advances to unconsolidated companies:			
Marine (A)	21,843	23,103	23,712
Other	---	1,321	1,581
Disposed businesses and discontinued segments	284	2,258	9,691
Corporate	120,459	111,148	110,089
Total	$ 809,886	838,748	867,573

Depreciation:			
Marine	74,343	71,673	70,820
Compression	9,144	8,352	8,730
Total operating segments	83,487	80,025	79,550
Corporate	165	292	286
Total	$ 83,652	80,317	79,836

(A) Marine equipment operations are conducted worldwide with assets that are highly mobile. Revenues and identifiable assets attributable to these operations in any one country are not "significant" as that term is defined by Financial Accounting Standards No. 14. Further, most identifiable assets in each country are comprised of offshore service vessels, which regularly and routinely move from one operating area to another, often to and from offshore operating areas of different continents. Equity in net assets of foreign subsidiaries is $192,038,000, $224,905,000, and $184,228,000 at March 31, 1994, 1993 and 1992, respectively. Other foreign identifiable assets include accounts receivable and other balances denominated in foreign currencies aggregating approximately $7,295,000, $8,837,000, $10,104,000 at March 31, 1994, 1993 and 1992, respectively. These amounts are subject to the usual risks of fluctuating exchange rates and government-imposed exchange controls.

Fiscal 1994 consolidated revenues and earnings from continuing operations before income taxes rose 9.7% and 43.5%, respectively, above the corresponding amounts for the prior fiscal year primarily because of higher utilization and substantially higher average vessel day rates for the domestic-based vessel fleet. Fiscal 1994 revenues and operating profits for the foreign- based vessel fleet reflect weaker demand in certain foreign markets resulting from uncertainties associated with the future supply and price of oil. Fiscal 1994 foreign operating profits also include a higher level of repair and maintenance costs resulting from the timing of vessel drydockings. Lower fiscal 1994 Compression revenues and operating profits compared with the corresponding amounts for the prior fiscal year are primarily the result of a lower level of engineered product sales. Fiscal 1994 Marine and Compression operating profits also include approximately $.3 million and $1.0 million, respectively, of severance costs associated with the early retirement of several employees.

Fiscal 1993 consolidated revenues fell 2% below the fiscal 1992 amount primarily because the market for energy-related services in fiscal 1993 was not as strong as in fiscal 1992. Increased domestic offshore activity in the third and fourth quarters of fiscal 1993 resulted from renewed interest in offshore drilling and exploration for natural gas in the U.S. Gulf of Mexico. Foreign offshore activity was fairly stable throughout fiscal 1993 although certain foreign markets experienced slight reductions. Fiscal 1993 earnings from continuing operations before income taxes fell below the prior year's amount principally due to lower demand for offshore marine services discussed above, significantly higher vessel insurance costs and a continued high level of repair and maintenance expense. General corporate expenses for fiscal 1993 were higher than in fiscal 1992 principally due to charges related to a new incentive plan, compensation expense associated with the restricted stock plan and additional costs from expanded legal, personnel and safety programs. Fiscal 1993 other income dropped significantly below the fiscal 1992 amount primarily as a result of considerably lower interest income, reflective of lower interest rates, and provisions booked relating to potential losses from the financial instability of certain reinsurance companies. Considerably lower fiscal 1993 interest expense compared with fiscal 1992 resulted from scheduled repayments and significant prepayments of long-term debt in fiscal 1993 and fiscal 1992.

Fiscal 1993 non-recurring charges totaling $3.8 million relate to an amendment of an employment and consulting agreement with the Company's chairman of the board, president and chief executive officer. For its benefit, the Company elected to amend the agreement in view of the possible changes to tax laws then under consideration by the Clinton administration and Congress. The amendment accelerated the vesting of all outstanding shares of restricted stock such that these shares became fully vested and freely transferable immediately. The original terms of the restricted stock shares included restrictions during the employment term of the agreement. Due to the acceleration of the vesting of the restricted stock shares on March 31, 1993, the remaining deferred compensation associated with the restricted stock of $2,850,000 was charged to other expense in the Consolidated Statements of Earnings in fiscal 1993.

The amendment also provided for an immediate lump-sum distribution of the present value of benefits under the Company's supplemental retirement plan, including the additional benefits that would have accrued assuming he remained employed by the Company through September 24, 1994. The lump sum distribution amounted to $2,212,000 and included $921,000 for unaccrued benefits which was charged to other expense in the Consolidated Statements of Earnings in fiscal 1993.

Fiscal 1992 consolidated revenues grew 6% over the preceding fiscal year. Earnings before income taxes for fiscal 1992 were below the preceding fiscal year's level due primarily to significant merger expenses and additional Marine operating costs, offset partially by a gain on settlement of litigation. The additional Marine operating costs consisted of a $5 million loss provision established to recognize estimated underinsured losses related to a Zapata Gulf insurance program which existed prior to fiscal 1992. Repair and maintenance costs were also higher in fiscal 1992 due to the scheduling of drydockings on certain vessels. Certain other vessels had their maintenance schedules accelerated to prepare them for new contracts.

Consolidated general and administrative expenses for the years ended March 31 consist of the following components:

	(in thousands)		
	1994	1993	1992
Type:			
Personnel	$ 37,518	36,058	36,365
Office and property	10,363	9,947	10,499
Sales and marketing	4,190	4,254	4,932
Professional services	4,580	3,741	4,085
Taxes other than income taxes	2,392	1,926	2,147
Insurance	1,750	1,197	1,003
Other	2,303	1,356	2,140
	$ 63,096	58,479	61,171

General and administrative expenses in fiscal 1994 were approximately 7.9% higher than the preceding fiscal year due primarily to higher personnel costs, higher professional service costs, and higher insurance costs. Fiscal 1994 personnel costs include approximately $700,000 of severance payments to former Zapata Gulf employees in Nigeria and payments to settle former Zapata Gulf employee union claims in Nigeria. The remainder of the increase over fiscal 1993 is principally the result of higher incentive plan expenses. Fiscal 1994 professional service costs include approximately $600,000 of expenses associated with two secondary stock offerings. Higher fiscal 1994 insurance costs are primarily the result of higher premiums for worker's compensation and certain other liability coverages.

General and administrative expenses for fiscal 1993 fell 4.4% below the preceding year's amount due principally to savings resulting from the consolidation of worldwide marine operations following the fiscal 1992 merger with Zapata Gulf. Additions to the Company's legal and personnel staffs and new expanded safety programs during fiscal 1993 partially offset the merger savings.

MARINE SEGMENT

The Marine segment provides a diverse range of services and equipment to the offshore oil and gas industry. Because operating costs and depreciation do not change proportionally with changes in revenues, the amount of operating profit for the Marine segment is primarily determined by vessel fleet utilization and day rates.

Marine segment revenues for the years ended March 31 consist of the following:

	(in thousands) 1994	1993	1992
Owned or chartered vessels:			
Domestic	$ 178,726	132,496	139,098
Foreign	269,169	281,983	279,872
	447,895	414,479	418,970
Brokered vessels	10,083	7,081	11,905
Shipyard sales	8,623	3,014	10,206
Intercompany eliminations (A)	---	(11,135)	(10,400)
	$ 466,601	413,439	430,681

(A) Revenues earned from the charter of equipment to the discontinued Container Shipping segment.

Marine fleet utilization is affected primarily by market conditions. It is also influenced to a lesser degree by drydockings to satisfy safety and inspection requirements. Marine vessels must undergo periodic inspections to remain properly classified and certified. These inspections, whenever possible, are done during seasonally slow periods to minimize the impact on vessel operations and are only done if the vessel is considered to have continuing economic viability. The following table compares day- based Marine fleet utilization percentages by vessel class and in total for the years ended March 31:

	1994	1993	1992
UTILIZATION:			
Domestic-based fleet:			
Towing Supply/Supply	90.2%	83.8%	85.2%
Crew/Utility	92.0%	88.3%	83.4%
Offshore tugs	64.4%	69.3%	66.1%
Other	67.4%	69.8%	75.5%
Total	82.2%	79.6%	79.1%
Foreign-based fleet:			
Towing Supply/Supply	77.7%	82.9%	87.9%
Crew/Utility	72.6%	81.9%	86.8%
Offshore Tugs	78.7%	80.3%	78.9%
Other	72.2%	86.9%	85.3%

Total	76.2%	83.2%	86.3%
Worldwide fleet:			
Towing Supply/Supply	81.6%	83.1%	87.1%
Crew/Utility	82.5%	85.2%	85.5%
Offshore Tugs	71.6%	74.5%	72.5%
Other	71.0%	82.1%	81.3%
Total	78.4%	81.9%	83.6%

The domestic fleet is comprised of vessels operating in U.S. waters while the foreign fleet is comprised of vessels operating outside U.S. waters.

Marine vessel utilization for all periods presented reflects demand trends for offshore marine services. Higher fiscal 1994 utilization compared with fiscal 1993 and slightly higher fiscal 1993 utilization compared with fiscal 1992 of the domestic-based vessel fleet reflects increasing demand for offshore marine services in the U.S. Gulf of Mexico. Higher demand resulted from increased natural gas exploration and drilling activity which began late in the third quarter and continued through the fourth quarter of fiscal 1993 and throughout most of fiscal 1994. Towards the end of the fourth quarter of fiscal 1994, the normal seasonal slowdown of offshore activity caused a slight drop in utilization. However, utilization of the domestic-based vessel fleet should rebound in fiscal 1995 if the anticipated resumption of offshore activity occurs. Fiscal 1994 utilization of the foreign- based vessel fleet below the fiscal 1993 level results primarily from softening demand for offshore marine services in certain foreign markets, principally the West African market. Lower utilization of the foreign-

based vessel fleet in fiscal 1993 compared with fiscal 1992 resulted from a combination of a higher level of vessel drydockings and decreases in demand for offshore marine services in certain foreign areas.

Marine vessel day rates are primarily determined by the demand created through the level of offshore exploration, development and production spending by energy exploration and production companies. Suitability of equipment, the degree of service provided and the overall supply of marine service vessels also influence vessel day rates. The following table provides a comparison of average day rates by vessel class and in total for the years ended March 31:

	1994	1993	1992
AVERAGE VESSEL DAY RATES:			
Domestic-based fleet:			
Towing Supply/Supply	$ 3,551	2,696	3,082
Crew/Utility	1,230	1,121	1,004
Offshore tugs	4,259	3,850	4,342
Other	1,826	1,598	906
Total	$ 2,934	2,412	2,507
Foreign-based fleet:			
Towing Supply/Supply	$ 3,660	3,592	3,461
Crew/Utility	1,727	1,610	1,549
Offshore Tugs	2,923	2,906	2,298
Other	567	572	853
Total	$ 2,793	2,701	2,618
Worldwide fleet:			
Towing Supply/Supply	$ 3,622	3,339	3,350
Crew/Utility	1,445	1,349	1,341

Offshore Tugs	3,516	3,365	3,230
Other	875	816	873
Total	$ 2,848	2,601	2,580

The domestic fleet is comprised of vessels operating in U.S. waters while the foreign fleet is comprised of vessels operating outside U.S. waters.

In fiscal 1994 a higher average day rate for a larger domestic-based vessel fleet was the principal factor contributing to the growth in Marine revenues and operating profits. During fiscal 1994 average day rates for the domestic-based vessel fleet rose steadily in contrast to fiscal 1993 when average day rates for a smaller vessel fleet declined. The average day rate for the foreign-based vessel fleet for fiscal 1994, although higher than the fiscal 1993 average day rate, did not significantly change compared with the ending fiscal 1993 level. The fiscal 1994 increase in the average day rate for the foreign-based vessel fleet is primarily a result of a favorable shift in the mix of vessels working in certain foreign locations.

As the global supply of Marine service vessels continues to decline, prospects for higher average vessel day rates should improve. However, given the volatile nature of demand for offshore marine services any sustained improvement in vessel day rates is not assured.

The following table compares the average number of vessels by class and geographic distribution during the years ended March 31 and the actual March 31, 1994 vessel count:

	Actual vessel count at March 31,	Average number of vessels during year ended March 31,		
	1994	1994	1993	1992
Domestic-based fleet:				
Towing Supply/Supply	98	88	78	83
Crew/Utility	48	47	42	27
Offshore Tugs	46	47	44	38
Other	13	21	25	44
Total	205	203	189	192
Foreign-based fleet:				
Towing Supply/Supply	174	191	200	196
Crew/Utility	41	45	40	42
Offshore Tugs	50	49	40	38
Other	61	61	64	64
Total	326	346	344	340
Owned or chartered vessels included in marine revenues	531	549	533	532
Vessels withdrawn from active service	20	15	13	12
Joint venture owned vessels	43	43	43	43
Total	594	607	589	587
Worldwide fleet:				
Towing Supply/Supply	311	313	308	307
Crew/Utility	96	99	92	92
Offshore Tugs	98	98	87	89
Other	89	97	102	99
Total	594	607	589	587

Near the end of fiscal 1994 several vessels were withdrawn from active service because of their age and anticipated high repair and maintenance costs. Additional vessels in the Marine fleet may be withdrawn in the future as they become uneconomical to operate.

Oil and gas industry analysts predict that future spending for offshore exploration, development and production of natural gas in the U.S. Gulf of Mexico should continue to favorably affect demand for offshore marine services. Anticipated expenditures for offshore exploration, development and production activity in foreign markets is expected to continue declining for the first half of fiscal 1995 and then rebound to a level slightly below the current level of activity. Subject to certain regulatory restrictions, the Marine segment is able to

relocate vessels to markets which offer better opportunities. If future offshore activity in the U.S. Gulf of Mexico exceeds current forecasts, the Marine segment is well positioned to capitalize on any additional opportunities because it owns the majority of the vessels within the industry which are able to return to the U.S. Gulf of Mexico.

The following table compares major components of Marine operating costs and compares selected statistics for owned and chartered vessels:

	(in thousands) 1994	1993	1992
Crew costs	$ 135,374	122,244	119,871
Repair and maintenance	68,625	63,440	69,817
Vessel insurance	24,918	24,969	18,897
Fuel, lube and supplies	22,296	20,631	18,846
Charter fees, mobilization/demobilization	8,113	8,835	11,115
Other	12,094	14,910	7,365
Total operating costs of owned and chartered vessels	271,420	255,029	245,911
Brokered vessels' costs	9,274	6,248	10,810
Shipyard costs	8,242	2,116	7,609
Intercompany eliminations (A)	---	(10,966)	(10,400)
	$ 288,936	252,427	253,930
For owned and chartered vessels:			
Overall percentage increase in operating costs	6.4%	3.7%	18.8%
Operating costs as a percentage of related revenues	60.6%	61.5%	58.7%

(A) Costs incurred from the charter of equipment to the discontinued Container Shipping segment.

Changes in fleet size and utilization are the principal factors which cause fluctuations in the amount of crew costs. Higher fiscal 1994 crew costs compared with fiscal 1993 is principally the result of the higher activity level of the domestic-based vessel fleet, which generally has higher crewing costs than the foreign-based vessel fleet, and the addition of 19 vessels purchased on March 15, 1993. Higher activity for the domestic-based vessel fleet during the third and fourth quarters of fiscal 1993 is primarily responsible for the growth in fiscal 1993 crew costs above the fiscal 1992 level. The absence of significant new vessel construction within the energy services industry over the past 10 to 12 years has caused the average age of the Company's Marine vessel fleet to rise. Currently the average age of the

Company's Marine vessel fleet is approximately 15 years. The increase in average age of the fleet combined with normal inflationary effects has, in turn, resulted in higher levels of repair and maintenance costs. Though primarily dictated by regulatory agencies, the scheduling of vessel drydockings affects the amount of repair and maintenance expense in any year. Vessel drydockings, whenever possible, are also done to minimize any impact on vessel revenues. Higher fiscal 1994 and fiscal 1993 insurance costs compared with the respective prior period are partially the result of a much tougher insurance market which is unwilling to provide past

levels of coverage at the same rates enjoyed in prior periods. In an effort to control future insurance costs, new and expanded vessel safety programs were added in fiscal 1993. These programs, while designed to maximize vessel safety and, in turn, control future insurance costs, cannot totally prevent future cost increases. Fiscal 1993 vessel insurance costs also include a $2.0 million provision to record estimated underinsured marine losses related to Zapata Gulf insurance programs. Lower mobilization costs were incurred in fiscal 1993 compared to fiscal 1992 as approximately the same number of vessels were moved, but over shorter distances. Other vessel costs for fiscal 1993 include approximately $2 million of write-offs which resulted from a comprehensive review of marine inventories and a significantly higher amount of broker commissions.

Gains on asset sales contributed $3.3 million, $2.9 million and $1.7 million for the fiscal years ended March 31, 1994, 1993 and 1992, respectively. Operating margins from brokered vessel and shipyard activities generally contribute nominally to Marine operating profits.

COMPRESSION SEGMENT

The Compression segment provides natural gas and air compression services and equipment for a variety of applications primarily in the oil and gas and petrochemical industries. It also designs, fabricates and installs engineered compressor systems. Compression segment operating profit is significantly affected by the mix of sales and rental revenues. Gross profit on sales are generally less than operating margins for rental revenues.

Compression segment revenues are compared in the following table on a dollar basis and as a percentage of total Compression revenues for the years ended March 31:

	(in thousands)		
	1994	1993	1992
Rentals:			
Gas compressors	$ 30,868	26,653	29,465
Air compressors	4,115	4,947	4,336
Total rental revenues	34,983	31,600	33,801
Equipment and parts sales	18,385	28,662	18,955
Repair and service	2,103	1,837	1,805
	$ 55,471	62,099	54,561
As a percentage of total Compression revenues:			
Rental revenues	63%	51%	62%
Equipment and parts sales	33%	46%	35%
Repair and service	4%	3%	3%
	100%	100%	100%

Gas compressor utilization is affected primarily by oil and natural gas storage levels and by the number and age of producing oil and gas wells which, in turn, are dependent upon the price level of oil and natural gas. Air compressor utilization is heavily dependent upon short-

term customer needs. Suitability, availability and rental rates for equipment are also major factors which affect utilization of both gas and air compression equipment. Gas compressor rentals are generally for a longer term than are air compressor rentals. The following table compares utilization, average rental rates and average fleet size for gas and air compressors for the years ended March 31:

	(in thousands)		
	1994	1993	1992
Gas Compressors (Horsepower based statistics):			
Utilization	86%	78%	84%
Average monthly rental rate	$ 16.74	16.49	17.04
Average fleet size	179,725	172,711	171,494
Air Compressors (Cubic feet per minute based statistics):			
Utilization	34%	40%	37%
Average daily rental rate	$ .21	.22	.21
Average fleet size	157,500	154,000	156,000

Higher fiscal 1994 gas compressor utilization and higher average monthly rental rates are a direct result of greater demand for natural gas compressor services as a result of higher U.S. natural gas prices. Fiscal 1994 gas compressor rental revenues also rose as a result of a larger compression fleet. Fiscal 1993 gas compressor utilization and rental rates decreased below prior year levels primarily because weak U.S. natural gas prices depressed demand for natural gas compression services.

