



# Second quarter FY18 earnings presentation Bristow Group Inc.

November 9, 2017



# Forward-looking statements

Statements contained in this presentation regarding the Company's or management's intentions, hopes, beliefs, expectations or predictions of the future are forward-looking statements. These forward-looking statements include statements regarding earnings guidance and earnings growth, expected contract revenue, expected liquidity, capital deployment strategy, operational and capital performance, impact of new contracts, cost reduction initiatives, expected original equipment manufacturer cost recoveries, expected financings, capex deferral, shareholder return, market and industry conditions. It is important to note that the Company's actual results could differ materially from those projected in such forward-looking statements. Risks and uncertainties include, without limitation: fluctuations in the demand for our services; fluctuations in worldwide prices of and supply and demand for oil and natural gas; fluctuations in levels of oil and natural gas production, exploration and development activities; the impact of competition; actions by clients and suppliers; the risk of reductions in spending on helicopter services by governmental agencies; changes in tax and other laws and regulations; changes in foreign exchange rates and controls; risks associated with international operations; operating risks inherent in our business, including the possibility of declining safety performance; general economic conditions including the capital and credit markets; our ability to obtain financing; the risk of grounding of segments of our fleet for extended periods of time or indefinitely; our ability to re-deploy our aircraft to regions with greater demand; our ability to acquire additional aircraft and dispose of older aircraft through sales into the aftermarket; the possibility that we do not achieve the anticipated benefit of our fleet investment and Operational Excellence programs; availability of employees with the necessary skills; and political instability, war or acts of terrorism in any of the countries in which we operate. Additional information concerning factors that could cause actual results to differ materially from those in the forward-looking statements is contained from time to time in the Company's SEC filings, including but not limited to the Company's annual report on Form 10-K for the fiscal year ended March 31, 2017 and its quarterly report on Form 10-Q for the quarter ended September 30, 2017. Bristow Group Inc. disclaims any intention or obligation to revise any forward-looking statements, including financial estimates, whether as a result of new information, future events or otherwise.



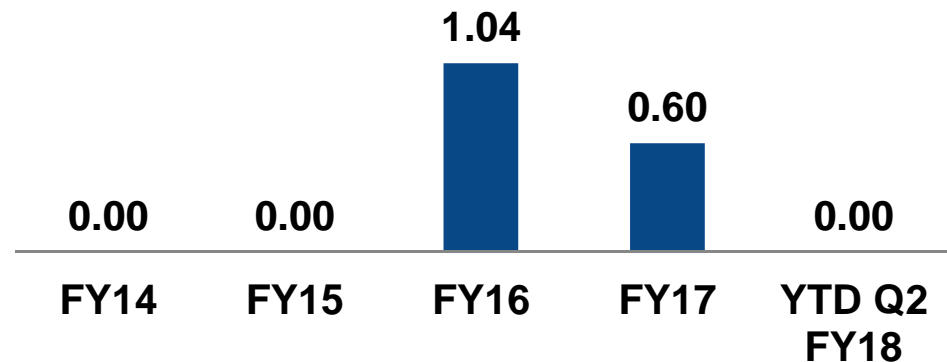
# Executive summary and safety review



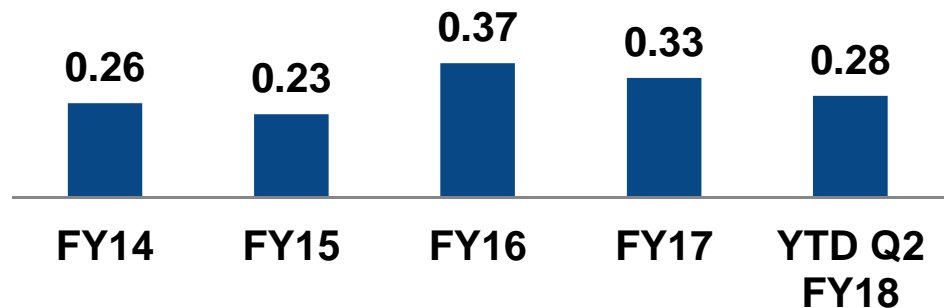
# Q2 FY18 operational safety review

- Continued solid safety performance with full Target Zero in multiple regions in Q2
- FY18 STRIVE priority safety improvement through:
  - Initiatives in global pilot and engineer standards and training
  - Completion of our Organizational Safety Effectiveness Survey
- H225 safety case evaluation is ongoing with local regulators, Airbus, HeliOffshore member operators and clients

**Air Accident Rate (AAR<sup>1</sup>)**



**Total Recordable Injury Rate (TRIR<sup>2</sup>)**



1) AAR prior to FY16 includes commercial helicopter operations for Bristow Group and consolidated affiliates. AAR beginning in FY16 includes all Category A and B accidents for consolidated Bristow operations, including Airnorth, Bristow Academy and Eastern Airways. AAR is per 100,000 flight hours  
 2) TRIR beginning in FY15 includes consolidated commercial operations, corporate, Bristow Academy, Eastern Airways, and Airnorth employees. TRIR is per 200,000 man hours

# We have made significant progress in achieving our FY18 STRIVE priorities

## Safety improvement

- Continuing focus on managing risk exposure through enhanced safety analytics
- Completed Organizational Safety Effectiveness Survey as initial action to refresh our Target Zero safety culture

## Cost efficiencies

- ~\$130M in cost recoveries expected to be received from OEMs in second half of FY18
- Better bottom-line results reflect increased operating leverage from a much lower cost structure

