



MOI
GLOBAL

*The Membership
Community of
Intelligent Investors*

Bob Robotti
President & CIO

Best Ideas Conference 2018
January 11, 2018

What Makes Robotti Different

Analytical Edge

Within the context of a longer-term perspective and 30+ years of experience, we have the ability to develop a different conclusion than that of the market.

Informational Edge

Our network of industry relationships, focus on deep primary research, and experience serving on company boards, provides us with more pieces for building our information mosaic.

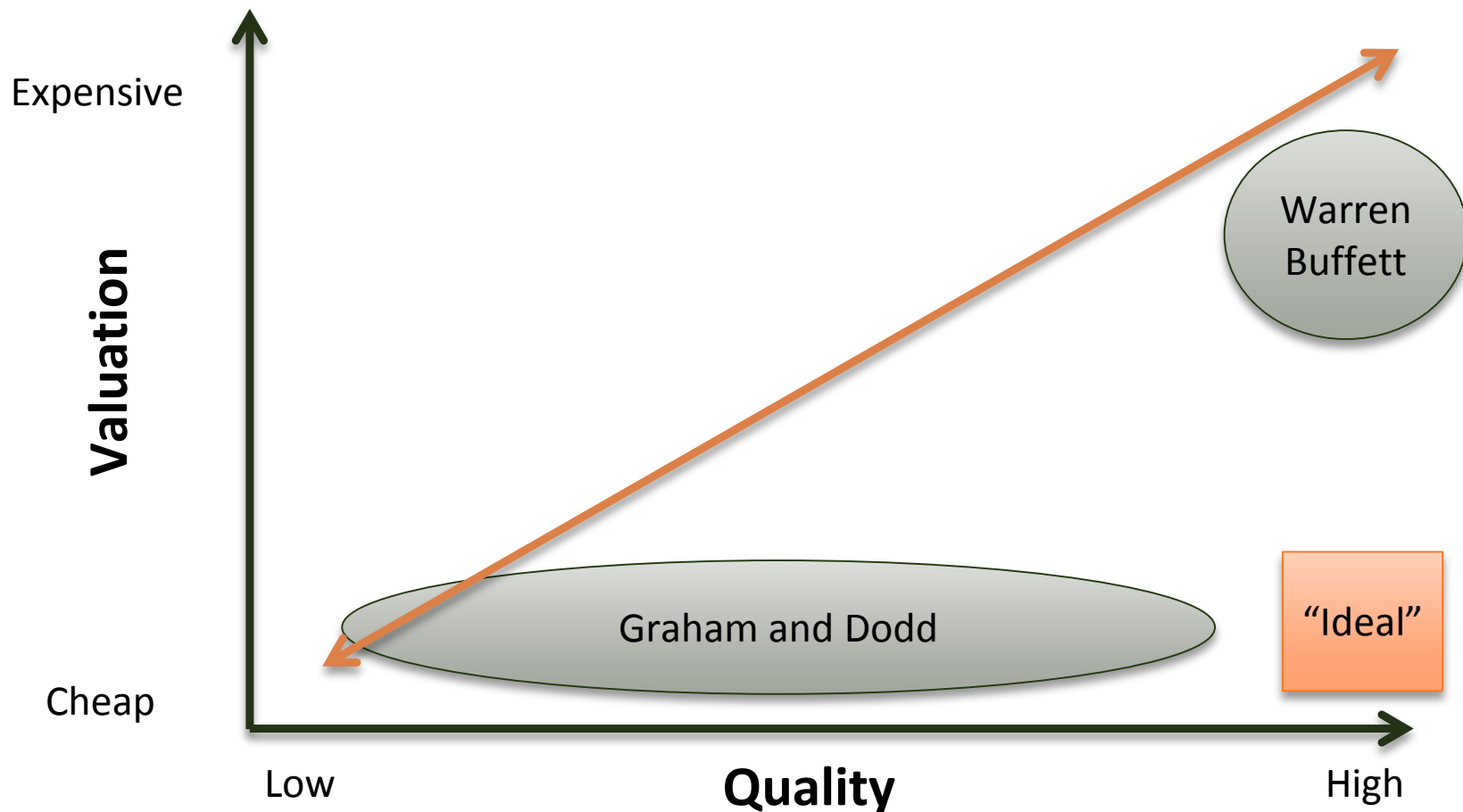
Leads Us To

Behavioral Edge

We take a longer-term view and have the ability to tolerate market swings.

Our behavioral edge comes from our ability to tolerate market volatility. As a result, our investment process concentrates on understanding the long-term normalized earning power of a business well before the “investing herd” gains interest.

Commonalities Among Value Investors

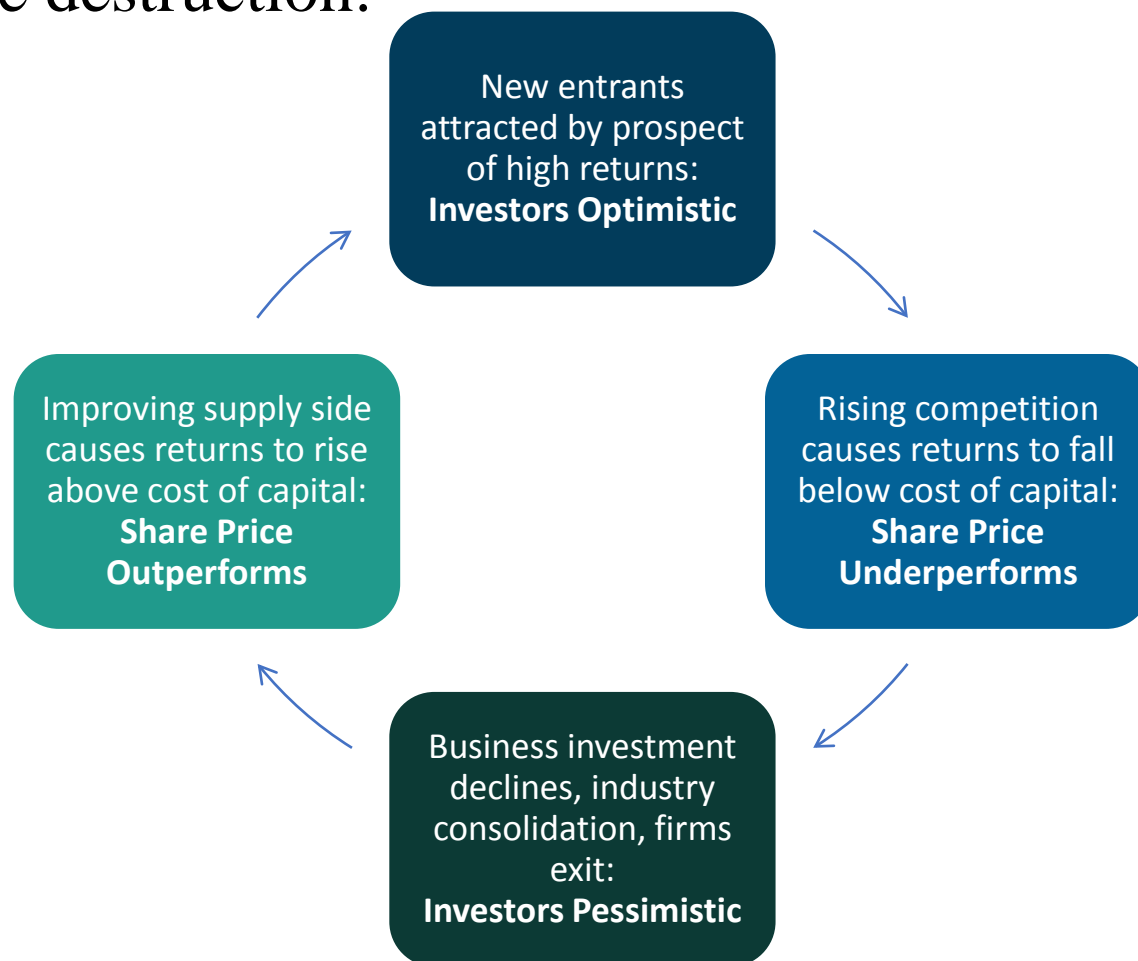


“To me, value investing is a big tent that accommodates many different people. At one end of the tent there is Ben Graham, and at the other end of the tent there is Warren Buffett, who worked with Graham and then went out on his own and made adjustments to the teachings of Ben Graham.”

- Jean-Marie Eveillard (*Graham and Doddsville* – Winter 2007 Ed.)

Understanding the Value of Economic Cycles

Economic cycles resemble Schumpeter's process of creative destruction:



Simple But Not Easy

- Opportunities created by capital cycle analysis often have long gestation periods as the timing of the pay-off can be highly uncertain.
- Holding a contrarian view is difficult – even for a value investor.

“A business which sells at a premium does so because it earns a large return upon its capital; this large return attracts competition; and generally speaking, it is not likely to continue indefinitely. Conversely in the case of a business selling at a large discount because of abnormally low earnings. The absence of new competition, the withdrawal of old competition from the field, and other natural economic forces should tend eventually to improve the situation and restore normal rate of profit on the investment.”

Security Analysis (1934 Edition)
Benjamin Graham and David Dodd



No Shortcut For Experience

“Good investing comes from good judgement. Good judgement comes from experience. Experience comes from bad judgement.”

-Chuck Akre



SEACOR Marine (NYSE: SMHI)



- SEACOR Marine was formed in June 2017 when SEACOR Holdings (CKH) spun-off its Offshore Marine Segment.
- SEACOR's fleet is highly specialized.
- Management has an exceptional track record of financial and operational management while being excellent stewards of capital.
- With the stock currently trading at <50% of tangible book value, we believe the stock is well positioned to benefit a recovery in the offshore energy market while also providing investors with a margin of safety.