Fiscal 1994 air compression utilization and average daily rental rates fell below prior year levels due to weakened demand for air compression services. During fiscal 1994 the air compression market has generally suffered from stagnant demand and any significant near-term improvement is not anticipated.

Fluctuations in the level of revenues generated from equipment and parts sales over the past three fiscal years are primarily the result of changes in the sales volume of engineered products.

Operating costs of the Compression segment consist of the following:

	(in thousands)		
	1994	1993	1992
Field operating expenses:			
Wages and benefits	$ 6,209	5,672	5,851
Repairs and maintenance	6,043	5,833	5,431
Other	3,109	2,635	3,499

	15,361	14,140	14,781
Costs of sales	14,977	22,143	14,408
	$ 30,338	36,283	29,189
Field operating costs as a percentage of rental and repair and service revenues	41%	42%	42%
Costs of sales as a percentage of related revenues	81%	77%	76%

Field operating expenses relate to gas and air compressor rental operations. Field operating expenses are generally consistent from period-to-period and usually vary in the short-term due to fluctuations in the level of repairs and maintenance expense. Long-term growth in field operating expenses will occur primarily as a result of increased fleet size and general inflationary factors. Costs of sales consist primarily of wages and benefits and material costs associated with the design, fabrication and installation of packaged compressor systems. Increases in costs of sales as a percentage of the related revenues over the past three years is primarily the result of reduced demand and, in turn, more competitive pricing.

Gain on sales of equipment over the past three years contributed $1.3 million, $1.4 million, and $.8 million for the fiscal years ended March 31, 1994, 1993 and 1992, respectively.

CURRENCY FLUCTUATIONS AND INFLATION

Because of its significant foreign operations, the Company is exposed to currency fluctuations and exchange risks. To minimize the financial impact of these items the Company attempts to contract a majority of its services in United States dollars.

Day-to-day operating costs are generally affected by inflation. However, because the energy services industry requires specialized goods and services, general economic inflationary trends may not affect the Company's operating costs. The major impact on operating costs is the level of offshore exploration and development spending by energy exploration and production companies. As this spending increases, prices of goods and services used by the oil and gas industry and the energy services industry will increase. Future improvements in

vessel day rates and compressor rental rates may buffer the Company from the inflationary effects on operating costs.

ENVIRONMENTAL MATTERS

During the ordinary course of business the Company's operations are subject to a wide variety of environmental laws and regulations. The Company attempts to comply with these laws and regulations in order to avoid costly accidents and related environmental damage. The Company is currently involved in litigation with the Environmental Protection Agency (EPA) concerning the disposal of oilfield wastes.

In 1983, the EPA notified two subsidiaries of the Company that they were among 53 potentially responsible parties (PRP's) for cleanup costs at the Western Sand and Gravel site in Rhode Island.

In 1989, the EPA notified another subsidiary of the Company that it was a PRP for cleanup costs at a National Priorities List site. EPA later nominated the subsidiary a de minimis participant for this site.

In the opinion of management, the ultimate liability with respect to these matters will not have a material adverse effect on the Company's financial position.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The information required by this Item is included in Part IV of this report.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

DIRECTORS OF THE COMPANY

The Company's Restated Certificate of Incorporation and Bylaws (i) provide that the number of directors shall not be less than five nor more than ten as may be fixed by the Board of Directors, and (ii) classify the Board of Directors into three classes, as nearly equal in number as possible, with each class serving for a three year term. There are currently eight directors. The term of office of one class of directors expires each year in rotation so that one class is elected at each annual meeting for a full three-year term. Because of the resignation of two directors, both of whom had terms expiring in 1995, thereby reducing the size of the Board from 10 directors to eight, the Board of Directors expects that the eight remaining directors will be reallocated among the classes in advance of the next annual meeting of stockholders. As of May 2, 1994, the directors of the Company were as follows:

Name	Age	Term Expiring
Robert H. Boh	63	1996
Donald T. Bollinger	44	1996
Arthur R. Carlson	53	1994
Hugh J. Kelly	69	1996
John P. Laborde	70	1994
Paul W. Murrill	59	1994
Lester Pollack	60	1995
J. Hugh Roff, Jr.	62	1994

Robert H. Boh has been the President and Chief Executive Officer of Boh Bros. Construction Co., Inc. since 1967. He is Chairman of Hibernia Corporation and Hibernia National Bank. He has been a director of the Company since 1978.

Donald T. Bollinger has been Chairman of Bollinger Machine Shop & Shipyard, Inc. since 1989 and its Chief Executive Officer since 1985. He is a director of Premier Bancorp, Inc. and Premier Bank N.A. - South Louisiana. He has been a director of the Company since 1990.

Arthur R. Carlson has been a Managing Director of The Trust Company of the West since March 1982. He has been a director of the Company since 1982.

Hugh J. Kelly has been an oil and gas consultant since 1989. He was Chief Executive Officer of Ocean Drilling and Exploration Company from 1977 to 1989. He is Vice Chairman of Hibernia Corporation and a director of Chieftan International, Inc. (oil and gas producer) and Central Louisiana Electric Co. (utility). He has been a director of the Company since 1990.

John P. Laborde is Chairman of the Board, President, and Chief Executive Officer of the Company. He is a director of Hibernia Corporation, Hibernia National Bank, American Bankers Insurance Group, Stolt Comex Seaway S.A., Stone Energy Corporation, and American Bureau of Shipping. He has been a director of the Company since 1956.

Paul W. Murrill, professional engineer, served as Special Advisor to the Chairman of Gulf States Utilities Co. from 1987 to 1989, its Chairman of the Board from 1982 to 1987, and its Chief Executive Officer from 1982 to 1986. He is a director of Entergy Corporation, Howell Corporation, Pavilion Technologies, Inc., Piccadilly Cafeterias, Inc., ZYGO Corp., First Mississippi Corporation (chemicals and fertilizer) and FirstMiss Gold Inc. (gold mining). He has been a director of the Company since 1981.

Lester Pollack has been Senior Managing Director of Corporate Advisors, L.P. since 1988, a general partner of Lazard Freres & Co. and Chief Executive Officer of Centre Partners, L.P. (an investment partnership affiliated with Lazard) since 1986. Mr. Pollack also serves as a director of Continental Cablevision, Inc, Kaufman & Broad Home Corporation, Loews Corporation, Parlex Corp., Polaroid Corporation, and SunAmerica, Inc. He became a director of the Company in January 1992.

J. Hugh Roff, Jr. has been Chairman of the Board of PetroUnited Terminals, Inc. since November 1986. He is a director of Texas Commerce Bancshares, Inc. He has been a director of the Company since 1986.

EXECUTIVE OFFICERS

Information with respect to the Company's executive officers is contained in Item 4A of this report.

ITEM 11. EXECUTIVE COMPENSATION

SUMMARY OF EXECUTIVE COMPENSATION

The following table summarizes, for each of the three fiscal years ended March 31, 1992, 1993 and 1994, the compensation of the Company's Chief Executive Officer and each of the next four most highly compensated executive officers of the Company in all capacities in which they served:

SUMMARY COMPENSATION TABLE

		Annual Compensation			Long Term Compensation		
Name and Principal Position	Fiscal Year	Salary	Bonus	Other	Restricted Stock Awards (1)	No. of Options Awarded	All Other Compensation
John P. Laborde,	1994	$600,000	$450,000		-0-	-0-	$ 20,976
Chairman of the	1993	560,000	275,000		$3,800,000 (2)	-0-	2,231,260 (3)(4)
Board, President,	1992	440,000	300,000		-0-	-0-	15,519 (4)
and Chief							
Executive Officer							

Richard M. Currence Executive Vice President	1994	$232,500	$140,000	$43,607 (5)	20,000	$9,951
	1993	218,750	90,000	-0-	30,000	9,538 (4)
	1992	200,000	100,000	-0-	-0-	8,319 (4)
Ken C. Tamblyn Executive Vice President and Chief Financial Officer	1994	$222,500	$135,000	$43,607 (5)	20,000	$9,649
	1993	205,000	80,000	-0-	29,600	9,126 (4)
	1992	175,000	90,000	-0-	-0-	7,569 (4)
Cliffe F. Laborde (6) Senior Vice President and Co-General Counsel	1994	$186,250	$90,000	$32,715 (5)	15,000	$8,563
	1993	175,000	50,000	-0-	13,600	2,976 (4)
	1992	32,532	0	-0-	20,000	387 (4)
Victor I. Koock Senior Vice President, Secretary and Co-General Counsel	1994	$143,000	$50,000	$21,803 (5)	10,000	$7,266
	1993	133,750	40,000	-0-	8,000	6,639 (4)
	1992	115,000	50,000	-0-	-0-	5,852 (4)

(1) Reflects the number of shares of restricted stock awarded multiplied by the closing market price of the Company's common stock on the date of grant.

(2) These Restricted Shares vested on March 31, 1993.

(3) Includes $2,212,321 in an accelerated lump sum payment of benefits under the Company's Supplemental Executive Retirement Plan.

(4) Consists of amounts contributed by the Company on behalf of the named executive officer pursuant to the Company's Savings Plan and Supplemental Savings Plan and health care premiums paid by the Company under the Tidewater Executive Medical Plan. See following table.

AMOUNTS CONTRIBUTED BY THE COMPANY
PURSUANT TO SAVINGS PLAN AND SUPPLEMENTAL SAVINGS PLAN
AND HEALTH CARE PREMIUMS PAID BY THE COMPANY
UNDER TIDEWATER EXECUTIVE MEDICAL PLAN

	Year	Contributions Under Savings Plans	Premiums Paid Under Executive Medical Plan
John P. Laborde	1993-1994	$18,000	$2,976
	1992-1993	16,053	2,976
	1991-1992	13,200	2,319
Richard M. Currence	1993-1994	6,975	2,976
	1992-1993	6,562	2,976
	1991-1992	6,000	2,319
Ken C. Tamblyn	1993-1994	6,673	2,976
	1992-1993	6,150	2,976
	1991-1992	5,250	2,319
Cliffe F. Laborde	1993-1994	5,587	2,976
	1992-1993	0	2,976
	1991-1992	0	387
Victor I. Koock	1993-1994	4,290	2,976
	1992-1993	3,663	2,976
	1991-1992	3,533	2,319

(5) Reflects the value of shares of restricted stock (the "Restricted Shares") that the executive officer has the right to receive upon the exercise of related stock options. Once issued, the Restricted

Shares will be restricted for the period of five years and will be forfeited if, except under certain permitted circumstances, the executive officer sells the related option shares or ceases to perform substantial services for the Company and competes with the Company. Once the Restricted Shares are issued, the holders of the Restricted Shares will be entitled to receive any dividends paid to the holders of common stock of the Company.

(6) Cliffe F. Laborde joined the Company in January 1992.

STOCK OPTIONS

The following table contains certain information concerning the grant of stock options to the named executive officers during the fiscal year ended March 31, 1994:

OPTION GRANTS IN FISCAL YEAR ENDED MARCH 31, 1994
INDIVIDUAL GRANTS

Name	Number of Options Granted(1)	% of Total Options Granted to Employees in Last Fiscal Year	Exercise Price	Expiration Date	Potential Realizable Value at Assumed Annual Rates of Stock Price Appreciation for Option Term 5%	10%
John P. Laborde	-0-	0%	---	---	---	---
Richard M. Currence	20,000	10.5%	$19.625	09/17/03	$246,841	$625,544
Ken C. Tamblyn	20,000	10.5%	$19.625	09/17/03	$246,841	$625,544
Cliffe F. Laborde	15,000	7.9%	$19.625	09/17/03	$185,131	$469,158
Victor I. Koock	10,000	5.3%	$19.625	09/17/03	$123,421	$312,772

(1) These options become fully exercisable within three years after the date of grant. Exercisability is accelerated upon a change of control.

OPTION EXERCISES AND HOLDINGS

The following table sets forth certain information concerning the exercise of options during the fiscal year ended March 31, 1994 and unexercised options held on March 31, 1994:

AGGREGATED OPTION EXCERCISES IN FISCAL YEAR ENDED MARCH 31, 1994
AND OPTION VALUES AS OF MARCH 31, 1994

Name	Number of Shares Acquired on Exercise	Value Realized(1)	Number of Unexercised Options at March 31, 1994 Exercisable	Unexercisable	Value of Unexercised In-the-Money Options at March 31, 1994 (2) Exercisable	Unexercisable
John P. Laborde	7,547	$66,036.25	25,786	-0-	$161,163	-0-
Richard M. Currence	-0-	-0-	43,875	48,750	$289,484	$153,719
Ken C. Tamblyn	2,500	$40,937.50	37,866	45,234	$244,756	$105,107
Cliffe F. Laborde	-0-	-0-	11,200	30,734	$54,269	$59,370

Victor I. Koock	3,585	$55,149.37	22,291	18,459	$165,468	$52,845

(1) Reflects the difference between the closing sale price of the Company's common stock on the exercise date and the exercise price of the options.

(2) Reflects the difference between the closing sale price of the Company's common stock on March 31, 1994 and the exercise price of the options.

PENSION PLANS

Defined Benefit Pension Plan. The Company and its participating subsidiaries sponsor a defined benefit pension plan ("Pension Plan") covering eligible employees. Upon normal retirement at age 65, the Pension Plan provides a monthly benefit equal to the sum of (i) 1.5% of five-year final average earnings above Social Security covered compensation times years of credited service to a maximum of 35, plus (ii) 0.85% of five-year final average earnings of Social Security covered compensation times years of credited service to a maximum of 35, plus (iii) 1% of five-year final average earnings times credited service in excess of 35 years.

Early retirement benefits are available upon attainment of age 55 and completion of 10 years of credited service and are payable on a reduced basis. There is no reduction for benefits payable at age 62 or later. For employees retiring between age 55 and 62, the reduction is 5% per year for each year prior to age 62. A retiring employee may select a life annuity or one of several optional forms of settlement.

Employees completing five years of credited service are 100% vested in their pension benefits. Messrs. John Laborde, Currence, Tamblyn, Cliffe Laborde, and Koock have 38, 9, 8, 2, and 26 years of credited service, respectively, under the Company's Pension Plan.

Supplemental Executive Retirement Plan. Under federal law, an employee's benefits under a qualified pension plan are limited to certain maximum amounts. The Company has adopted a supplemental executive retirement plan ("SERP") to supplement the benefits received by the Company's officers participating in the Pension Plan. The supplemental benefits consist of an amount equal to the excess of the participant's benefits calculated under the Pension Plan over the maximum benefit permitted by law. The SERP also gives credit for prior service by the SERP participants without regard to any break in service. As a consequence, under the SERP Mr. Currence was given credit for prior service without regard to his break in service. The SERP also provides that upon normal retirement at age 65 officers shall receive a monthly benefit equal to the sum of (i) 2.0% of five-year final average earnings above Social Security covered compensation times years of credited service to a maximum of 35 years, plus (ii) 1.35% of five-year final average earnings below Social Security covered compensation times years of credited service to a maximum of 35 years.

The following table sets forth estimated aggregate combined annual benefits payable in the form of a straight life annuity under the Pension Plan and the SERP upon retirement to

persons in the remuneration and years-of-service classifications specified. Benefits are not subject to any deduction for Social Security or other offset amounts.

PENSION PLANS TABLE

Five-Year Final Average Earnings	Years of Credited Service at Retirement				
	15	20	25	30	35
$150,000	$42,630	$56,839	$71,049	$ 85,259	$ 99,469
$175,000	50,130	66,839	83,549	100,259	116,969
$200,000	57,630	76,839	96,049	115,259	134,469
$225,000	65,130	86,839	108,549	130,259	151,969
$250,000	72,630	96,839	121,049	145,259	169,469
$300,000	87,630	116,839	146,049	175,259	204,469
$400,000	117,630	156,839	196,049	235,259	274,469

Mr. Laborde received a lump-sum distribution of his SERP benefits during fiscal 1993 which is subject to adjustment at retirement based on final average earnings. As of March 31, 1994, Mr. Laborde's covered compensation under the Pension Plan is $150,000 and the aggregate annual benefit payable in the form of a straight life annuity, assuming retirement in 1994 as provided in the Employment Contract, is $155,952. See "Employment Contract" below.

DIRECTOR COMPENSATION

Non-Employee Directors of the Company receive an annual retainer fee of $20,000 and a fee of $1,500 for attendance at each meeting of the Board of Directors. Directors also receive a fee of $1,000 for attendance at each meeting of any committee of the Board of Directors. The chairmen of committees of the Board of Directors receive a fee of $1,400 for attendance at those committee meetings they chair. Directors are also reimbursed for any direct expense incurred by them in attending any such meetings of the Board of Directors or its committees. Non-employee Directors also automatically receive a non-qualified stock option to purchase 1,000 shares of common stock after each Annual Meeting of Stockholders of the Company. The exercise price of the stock options is equal to the closing price for the common stock reported on the New York Stock Exchange consolidated tape on the date of the Annual Meeting of Stockholders or, if not reported on that day, on the first day thereafter that it is reported. Non-Employee Director options may not be exercised until six months after the date of grant and then may not be exercised if such exercise constitutes a triggering event under the Company's Shareholder Rights Plan. The options lapse 10 years from the date of grant or one

year after termination of the director's services as a director of the Company, whichever occurs first.