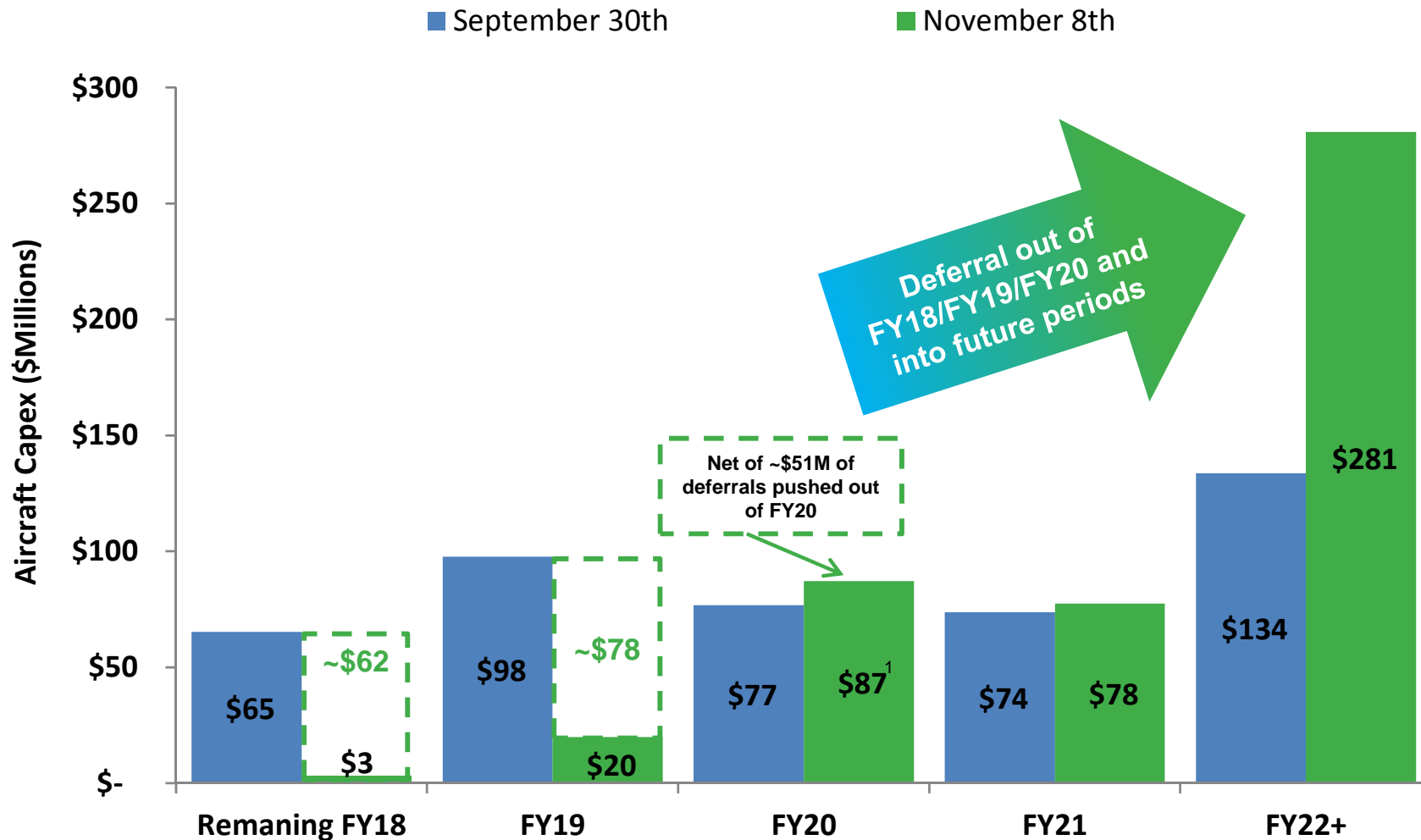
## Portfolio and fleet optimization

- ~\$190 million of capex deferrals out of FY18 – FY20 into FY20 and beyond
- Bristow Academy sale in early November 2017; making difficult decisions concerning each business based on current and future returns

## Revenue growth

- Increased activity particularly in the U.S. Gulf of Mexico and Norway
- Improved revenue reflects ability to capture short-cycle opportunities through lower cost and faster hub response

# Deferral of ~\$190 million of aircraft capex into future periods



# Significantly improved liquidity outlook reflects actions taken thus far in FY18

- Liquidity increased ~\$96M to \$389M during the quarter, primarily due to:
  - Positive operating cash flow of ~\$16M including favorable working capital changes of ~\$5M
  - Net financing activity of ~\$92M
- We are increasing liquidity guidance by ~\$185M for March 31, 2018 to \$410M - \$450M reflecting:
  - Cost recoveries from OEMs of \$130M and capex deferrals of ~\$62M
  - ~\$16M of positive operating cash flow
  - ~\$5M decrease in non-aircraft capex
  - Offset by ~\$26M related to an ~\$11M reduction in expected FY18 H225 lease deferrals and ~\$15M for increased letters of credit and debt issuance costs

FY18 liquidity bridge		
\$ in millions	Low	High
<b>Liquidity as of June 30, 2017</b>	<b>\$293</b>	
Q2 FY18 actual:		
Operating cash flow	16	
Net capex	(12)	
Net financing impact	92	
<b>Liquidity as of September 30, 2017</b>	<b>\$389</b>	
Operating cash flow <sup>1</sup>	(30)	(10)
Net capex <sup>2</sup>	(11)	9
Net financing impact <sup>3</sup>	(70)	(70)
Cost recoveries from OEMs and lease deferrals <sup>4</sup>	134	134
<b>Expected liquidity as of March 31, 2018<sup>5</sup></b>	<b>\$410</b>	<b>\$450</b>

- Q3 – Q4 FY18 operating cash flow range of ~\$(30M) to \$(10M) is consistent with the guidance given on the following page and equates to full year FY18 operating cash flow guidance of ~\$(65M) to \$(45M), a increase of ~\$10M from the prior guidance.
- Net capex includes aircraft capex commitments per Note 5 of the 10-Q of ~\$3M, plus ~\$18M of non-aircraft capex, offset by \$10M (low) to \$30M (high) of expected aircraft sales (on top of the ~\$40M sale of the SAR S-92 completed in Q1).
- Net financing impact includes debt repayment of ~\$29M and amortization of ~\$41M per the 10-Q and excludes repayments to the revolver.
- Cost recoveries from OEMs of \$130M plus lease deferrals of ~\$4M related to H225s
- Expected liquidity range as of March 31, 2018 is subject to business, market, and foreign currency uncertainty.

# Updated FY18 guidance

## FY18 guidance as of September 30, 2017<sup>1</sup>

	Operating revenue <sup>2</sup>	EBITDA <sup>2,3</sup>	Rent <sup>2</sup>
Oil and gas	~\$875M to ~\$975M	~\$0M to ~\$20M	~\$150M to ~\$160M
U.K. SAR	~\$215M to ~\$230M	~\$45M to ~\$55M	~\$45M to ~\$50M
Eastern	~\$105M to ~\$115M	~\$0M to ~\$5M	~\$10M to ~\$12M
Airnorth	~\$80M to ~\$90M	~\$5M to ~\$10M	~\$10M to ~\$12M
<b>Total</b>	<b>~\$1.3B to ~\$1.4B</b>	<b>~\$55M to ~\$85M</b>	<b>~\$220M to ~\$225M</b>

### Other selected measures

G&A expense	~\$170M to \$190M
Depreciation expense	~\$120M to \$130M
Total aircraft rent <sup>4</sup>	~\$195M to \$200M
Total non-aircraft rent <sup>4</sup>	~\$25M to \$30M
Interest expense	~\$60M to \$70M
Non-aircraft capex	~\$40M annually

- 1) FY18 guidance assumes FX rates as of September 30, 2017
- 2) Operating revenue, adjusted EBITDA and rent for oil and gas includes corporate and other revenue and the impact of corporate overhead expenses
- 3) Adjusted EBITDA for U.K. SAR and fixed wing (Eastern/Airnorth) excludes corporate overhead allocations consistent with financial reporting. Adjusted EBITDA is a non-GAAP measure of which the most comparable GAAP measure is net income (loss). We have not provided a reconciliation of this non-GAAP forward-looking information to GAAP. The most comparable GAAP measure to adjusted EBITDA is net income (loss) which is not calculated at this lower level of our business as we do not allocate certain costs, including corporate and other overhead costs, interest expense and income taxes within our accounting system. Providing this data would require unreasonable efforts in the form of allocations of other costs across the organization
- 4) Total aircraft rent and total non-aircraft rent are inclusive of respective component of rent expense for U.K. SAR, Eastern, Airnorth plus oil and gas

**We are further delivering on improvements to FY18's financial outlook through G&A / opex efficiencies, capex elimination / deferrals, and other initiatives**