Market Capitalization	
Price	\$12.92
+Dil Shrs	17.6
Market Cap	\$228
+LT Debt	142
+Carlyle Convert	175
+MI / Other	16
- Cash	130
Enterprise Val	\$430
P / Tangible Book	0.47x
Net Debt	\$187
52 Wk Hi	\$30.40
52 Wk Lo	\$11.66

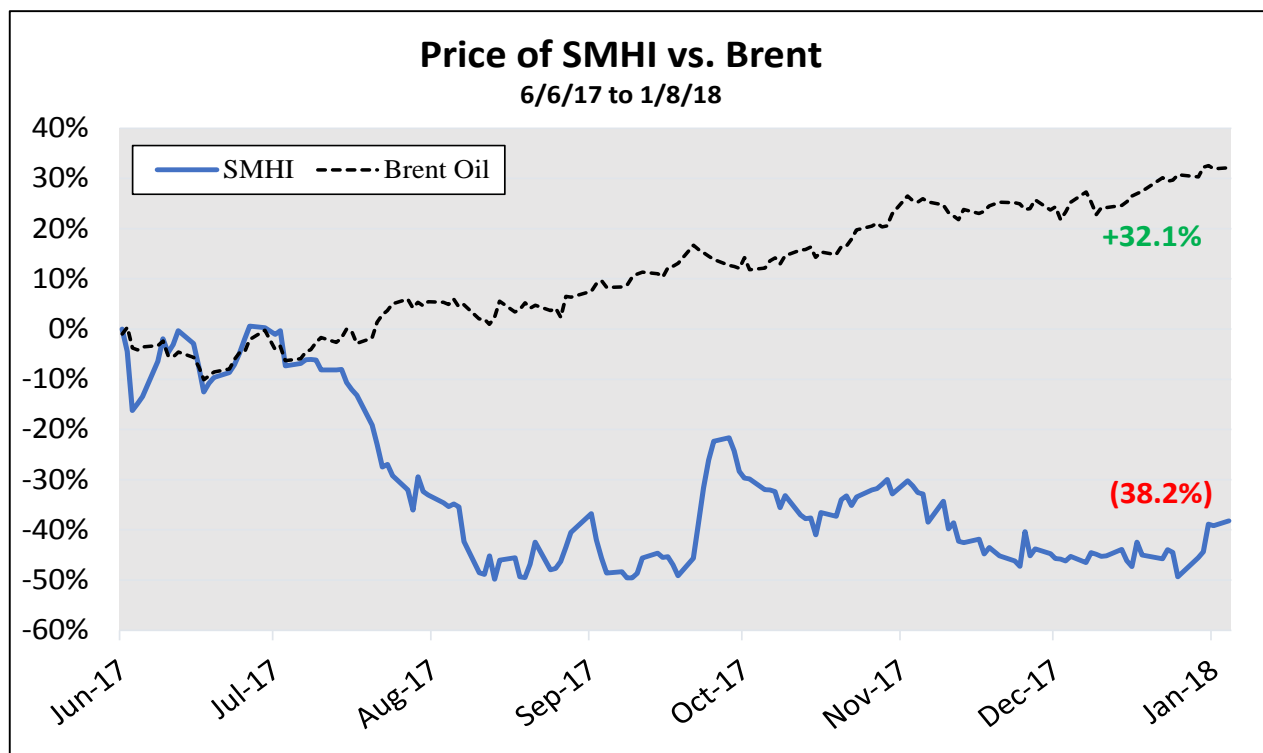
USD millions (except share price) as of 1/10/18

With a strong balance sheet and an exceptional track record of value creating capital allocation, we believe SEACOR Marine provides investors with an excellent opportunity to benefit from a recovery of the offshore energy industry.



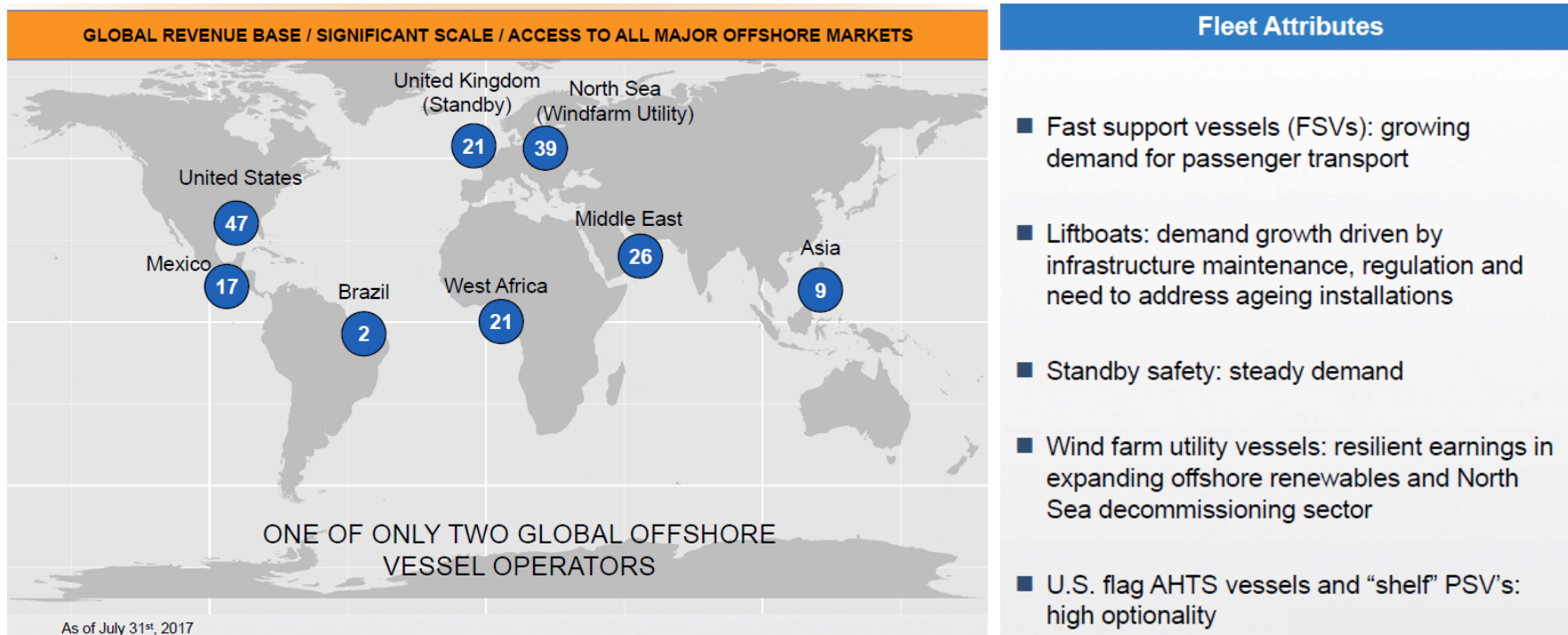
Spin-Off from SEACOR Holdings

- SEACOR Holdings' Offshore Marine segment was historically the primary earnings driver for SEACOR Holdings, contributing 45% of total revenue and more than half of total EBITDA in 2013-14.
- The idea of a spin-off surfaced at the time Carlyle Group announced an investment through the purchase of a \$175 million convertible note.



SEACOR Marine: The Business

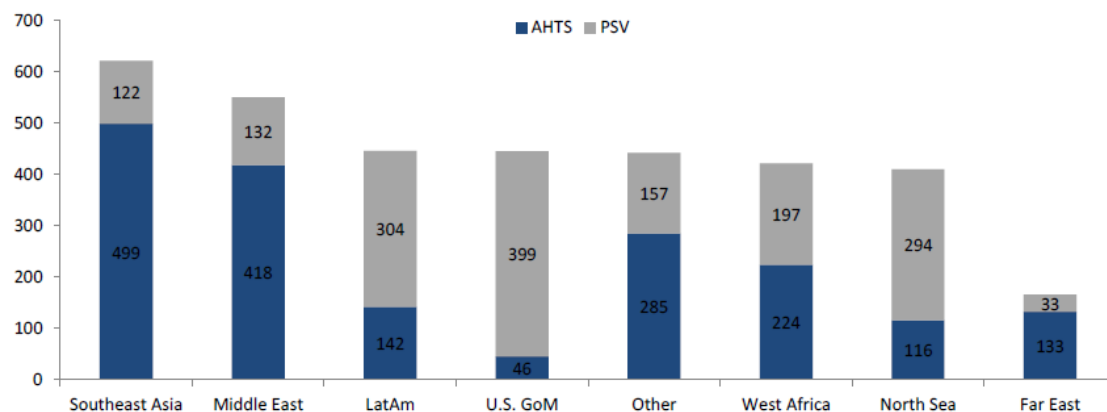
- Leading provider of global marine & support transportation services to the global offshore oil & gas industry.
- Distinctive and non-commoditized fleet support and specialty vessels.



Offshore Supply Vessels: A Highly Fragmented Industry

- The OSV industry is highly fragmented with more than 500 vessel operators worldwide and roughly ½ the global fleet controlled by the top 20 operators.

Figure 1. Global AHTS & PSV Fleet by Region, as of May 2017

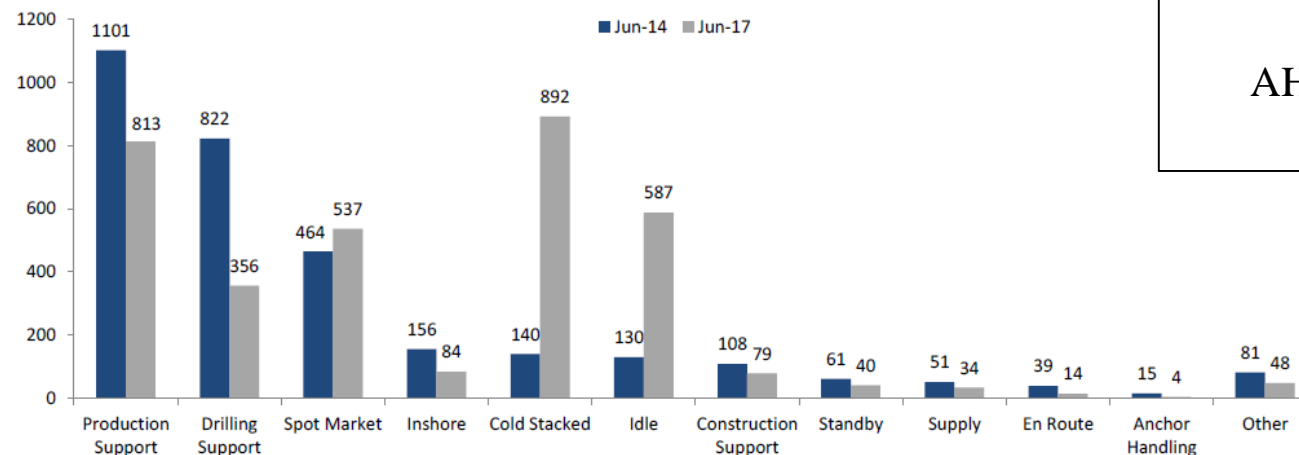


According to IHS, the global PSV and AHTS fleet is ~3,500 vessels:

PSV fleet: ~1,640 vessels
~12 years)

AHTS fleet: ~1,860 vessels
~14 years

Figure 2. Global PSV & AHTS Fleet By Activity



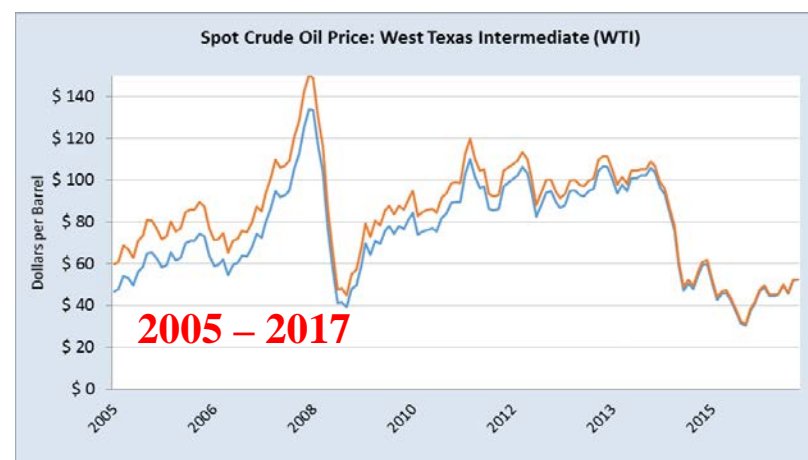
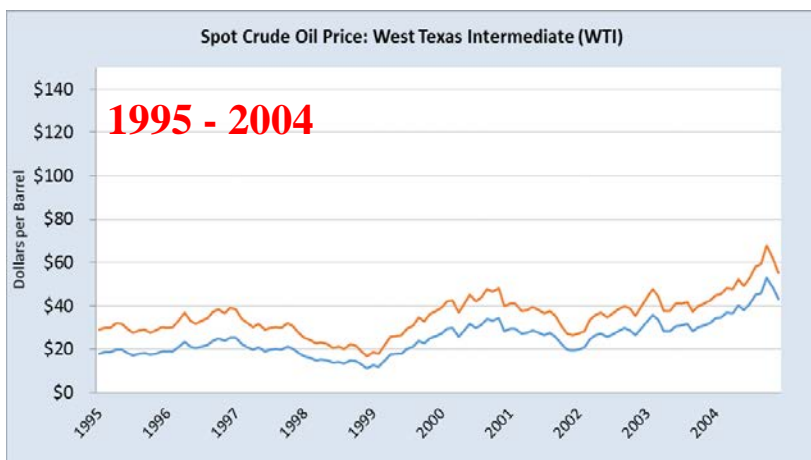
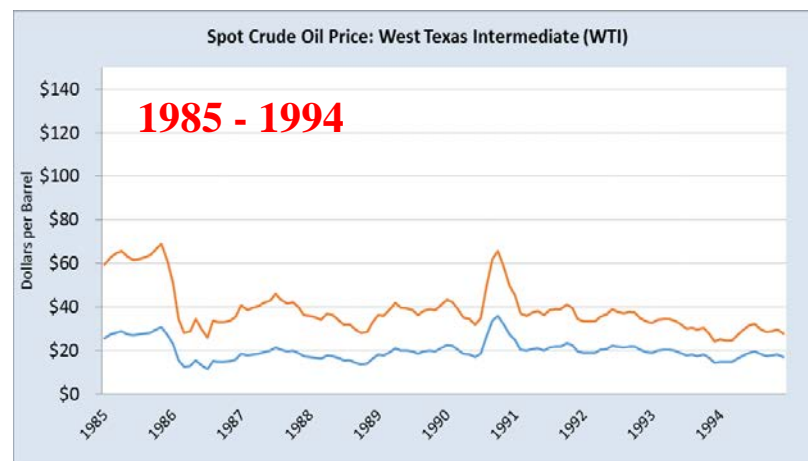
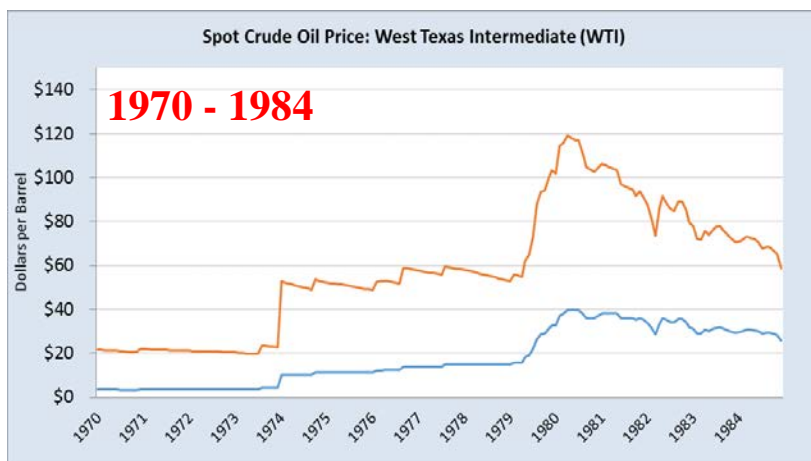
SEACOR Owns and Operates a Differentiated Fleet

- The most commonly cited offshore supply vessel classes are Platform Supply Vessels (PSV) and Anchor Handling Tug Supply Vessels (AHTS).
 - *It is important to note that these two categories of vessels make up less than 1/3 of SMHI's fleet.*
- While the OSV industry is often discussed as being homogeneous, there are very important nuances including:
 - Flag state
 - Location
 - Size
 - Power
 - Capacity
 - Design
 - Technology



How We Got Here: Historical Spot Crude Prices (in USD)

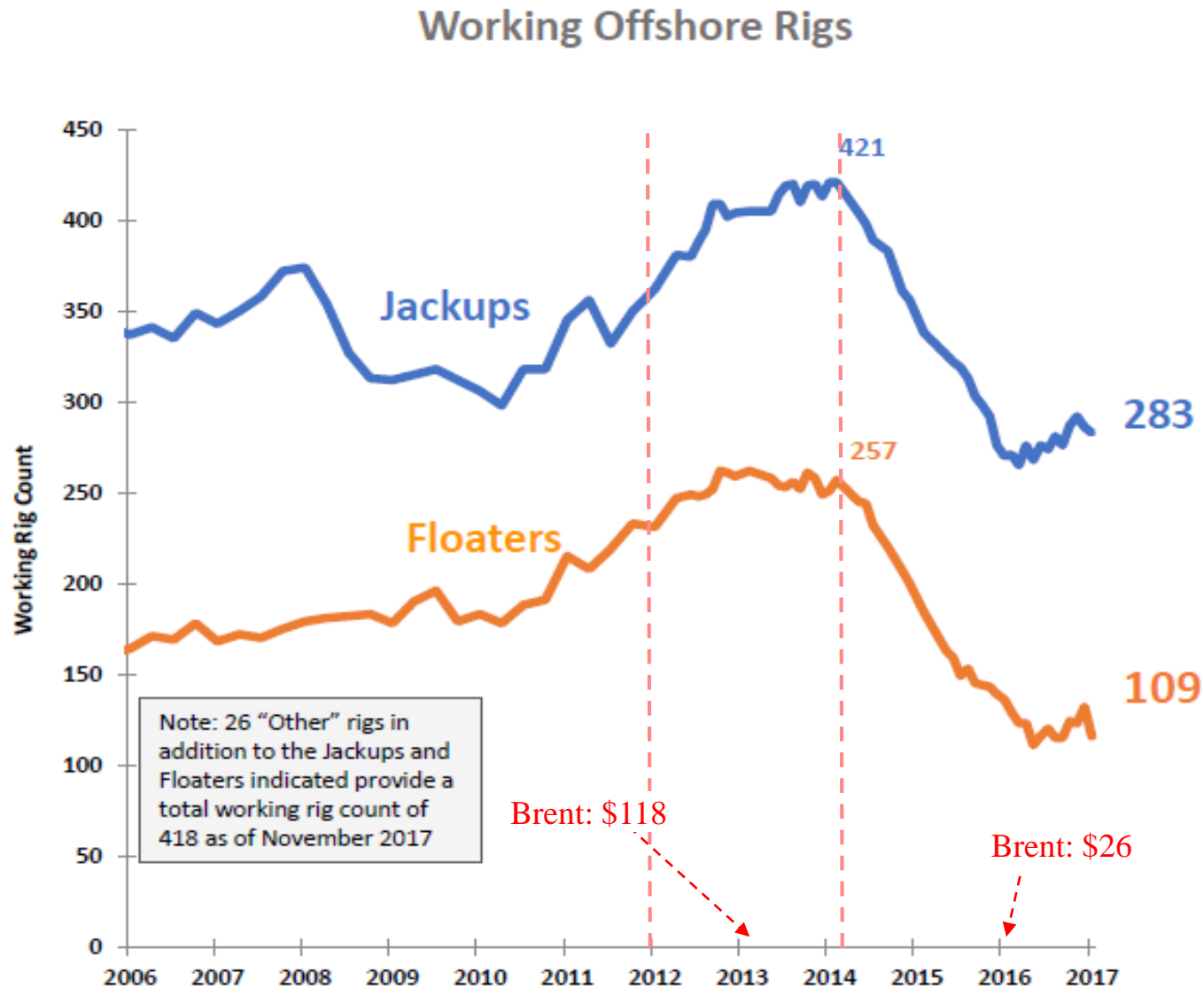
- Demand for SMHI's equipment and services is a first derivative of the price of oil.