The Company provides a Deferred Compensation Plan pursuant to which a Non-Employee Director may elect to defer all fees which are payable to him from the Company. Deferred amounts are credited to an account in the name of the participant as a cash credit or a phantom common stock credit of the Company's common stock. During fiscal 1994, cash credit accounts are credited quarterly with interest at a rate based upon a 90-day certificate of deposit rate. Commencing April 1, 1994, cash credit accounts are credited quarterly with interest at a rate based upon the one year U.S. Treasury Bill rate. The phantom share accounts are credited with a common stock dividend equivalent at the time dividends are paid on common stock. Upon the earlier of termination of Board service with the Company or the Director's attainment of age 65, amounts accrued under this Plan are payable either in a lump sum or over a period of two to ten years, at the election of the participant. Directors participate at their election in this Plan on a year-to- year basis. One Director participated in the Deferred Compensation Plan during fiscal 1994.

The Company also provides a Retirement Plan for the benefit of Non-Employee Directors age 65 or over or who have completed five or more years of service on the Board. Under the Retirement Plan, an eligible Director will be entitled to an annual benefit equal to the annual retainer fee for a Board member at the time of his retirement. The benefit is payable for a term equal to the number of years the retired Director served as a Non-Employee Director. If a Director dies prior to payment of his benefit, a death benefit is payable to his beneficiaries equal to the then present value of the unpaid benefit.

The Deferred Compensation Plan and the Retirement Plan both provide for the acceleration of the payment of benefits in the event of a change of control in the Company. In such event, any unpaid benefits deferred under the Deferred Compensation Plan as a cash credit only and any Retirement Plan benefits are payable upon the Company's receipt of a request for payment by a Director.

EMPLOYMENT CONTRACTS

Effective July 1, 1992, the Company entered into an employment and consulting contract with John P. Laborde. The terms of the contract provide for Mr. Laborde's continued service as the President and Chief Executive Officer of the Company until the later of the Company's 1994 Annual Meeting of Stockholders or September 24, 1994 (the "Employment Term"). Thereafter, Mr. Laborde will be retained as a consultant by the Company for an additional three-year term (the "Consultant Term"). The Compensation Committee of the Board of Directors is currently conducting a search for a replacement for Mr. Laborde upon his retirement as President and Chief Executive Officer.

Under the terms of the contract, Mr. Laborde will be paid an annual salary or annual consulting fee of $600,000. While serving as President and Chief Executive Officer, Mr. Laborde may also be paid an annual incentive bonus in the discretion of the Board of Directors. During the Employment Term, Mr. Laborde is entitled to all benefits provided to senior executives of the Company. During the Consultant Term, Mr. Laborde is entitled to all benefits that he is eligible to receive as a retiree from the Company, plus payment by the Company of certain additional perquisites. Mr. Laborde is also entitled to be provided medical coverage by the Company for life.

If Mr. Laborde's employment as an employee or consultant is terminated other than under the conditions permitted in the contract, including termination at the option of Mr. Laborde following a change in control of the Company, Mr. Laborde will be paid the aggregate amount of his annual salary through the last day of the Consultant Term. In the case of disability or death, Mr. Laborde or his heirs will receive a payment equal to 50% of Mr. Laborde's annual salary from the date of termination through the last day of the Consultant Term. In the case of disability, Mr. Laborde will be entitled to receive disability and other benefits at least equal to the most favorable of those generally provided by the Company to executive officers.

SEVERANCE AGREEMENTS

The Company has entered into severance agreements with 18 executive officers and key employees, including Messrs. Currence, Tamblyn, Cliffe Laborde, and Koock (the "Severance Agreements").

The Severance Agreements provide for a lump sum payment by the Company to each executive in the event the executive's employment with the Company is terminated (other than for death, retirement, disability or cause as defined in the Severance Agreements), or the executive terminates his employment for good reason as defined in the Severance Agreements, following a change in control of the Company.

Under the Severance Agreements, upon a termination for which a severance payment is required, an amount shall be paid to the executive equal to two times the executive's average annual base salary for the three years prior to termination, as well as any incentive compensation which has been allocated or awarded to the executive prior to the date of termination but has not been paid. In addition, the Severance Agreements provide for: (a) continuation of Company welfare benefits until the earlier of two years after termination or until normal retirement age would have been reached or until replacement of the benefits as a result of the executive's employment with others; (b) a payment equal to the employer contributions to the Company's Savings Plan that would have been made for the two years following the date of termination or until normal retirement age would have been reached, whichever comes earlier; (c) a payment equal to the present value of the additional retirement benefit which would have been earned under the Company's Pension Plan if employment had continued until the earlier of two years following date of termination or until normal retirement

age would have been reached; and (d) a cash payment equal to the difference between the option price and the higher of market value on date of termination or the highest price paid in connection with the change in control, for all stock options exercisable during the next two years. Any payment or benefit to be received by the executive in connection with a change in control or the termination of employment will be reduced to the extent necessary to preserve the deductibility of payments made to the executive pursuant to Section 280G of the Internal Revenue Code.

In view of (i) the uncertainties to the implementation of the Company's merger with Zapata Gulf, (ii) the expected addition of certain members of the Zapata Gulf management group when the merger was consummated, and (iii) the benefits that would be conferred on such persons by virtue of the merger, the Company's Board of Directors believed it was important to assure the retention of the Company's executive officers in the future and to recognize their significant past contributions. To that end, in 1991 the Company's Board of Directors approved amendments to the Severance Agreements with the effect that each executive officer became entitled to the lump sum payment provided for in his Severance Agreement if his employment was terminated without cause or he left for good reason prior to January 1, 1995. During the last fiscal year the employment of Paul Angelle, an executive officer of the Company, terminated and Mr. Angelle received a lump-sum payment under his Severance Agreement of $300,945. The Severance Agreements with the other executive officers and key employees have since been amended to provide that the benefits provided in the Severance Agreements will only be paid if termination of employment follows a change of control of the Company.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The members of the Company's Compensation Committee are Messrs. Robert H. Boh, Hugh J. Kelly, and J. Hugh Roff, Jr. None of the members of the Compensation Committee have been officers or employees of the Company or any of its subsidiaries. No executive officer of the Company served in the last fiscal year as a director or member of the compensation committee of another entity, one of whose executive officers served as a director or on the Compensation Committee of the Company.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

SECURITY OWNERSHIP OF MANAGEMENT

The following table sets forth the beneficial ownership of the common stock as of May 2, 1994 with respect to each executive officer named in the Summary Compensation Table and by all directors and executive officers as a group:

Name	Amount and Nature of Beneficial Ownership*	Percent of Class
Robert H. Boh	8,000 (1)	**

Donald T. Bollinger	18,644	(1)(2)	**
Arthur R. Carlson	4,100	(1)	**
Richard M. Currence	65,783	(3)	**
Hugh J. Kelly	5,000	(1)	**
Victor I. Koock	31,790	(4)	**
Cliffe F. Laborde	29,713	(5)	**
John P. Laborde	232,604	(6)	**
Paul W. Murrill	4,100	(1)	**
Lester Pollack	3,994,999	(7)(8)	7.5% (9)
J. Hugh Roff, Jr.	5,000	(10)	**
Ken C. Tamblyn	52,824	(11)	**
All Directors and Executive Officers as a group (22 persons)	4,569,287	(12)	8.6% (13)

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* Unless otherwise indicated by footnote, all shares are held by the named individuals with sole voting and investment powers.

** Less than 1.0%.

(1) Includes 4,000 shares of common stock that such person has the right to acquire within 60 days upon exercise of a non-employee director stock option.

(2) Includes 103 shares held by Mr. Bollinger's son, as to which Mr. Bollinger disclaims beneficial ownership.

(3) Includes 43,875 shares which Mr. Currence has the right to acquire within 60 days through the exercise of employee stock options, such right being deemed beneficial ownership under Rule 13d-3 of the Commission, and 3,656 shares of common stock attributable to Mr. Currence's account in the Company's Savings Plan, as to which shares Mr. Currence has sole voting power.

(4) Includes 22,291 shares which Mr. Koock has the right to acquire within 60 days through the exercise of employee stock options, such right being deemed beneficial ownership under Rule 13d-3 of the Commission, 3,510 shares of common stock attributable to Mr. Koock's account in the Company's Savings Plan, as to which shares Mr. Koock has sole voting power, and 100 shares owned by Mr. Koock's wife, beneficial ownership of which is disclaimed.

(5) Includes 11,200 shares which Mr. Laborde has the right to acquire within 60 days through the exercise of employee stock options, such right being deemed beneficial ownership under Rule 13d-3 of the Commission, 5,241 shares held in trusts for Mr. Laborde's minor children, beneficial ownership of which is disclaimed, and 249 shares of common stock attributable to Mr. Laborde's account in the Company Savings Plan, as to which shares Mr. Laborde has sole voting power.

(6) Includes 25,786 shares which Mr. Laborde has the right to acquire within 60 days through the exercise of employee stock options, such right being deemed beneficial ownership under Rule 13d-3 of the Commission, and 6,636 shares of common stock attributable to Mr. Laborde's account in the Company's Savings Plan, as to which shares Mr. Laborde has sole voting power only.

(7) Includes 3,992,999 shares owned by the Corporate Partners Group, as to which Mr. Pollack disclaims beneficial ownership. See "Security Ownership of Certain Beneficial Owners" in this Item.

(8) Includes 2,000 shares of common stock which such person has the right to acquire within 60 days upon exercise of a non- employee director stock option.

(9) Calculated on the basis of 53,072,749 shares of common stock outstanding at May 2, 1994, plus the number of shares such person has the right to acquire within 60 days.

(10) Includes 3,000 shares of common stock which such person has the right to acquire within 60 days upon exercise of a non- employee director stock option.

(11) Includes 37,866 shares which Mr. Tamblyn has the right to acquire within 60 days through the exercise of employee stock options, such right being deemed beneficial ownership under Rule 13d-3 of the Commission, and 2,458 shares of common stock attributable to Mr. Tamblyn's account in the Company's Savings Plan, as to which shares Mr. Tamblyn has sole voting power.

(12) Includes 265,902 shares of common stock that such persons have the right to acquire within 60 days through the exercise of options; 3,999,118 shares for which directors and executive officers reported indirect ownership and disclaim beneficial ownership; and 22,728 shares of common stock attributable to such persons' accounts in the Company's Savings Plan, as to which shares such persons have sole voting power only.

(13) Calculated on the basis of 53,072,749 shares of common stock outstanding at May 2, 1994 and the 265,902 shares that all directors and executive officers as a group have the right to acquire within 60 days.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

The following table and notes thereto indicate the name, address and stock ownership of each person or persons known by the Company to own beneficially more than 5% of the Company's voting securities as of May 2, 1994:

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
Common Stock		
Bessemer Capital Partners, L.P. 630 Fifth Avenue New York, New York 10111	3,992,999 (1)	7.5% (7)
Corporate Partners Group One Rockefeller Plaza New York, New York 10020	3,992,999 (2)	7.5% (7)
FMR Corporation 82 Devonshire Street Boston, Massachusetts 02109	6,889,000 (3)	13.0% (7)
NationsBank Corporation, et al. NationsBank Plaza Charlotte, North Carolina 28255	3,275,000 (4)	6.2% (7)
Chieftain Capital Management, Inc. 12 East 49th Street New York, New York 10017	3,227,000 (5)	6.1% (7)
Neuberger & Berman 605 Third Avenue New York, New York 10158	2,930,300 (6)	5.5% (7)

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(1) Based on Schedule 13D dated December 28, 1993 filed by Bessemer Capital Partners, L.P. ("BCP") with the Securities and Exchange Commission. BCP is a privately owned investment partnership, the primary limited partner of which is Bessemer Securities Corporation, a private investment

company.

(2) Based on Schedule 13D dated June 23, 1993 filed by Corporate Partners Group with the Securities and Exchange Commission. The common stock owned by the Corporate Partners Group is allocated as follows: Corporate Partners, L.P., 3,394,683 shares; Corporate Offshore Partners, L.P., 243,316 shares; and The State Board of Administration of Florida ("SBAF"), 355,000 shares. Corporate Partners and Corporate Offshore Partners are privately owned investment partnerships, the general partner of each of which is controlled by

Lazard Freres & Co. and the limited partners of which are private institutional and individual investors. SBAF is a body corporate organized under the constitution of the state of Florida.

(3) Based on amended Schedule 13G dated February 11, 1994 filed with the Commission reporting the beneficial ownership position of FMR Corporation.

(4) Based on Schedule 13G dated February 10, 1994 filed with the Commission reporting the beneficial ownership position of NationsBank Corporation.

(5) Based on Schedule 13G dated February 10, 1994 filed with the Commission reporting the beneficial ownership position of Chieftain Capital Management, Inc.

(6) Based on Schedule 13G dated January 31, 1994 filed with the Commission reporting the beneficial ownership position of Neuberger & Berman.

(7) Based on 53,072,749 shares of common stock outstanding on May 2, 1994.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

RELATED PARTY TRANSACTIONS

During fiscal year 1994, the Company contracted with Bollinger Machine Shop & Shipyard, Inc. ("Bollinger Shipyard") for repair services in the amount of approximately $982,500 for vessels owned by the Company. The contracts were awarded to Bollinger Shipyard on the basis of competitive bidding and/or drydock availability. Donald T. Bollinger is the Chairman and Chief Executive Officer of Bollinger Shipyard and a director of the Company.

Bollinger Shipyard received approximately $25,000 during fiscal 1994 for dockage provided for the Company's vessels that had been taken out of service. The vessels were docked at the Bollinger Shipyard facility in LaRose, Louisiana pending sale and/or return to service.

Bollinger Shipyard paid the Company approximately $27,600 during fiscal 1994 for charter of the M/V Greenhead.

In the opinion of management, all of the Company's transactions with Bollinger Shipyard were provided on terms that were usual, customary, and no less favorable to the Company than would be available from unaffiliated parties.

See "Item 11. Executive Compensation - Severance Agreement" for a description of payments made to an executive officer of the Company.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

A. Financial Statements and Schedules

The Consolidated Financial Statements and Schedules of the Company listed on the accompanying Index to Financial Statements and Schedules (see page F-1) are filed as part of this report.

B. Reports on Form 8-K

1. The Company's report on Form 8-K for February 23, 1994 reported that the Company increased its bank borrowing facility to $130 million from $60 million by amending a revolving credit and term loan agreement.

2. The Company's report on Form 8-K dated March 16, 1994 reported that the Company had called for redemption on April 18, 1994 all of the Company's outstanding 7% Convertible Subordinated Debentures due 2010.

C. Exhibits

The index below describes each exhibit filed as a part of this report. Exhibits not incorporated by reference to a prior filing are designated by an asterisk; all exhibits not so designated are incorporated herein by reference to a prior filing as indicated.

3(a) - Restated Certificate of Incorporation of Tidewater Inc. (filed with the Commission as Exhibit 3(a) to the Company's quarterly report on Form 10-Q for the quarter ended September 30, 1993).

3(b) - Tidewater Inc. Bylaws (filed with the Commission as Exhibit 3(b) to the Company's quarterly report on Form 10-Q for the quarter ended September 30, 1993).

4(a) - Restated Rights Agreement dated as of December 17, 1993 between Tidewater Inc. and The First National Bank of Boston (filed with the Commission as Exhibit 4 to the Company's quarterly report on Form 10-Q for the quarter ended December 31, 1993).

10(a) - Letter of Credit Agreement dated as of September 7, 1990 (filed with the Commission as Exhibit 10(a) to the Company's quarterly report on Form 10-Q for the quarter ended September 30, 1990).

10(b) - $130,000,000 Revolving Credit and Term Loan Agreement dated February 23, 1993 (filed with the Commission as Exhibit 10 to the Company's report on Form 8-K for February 23, 1994).

10(c) - Tidewater Inc. 1975 Incentive Program Stock Option Plan, as amended in 1990 (filed with the Commission as Exhibit 10(c) to the Company's annual report on Form 10-K for the fiscal year ended March 31, 1991).

10(d) - Tidewater Inc. 1992 Stock Option and Restricted Stock Plan (filed with the Commission as Exhibit 10(f) to the Company's annual report on Form 10-K for the fiscal year ended March 31, 1993).

10(e) - Tidewater Inc. Amended and Restated Supplemental Executive Retirement Plan (filed with the Commission as Exhibit 10(g) to the Company's annual report on Form 10-K for the fiscal year ended March 31, 1993).

10(f)	-	Tidewater Inc. Amended and Restated Employees' Supplemental Savings Plan (filed with the Commission as Exhibit 10(h) to the Company's annual report on Form 10-K for the fiscal year ended March 31, 1993).
10(g)	-	Supplemental Health Plan for Executive Officers of Tidewater Inc. (filed with the Commission as Exhibit 10(i) to a Registration Statement on September 12, 1989, Registration No. 33-31016).
*10(h)	-	Tidewater Inc. Deferred Compensation Plan for Directors.
10(i)	-	Tidewater Inc. Retirement Plan for Directors as adopted on March 22, 1990 (filed with the Commission as Exhibit 10(k) to the Company's annual report on Form 10-K for the fiscal year ended March 31, 1990).
10(j)	-	Employment and Consulting Agreement dated as of March 31, 1993 between Tidewater Inc. and John P. Laborde as amended (filed with the Commission as Exhibit 10(l) to the Company's annual report on Form 10-K for the fiscal year ended March 31, 1993).
10(k)	-	Form of Severance Agreement entered into as of August 1, 1985 with eleven executive officers and key employees, as amended (filed with the Commission as Exhibit 10(j) to the Company's annual report on Form 10-K for the fiscal year ended March 31, 1992).