# We are delivering on our STRIVE priorities with a better than expected quarter and improved liquidity

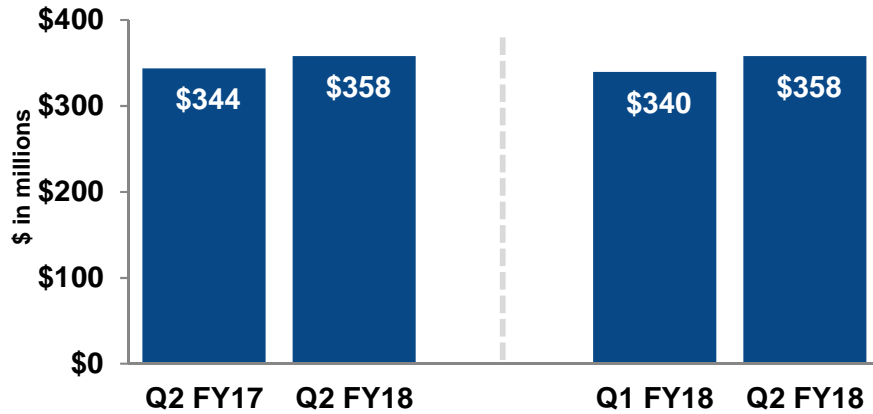
- We are proud of the global teams for their commitment and results for our FY18 STRIVE priorities in the face of continued offshore market challenges:
  1. Safety improvement
  2. Cost efficiencies
  3. Portfolio and fleet optimization
  4. Revenue growth
- Increased guidance and improved liquidity runway reflect 1HFY18 operating leverage from cost reductions, hub structure benefits and continued support from our OEM partners
- Our outlook remains cautious as this offshore downturn continues in spite of benchmark commodity price range stabilizing in the past six months
- Our oil and gas clients remain guarded and are diverting capital to pay down debt (and sometimes buying back equity) rather than sanctioning significant offshore projects