WTI Spot, Nominal USD

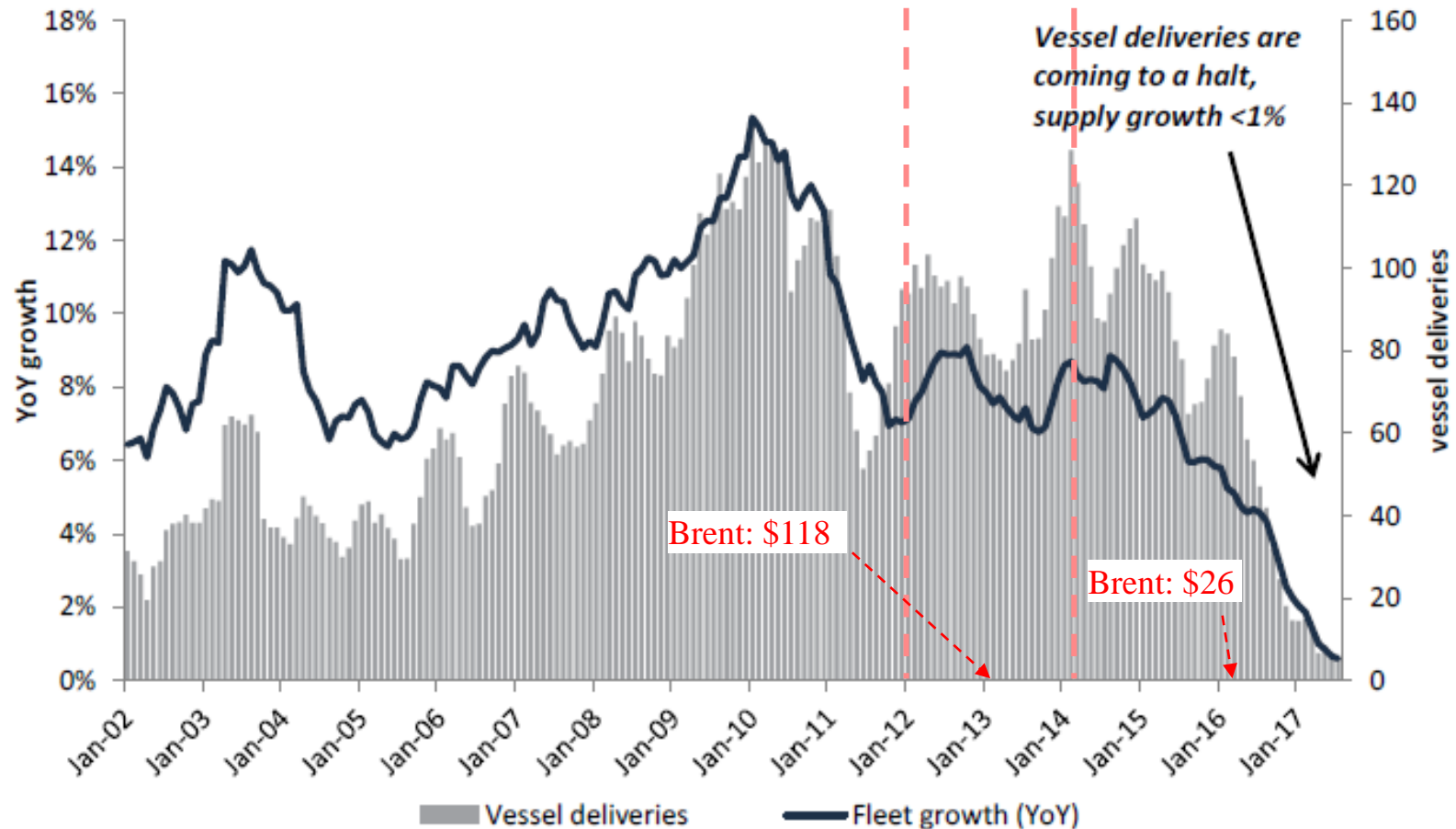
WTI Spot, Real USD

Demand is Driven by Offshore Rig Utilization



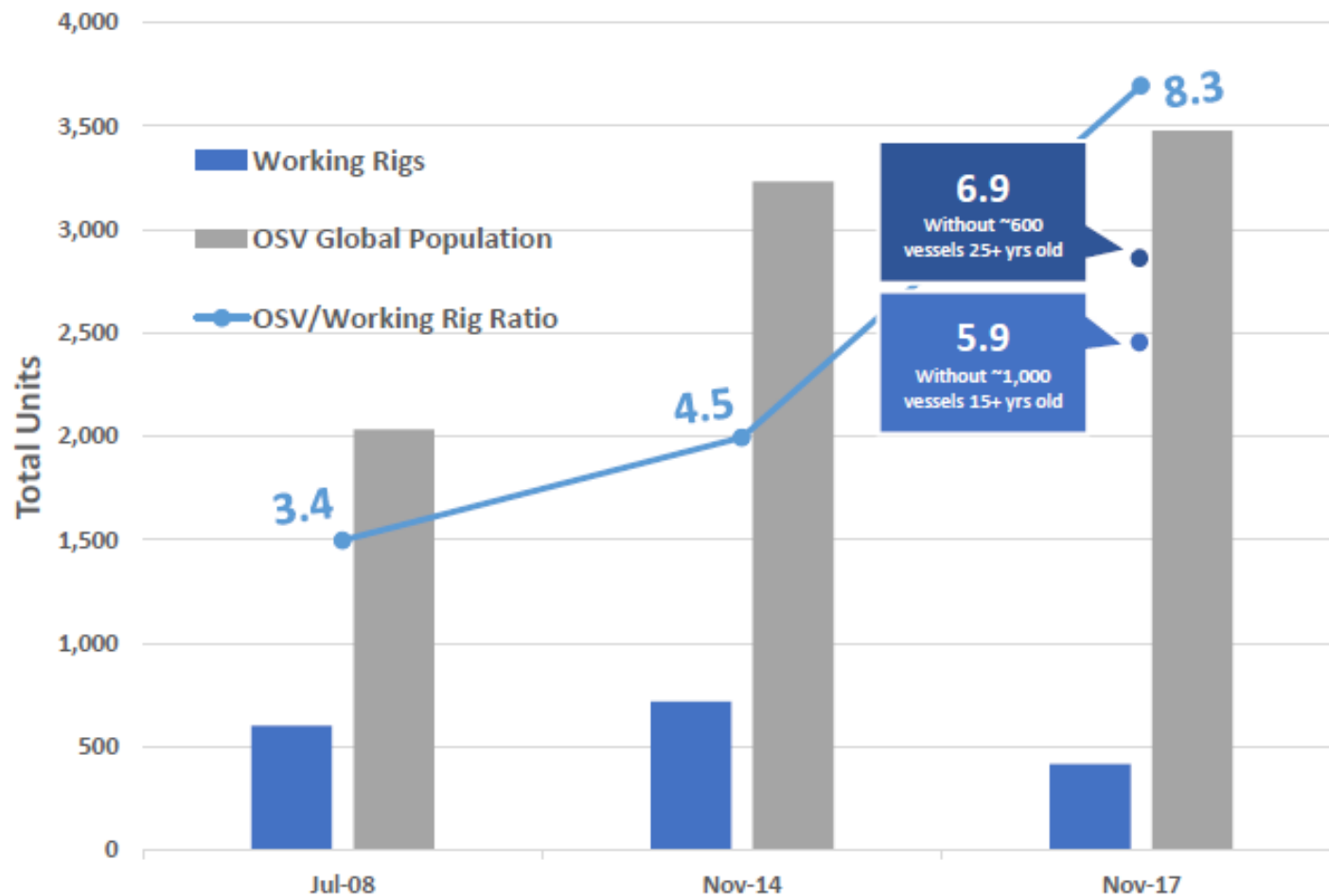
Supply Response to Rising Rig Utilization