10(l)	-	Form of Severance Agreement entered into as of February 18, 1992 with three executive officers, as amended (filed with the Commission as Exhibit 10(k) to the Company's annual report on Form 10-K for the fiscal year ended March 31, 1992).
10(m)	-	Standstill Agreement dated as of November 11, 1992 between Tidewater Inc. and Zapata Corporation (filed with the Commission as Exhibit 10(o) to the Company's annual report on Form 10-K for the fiscal year ended March 31, 1993).
*10(n)	-	First Amendment to Standstill Agreement dated January 24, 1994 between Tidewater Inc. and Zapata Corporation.
10(o)	-	Agreement, dated August 11, 1989, by and among the Company and Irwin L. Jacobs, Daniel T. Lindsay, Gerald A. Schwalbach, TR Holdings, Inc. and Minstar, Inc. (filed with the Commission as Exhibit 1 to the Company's report on Form 8-K for August 11, 1989).
10(p)	-	Form of Stockholder Agreement entered into by and between the Company and each of the stockholders of Zapata Gulf Marine Corporation (filed with the Commission as Exhibit 10(r) to the Company's annual report on Form 10-K for the fiscal year ended March 31, 1992).
*11	-	Earnings per share Computation Information.
*22	-	Subsidiaries of the Company.
*24	-	Consent of Independent Accountants.

Certain instruments respecting long-term debt of Tidewater have been omitted pursuant to Regulation S-K, Item 601. Tidewater hereby agrees to furnish a copy of any such instrument to the Commission upon request.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TIDEWATER INC.
(Registrant)

By: /s/ Victor I. Koock
Victor I. Koock
Senior Vice President
and Secretary

Date: May 6, 1994

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities indicated on the 6th day of May, 1994.

/s/ John P. Laborde John P. Laborde	Chairman of the Board of Directors, President, and Chief Executive Officer
/s/ Ken C. Tamblyn Ken C. Tamblyn	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)
/s/ Robert H. Boh Robert H. Boh	Director
/s/ Donald T. Bollinger Donald T. Bollinger	Director

/s/ Arthur R. Carlson Arthur R. Carlson	Director
/s/ Hugh J. Kelly Hugh J. Kelly	Director
/s/ Paul W. Murrill Paul W. Murrill	Director

/s/ J. Hugh Roff, Jr.   Director
J. Hugh Roff, Jr.

TIDEWATER INC.
ANNUAL REPORT ON FORM 10-K
ITEMS 8, 14(A), AND 14(D)

INDEX TO FINANCIAL STATEMENTS AND SCHEDULES

All other schedules are omitted as the required information is inapplicable or the information is presented in the financial statements or the related notes.

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders of Tidewater Inc.:

We have audited the accompanying consolidated financial statements of Tidewater Inc. and subsidiaries as listed in the accompanying index. In connection with our audits of the consolidated financial statements, we also have audited the financial statement schedules as listed in the accompanying index. These consolidated financial statements and financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements and financial statement schedules based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Tidewater Inc. and subsidiaries as of March 31, 1994 and 1993, and the results of their operations and their cash flows for each of the years in the three-year period ended March 31, 1994, in conformity with generally accepted accounting principles. Also in our opinion, the related financial statement schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

As discussed in Note 7 to the consolidated financial statements, the Company changed its method of accounting for postretirement benefits other than pensions in fiscal 1993.

KPMG PEAT MARWICK

New Orleans, Louisiana
May 5, 1994

CONSOLIDATED BALANCE SHEETS

March 31, 1994 and 1993
(in thousands)

ASSETS	1994	1993
Current assets:		
Cash, including temporary cash investments	$ 106,788	108,969
Trade and other receivables, less allowance for doubtful accounts of $6,744 in 1994 and $6,218 in 1993	140,627	149,010
Inventories	34,561	34,376
Other current assets	4,440	4,817
Total current assets	286,416	297,172
Investments in, at equity, and advances to unconsolidated companies	21,843	24,424
Properties and equipment:		
Marine equipment	1,122,617	1,133,361
Compression equipment	122,314	110,285
Other	41,314	43,919
	1,286,245	1,287,565
Less accumulated depreciation	838,067	802,744
Net properties and equipment	448,178	484,821
Other assets	53,449	32,331
	$ 809,886	838,748

LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Convertible Subordinated Debentures redeemed on April 18, 1994	47,526	---
Current maturities of other long-term debt	2,730	8,755
Accounts payable and accrued expenses	62,047	63,297
Accrued property and liability losses	7,757	8,637
Dividends payable	---	5,289
Income taxes	10,230	9,795
Total current liabilities	130,290	95,773
Deferred income taxes	45,099	44,045
Long-term debt	1,952	95,722
Accrued property and liability losses	36,163	20,594

Other liabilities and deferred credits	39,421	34,940
Stockholders' equity:		
Common stock, issued 53,022,955 shares in 1994 and 53,495,491 shares in 1993	5,302	5,350
Additional paid-in capital	331,690	341,550
Retained earnings	231,001	222,730
	567,993	569,630
Less:		
Cumulative foreign currency translation adjustment	11,032	11,112
Treasury stock, at cost; 611,661 common shares in 1993	---	10,844
Total stockholders' equity	556,961	547,674
Commitments and other matters		
	$ 809,886	838,748

See accompanying Statement of Significant Accounting Policies and Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF EARNINGS

Years Ended March 31, 1994, 1993 and 1992 (in thousands, except share and per share data)	1994	1993	1992
Revenues:			
Marine operations	$ 466,601	413,439	430,681
Compression operations	55,471	62,099	54,561
	522,072	475,538	485,242
Costs and expenses:			
Marine operations	288,936	252,427	253,930
Compression operations	30,338	36,283	29,189
Depreciation	83,652	80,317	79,836
General and administrative	63,096	58,479	61,171
	466,022	427,506	424,126
	56,050	48,032	61,116
Other income (expenses):			
Foreign exchange loss	(557)	(1,788)	(1,610)
Gain on sales of assets	4,579	3,408	2,472
Equity in net earnings of unconsolidated companies	2,686	2,525	2,225
Minority interests	(2,022)	(2,544)	(2,064)
Gain on settlement of litigation	---	---	14,160
Merger expenses	---	---	(22,014)
Interest and miscellaneous income	6,109	6,636	7,285
Other expense	(1,253)	(3,771)	---
Interest expense	(7,939)	(12,323)	(18,600)
	1,603	(7,857)	(18,146)
Earnings from continuing operations before income taxes	57,653	40,175	42,970
Income taxes:			
On current earnings	19,602	12,366	17,066
Effect of 1993 tax law change	1,921	---	---
Earnings from continuing operations	36,130	27,809	25,904
Discontinued operations	---	3,099	357
Earnings before extraordinary item and cumulative effect of accounting change	36,130	30,908	26,261
Extraordinary loss on early debt retirement	(11,970)	---	---
Cumulative effect of accounting change	---	(6,640)	---
Net earnings	$ 24,160	24,268	26,261
Primary and fully-diluted earnings per common share:			
Continuing operations	$ .67	.53	.49
Discontinued operations	---	.06	.01
Earnings before extraordinary item and cumulative effect of accounting change	.67	.59	.50
Extraordinary loss on early debt retirement	(.22)	---	---
Cumulative effect of accounting change	---	(.13)	---
Net earnings	$ .45	.46	.50

Weighted average common shares and equivalents	53,317,501	53,073,573	52,681,442
Cash dividends declared per common share	$ .30	.325	---

See accompanying Statement of Significant Accounting Policies and Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

Years Ended March 31, 1994, 1993 and 1992
(in thousands)

	Common stock	Additional paid-in capital	Retained earnings	Cumulative foreign currency translation adjustment	Treasury stock	Total
1994						
Amount at March 31, 1993	$ 5,350	341,550	222,730	(11,112)	(10,844)	547,674
Net earnings	---	---	24,160	---	---	24,160
Treasury stock changes (Note 9)	(63)	(10,781)	---	---	10,844	---
Exercise of stock options	15	1,195	---	---	---	1,210
Cash dividends declared	---		(15,889)	---	---	(15,889)
Other	---	(274)	---	80	---	(194)
Amount at March 31, 1994	$ 5,302	331,690	231,001	(11,032)	-0-	556,961
1993						
Amount at March 31, 1992	5,293	332,597	215,604	(10,478)	(6,692)	536,324
Net earnings	---	---	24,268	---	---	24,268
Contribution of treasury stock to employee benefit plans	---	157	---	---	935	1,092
Treasury stock additions	---	---	---	---	(5,087)	(5,087)
Exercise of stock options and issuance of restricted stock	57	7,440	---	---	---	7,497
Cash dividends declared	---	---	(17,142)	---	---	(17,142)
Other	---	1,356	---	(634)	---	722
Amount at March 31, 1993	$ 5,350	341,550	222,730	(11,112)	(10,844)	547,674
1992						
Amount at March 31, 1991	26,393	307,806	189,343	(10,460)	(7,462)	505,620
Net earnings	---	---	26,261	---	---	26,261
Contribution of treasury stock to employee benefit plans	---	44	---	---	790	834
Reduction of par value of common stock (Note 9)	(21,153)	21,153	---	---	---	---
Other	53	3,594	---	(18)	(20)	3,609
Amount at March 31, 1992	$ 5,293	332,597	215,604	(10,478)	(6,692)	536,324

See accompanying Statement of Significant Accounting Policies and Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended March 31, 1994, 1993 and 1992
(in thousands)

	1994	1993	1992

Cash flows from operating activities:			
Net earnings	$ 24,160	24,268	26,261
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Extraordinary loss on early debt retirement	11,970	---	---
Earnings and gain on sale of discontinued operations	---	(3,099)	(357)
Cumulative effect of accounting change	---	6,640	---
Depreciation	83,652	80,317	79,836
Provision for deferred income taxes	4,801	4,960	8,049
Gain on sales of assets	(4,579)	(3,408)	(2,472)
Equity in net earnings of unconsolidated companies	(2,686)	(2,525)	(2,225)
Minority interests	2,022	2,544	2,064
Compensation expense - restricted stock	---	3,800	---
Decrease (increase) in trade and other receivables	8,383	(12,364)	(1,195)
Decrease (increase) in inventories	(238)	1,824	(180)
Decrease (increase) in other current assets	1,058	244	(601)
Increase (decrease) in accounts payable and accrued expenses	(832)	(11,190)	6,747
Increase (decrease) in accrued property and liability losses	(880)	3,360	(573)
Increase (decrease) in income taxes	2,845	(4,054)	833
Other, net	5,994	4,631	1,920
Net cash provided by operating activities	135,670	95,948	118,107
Cash flows from investing activities:			
Proceeds from sales of assets	11,483	8,105	10,690
Additions to properties and equipment	(53,319)	(52,366)	(39,346)
Investments in unconsolidated companies, net of dividends received	(877)	2,768	493
Investment from minority interests, net of dividends paid	(3,094)	(1,602)	1,374
Other	---	---	498
Net cash used in investing activities	(45,807)	(43,095)	(26,291)
Cash flows from financing activities:			
Principal payments on long-term debt	(65,328)	(46,614)	(149,713)
Prepayment penalties on early debt retirement	(6,473)	---	---
Proceeds from the issuance of long-term debt	---	---	70,000
Cash dividends	(21,178)	(11,853)	---
Other	935	1,203	2,780
Net cash used in financing activities	(92,044)	(57,264)	(76,933)
Net increase (decrease) in cash, including temporary cash investments	(2,181)	(4,411)	14,883
Cash, including temporary cash investments at beginning of year	108,969	113,380	98,497
Cash, including temporary cash investments at end of year	$ 106,788	108,969	113,380
Supplemental disclosure of cash flow information:			
Cash paid during the year for:			
Interest	$ 8,330	11,635	18,108
Income taxes	15,779	10,733	7,725

See accompanying Statement of Significant Accounting Policies and Notes to Consolidated Financial Statements.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF CONSOLIDATION

The Consolidated Financial Statements include the accounts of Tidewater Inc. and its subsidiaries. Significant intercompany balances and transactions are eliminated in consolidation.

INVENTORIES

Inventories are stated at average cost for operating supplies and at the lower of cost (FIFO) or market (net realizable value) for merchandise held for resale.

PROPERTIES AND EQUIPMENT

Properties and equipment are carried at cost. Depreciation for financial reporting purposes is computed primarily on the straight- line basis beginning with the first charter/rental, with salvage values of 5%-10% for marine equipment and 12-1/2% for compression equipment, using estimated useful lives of:

	Years
Marine equipment (from date of construction)	10 - 20
Compression equipment	8 - 12
Other properties and equipment	3 - 30

Used equipment is depreciated in accordance with the above schedule; however, no life less than six years is used for marine equipment regardless of the date constructed. Leased equipment, principally marine equipment, is depreciated on the straight-line basis over the initial term of the lease.

Maintenance and repairs are charged to operations as incurred during the asset's original estimated useful life. Major repair costs incurred after the original estimated useful life that also have the effect of extending the useful life of the asset are capitalized and amortized over three years. Major modifications to equipment are capitalized and amortized over the remaining life of the equipment.

ACCRUED PROPERTY AND LIABILITY LOSSES

The Company's insurance subsidiary establishes case basis reserves for estimates of reported losses on direct business written, estimates received from ceding reinsurers, and reserves based on past experience of unreported losses. Such losses principally relate to the Company's marine operations and are included as a component of costs of marine operations in the Consolidated Statements of Earnings. The liability for such losses and the related reimbursement receivable from reinsurance companies are classified in the Consolidated Balance Sheet into current and noncurrent amounts based upon estimates of when the liabilities will be settled and when the receivables will be collected.

POSTEMPLOYMENT, PENSION AND OTHER POSTRETIREMENT BENEFITS

Statement of Financial Accounting Standards No. 112, "Employers' Accounting for Postemployment Benefits," prescribes the accounting for the estimated costs of benefits provided to former or inactive employees after employment but before retirement. Because the Company offers only limited postemployment benefits to employees, Statement No. 112 does not have a material effect on the Company's financial position or results of operations. Pension costs are accounted for in accordance with the provisions of Statement of Financial Accounting Standards No. 87 and are funded as required by law. Prior service costs are amortized on the straight-line basis over the average remaining service period of employees expected to receive pension benefits. Effective

April 1, 1992, postretirement benefits other than pensions are accounted for in accordance with Statement of Financial Accounting Standards No. 106. The estimated cost of postretirement benefits other than pensions are accrued during the employees' active service period. Postemployment and postretirement benefits other than pensions are funded as claims are submitted.

INCOME TAXES

Income taxes are accounted for in accordance with the provisions of Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes." Under the asset and liability method of Statement No. 109, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under Statement No. 109, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

EARNINGS PER SHARE

Primary earnings per share are computed based on the weighted average number of shares and dilutive equivalent shares of common stock (stock options, restricted stock grants and shares issuable on conversion of the convertible subordinated debentures) outstanding during each year using the treasury stock method.

FOREIGN CURRENCY TRANSLATION

The functional currency for certain foreign subsidiaries and unconsolidated companies is the applicable local currency. The translation of the applicable local currencies into U.S. dollars is performed for balance sheet accounts using current exchange rates in effect at the balance sheet date and for revenue and expense accounts using weighted average exchange rates during the period. The gains and losses resulting from the balance sheet account translations, net of deferred income taxes, are included in stockholders' equity.

Some transactions of the Company and its subsidiaries are made in currencies different from their own. Gains and losses from these transactions are included in the Consolidated Statements of Earnings as they occur.

CASH FLOWS

For purposes of the Consolidated Statements of Cash Flows, all highly liquid investments purchased with original maturities of approximately three months or less are considered to be cash equivalents. Some items of compression equipment are acquired and placed in inventories for subsequent sale or rent to others. Acquisitions of these assets are considered operating activities in the Consolidated Statements of Cash Flows, although they later may be transferred to the compression equipment rental fleet.

(1) BUSINESS COMBINATION

On January 15, 1992 Tidewater Inc. issued 23,786,000 shares of common stock in exchange for all of the outstanding common stock of Zapata Gulf Marine Corporation (Zapata Gulf). Zapata Gulf owned and operated a fleet of 272 marine service vessels and a container shipping business which operated principally from the U.S. East Coast to Puerto Rico. The business combination was accounted for as a pooling-of-interests and, accordingly, the consolidated financial statements for all periods presented include the accounts and results of operations of Zapata Gulf.

Merger expenses incurred during fiscal 1992 (primarily during the fourth quarter) included legal, investment banking, and accounting fees related to the business combination. Also included in merger expenses are payments under severance and employment agreements and payments to certain officers and a director of Zapata Gulf under an equity incentive plan.

(2) SALE OF CONTAINER SHIPPING SEGMENT

In March 1993 the Company sold its 70% interest in the net assets of the Container Shipping segment to the minority-interest owner. The Consolidated Statements of Earnings for the periods ended March 31, 1993 and 1992 report separately the results of continuing operations and the discontinued Container Shipping segment. The results of the discontinued Container Shipping segment for the years ended March 31, 1993 and 1992, which are presented as a net amount in the Consolidated Statements of Earnings, are as follows:

	(in thousands)	
	1993	1992
Revenues	$ 66,576	61,265
Operating expenses	(60,229)	(55,352)
Depreciation	(117)	(98)
General and administrative expenses	(6,344)	(5,481)
Other income	11	23
Earnings (loss) from operations before income taxes	(103)	357
Income taxes	---	---
Earnings (loss) from operations	(103)	357
Gain on sale of segment (net of income tax benefits of $.9 million)	3,202	---
	$ 3,099	357

(3) INVENTORIES

A summary of inventories at March 31 follows:

	(in thousands)	
	1994	1993
Marine operating supplies	$ 27,476	28,630
Compression supplies and merchandise held for sale	7,085	5,746
	$ 34,561	34,376

(4) UNCONSOLIDATED COMPANIES

Investments in, at equity, and advances to unconsolidated joint-venture companies at March 31 were as follows:

	Percentage ownership	(in thousands) 1994	1993
Tidewater Place Joint Venture	50%	$ ---	1,321
Marine joint ventures:			
National Marine Service (Abu Dhabi-UAE)	40%	11,506	11,829
Tidewater Port Jackson (Australia)	50%	6,805	6,275
Provident Marine, Ltd. (Mexico)	50%	2,135	2,450
Others	20%-50%	1,397	2,549
		$ 21,843	24,424

During fiscal 1994 the Company's 50% interest in Tidewater Place Joint Venture, which owned an office building which houses the Company's corporate headquarters, was donated to a local university. The transfer provides the Company with rent-free occupancy for a period of 10 years. The investment in Tidewater Place Joint Venture at the date of transfer has been reclassified from investment in unconsolidated subsidiaries to prepaid rent and is being amortized in equal monthly charges to expense over 10 years. The aggregate amount of undistributed earnings of all unconsolidated joint-venture companies included in consolidated stockholders' equity at March 31, 1994 is approximately $12,713,000.