# Operational highlights

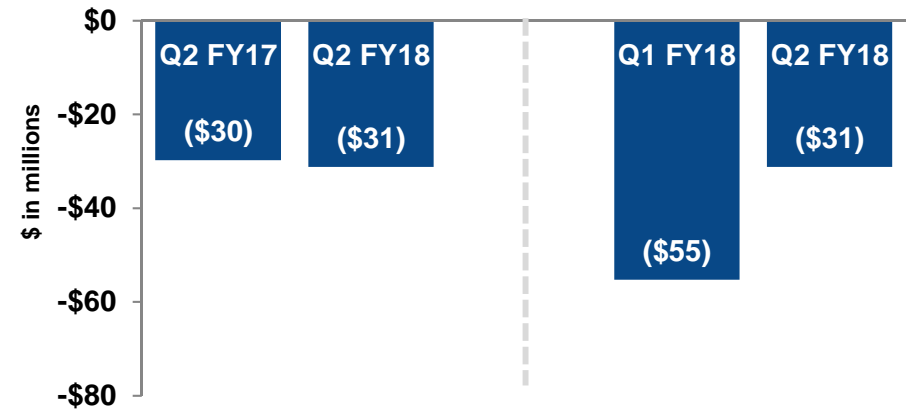


# Q2 FY18 results

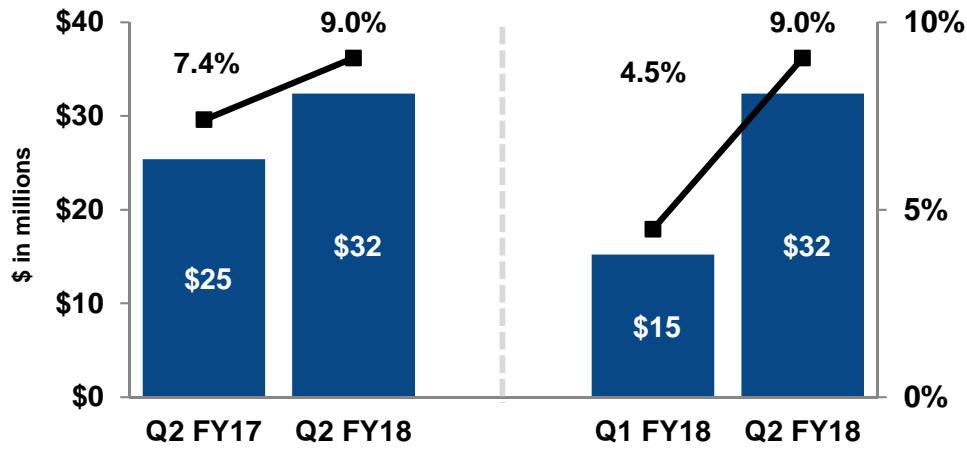
## Operating revenue



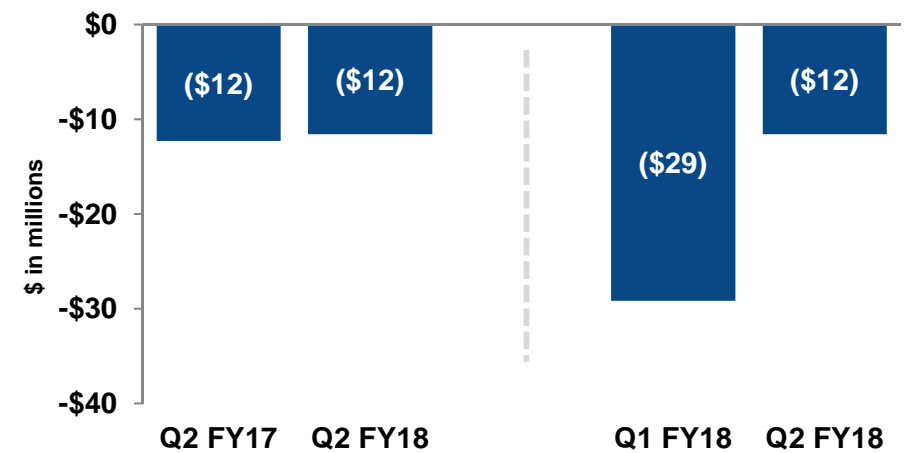
## Net loss



## Adjusted EBITDA<sup>1</sup>

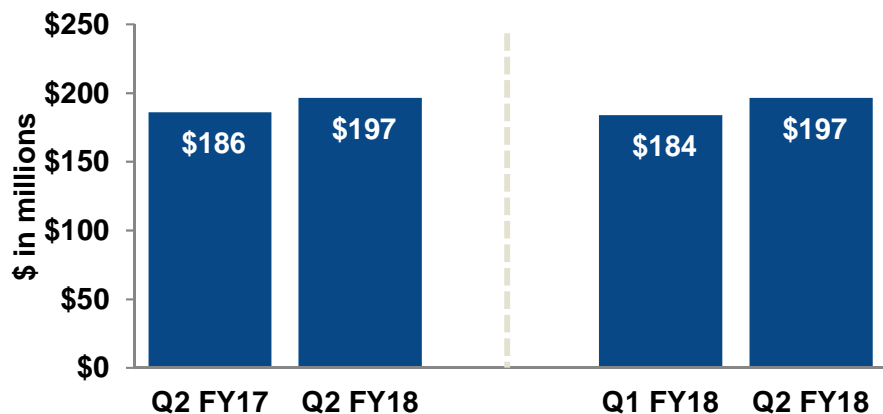


## Adjusted net loss

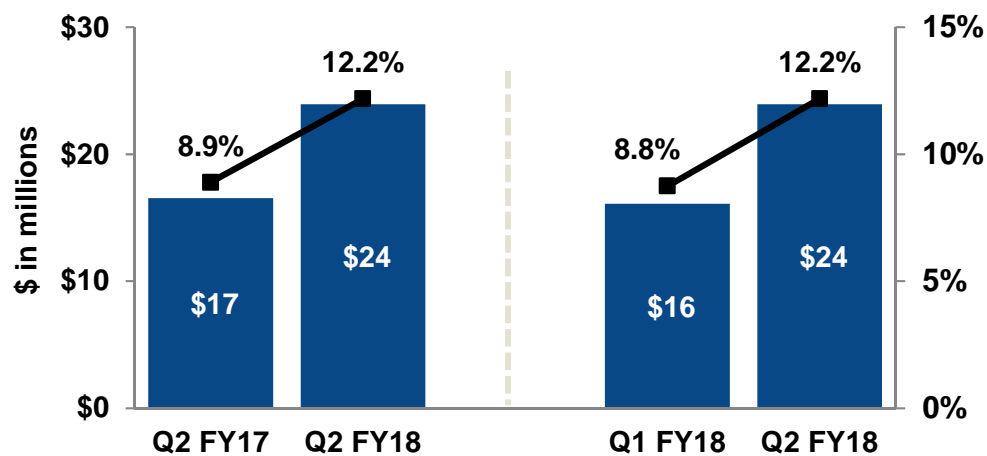


# Europe Caspian

## Operating revenue



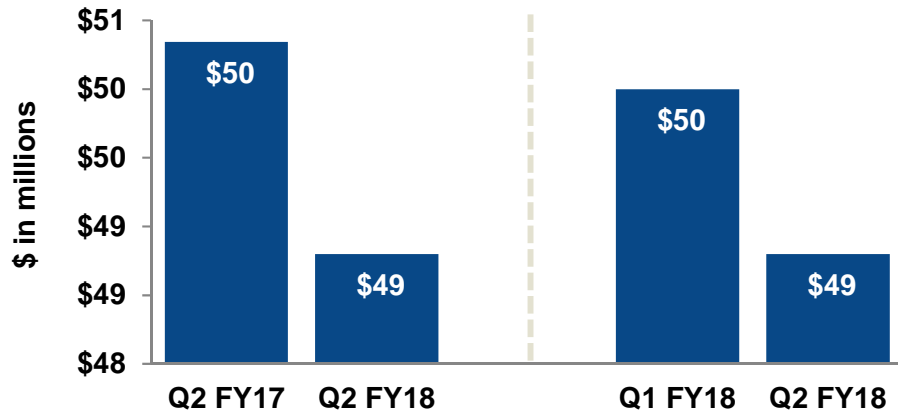
## Adjusted EBITDA<sup>1</sup>



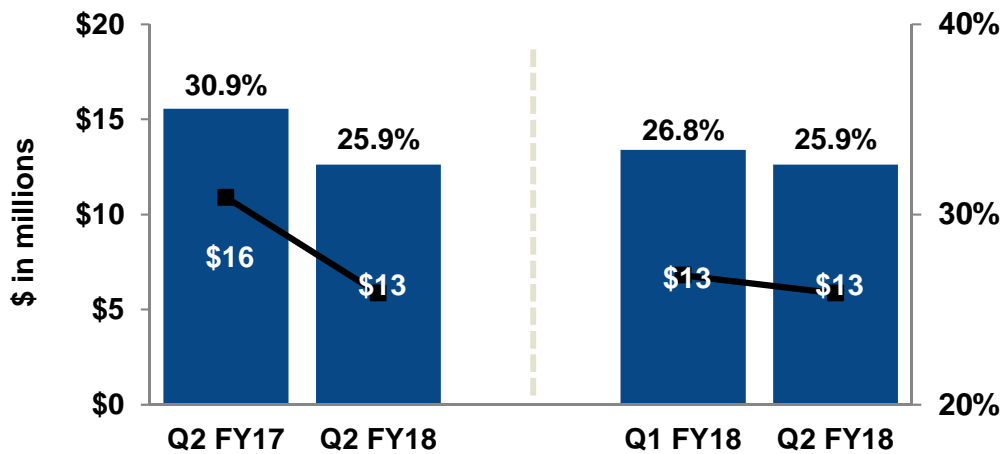