OSV fleet growth (YoY) and deliveries (T6M) - Jan 2002 to Aug 2017



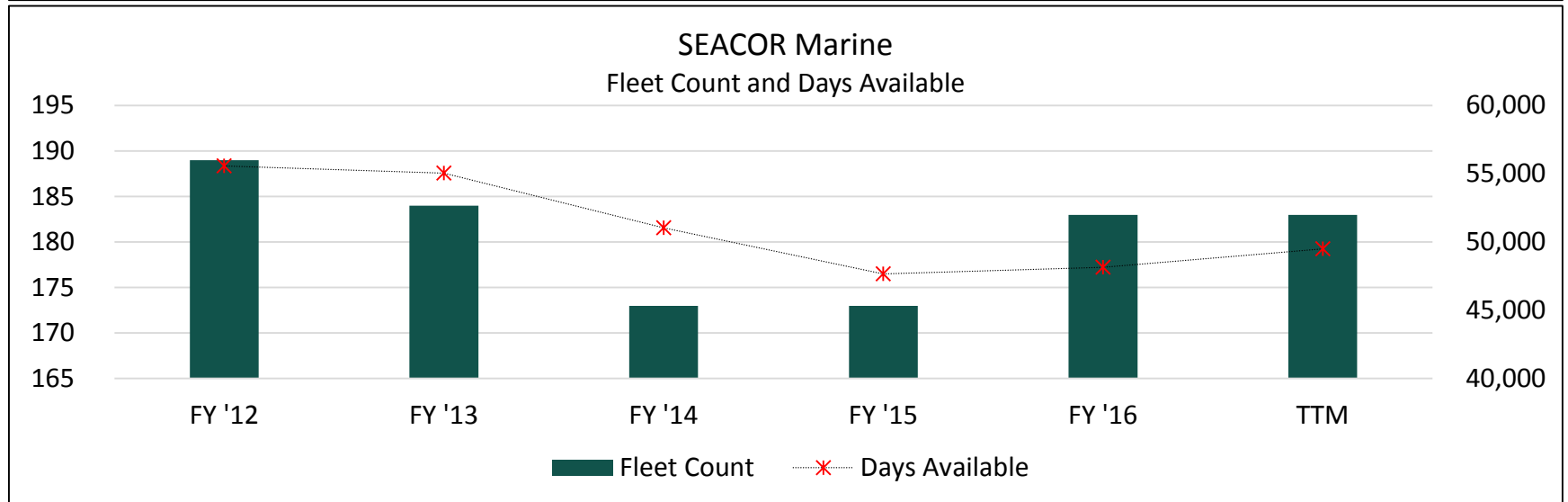
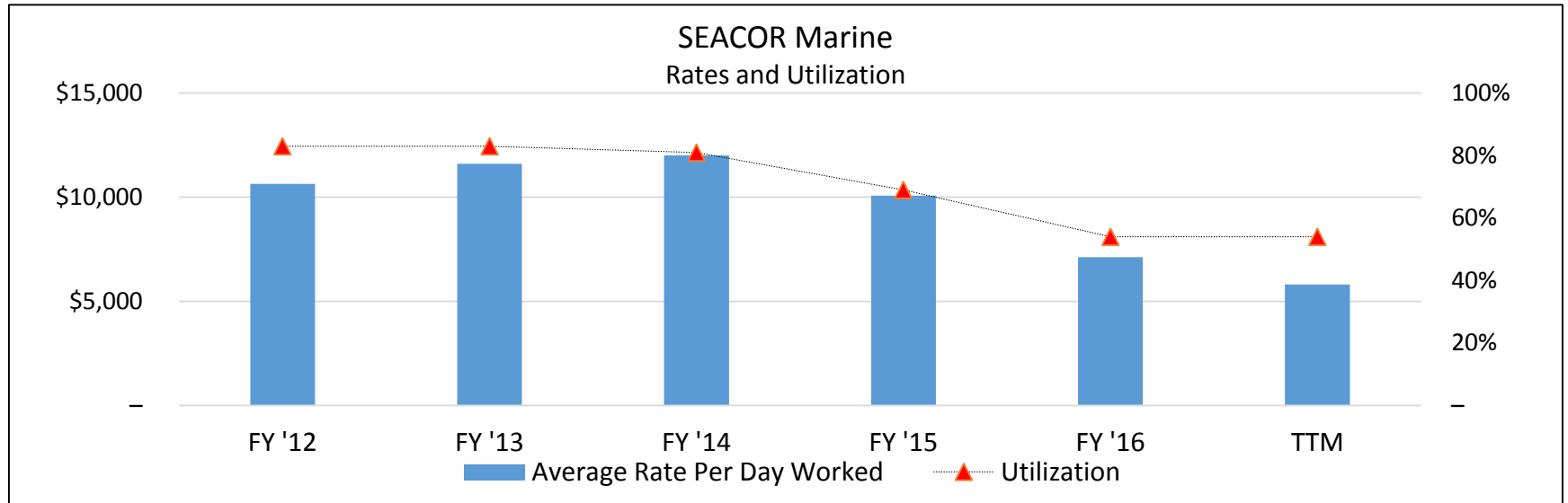
Source: IHS, Clarksons Platou Securities AS | *includes PSVs >50m LOA and >=1000 dwt + AHTS 4-10k bhp

Rising Rig Demand Leads to Vessel Oversupply



Source: IHS Markit and Tidewater

Key Industry Metrics



Institutional Capital Spots an Opportunity

SMHI has a strong financial profile supported by a large Carlyle investment in November 2015

Transaction Overview

- On November 30, 2015, SEACOR announced that its offshore marine subsidiary ("SEACOR Marine") entered into an agreement to issue \$175 million in convertible notes to investment funds managed and controlled by The Carlyle Group ("Carlyle")
- The transaction contemplated the eventual separation of SEACOR Marine from SEACOR's other business lines

Key Terms of Convertible Notes

Coupon / Term

- 3.75% cash coupon / 7 Years

Conversion Price

- \$43.00 (23.26 shares per \$1,000 principal amount of notes)

Ownership

- Implied ownership of 18.7% of the current outstanding shares of SEACOR Marine on a fully-diluted basis

upstream

Gulfmark strikes agreement for major debt restructuring

183 words

1 December 2016

US-based vessel operator Gulfmark Offshore has struck an agreement for major debt restructuring as it tries to stay afloat in a rapidly-deteriorating market.]]>

Gulfmark announced plans for a tender offer of up to \$300 million of unsecured senior notes due in 2022. The all-cash transaction would be financed by MFP Partners and Franklin Mutual Advisors through a \$100 million secured term loan and a \$100 million revolver. The investment also includes at least \$50 million in new equity, GulfMark said. Raging Capital has also committed to tender about \$85 million of the notes. Once the tender offer closes, GulfMark will offer current stockholders a chance to buy stock in the restructured company at the same equity price as the financiers. Gulfmark is "doing all it can to remain a going concern", said analysts at energy investment bank Tudor Pickering Holt. Capital One Southcoast analyst Joseph Gibney was optimistic on the move, saying it is "positive to simply move on, hit the re-set button, and account for a material portion of outstanding debt".

Upstream

Document: UPSTDM0000461320ccc3000kf

'New fund' targets Norway vessel assets

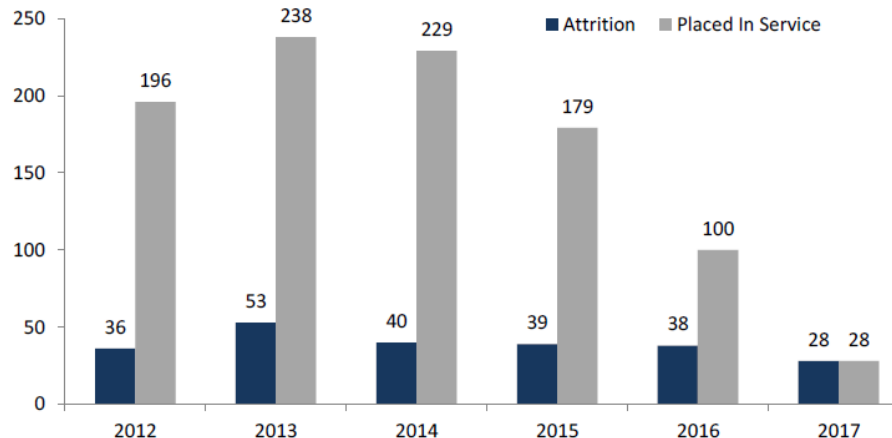
June 1, 2016



Distressed assets in Norway's debt-ridden offshore vessel sector are reportedly being targeted by a newly launched \$250 million fund forged by high-profile Norwegian investor Kristian Siem and US-based Elliott Management Corporation.

Supply: Attrition Lagged New Deliveries

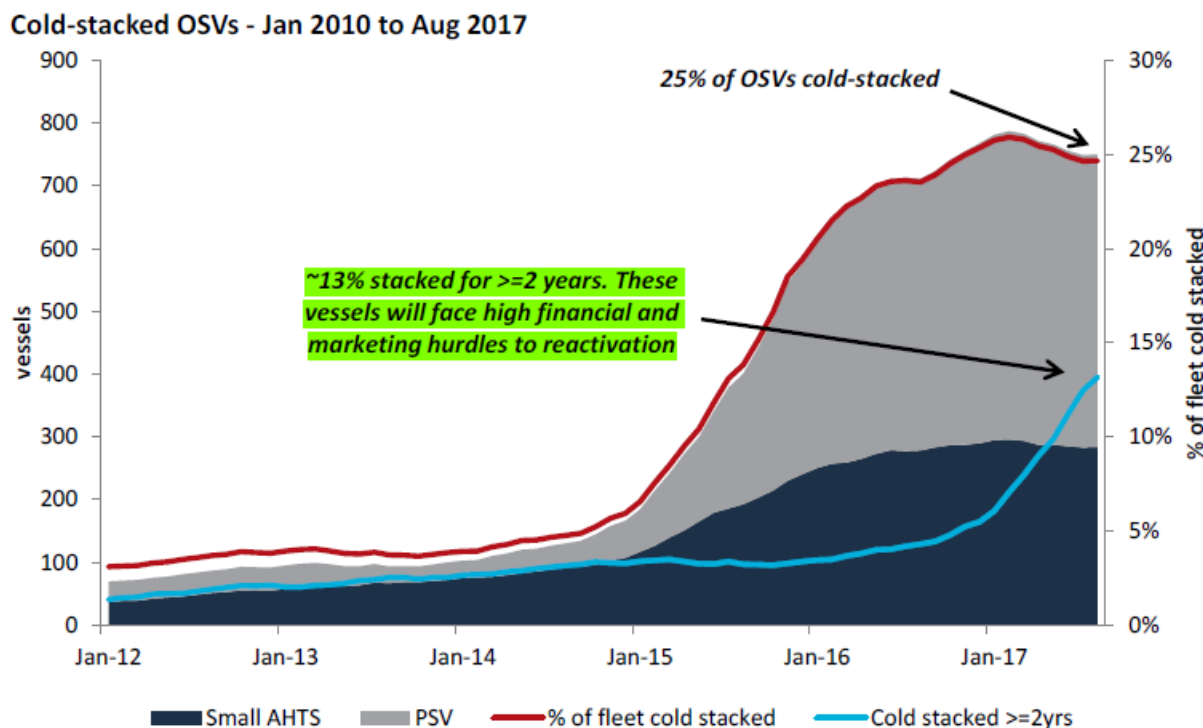
Figure 3. Attrition Has Lagged New Deliveries



Source: IHS Petrodata Marinebase, Evercore ISI Research

- SEACOR Marine is an industry outlier as the industry dataset of PSVs and AHTS vessels account for just 56 of SEACOR's vessels – less than 1/3 of its fleet.
 - Fast support vessels, liftboats and wind farm utility vessels which account for the remaining 2/3 of SEACOR's fleet are specialized in nature and tend to be less cyclical – however industrywide data on these vessels is less available.
- Over the past 5 years SEACOR has avoided investment in large, sophisticated PSVs and favored building its fleet of supply boats, fast support vessels and liftboats.
 - Early phases of an offshore recovery will likely center around deferred maintenance work, decommissioning, personnel support and shelf production.