(5) INCOME TAXES

Earnings (loss) from continuing operations before income taxes derived from United States and foreign operations for the years ended March 31 are as follows:

	(in thousands) 1994	1993	1992
United States	$ 26,083	(13,238)	(14,536)
Foreign	31,570	53,413	57,506
	$ 57,653	40,175	42,970

Total income tax expense for the years ended March 31, 1994 and 1993 was allocated as follows:

	(in thousands) 1994	1993
Income from continuing operations:		
On current earnings	$ 19,602	12,366
Effect of 1993 tax law change	1,921	---
Gain on sale of Container Shipping segment	---	(869)
Extraordinary loss on early debt retirement	(6,470)	---
Cumulative effect of accounting change	---	(3,421)
Stockholders' equity (for compensation expense for income tax purposes in excess of amounts recognized for financial reporting purposes)	---	(1,356)
	$ 15,053	6,720

Income tax expense attributable to income from continuing operations for the years ended March 31 consists of the following:

	(in thousands) U.S.			
	Federal	State	Foreign	Total
1994				
Current	$ 8,290	1,248	7,184	16,722
Deferred	4,801	---	---	4,801
	$ 13,091	1,248	7,184	21,523
1993				
Current	1,081	680	5,645	7,406
Deferred	4,960	---	---	4,960
	$ 6,041	680	5,645	12,366
1992				
Current	1,934	788	6,295	9,017
Deferred	8,049	---	---	8,049
	$ 9,983	788	6,295	17,066

The actual income tax expense attributable to earnings from continuing operations for the years ended March 31, 1994, 1993 and 1992 differed from the amounts computed by applying the U.S. federal tax rate of 35% in fiscal 1994 and 34% in fiscal 1993 and fiscal 1992 to pre-tax earnings from continuing operations as a result of the following:

	(in thousands) 1994	1993	1992
Computed "expected" tax expense	$ 20,179	13,659	14,610
Increase (reduction) resulting from:			
Effect of 1993 tax law change	1,921	---	---
Foreign earnings not includable in U.S. tax return	(24)	(463)	(361)
Foreign taxes not creditable against U.S. taxes	---	---	2,559
Utilization of net operating loss carryforwards	(183)	(782)	(3,474)
Expenses which are not deductible for tax purposes	248	60	3,091
Other, net	(618)	(108)	641
	$ 21,523	12,366	17,066

Expenses which are not deductible for tax purposes in fiscal 1992 related to certain costs incurred in connection with the merger with Zapata Gulf.

The significant components of deferred income tax expense for the years ended March 31 are as follows:

	(in thousands) 1994	1993	1992
Application of net operating loss carryforwards	$ 1,478	18,330	10,203
Foreign tax credits	874	(4,105)	(814)
Accelerated depreciation of properties and equipment for tax purposes	4,145	(14,498)	522
Differences in gain or loss on sales of assets	---	---	(797)
Taxes on unremitted foreign earnings	(3,133)	625	1,609
Deferred charges	---	6,087	---
Effect of 1993 tax law change	1,921	---	---
Other	(484)	(1,479)	(2,674)
Subtotal	4,801	4,960	8,049
Extraordinary loss on early debt retirement	(3,747)	---	---
Accounting change	---	(3,421)	---
	$ 1,054	1,539	8,049

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities at March 31, 1994 and 1993 are as follows:

	(in thousands) 1994	1993
Deferred tax assets:		
Insurance loss reserves not deducted for tax purposes	$ 12,410	11,518
U.S. net operating loss carryforwards	---	1,478
Foreign net operating loss carryforwards	4,171	3,987
Foreign tax credit carryforwards	3,231	4,105
Investment tax credit carryforwards	11,911	16,607
Alternative minimum tax credit carryforwards	2,206	2,561
Other	1,745	449
Gross deferred tax assets	35,674	40,705
Less valuation allowance	4,171	3,987
	$ 31,503	36,718

Deferred tax liabilities:		
Depreciation differences on properties and equipment	(73,431)	(70,382)
Undistributed income of unconsolidated joint-venture companies	(3,171)	(6,012)
Other	---	(4,369)
Gross deferred tax liabilities	(76,602)	(80,763)
Net deferred tax liability	$ (45,099)	(44,045)

At March 31, 1994 the Company had investment tax credit carryforwards for federal income tax purposes of approximately $11,911,000, which are available to reduce future federal income tax through 2002. In addition, the Company has alternative minimum tax credit carryforwards of approximately $2,206,000, which are available to reduce future federal regular income taxes over an indefinite period.

The Company has not recognized a deferred tax liability of approximately $30,100,000 for the undistributed earnings of certain foreign subsidiaries that arose in prior years because the Company currently does not expect those unremitted earnings to reverse and become taxable to the Company in the foreseeable future. A deferred tax liability will be recognized when the Company expects that it will realize those undistributed earnings in a taxable manner, such as through receipt of dividends or sale of investments. As of March 31, 1994 the undistributed earnings of these subsidiaries were approximately $86,000,000.

(6) LONG-TERM DEBT

A summary of long-term debt at March 31 follows:

	(in thousands) 1994	1993
9.17% and 10.0% notes due in quarterly installments through 1999	$ ---	52,450
7% convertible subordinated debentures due 2010	47,779	47,135
Unamortized discount	(253)	(11,283)
	47,526	35,852
Capitalized lease obligations:		
Total lease payments	5,438	20,628
Interest	(756)	(4,453)
	4,682	16,175
Total long-term debt	52,208	104,477
Less:		
7% convertible subordinated debentures redeemed on April 18, 1994	47,526	---
Current maturities of other long-term debt	2,730	8,755
Net long-term debt	$ 1,952	95,722

During fiscal 1994 the 9.17% and 10.0% notes were retired prior to maturity using available cash. The retirement resulted in an after-tax extraordinary charge to earnings of approximately $4,450,000, or $.08 per common share. The extraordinary charge to earnings consisted of a $6,500,000 prepayment penalty and the write-off of deferred finance costs of $370,000, less $2,420,000 of income tax benefits associated with the retired debt.

On March 16, 1994 the Company called for redemption of the 7% convertible subordinated debentures due 2010. Holders converted $1,113,000 of debentures into 44,520 shares of the Company's common stock at a conversion price of $25.00 per share. The remainder of the debentures were redeemed at 101.4% of par value plus accrued interest on April 18, 1994. The debentures, along with the prepayment premium, are included in current liabilities at March 31, 1994. The redemption resulted in an extraordinary charge to earnings of approximately

$7,520,000 (net of income taxes), or $.14 per common share in the fourth quarter of fiscal 1994. The extraordinary charge to earnings consisted of a $644,000 prepayment premium and the write-off of unamortized original issue discount and deferred finance costs of $10,926,000, less $4,050,000 of income tax benefits.

Future lease payments under capitalized leases in effect at March 31, 1994 for the next five fiscal years are: 1995 - $3,071,000; 1996 - $1,506,000; 1997 - $300,000; 1998 - $63,000; and 1999 - $63,000.

Based on current interest rates offered to the Company for borrowings with maturities similar to the remainder of long-term debt, excluding the debentures redeemed on April 18, 1994, total long-term debt at March 31, 1994 approximates the fair value of the debt.

A revolving credit and term loan agreement with banks was expanded from $60 million to $130 million during fiscal 1994. The agreement bears interest, at the Company's option, at prime rates plus .50% or LIBO rates plus 1.50% or 1.75% (5.19% at March 31, 1994). The lower LIBO rate will be used as long as the Company maintains an investment grade senior debt rating from Moody's Investor Services, Inc. and Standard & Poor's. The revolving credit commitment of $130 million expires on September 30, 1995 at which time the then outstanding balance may be converted to a term loan repayable in 16 quarterly installments beginning December 31, 1995. The agreement requires an annual fee of from .250% to .375% depending upon the undrawn amount. Under the terms of the agreement, the Company has agreed to certain requirements and limitations, including: limitations on the payment of dividends on common stock, investments, and aggregate indebtedness; a minimum level of tangible net worth of $425 million plus 30% of cumulative net earnings, as defined, after

March 31, 1993 (total $432,348,000 at March 31, 1994); and a minimum ratio of current assets to current liabilities of 1.5 to 1. The agreement also prohibits the Company from encumbering its assets, other than assets already encumbered at February 23, 1994, for the benefit of others.

Certain items of leased equipment are classified as assets held under capital leases with the related liabilities recorded as capitalized lease obligations. Leased equipment, before depreciation, included in properties and equipment consists primarily of Marine equipment and approximated $17,732,000 at March 31, 1994 and $29,561,000 at March 31, 1993. Accumulated depreciation related to leased equipment approximated $13,017,000 and $16,090,000 at March 31, 1994 and 1993, respectively. Depreciation expense for leased equipment for the years ended March 31, 1994, 1993 and 1992 was $3,119,000, $3,152,000, and $2,879,000, respectively. During fiscal 1994 capitalized lease obligations on five marine service vessels were terminated by purchasing the vessels for approximately $9.0 million.

(7) BENEFIT PLANS

Upon meeting various citizenship, age and service requirements, employees are eligible to participate in a defined contribution savings plan. The plan held 537,525 shares and 516,175 shares of the Company's common stock at March 31, 1994 and 1993, respectively. Amounts charged to expense for the plan for 1994, 1993 and 1992 were $1,282,000, $1,193,000, and $1,196,000, respectively.

A defined benefit pension plan covers substantially all U.S. citizen employees and employees who are permanent residents of the U.S. Benefits are based on years of service and employee compensation. The Company also has a supplemental retirement plan (Supplemental Plan) that provides pension benefits to certain employees in excess of those allowed under the Company's tax qualified pension plan. Certain benefits programs are maintained in several other countries which provide retirement income for covered employees.

Net periodic pension cost for the U.S. defined benefit pension plan and the Supplemental Plan for 1994, 1993 and 1992 include the following components:

	(in thousands) 1994	1993	1992
Service cost-benefit earned during the period	$ 2,118	1,723	1,420
Interest cost on projected benefit obligation	1,715	1,617	1,112
Actual return on assets	(1,398)	(726)	(2,134)
Net amortization and deferral	590	219	1,830
Net periodic pension cost	$ 3,025	2,833	2,228
Assumptions used in the accounting are:			
Discount rates	7.25%	8.5%	8.5%
Rates of annual increase in compensation levels	5%	5%	5%-5.5%
Expected long-term rate of return on assets	9.5%	9.5%	9.5%

The following table sets forth the assets and liabilities of the U.S. defined benefit pension plan and the Supplemental Plan and the amount of the net pension asset or liability in the Consolidated Balance Sheets at March 31:

(in thousands)	Plan with Accumulated Benefit Obligations Less Than Assets		Plan with Accumulated Benefit Obligations in Excess of Assets	
	1994	1993	1994	1993
Actuarial present value of vested benefit obligation	$ 14,429	10,422	1,657	804
Accumulated benefit obligation	$ 16,221	11,542	1,779	804
Projected benefit obligation	$ 23,344	18,183	2,879	1,748
Plan assets at fair value, primarily bonds and common stock	17,946	13,716	---	---
Projected benefit obligation in excess of plan assets	5,398	4,467	2,879	1,748
Unrecognized net transitional obligation amortized over 15 years	(728)	(843)	---	---
Unrecognized actuarial gain (loss)	(3,422)	(767)	(1,626)	(1,134)
Unrecognized prior service cost	(1,665)	(1,750)	(871)	(1,044)
Adjustment required to recognize minimum liability	---	---	1,397	1,234
Net accrued pension (asset) liability	$ (417)	1,107	1,779	804

Qualified retired employees are currently covered by a program which provides limited health care and life insurance benefits. Costs of the program are based on actuarially determined amounts and are accrued over the period from the date of hire to the full eligibility date of employees who are expected to qualify for these benefits.

Pursuant to the April 1, 1992 adoption of Statement of Financial Accounting Standards No. 106, "Employers Accounting for Postretirement Benefits Other Than Pensions," the Company recognized during fiscal 1993 the full amount of its accumulated postretirement benefit obligation of $10,061,000 less income tax benefits of $3,421,000, which amounts are included in the fiscal 1993 Consolidated Statement of Earnings as the cumulative effect of an accounting change. The accumulated postretirement benefit obligation amount represents the present value at April 1, 1992 of the estimated future benefits payable to current retirees and a pro rata portion of the estimated benefits payable to active employees after retirement. This change in accounting resulted in an after-tax incremental cost for such benefits of $900,000 ($.02 per share) in fiscal 1993.

Net periodic postretirement health care and life insurance costs for 1994 and 1993 include the following components:

	(in thousands) 1994	1993
Service cost - benefit earned during the period	$ 801	691
Interest cost on accumulated postretirement benefit obligation	964	847
Other amortization and deferral	(28)	---
Net periodic postretirement benefit cost	$ 1,737	1,538

In fiscal 1992 the cost of the postretirement benefit program was expensed as paid and amounted to approximately $100,000.

The unfunded actuarially-determined liabilities for postretirement benefits at March 31 are as follows:

	(in thousands) 1994	1993
Actuarial present value of accumulated postretirement benefit obligation:		
Current retirees	$ 1,967	3,625
Current employees eligible for benefits	634	3,318
Current employees not yet eligible for benefits	5,854	4,461
Total accumulated postretirement benefit obligation	8,455	11,404
Unrecognized prior service cost	290	317
Unrecognized net gain (loss)	4,228	(355)
Accrued postretirement benefit cost	$ 12,973	11,366

The assumed health care cost trend rate used in measuring the accumulated postretirement benefit obligation will be 14% in 1995, gradually declining to 6.5% in the year 2002 and thereafter. A 1% change in the assumed health care cost trend rates for each year would change the accumulated postretirement benefit obligation by approximately $1,516,000 at March 31, 1994 and change the cost for the year ended March 31, 1994 by $276,000. The assumed discount rates used in determining the accumulated postretirement benefit obligation were 7.25% in 1994 and 8.5% in 1993.

(8) OTHER LIABILITIES AND DEFERRED CREDITS

A summary of other liabilities and deferred credits at March 31 follows:

	(in thousands) 1994	1993
Postretirement benefit liability	$ 12,973	11,366
Minority interests in net assets of subsidiaries	10,678	11,730
Noncurrent foreign and domestic taxes	6,957	6,957
Deferred gain on sale/leaseback transaction	1,723	2,811
Other	7,090	2,076
	$ 39,421	34,940

(9) CAPITAL STOCK

In fiscal 1992 stockholders approved an increase in the authorized shares of Tidewater common stock from 80 million to 125 million shares and a reduction of par value of the common stock from $.50 to $.10. Common stock and additional paid-in capital were adjusted by $21,153,000 in fiscal 1992 to reflect the change in par value.

Under the Company's stock option and restricted stock plans, the Compensation Committee of the Board of Directors has authority to grant stock options and restricted shares of the Company's stock to officers and other key employees. At March 31, 1994, 3,001,300 shares of common stock are reserved for issuance under the plans. The stock option price and exercise period are set by the grant, with the price equal to the market price of the stock on the date of grant.

Transactions in the stock option plans during 1994, 1993 and 1992 were as follows:

	Price range per share	Shares
Outstanding March 31, 1991	$ 4.38 - 21.50	1,271,035
Options granted	12.13	26,000
Options exercised	4.38 - 13.25	(143,854)
Options expired or cancelled	4.38 - 13.25	(49,837)
Outstanding March 31, 1992	4.38 - 21.50	1,103,344
Options granted	15.00 - 19.00	177,200
Options exercised	4.38 - 13.25	(367,638)
Options expired or cancelled	4.38 - 15.00	(19,917)
Outstanding March 31, 1993	4.38 - 21.50	892,989
Options granted	19.63 - 20.13	198,900
Options exercised	4.38 - 15.00	(160,323)
Options expired or cancelled	4.38 - 19.63	(35,830)
Outstanding March 31, 1994	$ 4.38 - 21.50	895,736

At March 31, 1994 and 1993, 522,205 shares and 406,423 shares, respectively, were exercisable under the stock option plans.

During the years ended March 31, 1994 and 1993, approximately 17,460 shares and 215,500 shares, respectively, of Company common stock held by Company employees were surrendered to the Company in order to exercise stock options and in satisfaction of mandatory federal and state income tax withholding requirements. Approximately 8,300 shares of Company common stock held by oddlot shareholders were purchased by the Company pursuant to a commission-free stock buyback program offered during fiscal 1994. Shares surrendered during fiscal 1993 are included in the Company's treasury stock at March 31, 1993. Shares surrendered during fiscal 1994 together with the shares purchased and the remainder of existing treasury shares were canceled in fiscal 1994. Accordingly, the amount of treasury shares has been reclassified to common stock and additional paid-in capital.

The restricted stock plan permits the grant of Company shares restricted as to transferability and subject to a substantial risk of forfeiture. The vesting restrictions and period during which the transferability restrictions are applicable are determined on a case-by-case basis. During the restricted period, the restricted shares may not be transferred or encumbered but the recipient has the right to vote and receive dividends on the restricted shares. At March 31, 1994, a contingent award totalling 19,320 restricted Company shares was outstanding, to be issued in conjunction with and as a result of the exercise of certain stock options. No restricted shares were issued as of March 31, 1994 or 1993. Once the restricted shares are issued, they would be forfeited if, during the five years after issuance, a disposition was made of the option shares, except for dispositions specifically permitted by the

grant. The ownership of the restricted shares will vest at the end of the five year period in which they are subject to forfeiture.

At March 31, 1994 and 1993, 3,000,000 shares of no par value preferred stock were authorized and unissued.

Under a Shareholder Rights Plan, one preferred stock purchase right has been distributed as a dividend for each outstanding common share. Each right entitles the holder to purchase, under certain conditions, one two-hundredth of a share of Series A Participating Preferred Stock at an exercise price of $50, subject to adjustment. The rights will not be exercisable unless a person (as defined in the plan) acquires beneficial ownership of 16% or more of the outstanding common shares, or a person commences a tender offer or exchange offer, which upon its consummation such person would beneficially own 16% or more of the outstanding common shares.