# Africa

## Operating revenue

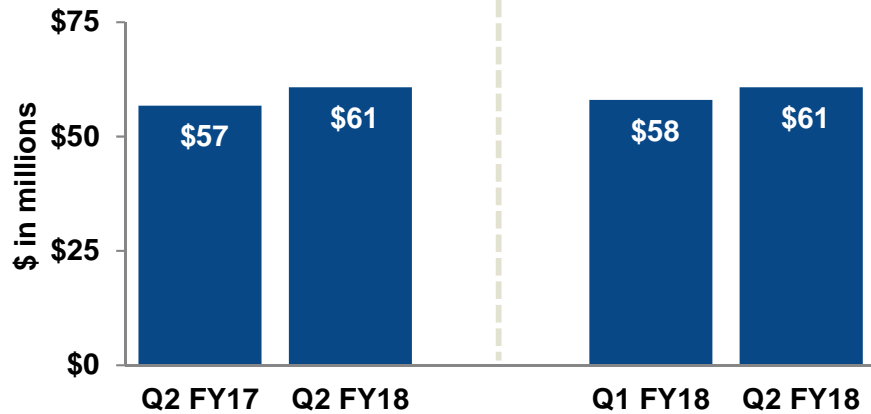


## Adjusted EBITDA<sup>1</sup>

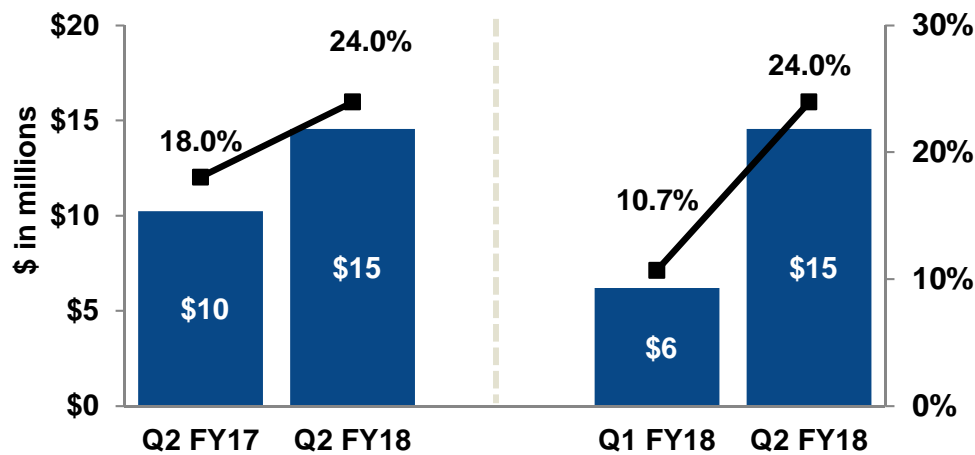


# Americas

## Operating revenue

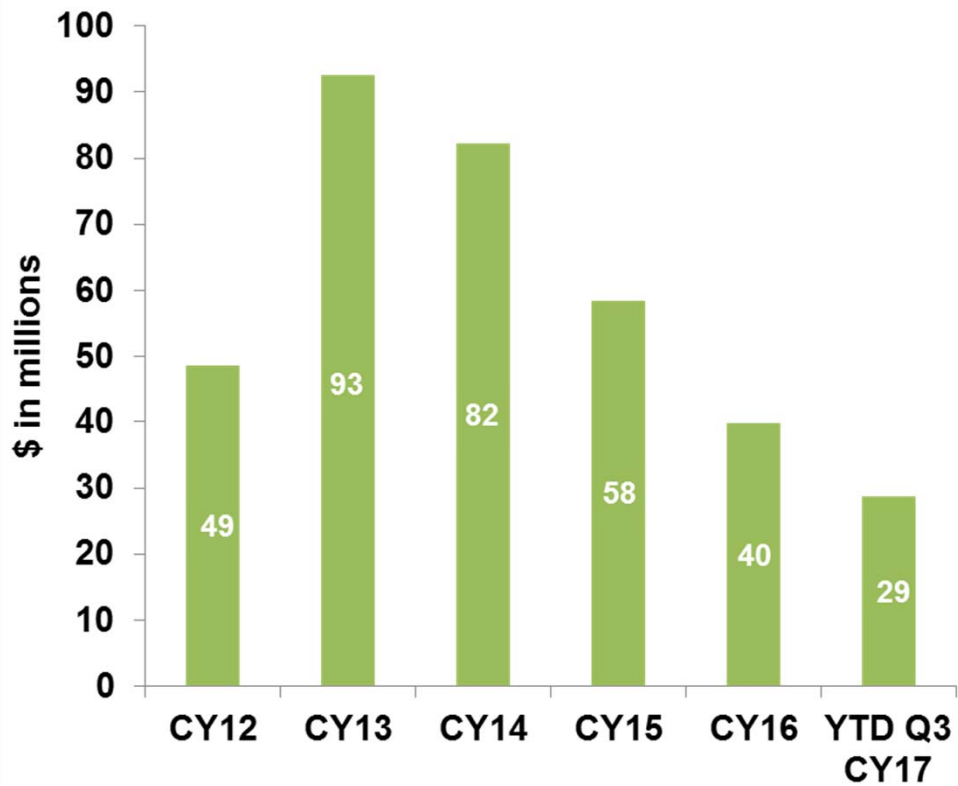


## Adjusted EBITDA<sup>1</sup>



# Líder

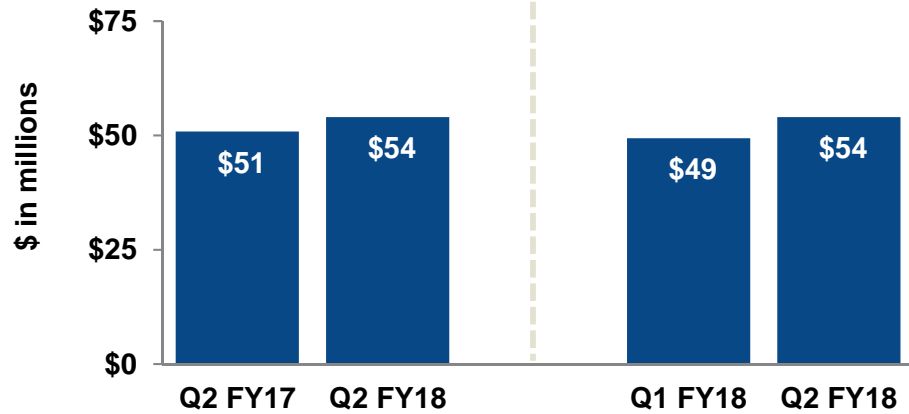
## Líder adjusted EBITDA<sup>1</sup>



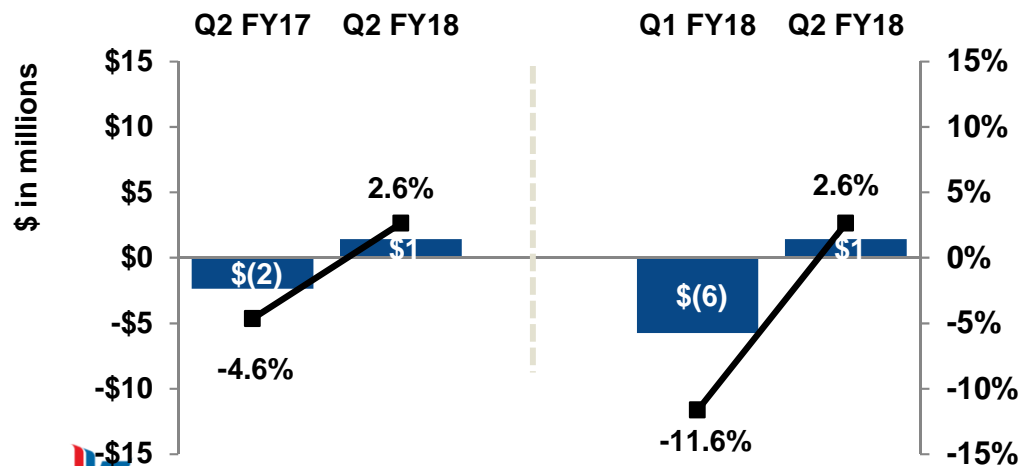
1) Reconciliation of adjusted EBITDA and leverage provided in the appendix