Supply: Stalling The Inevitable

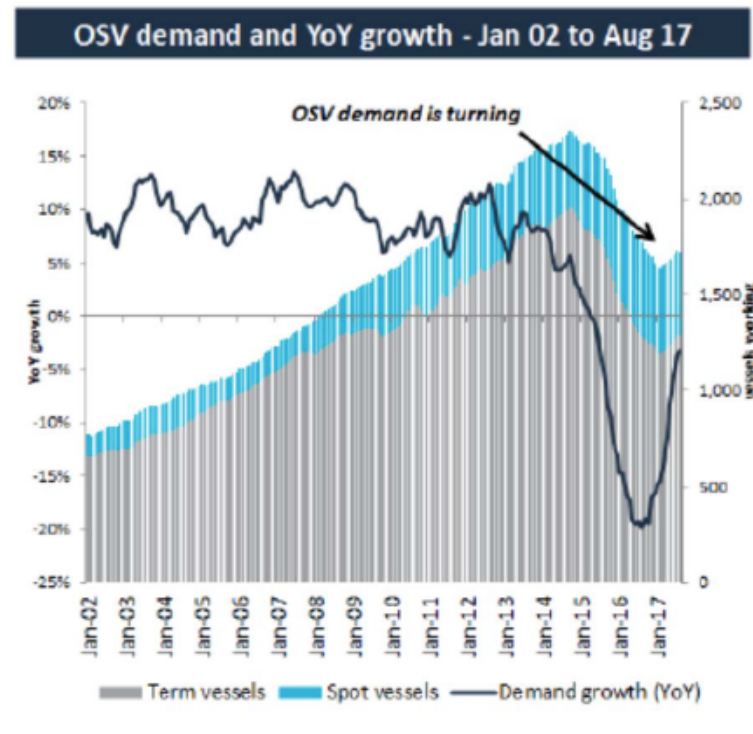


Source: IHS, Clarksons Platou Securities AS

- Scrapping a vessel is a costly endeavor for ship owners given the mobilization costs to remote scrapyards and inherently low scrap value.
- Many cold stacked vessels will not return to service due to the fact that 14% of the global PSV fleet and 20% of the global AHTS fleet is more than 25 years old and approaching 30-year drydocking bills while others will be required to undergo costly special surveys.

Why Now? Sentiment for Offshore Activity

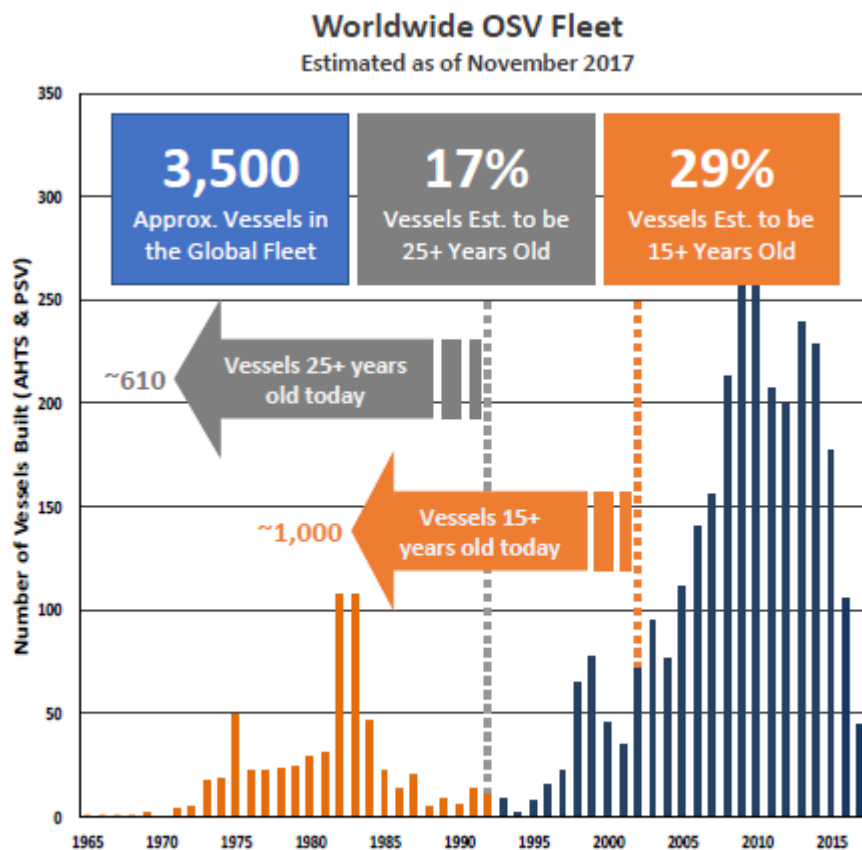
- General distress: numerous competitors have sought bankruptcy protection
- *"Consolidation necessary: will be "forced" due to lack of capital"* (Tradewinds, Sept. 2016)
- *"The challenge: 'Opaque offshore vessel valuations a big hurdle to restructuring work'"* (Tradewinds, Jan. 2017)
- *"Industry backs North Sea amid signs of recovery"* (Upstream, Sept. 2017)
- *"Signs of recovery on horizon for UK Offshore Sector"* (Upstream Sept 2017)
- *"Statoil Johan Castberg break-even at \$30/bbl: Current estimate 3 x lower than original number"* (TPH Energy Research, Sept. 2017)
- **The opportunity: "OSV utilisation has bottomed out" and "OSVs moving out of hell into purgatory"** (Pareto, Aug. 2017)
- *"25% of the global fleet is cold-stacked. The fate of this capacity will have profound impact on the market balance"* (Clarkson Platou, Sept 2017)



Source: Clarkson Platou

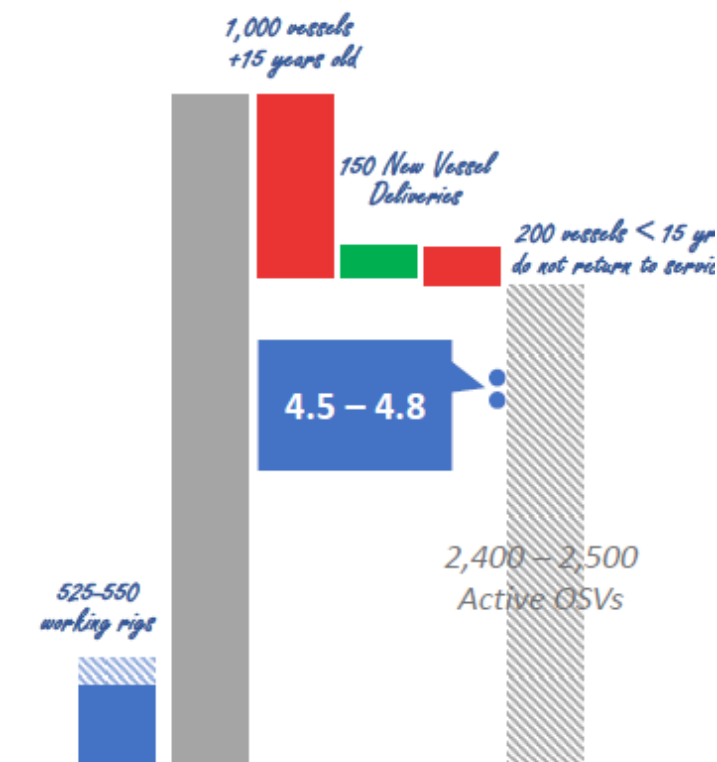
SMHI is ideally positioned to be a leader in **recovering** sector

Industry Drivers – Looking Backwards and Forwards



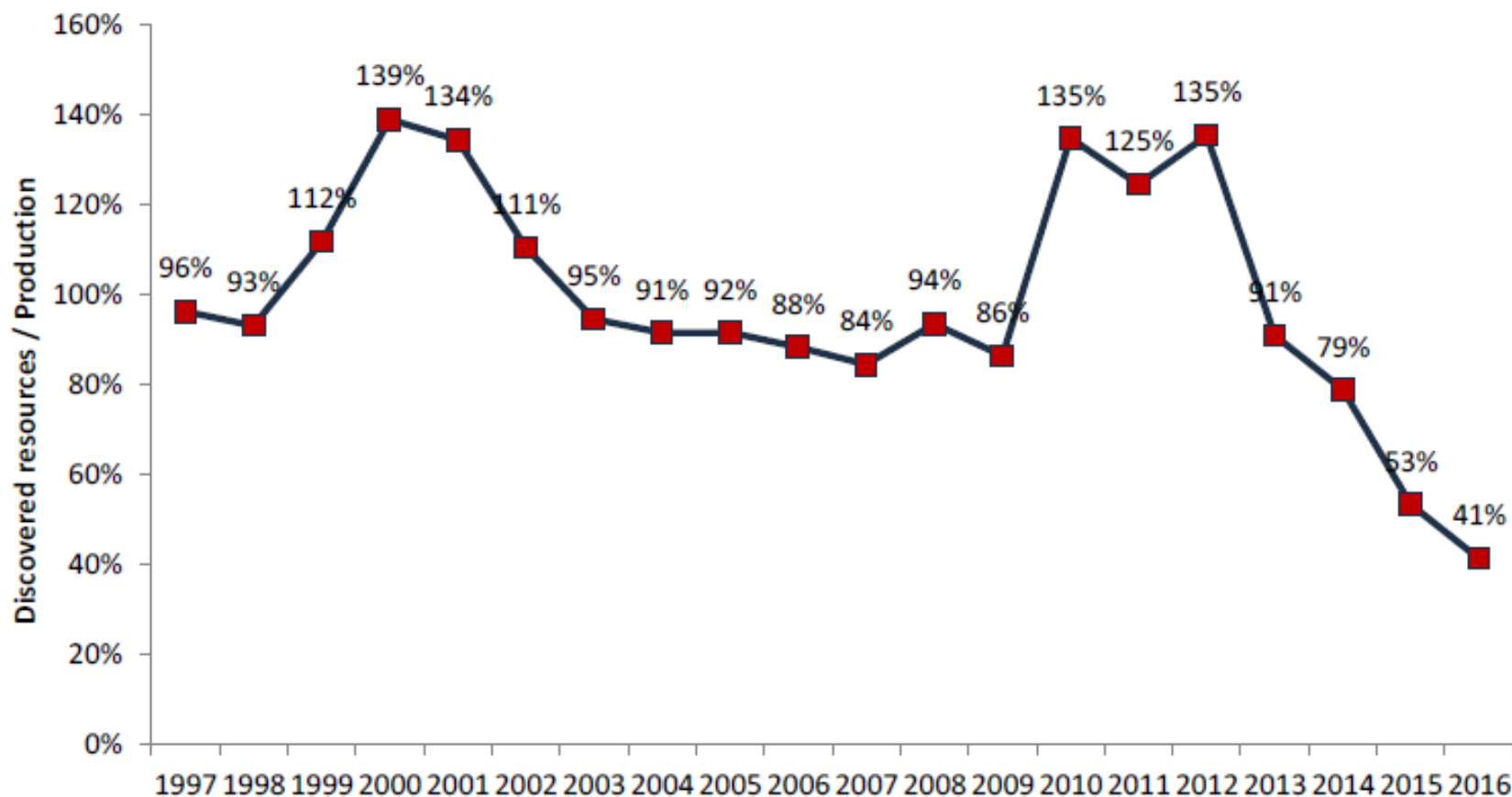
As of November 2017 there are approx. 251 additional AHTS and PSVs (~7% of the global fleet) under construction. In our view, a material number of these vessels will not be completed and delivered.