If after the rights become exercisable a person becomes the beneficial owner of 16% or more of the outstanding common shares (except pursuant to an offer for all shares approved by the Board of Directors), each holder (other than the acquirer) will be entitled to receive, upon exercise, common shares having a market value of twice the exercise price. In addition, if the Company is involved in a merger (other than a merger which follows an offer for all shares approved by the Board of Directors), major sale of assets or other business combination, each holder of a right (other than the acquirer) will be entitled to receive, upon exercise, common stock of the acquiring company having a market value of twice the exercise price.

The rights may be redeemed for $.01 per right at any time prior to ten days following the acquisition by a person of 16% or more of the outstanding common shares. The rights expire on May 1, 2000.

(10) FOREIGN CURRENCY TRANSLATION

Foreign exchange gains (losses) included in the Consolidated Statements of Earnings primarily relate to the revenue generating and purchasing activities in Brazil, Venezuela, United Kingdom, Singapore, Trinidad and Nigeria.

A cumulative foreign currency translation adjustment has been recorded relative to investments in Venezuelan subsidiaries and in the Company's Marine joint-venture, Tidewater Port Jackson.

(11) COMMITMENTS AND OTHER MATTERS

An employment and consulting agreement exists with the Company's chairman of the board, president and chief executive officer whereby he will continue as an employee until September 1994 and thereafter for a period of three years will serve as a consultant to the Company. The terms of the agreement provide, among other things, for an annual salary/consulting fee and certain other benefits. Provisions are also contained in the agreement pertaining to termination, including certain events related to a change in control of the company. Compensation continuation agreements exist with all other officers of Tidewater Inc. whereby each receives compensation and benefits in the event that his or her employment is terminated following certain events relating to a change in control of the company. The maximum amount of compensation that could be paid under the agreements, based on present salary levels, is approximately $5,323,000. The amount that could be paid for certain benefits is not presently determinable.

In March 1993 the Company requested that the Company's chairman of the board, president and chief executive officer amend his then existing employment and consulting agreement. For its benefit, the Company elected to amend the agreement in view of possible changes to tax laws then under consideration by the Clinton administration and Congress. The amendment accelerated the vesting of all outstanding shares of restricted stock such that these shares became fully vested and freely transferable immediately. The original terms of the restricted stock shares included restrictions during the employment term of the agreement. Due to the acceleration

of the vesting of the restricted stock shares on March 31, 1993, the then remaining deferred compensation of $2,850,000 was charged to other expenses in the Consolidated Statements of Earnings in fiscal 1993.

The Amendment also provided for an immediate lump-sum distribution of the present value of benefits under the Company's supplemental retirement plan, including the additional benefits that would have accrued assuming he remained employed by the Company through September 24, 1994. The lump-sum distribution amounted to $2,212,000 and included $921,000 for unaccrued benefits which was charged to other expenses in the Consolidated Statements of Earnings in fiscal 1993.

Zapata Gulf participated in insurance programs with a shareholder and other entities which include maximum amounts of coverage for the participants as a group. Included in marine operating costs and expenses for the years ended March 31, 1993 and 1992 are provisions of $2,000,000 and $5,000,000, respectively, for estimated losses in excess of the maximum amount of coverage for policy periods ended September 30, 1992 and March 31, 1991.

In 1983, the EPA notified two subsidiaries of the Company that they were among 53 potentially responsible parties (PRP's) for cleanup costs at the Western Sand and Gravel site in Rhode Island.

In 1989, the EPA notified another subsidiary of the Company that it was a PRP for cleanup costs at a National Priorities List site. EPA later nominated the subsidiary a de minimis participant for this site.

In the opinion of management, the ultimate liability with respect to these matters will not have a material adverse effect on the Company's financial position.

Various other legal proceedings and claims are outstanding which arose in the ordinary course of business. In the opinion of management, the amount of ultimate liability, if any, with respect to these actions will not have a materially adverse effect on the Company's financial position.

(12) BUSINESS SEGMENTS AND GEOGRAPHIC DISTRIBUTION OF OPERATIONS

The Company operates principally in two business segments. Tidewater Marine provides support services to the offshore oil and gas industry, and Tidewater Compression provides the energy industry with engineered products and services used primarily in oil and gas production, enhanced recovery, natural gas transmission, and natural gas processing. Please refer to Management's Discussion and Analysis of Financial Condition and Results of Operations for disclosures of additions to properties and equipment, identifiable assets, revenues, operating profit and depreciation for each business segment.

(13) SUPPLEMENTARY INFORMATION--QUARTERLY FINANCIAL DATA (UNAUDITED)

Years Ended March 31, 1994 and 1993
(in thousands, except per share data)

1994	First	Second	Third	Fourth

Revenues:				
Marine operations	$ 116,225	119,750	118,971	111,655
Compression operations	12,932	14,419	14,002	14,118
	$ 129,157	134,169	132,973	125,773
Operating profit:				
Marine operations	$ 15,334	18,718	21,886	9,845
Compression operations	1,132	2,366	1,951	1,446
	$ 16,466	21,084	23,837	11,291
Earnings before extraordinary item	$ 8,214	9,142	13,542	5,232
Net earnings (loss)	$ 8,214	4,692	13,542	(2,288)
Primary and fully diluted earnings per common share:				
Earnings before extraordinary item	$ 0.15	0.17	0.25	.10
Net earnings (loss)	$ 0.15	0.09	0.25	(.04)

1993

Revenues:				
Marine operations	$ 96,440	105,865	107,149	103,985
Compression operations	14,202	14,397	17,363	16,137
	$ 110,642	120,262	124,512	120,122
Operating profit:				
Marine operations	$ 12,024	18,456	13,687	8,830
Compression operations	3,014	2,117	2,895	2,151
	$ 15,038	20,573	16,582	10,981
Earnings from continuing operations	$ 6,672	11,365	7,317	2,455
Earnings before cumulative effect of accounting change	$ 6,959	11,901	7,780	4,268
Net earnings	$ 319	11,901	7,780	4,268
Primary and fully diluted earnings per common share:				
Earnings from continuing operations	$ 0.13	0.21	0.14	0.05
Earnings before cumulative effect of accounting change	$ 0.14	0.22	0.15	0.08
Net earnings	$ 0.01	0.22	0.15	0.08

Operating profit consists of revenues less operating costs and expenses, depreciation, general and administrative expenses and other income and expenses of the Marine and Compression segments.

See notes (2), (6), (7) and (11) for detailed information regarding transactions which affect fiscal 1994 and 1993 quarterly amounts.

SCHEDULE I

TIDEWATER INC. AND SUBSIDIARIES
MARKETABLE SECURITIES
YEARS ENDED MARCH 31, 1994 AND 1993
(IN THOUSANDS)

Column A	Column B	Column C	Column D	Column E

Issuer of Securities	Number of Units	Cost	Market Value	Amount at Which Shown In the Balance Sheet
1994				
United States Treasury Bills	19	$ 92,523	$ 92,841	$ 92,841
1993				
United States Treasury Bills	20	$ 93,815	$ 94,173	$ 94,173

SCHEDULE V

TIDEWATER INC. AND SUBSIDIARIES
PROPERTIES AND EQUIPMENT
YEARS ENDED MARCH 31, 1994, 1993, AND 1992
(IN THOUSANDS)

Column A	Column B	Column C	Column D	Column E	Column F
Classifications	Balance at Beginning of period	Additions at Cost	Retirements	Other Changes Add (Deduct)	Balance at End of Period
1994					
Vessels and marine equipment	$ 1,133,361	30,697	7,733	(33,708) (A,C,D,G)	1,122,617
Land	2,924	29	---	---	2,953
Buildings	13,767	554	39	(103) (A)	14,179
Dock facilities and shop machinery and equipment	9,073	439	90	(53) (A)	9,369
Compressors and other rental equipment	110,285	19,705	6,182	(1,494) (H)	122,314
Furniture and fixtures	7,891	818	1,355	(44)	7,310
Autos and trucks	6,899	1,077	612	(11)	7,353
Domestic oil and gas properties	3,365	---	3,215	---	150
	$ 1,287,565	53,319	19,226	(35,413)	1,286,245
1993					
Vessels and marine equipment	1,128,021	44,573	5,566	(33,667) (A,C,D,E,F)	1,133,361
Land	2,925	---	---	(1)	2,924
Buildings	13,476	702	384	(27) (A)	13,767
Dock facilities and shop machinery and equipment	9,572	437	595	(341) (A)	9,073
Compressors and other rental equipment	110,298	4,756	4,840	71	110,285
Furniture and fixtures	7,252	978	314	(25)	7,891
Autos and trucks	6,891	920	761	(151)	6,899
Domestic oil and gas properties	3,365	---	---	---	3,365
	$ 1,281,800	52,366	12,460	(34,141)	1,287,565
1992					
Vessels and marine equipment	1,118,942	28,258	4,874	(14,305) (A,B,C)	1,128,021
Land	2,925	---	---	---	2,925
Buildings	13,403	132	26	(33) (A)	13,476
Dock facilities and shop machinery and equipment	8,639	1,163	36	(194) (A)	9,572
Compressors and other rental equipment	107,067	8,055	4,824	---	110,298
Furniture and fixtures	6,788	732	256	(12)	7,252
Autos and trucks	6,709	1,006	817	(7)	6,891

Domestic oil and gas properties	3,365	---	---	---	3,365
	$ 1,267,838	39,346	10,833	(14,551)	1,281,800

(A) Amortization of major repairs to fully depreciated vessels, leasehold improvements and excess cost of investment is charged directly to the related asset account and amounted to $11,007,000 in 1994, $9,167,000 in 1993, and $6,719,000 in 1992.

(B) Reclassification of vessel equipment of $94,000 in 1992.

(C) Vessels withdrawn from service pending disposition and transferred to other non-current assets were $17,887,000 in 1994, $11,427,000 in 1993, and $7,718,000 in 1992.

(D) Transfer of vessels from unconsolidated marine joint ventures in 1994 of $1,930,000 and transfer of vessels to unconsolidated marine joint ventures in 1993 of $3,952,000.

(E) Exchange of two towing supply vessels for three supply vessels and one utility vessel in 1993 of $8,576,000.

(F) Reclassification of accumulated amortization in 1993 of $813,000.

(G) Reclassification of accumulated depreciation of $6,988,000 on five marine service vessels pursuant to cancellation of capitalized lease obligations.

(H) Write-off of fully depreciated obsolete equipment.

SCHEDULE VI

TIDEWATER INC. AND SUBSIDIARIES
ACCUMULATED DEPRECIATION OF PROPERTIES AND EQUIPMENT
YEARS ENDED MARCH 31, 1994, 1993, AND 1992
(IN THOUSANDS)

Column A	Column B	Column C	Column D	Column E	Column F
Classifications	Balance at Beginning of period	Additions at Cost	Retirements	Other Changes Add (Deduct)	Balance at End of Period
1994					
Vessels and marine equipment	$ 704,994	61,445	4,463	(20,724) (A,B,E)	741,252
Buildings	7,837	452	38	(5)	8,246
Dock facilities and shop machinery and equipment	5,753	623	90	143	6,429
Compressors and other rental equipment	69,323	8,432	5,377	(1,494) (F)	70,884
Furniture and fixtures	6,035	626	1,297	(14)	5,350
Autos and trucks	5,286	1,067	593	(4)	5,756
Domestic oil and gas properties	3,516	---	3,366	---	150
	$ 802,744	72,645	15,224	(22,098)	838,067
1993					
Vessels and marine equipment	672,003	60,098	4,850	(22,257) (A,B,C,D)	704,994
Buildings	7,723	525	349	(62)	7,837
Dock facilities and shop machinery and equipment	5,213	628	144	56	5,753
Compressors and other rental equipment	64,045	7,638	2,433	73	69,323
Furniture and fixtures	5,661	563	188	(1)	6,035
Autos and trucks	5,027	1,186	754	(173)	5,286
Domestic oil and gas properties	3,449	67	---	---	3,516
	$ 763,121	70,705	8,718	(22,364)	802,744
1992					
Vessels and marine equipment	616,324	61,584	974	(4,931)	672,003

				(A)	
Buildings	6,981	770	24	(4)	7,723
Dock facilities and shop machinery and equipment	4,683	569	25	(14)	5,213
Compressors and other rental equipment	59,814	7,818	3,587	---	64,045
Furniture and fixtures	5,276	634	242	(7)	5,661
Autos and trucks	4,407	1,304	780	96	5,027
Domestic oil and gas properties	3,365	84	---	---	3,449
	$ 700,850	72,763	5,632	(4,860)	763,121

(A) Accumulated depreciation on vessels withdrawn from service pending disposition and transferred to other non-current assets was $14,776,000 in 1994, $9,650,000 in 1993, and $4,911,000 in 1992.
(B) Transfer of vessels from unconsolidated marine joint ventures in 1994 of $1,130,000 and transfer of vessels to unconsolidated marine joint ventures in 1993 of $3,153,000.
(C) Exchange of two towing supply vessels for three supply vessels and one utility vessel in 1993 of $8,576,000.
(D) Reclassification of accumulated amortization in 1993 of $813,000.
(E) Reclassification of accumulated depreciation of $6,988,000 on five marine service vessels pursuant to cancellation of capitalized lease \ obligations.
(F) Write-off of fully depreciated obsolete equipment.

SCHEDULE VIII

TIDEWATER INC. AND SUBSIDIARIES
VALUATION AND QUALIFYING ACCOUNTS
YEARS ENDED MARCH 31, 1994, 1993, AND 1992
(IN THOUSANDS)

Column A	Column B	Column C	Column D		Column E
Description	Balance at Beginning of period	Additions at Cost	Deductions		Balance at End of Period
1994					
Deducted in balance sheet from trade accounts receivables: Allowance for doubtful accounts	$ 6,218	1,741	1,215	(B)	6,744
Deducted in balance sheet from other assets: Amortization of goodwill and debt issuance costs	$ 1,479	321	860	(D)	940
1993					
Deducted in balance sheet from trade accounts receivable: Allowance for doubtful accounts	$ 7,442	533	1,757	(B,C)	6,218
Deducted in balance sheet from other assets: Amortization of goodwill and debt issuance costs	$ 1,055	424	---		1,479
1992					
Deducted in balance sheet from					

trade accounts receivables:					
Allowance for doubtful accounts	$ 6,038	1,919	515	(A,B)	7,442
	==========	=====	=====		=====
Deducted in balance sheet from other assets:					
Amortization of goodwill and debt issuance costs	$ 621	434	---		1,055
	==========	=====	======		=====

(A) Recovery of accounts receivable for which an allowance had been previously provided.
(B) Accounts receivable amounts considered uncollectible and removed from accounts receivable by reducing allowance for doubtful accounts.
(C) Includes reclass of Sea-Barge balance of $1,388,000 to other current assets due to sale of the Container Shipping segment.
(D) Write-off of patent, deferred debt costs and underwriting commissions.

SCHEDULE X

TIDEWATER INC. AND SUBSIDIARIES
SUPPLEMENTARY INCOME STATEMENT INFORMATION
YEARS ENDED MARCH 31, 1994, 1993 AND 1992

Column A	Column B		
	Charged to Costs and Expenses (in thousands)		
Item	1994	1993	1992
Maintenance and repair	$ 76,903	71,133	73,229
	==========	======	======
Depreciation and amortization	$ 83,652	80,317	79,836
	==========	======	======
Reconciliation:			
Amortization - Schedule V	$ 11,007	9,167	6,719
Depreciation - Schedule VI	72,645	70,705	72,763
Write-down of Vessels (A)	---	445	354
	----------	------	------
	$ 83,652	80,317	79,836
	==========	======	======

(A) Amounts are for write-down of Marine vessels withdrawn from service pending disposition and included in other non-current assets.

TIDEWATER INC.

EXHIBITS FOR THE

ANNUAL REPORT ON FORM 10-K

FISCAL YEAR ENDED MARCH 31, 1994

EXHIBIT INDEX

The index below describes each exhibit filed as a part of this report. Exhibits not incorporated by reference to a prior filing are designated by an asterisk; all exhibits not so designated are incorporated herein by reference to a prior filing as indicated.

3(a) - Restated Certificate of Incorporation of Tidewater Inc. (filed with the Commission as Exhibit 3(a) to the Company's quarterly report on Form 10-Q for the quarter ended September 30, 1993).

3(b) - Tidewater Inc. Bylaws (filed with the Commission as Exhibit 3(b) to the Company's quarterly report on Form 10-Q for the quarter ended September 30, 1993).

4(a) - Restated Rights Agreement dated as of December 17, 1993 between Tidewater Inc. and The First National Bank of Boston (filed with the Commission as Exhibit 4 to the Company's quarterly report on Form 10-Q for the quarter ended December 31, 1993).

10(a) - Letter of Credit Agreement dated as of September 7, 1990 (filed with the Commission as Exhibit 10(a) to the Company's quarterly report on Form 10-Q for the quarter ended September 30, 1990).

10(b) - $130,000,000 Revolving Credit and Term Loan Agreement dated February 23, 1993 (filed with the Commission as Exhibit 10 to the Company's report on Form 8-K for February 23, 1994).

10(c) - Tidewater Inc. 1975 Incentive Program Stock Option Plan, as amended in 1990 (filed with the Commission as Exhibit 10(c) to the Company's annual report on Form 10-K for the fiscal year ended March 31, 1991).

10(d) - Tidewater Inc. 1992 Stock Option and Restricted Stock Plan (filed with the Commission as Exhibit 10(f) to the Company's annual report on Form 10-K for the fiscal year ended March 31, 1993).

10(e) - Tidewater Inc. Amended and Restated Supplemental Executive Retirement Plan (filed with the Commission as Exhibit 10(g) to the Company's annual report on Form 10-K for the fiscal year ended March 31, 1993).

10(f) - Tidewater Inc. Amended and Restated Employees' Supplemental Savings Plan (filed with the Commission as Exhibit 10(h) to the Company's annual report on Form 10-K for the fiscal year ended March 31, 1993).