# Asia Pacific

## Operating revenue



## Adjusted EBITDA<sup>1</sup>

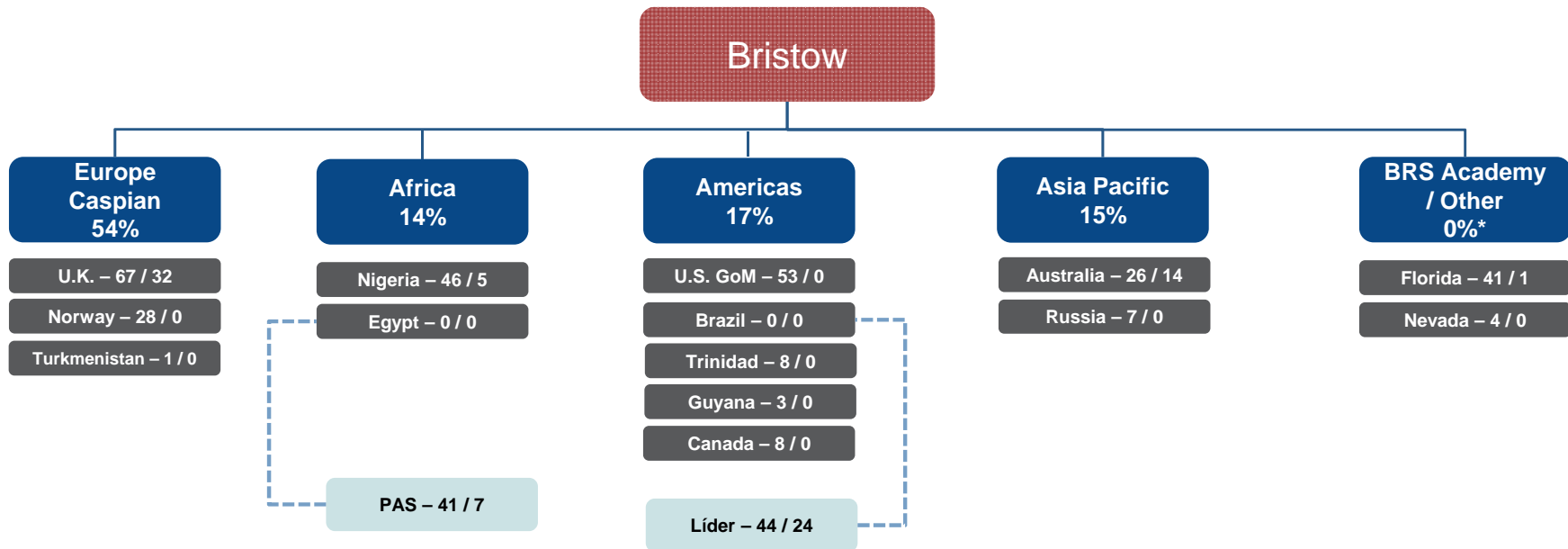




# Appendix



# Organizational chart as of September 30, 2017



- **Corporate**
- **Business Unit** (% of current period operating revenue)
- **Region** (# of helicopters / # of fixed wing)
- **Joint Venture** (# of helicopters / # of fixed wing)

\* Includes corporate and other

# Fleet as of September 30, 2017

Global fleet by aircraft type						
Type	Consolidated	Unconsolidated	Total	Capacity	Engine	
AW189	10	-	10	16	Twin turbine	
H225	27	-	27	19	Twin turbine	
Mil Mi 8	7	-	7	20	Twin turbine	
Sikorsky S-92	80	11	91	19	Twin turbine	
Total aircraft count	124	11	135			
<b>Large LACE</b>	<b>124</b>					
AW139	30	5	35	12	Twin turbine	
Bell 212	-	14	14	12	Twin turbine	
Bell 412	10	15	25	13	Twin turbine	
H155	1	-	1	13	Twin turbine	
Sikorsky S-76C/C++	48	27	75	12	Twin turbine	
Sikorsky S-76D	11	-	11	12	Twin turbine	
Total aircraft count	100	61	161			
<b>Medium LACE</b>	<b>44</b>					

■ Next generation aircraft  
■ Mature aircraft

# Fleet as of September 30, 2017 (continued)

Global fleet by aircraft type (continued)						
Type	Consolidated	Unconsolidated	Total	Capacity	Engine	
AS 350BB	-	1	1	4	Turbine	
AW109	-	1	1	4	Twin turbine	
Bell 206B	1	2	3	4	Turbine	
Bell 206 L Series	-	6	6	6	Turbine	
Bell 407	22	-	22	6	Turbine	
H135	-	3	3	6	Twin turbine	
Total aircraft count	23	13	36			
<b>Small LACE</b>	<b>6</b>					
Training	46	-	46			
Fixed wing	51	31	82			
Total aircraft count	<b>344</b>	<b>116</b>	<b>460</b>			
<b>Total LACE</b>	<b>174</b>					

- Next generation aircraft
- Mature aircraft



# Leased aircraft detail as of September 30, 2017

## Leased LACE calculation

	Small	Medium	Large	Training	Fixed wing	Total	Leased LACE	Total LACE	% Leased
Europe Caspian	-	6	41	-	14	61	44	87	51%
Africa	-	1	2	-	2	5	3	21	12%
Americas	1	14	6	-	-	21	13	38	35%
Asia Pacific	-	3	9	-	4	16	11	28	38%
Academy	-	-	-	17	-	17	-	-	-
<b>Total</b>	<b>1</b>	<b>24</b>	<b>58</b>	<b>17</b>	<b>20</b>	<b>120</b>	<b>70</b>	<b>174</b>	<b>40%<sup>1</sup></b>

## Held for sale aircraft in consolidated fleet

	Small	Medium	Large	Training	Fixed wing	Total
Europe Caspian	-	2	-	-	-	2
Africa	-	5	-	-	-	5
Americas	-	5	-	-	-	5
Asia Pacific	-	-	-	-	1	1
Academy	-	-	-	2	-	2
<b>Total</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>2</b>	<b>1</b>	<b>15</b>

1) The percentage of LACE leased is calculated by taking the total LACE for leased aircraft divided by the total LACE for all aircraft we operate, including both owned and leased aircraft. See 10-Q Note 5 "Commitments and Contingencies" for more information provided on operating leases

# Consolidated fleet changes and aircraft sales

Fleet rollforward		
	Q1 FY18	Q2 FY18
<b>Beginning fleet count</b>	<b>348</b>	<b>344</b>
Additions:		
Large	-	-
Medium	3	2
Small	-	-
Fixed wing	-	-
Training	2	-
<b>Total delivered</b>	<b>5</b>	<b>2</b>
<b>Total Leased delivered</b>	<b>-</b>	<b>3</b>
Sales	(6)	-
Other*	(3)	(5)
<b>Total removed</b>	<b>(9)</b>	<b>(5)</b>
	<b>344</b>	<b>344</b>

\*Includes write offs and lease returns

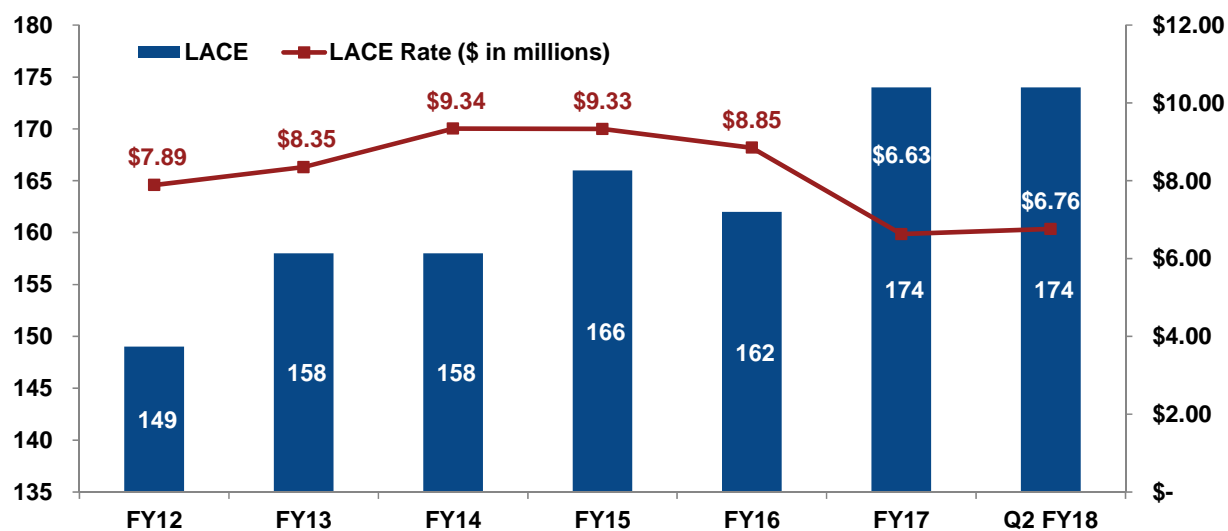
Aircraft sales		
	Aircraft sold	Cash received (\$M)
Q1 FY18	6	\$42.0
Q2 FY18	-	\$0.0
<b>Total</b>		<b>\$42.0</b>