Market Equilibrium Requires an Increase in Demand and a Reduction in Supply



Offshore Reserve Replacement Ratio Continues to Fall

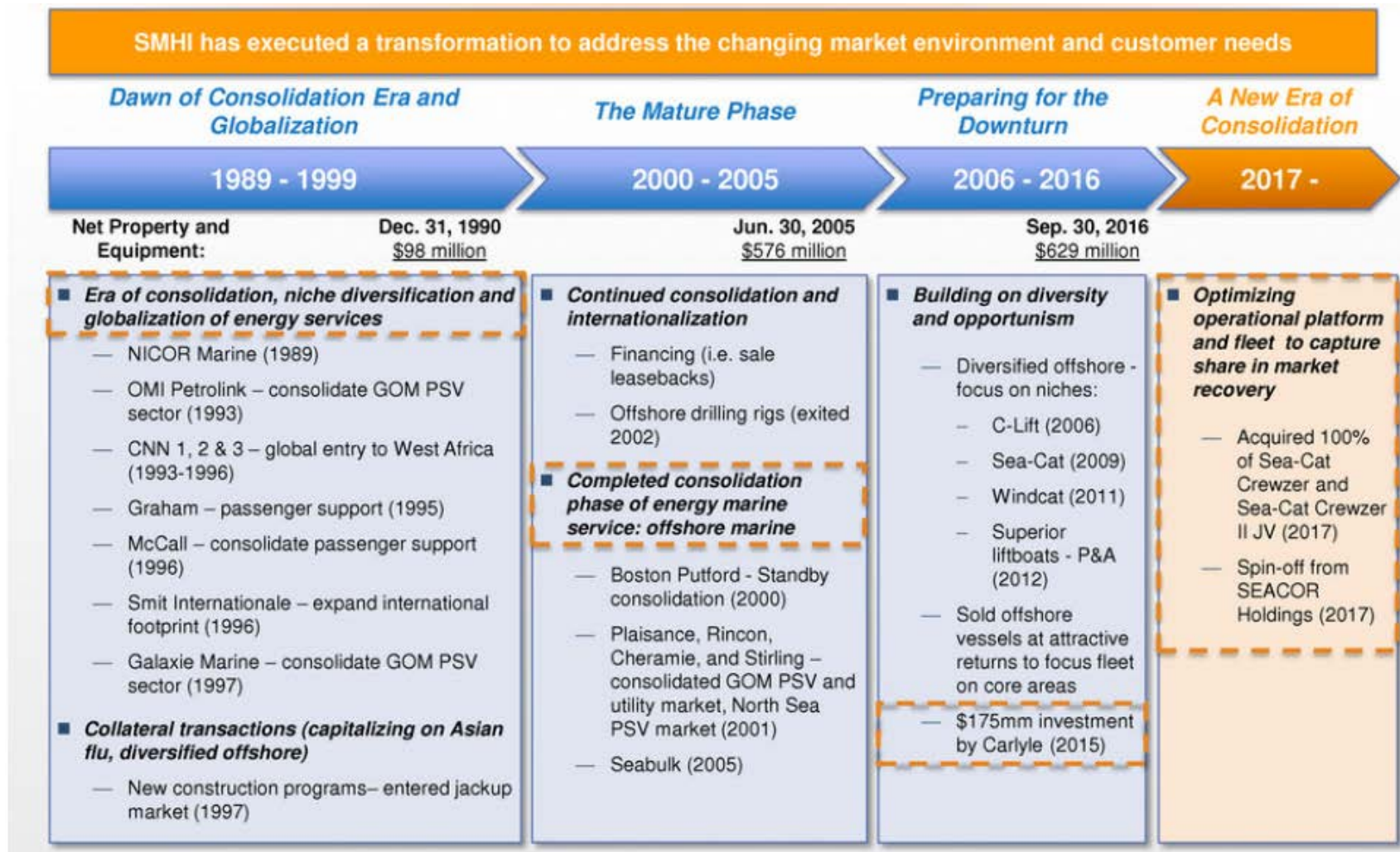
Offshore reserve replacement ratio (trailing 3 year average) - last 20 years



Source: Rystad Energy



SEACOR – A Strong Track Record



Management: Focused on Value Creation

- Experienced Management with demonstrated history of investing in tough times and harvesting in the boom
 - Charles Fabrikant, Founder and Chairman of the Board
 - John Gellert, CEO, over 25 years industry experience with SEACOR, responsible for SEACOR's offshore business since 2003
 - Sold over 500 vessels since 1995
 - \$1.54 billion capex funded with proceeds from asset dispositions of \$1.66 billion since 2005
 - 1992-2003: 13.5% average ROE

Strategic Plan: Thinking Like An Intelligent Investor

SEACOR MARINE

Strategy:

- Focus on niches or regions with limited participants / order book / excess capacity coupled with growing demand
 - Passenger Transfer
 - Decommissioning
 - Offshore Wind
 - Standby Safety
 - Shelf PSV Support
 - Middle East and Mexico
- Consolidation
 - Asset Rationalization
 - Cost Efficiencies
- Opportunistic acquisition of offshore assets at deep value prices.

SEACOR HOLDINGS

Objectives:

- Pursue risk adjusted returns on equity
- Pursue long-term appreciation (“real growth”) with capital preservation

Strategy:

- Adhere to capital and balance sheet discipline: we live within our means
- Opportunistically deploy capital into cyclical assets
- Maintain flexibility and leverage off of existing businesses
- Maintain liquidity to buy deep value
- Harvest our gains and not “hug” assets for continuous earnings
- Capitalize on tax efficiency

A DOLLAR OF GAIN IS AS GOOD AS RENTAL INCOME.



Capex Plans

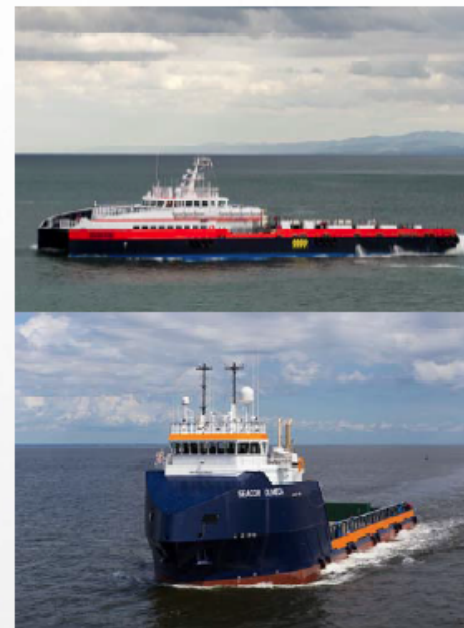
Building Vessels Unique to Market: Capitalizing on Downturn, Strengthening Position in Niche Businesses

■ Six Fast Support Vessels

- Build to meet current and growing demand for efficient and comfortable crew transport
- Grandfathered under US emission requirements. No additional capacity being added
- Deferring deliveries possible: SMHI can adjust CAPEX to demand and liquidity needs

■ Three Handy Size Supply Vessels

- First two vessels of series sold to Mexmar JV and employed on long-term charters with Pemex.
- Underserved market. Good employment prospects



	2017		2018				2019				2020		Total
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	
Fast Support	2	-	-	-	-	1	-	1	-	1	-	1	6
Supply	-	-	1	-	1	-	1	-	-	-	-	-	3
Wind farm utility	-	1	-	-	-	-	-	-	-	-	-	-	1
Capital Commitments (in millions)	\$10.5		\$51.0				\$13.2				\$1.8		\$76.4

Note: Subsequent to June 30, 2017, the Company committed to acquire one supply vessel and one wind farm vessel for \$19.4 million.

As of June 30, 2017

10

Key Demand Drivers

“Drilling is the sizzle but Production and Maintenance is the meat.”

Oil and Gas									
Vessel type	SMHI vessels	Exploration Drilling	Develop. Drilling	Production	Maintenance	Plug & Abandonment	De-commissioning	Passenger Transfer	Offshore Wind
Liftboat	15			X	X	X	X		X
PSV (<3,500DWT) *	22	X	X	X	X				
PSV (>4,000DWT)	4	X	X	X					
FSV	50	X	X	X	X			X	
AHTS	23	X	X	X		X			
Standby	21	X	X	X	X	X	X		
Windfarm Utility (WFUV)	41			X	X	X	X	X	X
RECOVERY STAGE IN CYCLE		LATE	MID	MID	EARLY	MID	EARLY	EARLY	N/A

Fleet: 177 Vessels

DIVERSIFIED FLEET: POSITIONED TO MEET CURRENT DEMAND AND CAPITALIZE ON EARLY AND LATER STAGES OF MARKET RECOVERY

As of July 31st, 2017. Excludes six specialty vessels.

* Vessels of less than 2,500 DWT in this category are also referred to in this presentation as “shelf PSV’s” or “handy size PSV’s”.

As of September 30, 2017 there was 1 additional PSV in the fleet.