10(g) - Supplemental Health Plan for Executive Officers of Tidewater Inc. (filed with the Commission as Exhibit 10(i) to a Registration Statement on September 12, 1989, Registration No. 33-31016).

*10(h) - Tidewater Inc. Deferred Compensation Plan for Directors.

10(i) - Tidewater Inc. Retirement Plan for Directors as adopted on March 22, 1990 (filed with the Commission as Exhibit 10(k) to the Company's annual report on Form 10-K for the fiscal year ended March 31, 1990).

10(j) - Employment and Consulting Agreement dated as of March 31, 1993 between Tidewater Inc. and John P. Laborde as amended (filed with the Commission as Exhibit 10(l) to the Company's annual report on Form 10-K for the fiscal year ended March 31, 1993).

10(k) - Form of Severance Agreement entered into as of August 1, 1985 with eleven executive officers and key employees, as amended (filed with the Commission as Exhibit 10(j) to the Company's annual report on Form 10-K for the fiscal year ended March 31, 1992).

10(l) - Form of Severance Agreement entered into as of February 18, 1992 with three executive officers, as amended (filed with the Commission as Exhibit 10(k) to the Company's annual report on Form 10-K for the fiscal year ended March 31, 1992).

10(m) - Standstill Agreement dated as of November 11, 1992 between Tidewater Inc. and Zapata Corporation (filed with the Commission as Exhibit 10(o) to the Company's annual report on Form 10-K for the fiscal year ended March 31, 1993).

*10(n) - First Amendment to Standstill Agreement dated January 24, 1994 between Tidewater Inc. and Zapata Corporation.

10(o) - Agreement, dated August 11, 1989, by and among the Company and Irwin L. Jacobs, Daniel T. Lindsay, Gerald A. Schwalbach, TR Holdings, Inc. and Minstar, Inc. (filed with the Commission as Exhibit 1 to the Company's report on Form 8-K for August 11, 1989).

10(p) - Form of Stockholder Agreement entered into by and between the Company and each of the stockholders of Zapata Gulf Marine Corporation (filed with the Commission as Exhibit 10(r) to the Company's annual report on Form 10-K for the fiscal year ended March 31, 1992).

*11 - Earnings per share Computation Information.

*22 - Subsidiaries of the Company.

*24 - Consent of Independent Accountants.

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EXHIBIT 10(h)

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DEFERRED COMPENSATION PLAN FOR

OUTSIDE DIRECTORS OF TIDEWATER INC.

ARTICLE I

PURPOSE

To provide deferral of annual retainer fees, Board meeting attendance fees, Board Committee meeting attendance fees (hereinafter referred to in the aggregate as "Compensation") paid by Tidewater Inc. (the "Company") to members of the Company's Board of Directors.

ARTICLE II

ADMINISTRATION

The Plan will be administered by the Company's Employee Benefits Committee (the "Committee"). The Committee will have the sole authority to interpret the Plan, to prescribe, amend and rescind rules and regulations relating thereto, and in general, make all other determinations necessary or advisable for the administration of the Plan. All decisions of the Committee concerning the administration, construction, and interpretation of the Plan shall be final, conclusive and binding upon parties and interests.

ARTICLE III

PARTICIPANTS

Participation in the Plan is limited to members of the Board of Directors of the Company who are not full time employees who elect to defer Compensation Payments as provided herein (hereinafter referred to individually as the "Director" and collectively as the "Directors"). Upon termination of membership from the Board of Directors of the Company, participation in the Plan shall cease. Distribution of deferred Compensation Payments shall commence as provided in Article VIII herein.

ARTICLE IV

COMPENSATION ELECTIONS

4.1 PAYMENT ELECTION. For each calendar year of the Company, commencing with the 1983 calendar year, any eligible Director may elect to receive Compensation distributed in : (i) cash payments made in the customary manner; or (ii) deferred payments as hereinafter provided.

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4.2 FORM OF DEFERRED COMPENSATION ELECTION. Each Director electing to defer Compensation must further elect to either: (i) have the Company allocate to such Director Compensation units in the form of hypothetical units of the Company's common stock (the "Stock Units"); or (ii) have the Company create a reserve ("Reserve") to which the Company shall credit Compensation Payments which such Director has elected to defer. Transfers by Directors of amounts previously deferred as Stock Units to a Reserve or transfers from a Reserve to Stock Units will not be permitted.

4.3 TIME AND METHOD OF ELECTION. In order for an election to be effective for any given calendar year, the Director must deliver a signed election form to the Committee no later than December 31 of the year preceding the year for which the election is to take effect. In the case of a person who is selected or appointed to the Board of Directors of the Company during the calendar year in which the election or appointment is to take effect, the signed election form must be delivered to the Committee no later than the first Board meeting attended by the Director following such election or appointment. Election must be made on the form attached hereto as Exhibit "A", and available upon request from the Committee. Executed election forms are to be forwarded to the attention of the Committee or a person designated by the Committee to receive them (the "Representative").

4.4 IRREVOCABILITY OF ELECTION. Upon receipt of the signed election form by the Committee or its Representative, the election shall become irrevocable as to the year for which it is effective.

4.5 EFFECT OF NO ELECTION. If a written election form for a calendar year is not received by the Committee or its Representative at the time and in the manner provided in Section 4.3 above, Compensation Payments to which the Director becomes entitled for that calendar year shall be distributed in the form of customary cash payments.

4.6 DEFERRAL AMOUNT. In the event that a Director elects to defer payment of Compensation during a year, such Director must elect to defer payment of all his Compensation for such year until the expiration of the Deferral Period, as defined in Section 8.1 hereof.

ARTICLE V

STOCK UNITS

5.1 STOCK UNITS. For each Director electing to defer Compensation Payments in the form of Stock Units the Company shall credit to such Director's account as of the date of fee or dividend payment of each quarter of each fiscal year of the Company (the "Crediting Date") the number of Stock Units equal to the number of shares of the Company's common stock (including fractions) which could be purchased with the

amount of the Director's Compensation which such Director elected to defer in accordance with Sections 4.1 and 4.2 herein at the Fair Market Value of the Company's common stock on such Crediting Date. The term "Fair Market Value" shall mean the closing quotation for the Company's common stock based on composite transactions for New York Stock Exchange listed issues on such date, or if there is no trading on such date, on the next trading day.

5.2 DIVIDENDS. The Company shall credit to each Director's Account as of the Crediting Date next succeeding the record date for payment of dividends on the Company's common stock the number of Stock Units equal to the number of shares of the Company's common stock (including fractions) which could be purchased at the Fair Market Value of the Company's common stock on such Crediting Date, with the dividends such Director would have received if he had been the owner of the number of shares of the Company's common stock equal to the number of Stock Units (excluding fractions) in his account on the date normal customary dividends would have been paid. After a Director has terminated service on the Board, dividends shall continue to be credited to such Director's Stock Unit account until all deferred Compensation has been distributed pursuant to Article VIII herein.

5.3 ADJUSTMENT IN STOCK UNITS. The total number of Stock Units credited to each Director's account shall be appropriately adjusted from time to time, as determined by the Board of Directors or the Committee, for any increase or decrease in the number of outstanding shares of the Company's common stock resulting from a subdivision or combination of shares of common stock, a dividend payable in common stock, a reclassification of common stock, a merger or consolidation, or for any other change in the capital structure or shares of common stock. The determination of the Board of Directors or the Committee shall be final, conclusive and binding upon all parties and interests.

ARTICLE VI

ESTABLISHMENT OF RESERVE

6.1 ESTABLISHMENT OF RESERVE. For each Director electing to defer Compensation Payments in the form of the Reserve referred to in Section 4.2, the Company shall establish a Reserve on its books to which the Company shall credit Compensation Payments which each Director has elected to defer. Credits of Compensation Payments to the Reserve shall be made by the Company at the end of each fiscal quarter during which customary cash payments would have been made had the Director not elected their deferral.

6.2 INTEREST ACCRUALS. On all Compensation Payments that a Director may elect to defer and be credited to the Reserve for such Director, there shall be credited to such Reserve an amount equal to interest on those Compensation Payments compounded quarterly from the date such

Compensation Payments are credited to such Directors' Reserve as follows:

(a) For interest on Compensation Payments prior to April 1, 1994, the rate of interest shall be the ninety (90) day certificate of deposit rate offered by the Company's principal New York bank as of the beginning of each of the Company's fiscal quarters;

(b) For interest on Compensation Payments on and after April 1, 1994, the rate of interest shall be the one year United States Treasury Bill rate as published in The Wall Street Journal as of the beginning of each of the Company's fiscal quarters.

After a Director has terminated service on the Board, interest shall continue to such Director's Reserve until all deferred Compensation is distributed pursuant to Article VIII herein.

ARTICLE VII

COMPANY LIABILITY AND DIRECTOR'S RIGHTS

7.1 COMPANY'S LIABILITY FOR STOCK UNIT ACCOUNTS AND RESERVES. Amounts credited to the Stock Unit accounts and Reserves shall represent entries made on the Company's books solely for record-keeping purposes under the Plan. All amounts so credited shall at all times constitute general, unsecured liabilities of the Company payable exclusively out of its general assets, and in no event and under no circumstance shall the Company be obligated or required to segregate from its general assets (whether by trust or otherwise) funds sufficient to pay any of the amounts credited to Stock Unit accounts or Reserves.

7.2 RIGHTS OF DIRECTORS IN STOCK UNIT ACCOUNTS AND RESERVES. Nothing contained in this Plan shall be deemed to confer upon any Director who elects to defer Compensation Payments any right, title, or vested interest in and to Stock Unit accounts and Reserves or the amounts from time to time credited thereto. As a condition of electing to defer Compensation Payments pursuant to the Plan, each Director shall be required to acknowledge and confirm in writing that: (i) the Company's obligation to make deferred Compensation Payments and accruals with respect thereto shall be no greater than the right of any unsecured creditor of the Company generally; and (ii) all deferred Compensation Payments shall be payable only as provided in Article VIII hereof.

ARTICLE VIII

TIME AND METHOD OF DISTRIBUTION

8.1 ELECTION FOR DISTRIBUTION. Directors may elect to defer Compensation Payments until the earlier of (i) termination of Board service with the Company; or (ii) the Director's attainment of age sixty-five (65) (the "Deferral Period").

8.2 NOTICE TO DIRECTOR. Six (6) months prior to the date when the Company will commence distribution of deferred Compensation to a Director, the Committee or its Representative shall contact the Director in writing in order to obtain his written election as to whether he desires to receive distribution in a lump-sum or installments, specifying the number. Failure of the Director to make an election will be deemed to be an election for a lump-sum payment.

8.3 TIMING OF DISTRIBUTION. As soon as practicable after the expiration of the Deferral Period, all payments credited to such Director either through Stock Units or a Reserve shall be distributed to him (or his designated beneficiary) in the form of: (i) a single lump-sum payment; or (ii) annual installment payments over not less than two (2) nor more than ten (10) years. If payment in the form of annual installment payments is elected, the second and remaining annual installment payments, if any, shall be payable on the successive anniversary dates of the first payment. If, after commencing to receive distribution under this Article, a Director dies prior to completion of such distribution, then any remaining annual installment payments shall be payable to the Director's designated beneficiary at the same times and in the same amounts as the payments would have been made to the Director.

8.4 MANNER OF DISTRIBUTION - STOCK UNITS. For those Directors electing to defer Compensation under the option provided in Article V, distribution shall be as follows: (i) for lump sum distributions, the amount of cash distributed shall be equal to the number of Stock Units credited to a Director's account as of the Payment Date multiplied by the Fair Market Value of the Company's common stock on the Payment Date as of which such payment is made; or (ii) for annual installment distributions, the amount of each installment shall be the numerator (equal to one) divided by the denominator (this being the total number of installment payments elected by the Director) multiplied by the Fair Market Value of the Company's common stock on the Payment Date as of which such installment is paid.

8.5 HARDSHIP. In the case of hardship as defined herein, the Director may petition the Committee for immediate distribution of any Compensation deferred in a Reserve by election. Hardship shall include unusual financial need which arises from:

(a) Expenses or debts incurred by, or assumed by a Director which are: (i) not covered by insurance; (ii) arise out of an accident to, or the illness or disability of a Director, a member of the Director's family, or a dependent of the Director; and (iii) occur as the result of a Director's divorce or separation, or the divorce, separation or death of a member of a Director's family.

(b) Sudden, unexpected losses, not covered by insurance, arising out of the following circumstances: (i) casualty occurrence; (ii) theft of personal property; and (iii) rendering of a legal judgment against the Director, a member of the Director's family, or a dependent of the Director.

(c) Educational expenses which arise from: (i) education of a member of the Director's family; and (ii) education of a dependent of the Director.

(d) Severe curtailment of a Director's personal income due to reasons beyond the Director's control.

(e) Expenses resulting from the purchase of a primary residence by the Director.

No hardship withdrawals may be made from deferred Compensation invested in Stock Units.

8.6 DESIGNATION OF BENEFICIARY. Any Director who elects to defer any or all of his Compensation Payments shall have the right to designate a beneficiary, or beneficiaries who are to receive distribution of those payments if the Director dies before the distribution as elected under this Article is made. Any beneficiary designation, or change in the beneficiary designation, shall be made in writing by completing and furnishing to the Committee or its Representative the appropriate form attached hereto as Exhibit "B". The last designation of beneficiary received by the Committee or its Representative shall be controlling over any testamentary or purported disposition by the Director, provided that no designation, or change of designation thereof shall be effective unless received by the Committee prior to the death of the Director. If there is no designated beneficiary living at the time distribution of any Compensation is to be made, or if any designation of beneficiary shall be ineffective for any reason, then the Compensation shall be paid to the estate of the Director. In the event a designated beneficiary who has commenced to receive distribution of Director's payments pursuant to this Article shall die prior to completion thereof, then any remaining payments shall be delivered to the estate of the beneficiary in a lump sum within twelve (12) months following the date of death.

8.7 ACCELERATION. Notwithstanding any provisions of the Plan to the contrary, in the case of "change of control of the Company" as defined

herein, any Compensation deferred in a Reserve under the Plan shall be distributed immediately upon the Company's receipt of a written request delivered by a Director or any other person or entity claiming on behalf of a Director. For purposes of this Plan, a "change in control of the Company" shall mean a change in control of a nature that would be required to be reported in response to Item 5(f) of Schedule 14A of Regulation 14A promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), whether or not the Company is then subject to such reporting requirement; provided that, without limitation, such a change in control shall be deemed to have occurred if (A) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act), other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company, is or becomes the "beneficial owner" (as defined in Rule 13D-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 35% or more of the combined voting power of the Company's then outstanding securities; (B) during any period of two consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board and any new director whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority of the Board.

ARTICLE IX

REQUESTS FOR DISTRIBUTION

9.1 REQUESTS UNDER THE PLAN. A Director, or any other person or entity claiming on behalf of a Director, may present a written request to the Committee or its Representative for distribution of any amounts due or alleged to be due under the Plan. Within (30) days following receipt of the request, the Committee shall advise the Director or other person or entity in writing of the amounts payable and the method of distribution of such amounts.

9.2 REVIEW OF REQUESTS. If a request for distribution under the Plan is not approved, the Committee shall set forth in writing in a manner calculated to be understood by the Director or other person or entity: (i) the specific reason or reasons for the action taken; (ii) specific reference to the pertinent provisions of the Plan upon which the action was taken; (iii) a description of any additional material or information necessary to have the request approved and an explanation of why such material or information is necessary; and (iv) an explanation of the Committee's review procedure. The Committee shall afford the Director or other person or entity a reasonable opportunity for a full and fair review by the Committee of its action taken if

requested to do so within thirty (30) days after receipt of the written statement of the Committee's action.

ARTICLE X

MISCELLANEOUS

10.1 EFFECTIVE DATE. This Plan shall be effective as of the beginning of the first fiscal quarter of the Company after adoption of this Plan, and shall continue for succeeding fiscal years of the Company unless amended or terminated by the Board of Directors.

10.2 EFFECT OF PLAN. The establishment and continuance of the Plan by the Company shall not constitute a contract of service between the Company and any Director, and shall not be deemed to be consideration for, inducement to, or a condition of service of any person. The deferral of any Compensation Payments pursuant to the provisions of the Plan shall not limit the rights of the shareholders or Directors of the Company to remove a Director as permitted by the Certificate of Incorporation, By-Laws or applicable laws. No trust or other fiduciary relationships shall be created or deemed to arise from any deferrals under the Plan.

10.3 PROHIBITION AGAINST ASSIGNMENT. The right of any Director (or his designated beneficiary) to receive any payment or installment under the Plan shall not be subject in any manner to attachment or other legal process or proceedings for discharge of the debts of the Director or beneficiary, and any such payment or installment shall not be subject to anticipation, alienation, sale, transfer, assignment, pledge, mortgage or encumbrance.

10.4 AMENDMENT AND TERMINATION. (i) The Board intends to continue the Plan indefinitely but reserves the right to modify the Plan from time to time, or to repeal the Plan entirely, or to direct the permanent discontinuance or temporary suspension of payments under the Plan; provided that no such modification, repeal, discontinuance or suspension shall affect or otherwise deprive the Directors of any payments to which they may be entitled under the Plan at the time thereof; (ii) No amendment or termination of this Plan shall, without the consent of the participants under the Plan or beneficiaries thereunder change the amount of deferred Compensation owed such person under the Plan; and (iii) In the case of Compensation deferred in a Reserve upon termination of the Plan, or upon dissolution or liquidation of the Company, or any merger or consolidation in which the Company is not the surviving corporation, each participant and beneficiary receiving payments hereunder shall be entitled to receive in a lump sum all deferred Compensation owed such person accounted for in such person's Reserve or Stock Unit account. Amounts owed and Fair Market Value shall be determined as of the effective date of such termination, dissolution, liquidation, merger or consolidation.

10.5 GOVERNING LAW. Except to the extent preempted or superseded by the federal laws of the United States of America, the laws of the State of Louisiana will govern the Plan.

10.6 NOTICES. All notices, reports, statements, distributions or payments given, made, delivered or transmitted to a Director or his designated beneficiary shall be deemed to be duly given, made, delivered or transmitted when mailed, by first class mail, postage prepaid, addressed to the Director or beneficiary at the address appearing on the books of the Committee. Written directions, notices, and other communications to the Company, the Committee or its Representative, shall be deemed to be duly given, made or delivered when received by the Committee or its Representative at such location as may from time to time be specified.