See 10-Q Note 5 "Commitments and Contingencies" for more information provided on operating leases

# Operating revenue, LACE and LACE rate by region

LACE calculation for Q2 FY18			
	FYTD op revenue <sup>1</sup>	LACE	LACE Rate <sup>2,3,4</sup>
Europe Caspian	\$320	87	\$7.36
Africa	95	21	9.17
Americas	114	38	6.02
Asia Pacific	58	28	4.11
<b>Consolidated</b>	<b>\$588</b>	<b>174</b>	<b>\$6.76<sup>4</sup></b>

- 1) \$ in millions
- 2) LACE rate is annualized
- 3) \$ in millions per LACE
- 4) Excludes assets held for sale, Bristow Academy, Airnorth and Eastern Airways



# Historical LACE count by region

Historical LACE count by region								
	Q1 FY13	Q2 FY13	Q3 FY13	Q4 FY13	Q1 FY14	Q2 FY14	Q3 FY14	Q4 FY14
Europe Caspian	48	46	52	56	58	60	60	57
Africa	23	23	21	21	21	22	23	24
Americas	48	46	53	52	51	48	48	47
Asia Pacific	29	28	28	30	30	30	34	30
Consolidated	147	142	154	158	161	160	165	158

	Q1 FY15	Q2 FY15	Q3 FY15	Q4 FY15	Q1 FY16	Q2 FY16	Q3 FY16	Q4 FY16
Europe Caspian	62	68	70	72	74	76	76	76
Africa	24	24	22	21	22	20	19	19
Americas	47	45	46	45	41	41	41	40
Asia Pacific	31	29	31	29	27	27	26	27
Consolidated	163	166	168	166	164	163	163	162

	Q1 FY17	Q2 FY17	Q3 FY17	Q4 FY17	Q1 FY18	Q2 FY18
Europe Caspian	78	81	84	87	85	87
Africa	16	19	19	19	21	21
Americas	39	39	38	40	39	38
Asia Pacific	27	28	29	30	29	28
Consolidated	160	166	169	174	173	174

# Historical LACE rate by region

Historical LACE Rate by region <sup>1,2</sup>								
(\$ in millions)	Q1 FY13	Q2 FY13	Q3 FY13	Q4 FY13	Q1 FY14	Q2 FY14	Q3 FY14	Q4 FY14
Europe Caspian	\$ 10.49	\$ 10.94	\$ 9.69	\$ 9.10	\$ 9.59	\$ 9.92	\$ 10.27	\$ 10.82
Africa	11.54	11.70	13.06	13.28	14.26	13.95	13.25	13.34
Americas	6.10	6.38	5.82	6.06	6.37	7.31	7.14	7.26
Asia Pacific	6.91	7.49	7.64	7.23	7.37	6.48	5.50	6.42
<b>Consolidated</b>	<b>8.55</b>	<b>8.95</b>	<b>8.49</b>	<b>8.35</b>	<b>8.78</b>	<b>9.07</b>	<b>8.97</b>	<b>9.34</b>
	Q1 FY15	Q2 FY15	Q3 FY15	Q4 FY15	Q1 FY16	Q2 FY16	Q3 FY16	Q4 FY16
Europe Caspian	\$ 10.55	\$ 9.74	\$ 9.37	\$ 8.95	\$ 9.16	\$ 9.08	\$ 8.85	\$ 9.26
Africa	14.10	14.11	15.86	15.81	14.42	14.47	14.05	12.95
Americas	7.38	7.58	7.54	7.72	7.41	7.17	7.06	7.02
Asia Pacific	7.14	7.55	7.36	7.93	7.91	7.70	7.87	7.30
<b>Consolidated</b>	<b>9.55</b>	<b>9.43</b>	<b>9.33</b>	<b>9.33</b>	<b>9.25</b>	<b>9.06</b>	<b>8.89</b>	<b>8.85</b>
	Q1 FY17	Q2 FY17	Q3 FY17	Q4 FY17	Q1 FY18	Q2 FY18		
Europe Caspian	\$ 8.39	\$ 8.03	\$ 7.60	\$ 6.98	\$ 7.32	\$ 7.36		
Africa	12.90	10.89	10.72	10.18	9.29	9.17		
Americas	5.98	5.83	5.89	5.47	5.77	6.02		
Asia Pacific	5.27	4.64	4.38	4.73	3.95	4.11		
<b>Consolidated</b>	<b>7.75</b>	<b>7.28</b>	<b>7.03</b>	<b>6.63</b>	<b>6.66</b>	<b>6.76</b>		

1) \$ in millions

2) LACE rate calculated as YTD revenue annualized divided by period ending LACE count



# Order and options book as of November 8, 2017

## Aircraft order book

#	Helicopter class	Delivery date	Location
1	Large	December-18	TBD
1	Large	June-20	TBD
1	Large	September-20	TBD
2	Large	December-20	TBD
2	Large	June-21	TBD
1	Large	September-21	TBD
1	Large	December-21	TBD
1	Large	March-22	TBD
2	Large	June-22	TBD
2	Large	December-22	TBD
1	Large	March-23	TBD
1	Large	June-23	TBD
2	Large	September-23	TBD
1	Large	December-23	TBD <sup>1</sup>
2	Large	June-24	TBD <sup>1</sup>
1	Large	September-24	TBD <sup>1</sup>
1	Large	December-24	TBD <sup>1</sup>