9



Liquidity – Limited Near-Term Maturities

Debt Issue:	Jun-17	Debt Maturities						
		2017	2018	2019	2020	2021	2022	Thereafter
3.75% Carlyle Convertible Notes	175.0	-	-	-	-	-	175.0	-
Falcon Global (Intl. Liftboats) ¹	57.8	4.4	5.9	5.9	5.9	5.9	29.8	-
Sea-Cat Crewzer I & II (Catamarans)	41.7	2.3	4.5	34.9	-	-	-	-
Sea-Cat Crewzer III (Newbuild Cats)	26.1	1.1	2.2	2.2	2.2	2.2	2.2	14.0
Windcat Workboats	24.0	-	-	-	-	24.0	-	-
Liftboat Acquisition Notes	16.5	16.5	-	-	-	-	-	-
Other	10.1	1.0	2.0	3.9	2.0	1.2	-	-
Outstanding Principal	351.2	25.3	14.6	46.9	10.1	33.3	207.0	14.0
Discount/Issuance Costs	(35.7)							
Outstanding Debt	315.5							

As of June 30, 2017

¹ Facility contractually matures in 2022. Falcon Global is currently not in compliance with certain financial covenants in the facility, including its debt service coverage ratio, maximum leverage ratio and minimum liquidity covenant and has received waivers from its lenders for these financial covenants for testing periods through and including December 31, 2017. Given the uncertainties surrounding the future financial performance of the two newly delivered liftboats and Falcon Global's ability to meet its financial covenants for the next twelve months, the Company has classified the outstanding amounts due under the term loan facility as current obligations.

Operating Income and Returns

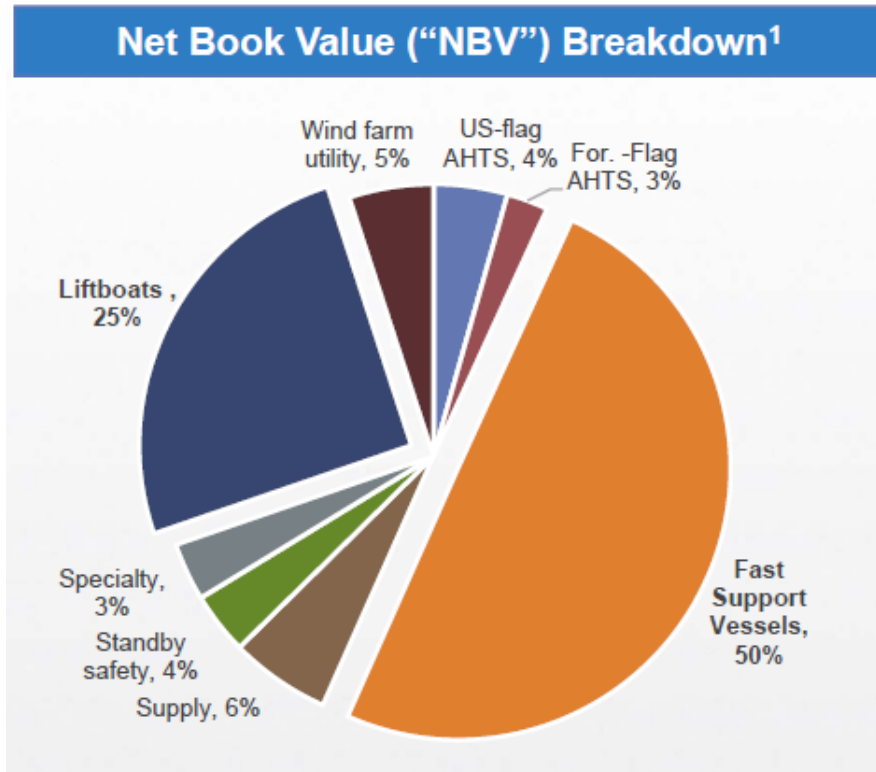
	2012	2013	2014	2015	2016	H12017
Fleet DVP:						
Fast support	33,407	38,507	25,824	18,872	22,478	1,547
Wind farm utility	12,395	12,749	12,755	12,757	11,638	6,306
Liftboats	42,151	45,200	28,258	(3,842)	(5,531)	(5,878)
Standby safety	16,586	12,525	16,567	13,964	10,426	3,677
Anchor handling towing supply	41,442	56,286	61,927	49,322	13,389	(2,168)
Supply	36,544	34,535	32,739	15,298	177	828
Specialty	906	9,191	5,993	7,889	7,026	(722)
Other non-vessel marine services	8,556	5,181	8,268	1,145	6,685	2,457
Consolidated DVP	191,987	214,174	192,331	115,405	66,288	6,047
Less:						
Leased-in equipment expenses	21,850	28,956	27,479	22,509	17,577	7,281
Administration and general expenses	59,253	60,279	58,353	53,085	49,308	33,531
Depreciation and amortization	61,542	65,424	64,615	61,729	58,069	27,136
Operating Income (Loss) before Asset Dispositions and Impairments	49,342	59,515	41,884	(21,918)	(58,666)	(61,901)
Gains (Losses) on Asset Dispositions and Impairments, Net	14,876	28,664	26,545	(17,015)	(116,222)	(1,499)
Operating Income (Loss)	64,218	88,179	68,429	(38,933)	(174,888)	(63,400)

Direct vessel profit (defined as operating revenues less operating expenses excluding leased-in equipment and as presented in the preceding table, "DVP") is our measure of segment profitability when applied to individual segments and a non-GAAP measure when applied to fleets or the combined fleet. We believe that DVP is a critical financial measure to analyze and compare the operating performance of our individual vessels, fleet categories and combined fleet, without regard to financing decisions (depreciation for owned vessels vs. leased-in expense for leased-in vessels). DVP is also useful when comparing our fleet's performance against those of our competitors who may have differing fleet financing structures. DVP has material limitations as an analytical tool in that it does not reflect all of the costs associated with the operation of our fleet, and it should not be considered in isolation or used as a substitute for our results as reported under GAAP.

	2012	2013	2014	2015	2016
Return on Avg Insured Value	10.6%	11.2%	10.5%	2.2%	(12.3%)
Avg Return on Avg Insured Value	7.90%				
CKH Avg ROE (1992 - 2003)	13.50%				



Margin of Safety



- Significant discount to tangible book value.
- Significant discount to insured vessel value.

Risks To Our Thesis

- Oil prices could fall further or remain at current levels for an extended period leading major oil companies to defer capital expenditures and delay deepwater developments.
- Ship owners could delay scrapping older vessels.
- Liquidity could become a concern if the downturn extends even further as the company generated negative free cash flow in the prior two quarters.

Disclosure: Ownership Information

<u>Disclosures</u>	SEACOR Marine (NYSE:SMHI)
Robert Robotti and/or members of his household has a financial interest in the following securities	Yes
Robotti & Company or its affiliates beneficially own common equity of the following securities	Yes
Robotti & Company or its affiliates beneficially own 1% or more of any class of common equity of the following securities	No
Robert Robotti serves as a Director or Officer or Advisory Board Member of the following securities	No

Disclaimer: Analyst Compensation: While this report is not a research report of any broker or dealer, compensation of analysts of the Firm is based on: (1) the analyst's productivity, including the quality of the analyst's research and the analyst's contribution to the growth and development of our overall research effort; (2) ratings and direct feedback from our investing clients, our sales force and from independent rating services. The Firm's management is responsible for establishing these compensation guidelines and for reviewing and approving compensation. Analyst contribution (if any) to the investment banking business of any affiliate of the Firm is not a factor in determining his/her compensation for either entity and compensation is not, directly or indirectly, related to the specific recommendations or views expressed in the report.

Analyst Certification: The author certifies that the views expressed in this financial model accurately reflect his personal views about the subject securities or issuers and that no part of his or her compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in this presentation. The author, from time to time, may have long or short positions in, and buy or sell, the securities, or derivatives (including options) thereof, of companies mentioned herein. This is not a complete analysis of every material fact regarding any company, industry or security.

Disclaimer

Robotti & Company Advisors, LLC (the “Firm”) is not providing investment advice through this material. This presentation is provided for informational purpose only as an illustration of the firm’s investment philosophy and shall not be considered investment advice or a recommendation or solicitation to buy or sell any securities discussed herein, and does not contain enough information to be considered a recommendation or a research report.

As of the date of this presentation the firm continues to own the securities discussed herein. These opinions are not intended to be a forecast of future events, a guarantee of future results, or investment advice. Past performance is not indicative of future results, and no representation or warranty, express or implied, is made regarding future performance.

Robotti & Company Advisors, LLC or its affiliates may engage in securities transactions that are inconsistent with this communication and may have long or short positions in such securities. The information and any opinions contained herein are as of the date of this material, and the firm does not undertake any obligation to update them.

This material does not take into account individual client circumstances, objectives, or needs and is not intended as a recommendation to any person who is not a client of the firm. Securities, financial instruments, products or strategies mentioned in this material may not be suitable for all investors. The Firm does not provide tax advice. Investors should seek tax advice based on their particular circumstances from an independent tax advisor.

In reaching a determination as to the appropriateness of any proposed transaction or strategy, clients should undertake a thorough independent review of the legal, regulatory, credit, accounting and economic consequences of such transaction in relation to their particular circumstances and make their own independent decisions. By virtue of this publication, neither the Firm nor any of its employees shall be responsible for any investment decision.

This confidential presentation contains information that has been compiled, by the Firm, from sources believed to be reliable; however, there can be no guarantee as to the accuracy or completeness of such information. It also contains statements, estimates and projections made by various third party companies with respect to their historical and projected performance. There can be no assurance that such statements, estimates and projections will be realized and actual results may vary materially from those indicated. Further, in any case, the Firm does not represent nor is affiliated with any of the third party companies and other entities named and makes no representations as to the reasonableness of such assumptions or the accuracy or completeness of the information contained herein. These materials are for the confidential use of only those persons to whom it is transmitted.

This report may discuss numerous securities, some of which may not be qualified for sale in certain states and may therefore not be offered to investors in such states. This document should not be construed as providing investment services. Investing in non-U.S. securities including ADRs involves significant risks such as fluctuation of exchange rates that may have adverse effects on the value or price of income derived from the security. Securities of some foreign companies may be less liquid and prices more volatile than securities of U.S. companies. Securities of non-U.S. issuers may not be registered with or subject to Securities and Exchange Commission reporting requirements; therefore, information regarding such issuers may be limited.

Questions

Bob Robotti

President & CIO

Robotti & Company Advisors, LLC

60 East 42nd Street

31st Floor

New York, NY 10065

+1 212 986 4800