10.7 GENDER AND NUMBER. Whenever appropriate in the Plan, the masculine gender shall be construed to include the feminine, and the feminine gender shall be construed to include the masculine. Words in the singular shall be construed to include the plural, and the plural to include the singular.

Exhibit A

TIDEWATER INC. DEFERRED COMPENSATION PLAN
FOR OUTSIDE DIRECTORS
ANNUAL DEFERRAL ELECTION

WHEREAS, Tidewater Inc. (hereafter the "Company") has established a formal deferred compensation plan (hereinafter the "Plan") for members of its Board of Directors who are not full time employees of the Company (hereinafter "Outside Board Members"); and

WHEREAS, The Plan permits participants to elect to defer any annual retainer fee, Board meeting attendance fees, and Committee Meeting attendance fees (hereafter "Compensation") in accordance with the terms of the Plan:

NOW, THEREFORE, I _________________________________, do elect to defer Compensation I earn with respect to Board services I shall perform for the Company during the Calendar Year beginning January 1, 19___, subject to the following understandings and restrictions.

1. Under this election and pursuant to Section 4.2 of the Plan, I direct the Company to:

   a. ____ allocate Compensation units in the form of hypothetical units of the Company's common stock (the "Stock Units"); or

   b. ____ create a reserve (the "Reserve") to which the Company shall credit Compensation Payments which I have elected to defer.

2. If I shall have elected to defer Compensation under the Plan and I shall die before terminating Board service with the Company, I shall be deemed to have elected to receive payment of such Compensation in a lump sum distribution.

3. This election is irrevocable.

4. All other terms of this Deferral Election shall be governed by the Tidewater Inc. Deferred Compensation Plan for Outside Directors, and any amendments thereto, which is in effect at the time of this election. All of the terms and conditions of said Plan are incorporated by reference thereto.

5. I acknowledge, by my signature below, that I have read and understand the terms of the Plan.

IN WITNESS WHEREOF, I affix my signature to this election day of ____________________, 19_____.

____
(Signature of Participant)

Receipt Acknowledged: Tidewater Inc.

By: ______________________________________

Date: ____________________________________

Exhibit B

TIDEWATER INC. DEFERRED COMPENSATION PLAN

FOR OUTSIDE DIRECTORS

DESIGNATION OF BENEFICIARY

1. I am a participant in the Deferred Compensation Plan for Directors of Tidewater Inc. (the "Plan") and I hereby designate the following as my beneficiary under the Plan:

	Name (age if under 18)	Relationship
Primary	_________________________	__________________
Secondary	_________________________	__________________
	_________________________	__________________

2. This designation shall be subject to the terms of, and any amounts which become payable hereunder shall be governed by, the Plan as from time to time in effect.

____
(Signature of Participant)

Date: ____________________

Receipt Acknowledged: Tidewater Inc.

By: ______________________________________

Date: ____________________________________

EXHIBIT 10(n)

FIRST AMENDMENT TO STANDSTILL AGREEMENT

This First Amendment to Standstill Agreement dated January 24, 1994 (the "Amendment") by and between Tidewater Inc., a Delaware corporation ("Tidewater") and Zapata Corporation, a Delaware corporation ("Zapata").

WHEREAS, the parties are parties to a Standstill Agreement dated as of November 11, 1992 (the "Agreement"), which Agreement was entered into at a time that Zapata was the Beneficial Owner (as defined in the Agreement) of 20% of the issued and outstanding shares of Tidewater common stock; and

WHEREAS, during 1993 Zapata publicly sold shares of Tidewater common stock of which it was the Beneficial Owner, thus reducing the percentage of shares of outstanding Tidewater common stock that it Beneficially Owns to less than 2%;

WHEREAS, the parties mutually agree that, in recognition of the substantial reduction of Zapata's Beneficial Ownership of Tidewater common stock, it is appropriate to amend the Standstill Agreement to delete certain of its provisions;

NOW, THEREFORE, in consideration of the premises and the mutual agreements and covenants contained herein, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Amendment to Agreement. The Agreement is hereby amended to delete the following provisions in their entirety: 4.1(j); 4.2; 4.3; 4.4; 5.2; 5.3 and 7.1.

2. Continuation of Other Covenants. The parties mutually agree that, except as the Agreement has been amended by Section 1 of this Amendment, the Agreement and all of its provisions remain unamended and in full force and effect and continue to constitute the legal, valid and binding obligations of the parties.

3. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of Delaware, excluding such laws that direct the application of the laws of any other jurisdiction.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Standstill Agreement effective as of the date first written above.

TIDEWATER INC.

By: /S/ JOHN P. LABORDE
John P. Laborde,
Chairman of the Board,
President and
Chief Executive Officer

ZAPATA CORPORATION

By: /S/ THOMAS H. BOWERSON
Thomas H. Bowerson,
Executive Vice President

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EXHIBIT 11

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TIDEWATER INC.
EARNINGS PER SHARE COMPUTATION INFORMATION
YEARS ENDED MARCH 31, 1994, 1993 AND 1992

(in thousands, except per share data)

		1994	1993	1992
Net earnings from continuing operations	$	36,130	27,809	25,904
Discontinued operations		---	3,099	357
Extraordinary loss on early debt retirement		(11,970)	---	---
Cumulative effect of accounting change		---	(6,640)	---
Net earnings	$	24,160	24,268	26,261

Issued shares: 53,022,955

	1994	1993	1992
Weighted average common shares outstanding	52,946,031	52,653,905	52,350,631
Incremental shares applicable to stock options	371,470	419,668	330,811
Weighted Average Common Shares and Equivalents	53,317,501	53,073,573	52,681,442

		1994	1993	1992
Primary and fully-diluted earnings per common share:				
Continuing operations	$	0.67	0.53	0.49
Discontinued operations		---	0.06	0.01
Extraordinary loss on early debt retirement		(.22)	---	---
Cumulative effect of accounting change		---	(.13)	---
Net earnings	$	0.45	0.46	0.50

The above earnings per share (EPS) calculations are submitted in accordance with APB Opinion No. 15. An EPS calculation in accordance with Regulation S-K item 601(b)(11) is not shown above because it produces an anti-dilutive result. The following information is disclosed for purposes of calculating the anti-dilutive EPS:

		1994	1993	1992
Shares attributable to assumed conversion of convertible subordinated debentures		1,840,880	1,885,400	1,929,664
Interest expense (in thousands) applicable to convertible subordinated debentures, net of income taxes	$	2,377	2,743	3,000

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EXHIBIT 22

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SUBSIDIARIES
IMMEDIATE SUBSIDIARIES OF THE COMPANY

NAME	STATE OF JURISDICTION OR INCORPORATION	PERCENTAGE OF VOTING SECURITIES OWNED
Hilliard Oil & Gas, Inc	Nevada	100%
International Offshore Services (U.K.) Ltd.	United Kingdom	100%
Java Boat Corporation	Louisiana	100%
Pacific Tidewater Pty. Ltd.	Australia	100%
Pental Insurance Co. Ltd.	Bermuda	100%
Provident Marine Ltd.	Turks & Caicos Is.	50%
Schopco, Inc.	Louisiana	100%
Seafarer Boat Corporation	Louisiana	100%
Sin-Hai Offshore Co. Pte. Ltd.	Singapore	97.5%
S.O.P., Inc.	Louisiana	100%
Tidewater Compression Service, Inc.	Texas	100%
Tidewater Crewing Limited	Cayman Islands	100%
Tidewater Enterprises, Inc.	Louisiana	100%
Tidewater Fleets, Inc.	Louisiana	100%
Tidewater Grand Isle, Inc.	Louisiana	100%
Tidewater (IOM) Limited	Isle of Man	100%
Tidewater Liberia, Inc.	Liberia	100%
Tidewater Marine, Inc.	Louisiana	100%
Tidewater Marine (Malaysia) Sdn. Bhd.	Malaysia	100%
Tidewater Marine Pacific, Inc.	California	100%
Tidewater Marine Service, Inc.	Louisiana	100%
Tidewater Marine Service (U.K.) Ltd.	United Kingdom	100%
Tidewater Marine Towing, Inc.	Louisiana	100%
Tidewater Marine West Indies Limited	Bahama Islands	100%
Tidewater Nautico, Inc.	Panama	100%
Tidewater Navigators, Inc.	Louisiana	100%
Tidewater Realty, Inc.	Louisiana	100%
Tidewater Resources, Inc.	Louisiana	100%
Tidewater Services, Inc.	Louisiana	100%
Tidewater Venezuela, C.A.	Venezuela	100%
Tidewater Ventures, Inc.	Louisiana	100%
Tidewater Vessels, Inc.	Louisiana	100%
TT Boat Corporation	Louisiana	100%

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IMMEDIATE SUBSIDIARIES OF THE COMPANY, CONTINUED

NAME	STATE OF JURISDICTION OR INCORPORATION	PERCENTAGE OF VOTING SECURITIES OWNED
Twenty Grand Marine Service, Inc.	Louisiana	100%
Twenty Grand Offshore, Inc.	Louisiana	100%
Servicios Maritimos Ves, S.A. de R.L.	Mexico	49%
Zapata Gulf Marine Corporation	Delaware	100%

SUBSIDIARY OF THE COMPANY THROUGH
GULF FLEET MIDDLE EAST, INC.

Gulf Fleet Abu Dhabi	United Arab Emirates	49%

SUBSIDIARIES OF THE COMPANY THROUGH
GULF FLEET SUPPLY VESSELS, INC.

Gulf Fleet International Inc.	Panama	100%
Gulf Fleet Middle East, Inc.	Panama	100%
Gulf Fleet N.V.	Netherlands Antilles	100%
Marine Leasing Company	Missouri	100%
Offshore Equipment Company	Delaware	100%
Offshore Marine International Limited	Vanuatu	100%
Servicios Maritimos del Carmen, S.A. de C.V.	Mexico	100%*
Servicios y Representaciones Maritimas Mexicanas, S.A. de C.V.	Mexico	49%**
Tidewater Marine Atlantic, Inc.	Delaware	100%
Tidewater Marine International Pte. Ltd.	Singapore	100%
Tidewater Pacific, Inc.	Missouri	100%
Zapata Gulf Crews, Inc.	Panama	100%
Zapata Gulf Pacific, Inc.	Delaware	100%

SUBSIDIARY OF THE COMPANY THROUGH
GULF FLEET SUPPLY VESSELS, INC. AND JAVA BOAT CORPORATION

Servicios de Abastecimientos Mexicanos, S. de R.L. de C.V.	Mexico	100%

SUBSIDIARIES OF THE COMPANY THROUGH
JACKSON MARINE CORPORATION

NAME	STATE OF JURISDICTION OR INCORPORATION	PERCENTAGE OF VOTING SECURITIES OWNED
Al Wasl Marine Limited	United Arab Emirates	49%
Jackson Marine, S.A.	Panama	100%
Jackson Marine Shipping Limited	United Kingdom	100%
Mashhor Marine Sdn. Bhd.	Brunei	70%
The National Marine Services Company	United Arab Emirates	40%

SUBSIDIARY OF THE COMPANY THROUGH
OFFSHORE EQUIPMENT COMPANY

Antilles Marine Service Limited	Trinidad & Tobago	50%

SUBSIDIARY OF THE COMPANY THROUGH
OFFSHORE MARINE INTERNATIONAL LIMITED

Lamnalco - Tidewater Marine Service Limited	Vanuatu	50%

SUBSIDIARIES OF THE COMPANY THROUGH
PACIFIC TIDEWATER PTY. LIMITED

Tidewater Port Jackson Marine Pty. Ltd.	Australia	50%
Tidewater Chartering Pty. Ltd.	Australia	50%

SUBSIDIARY OF THE COMPANY THROUGH
SIN-HAI OFFSHORE CO. PTE. LTD.

Zhong Chang Offshore Marine Service Co. Ltd.	People's Republic of China	50%

SUBSIDIARIES OF THE COMPANY THROUGH
TIDEWATER CARIBE, C.A.

	STATE OF	PERCENTAGE OF VOTING

NAME	JURISDICTION OR INCORPORATION	SECURITIES OWNED
Equipo Mara, C.A.	Venezuela	19.9%
Pacific Tidewater Marine Ltd.	Canada	100%
Tidewater Marine Service, C.A.	Venezuela	100%

SUBSIDIARIES OF THE COMPANY THROUGH TIDEWATER GRAND ISLE, INC.
TIDEWATER VENTURES, INC.
TWENTY GRAND MARINE SERVICE, INC. AND TWENTY GRAND OFFSHORE, INC.

Tidewater NW Java, Inc.	Louisiana	100%
Tidewater SE Sumatra, Inc.	Louisiana	100%

SUBSIDIARY OF THE COMPANY THROUGH
TIDEWATER INC. AND ZAPATA GULF MARINE OPERATORS, INC.

Compania Maritima de Magallanes Limitada	Chile	100%

SUBSIDIARIES OF THE COMPANY THROUGH
TIDEWATER MARINE, INC.

Eastern Boat Operators, Inc.	Louisiana	100%
Pan-Marine do Brasil Transportes Ltda.	Brazil	100%
Pan-Marine International, Inc.	Cayman Islands	100%
Tidewater Marine International, Inc.	Panama	100%
Tidewater Marine Western, Inc.	Texas	100%
Tidex (Malaysia) Sdn. Bhd.	Malaysia	100%
Tidex Nigeria Limited	Nigeria	60%
Tidex Private Limited	Singapore	100%

SUBSIDIARY OF THE COMPANY THROUGH
TIDEWATER MARINE SERVICE, C.A.

NAME	STATE OF JURISDICTION OR INCORPORATION	PERCENTAGE OF VOTING SECURITIES OWNED
Equipo Zulia, C.A.	Venezuela	100%

SUBSIDIARIES OF THE COMPANY THROUGH

TIDEWATER MARINE (UK) LIMITED

Offshore Marine Limited	United Kingdom	100%
Zapata Services (U.K.) Limited	United Kingdom	100%

SUBSIDIARY OF THE COMPANY THROUGH
TIDEWATER PACIFIC, INC.

Offshore Fleet International Incorporated	Panama	100%

SUBSIDIARIES OF THE COMPANY THROUGH
TIDEWATER PORT JACKSON MARINE PTY. LTD.

Torrens Ship Builders Pty. Ltd.	Australia	100%
TPJM Nominees Limited	Vanuatu	100%

SUBSIDIARY OF THE COMPANY THROUGH
TIDEWATER VENEZUELA, C.A.

Tidewater Caribe, C.A.	Venezuela	100%

SUBSIDIARIES OF THE COMPANY THROUGH
ZAPATA GULF MARINE CORPORATION

NAME	STATE OF JURISDICTION OR INCORPORATION	PERCENTAGE OF VOTING SECURITIES OWNED
Asie Zapata Marine Service Sdn. Bhd.	Malaysia	49%
Gulf Fleet Supply Vessels, Inc.	Louisiana	100%
Jackson Marine Corporation	Delaware	100%
Marine Transportation Services Sea-Barge Group, Inc.	Delaware	60%
Offshore Marine Services S.p.A.	Italy	100%***
Quality Shipyards, Inc.	Louisiana	100%
Southern Ocean Services Pte. Ltd.	Singapore	100%
Zapata Gulf Marine International Limited	Vanuatu	100%
Tidewater Marine (UK) Limited	United Kingdom	100%
Zapata Gulf Marine Operators, Inc.	Delaware	100%
Zapata Marine Service (Nigeria) Limited	Nigeria	60%

Zapata Marine (U.S.) Inc.	Delaware	100%
Zapata Offshore Marine Service Inc.	Liberia	50%

SUBSIDIARIES OF THE COMPANY THROUGH
ZAPATA GULF MARINE INTERNATIONAL LIMITED

NAME	STATE OF JURISDICTION OR INCORPORATION	PERCENTAGE OF VOTING SECURITIES OWNED
Maritide Offshore Oil Services Company S.A.E.	Egypt	49%
Ocean Marine Service Limited	Vanuatu	50%
Zapata Gulf Indonesia Limited	Vanuatu	80%

SUBSIDIARY OF THE COMPANY THROUGH
ZAPATA GULF MARINE OPERATORS, INC.

NAME	STATE OF JURISDICTION OR INCORPORATION	PERCENTAGE OF VOTING SECURITIES OWNED
Zapata Servicos Maritimos Ltda.	Brazil	100%****

SUBSIDIARY OF THE COMPANY THROUGH
ZAPATA OFFSHORE MARINE SERVICE INC.

Shanghai Zapata Houlder Marine Service Corp. Ltd.	People's Republic of China	50%

*   Includes Servicios y Representaciones Maritimas Mexicanas, S.A. de C.V.'s ownership of 48% of the capital stock and the incorporators 3% ownership.

**   Includes Tidewater Marine, Inc.'s (Zapata Gulf Marine Service Corporation's) ownership of 1% of the capital stock.

***   Includes Tidewater Pacific, Inc.'s (Gulf Fleet Marine Operations Inc.'s) ownership of 22% of the capital stock.

**** Includes Zapata Gulf Marine Corporation's ownership of 15% of the capital stock and Gulf Fleet Supply Vessels, Inc.'s ownership of 3% of the capital stock.

EXHIBIT 24

ACCOUNTANT'S CONSENT

The Board of Directors and Stockholders of Tidewater Inc.:

We consent to incorporation by reference in the Registration Statements 2-69356 and 33-38240 on Form S-8 of Tidewater Inc. of our report dated May 5, 1994 relating to the consolidated balance sheets of Tidewater Inc. and subsidiaries as of March 31, 1994 and 1993 and the related consolidated statements of earnings, stockholders' equity and cash flows and related schedules for each of the years in the three-year period ended March 31, 1994, which report appears or is incorporated by reference in the March 31, 1994 annual report on Form 10-K of Tidewater Inc. Our report refers to the change in the method of accounting for postretirement benefits other than pensions in fiscal 1993.

KPMG Peat Marwick

New Orleans, Louisiana
May 5, 1994