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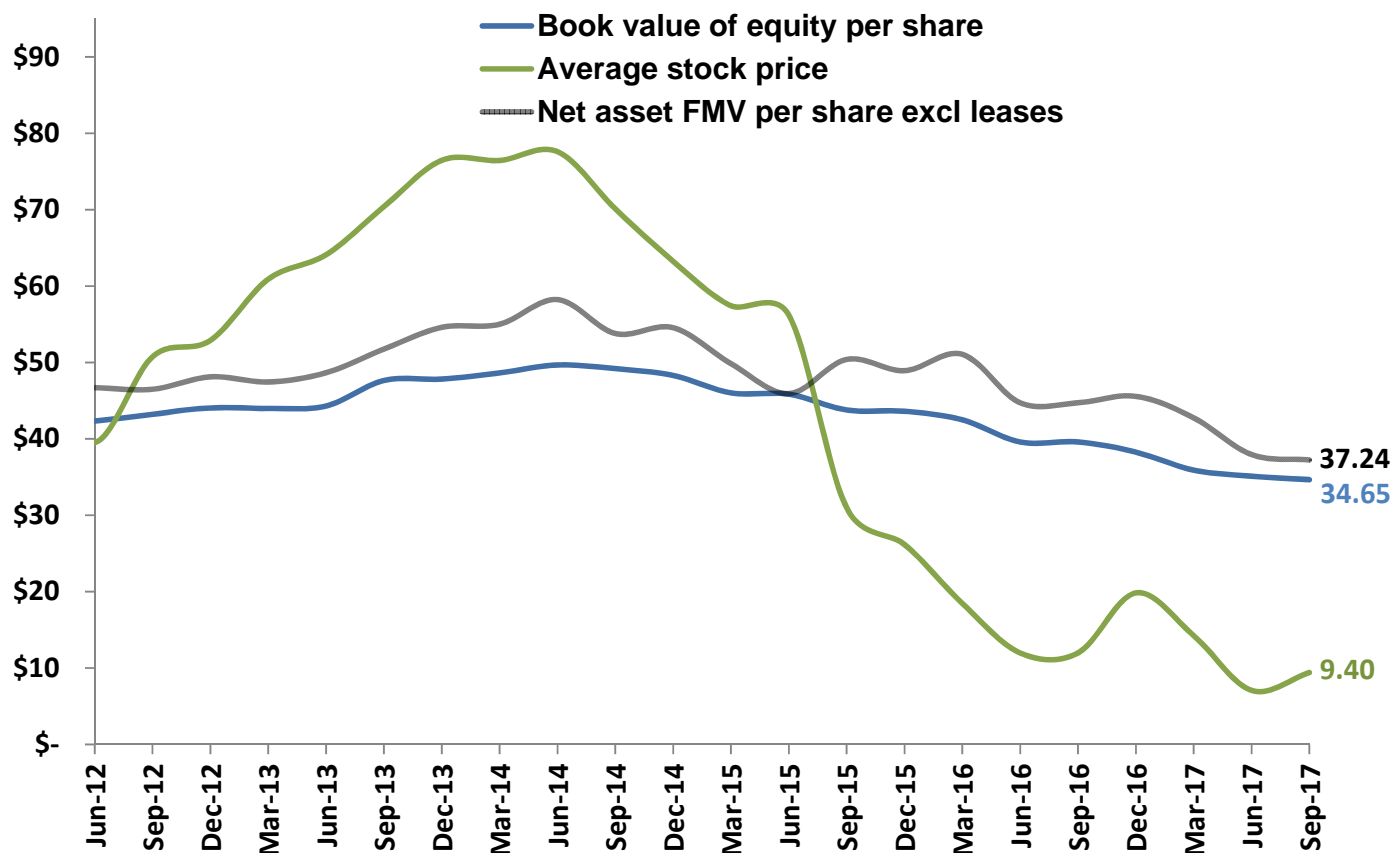
## U.K. SAR configured order book

#	Helicopter class	Delivery date	Location
4	Large	September-19	ECR

## Options book

#	Helicopter Class	Delivery Date
1	Large	June-18
1	Large	September-18
1	Large	June-19
1	Large	September-19
4		

# Net asset FMV and book value per share



NOTE: The company derives market value from observable market data if available and may require utilization of estimates, applications of significant judgment and reliance upon valuation specialists' and third party analysts' reports. When using third party reports, the market value is as of the date of such report and is not updated to reflect factors that may impact the valuation since the date of such report, including fluctuations in foreign currency exchange rates, oil and gas prices, and the balance of supply and demand. There is no assurance that market value of an asset represents the amount that the Company could obtain from an unaffiliated third party in an arm's length sale of the asset, the fleet, or the Company. The net asset FMV disclosed herein includes the pre-grounding value for 16 owned H225s totaling ~\$340 million that has not been updated as third party appraisal sources are no longer publishing values for these aircraft as they are grounded. Excluding these aircraft, net asset FMV per share would decrease by \$9.55 to \$27.68.

# Net asset FMV reconciliation

Net asset FMV per share calculation	
(in millions)	September 30, 2017
(+) FMV of aircraft	1,996
(+) NBV of PPE without aircraft <sup>1</sup>	446
(+) Working capital	140
(-) LT debt	(1,199)
(-) Pension liability	(58)
Net asset FMV	\$1,325
# of common shares	35.6
<b>Net asset FMV per share</b>	<b>\$37.24</b>

The net asset FMV disclosed herein includes the pre-grounding value for 16 owned H225s totaling ~\$340 million that has not been updated as third party appraisal sources are no longer publishing values for these aircraft as they are grounded. Excluding these aircraft, net asset FMV per share would decrease by \$9.55 to \$27.68.

# Adjusted EBITDA margin trend by region

EBITDA margin by region										
	Q1	Q2	Q3	Q4	FY15	Q1	Q2	Q3	Q4	FY16
Europe Caspian	25.0%	23.6%	17.3%	12.3%	19.9%	15.0%	15.6%	17.0%	13.8%	15.3%
Africa	23.7%	28.4%	32.8%	46.6%	32.7%	27.1%	28.5%	25.4%	11.8%	24.2%
Americas	39.1%	25.8%	31.3%	34.9%	32.8%	35.1%	2.0%	42.8%	17.7%	24.8%
Asia Pacific	14.2%	13.3%	12.9%	17.7%	14.7%	10.3%	9.8%	11.0%	10.7%	10.4%
<b>Consolidated</b>	<b>21.6%</b>	<b>17.4%</b>	<b>14.6%</b>	<b>18.2%</b>	<b>17.9%</b>	<b>15.3%</b>	<b>9.1%</b>	<b>16.4%</b>	<b>9.4%</b>	<b>12.6%</b>

	Q1	Q2	Q3	Q4	FY17	Q1 FY18	Q2 FY18
Europe Caspian	9.3%	8.9%	5.3%	1.2%	6.4%	8.8%	12.2%
Africa	12.7%	30.9%	34.3%	25.9%	25.8%	26.8%	25.9%
Americas	23.9%	18.0%	18.9%	10.8%	18.1%	10.7%	24.0%
Asia Pacific	-5.7%	-4.6%	-10.2%	8.8%	-2.3%	-11.6%	2.6%
<b>Consolidated</b>	<b>5.4%</b>	<b>7.4%</b>	<b>7.1%</b>	<b>1.1%</b>	<b>5.3%</b>	<b>4.5%</b>	<b>9.0%</b>

Adjusted EBITDA excludes special items and asset dispositions and margin is calculated by taking adjusted EBITDA divided by operating revenue

# Historical U.K. SAR performance (1)

Historical U.K. SAR performance											
(\$ in millions)	Q1	Q2	Q3	Q4	FY14	Q1	Q2	Q3	Q4	FY15	
GAP SAR	Op rev	\$1.1	\$11.9	\$12.1	\$12.6	\$37.7	\$13.0	\$13.0	\$11.9	\$11.1	\$49.0
	Adj EBITDA	(0.5)	5.4	5.7	5.2	15.7	5.4	5.7	1.9	1.2	14.2
	Total rent	0.0	0.2	0.3	0.2	0.7	0.1	0.4	3.8	3.5	7.9
U.K. SAR	Op rev										
	Adj EBITDA										
	Total rent										
Total	Op rev	1.1	11.9	12.1	12.6	37.7	13.0	13.0	11.9	11.1	49.0
	Adj EBITDA	(0.5)	5.4	5.7	5.2	15.7	5.4	5.7	1.9	1.2	14.2
	Total rent	0.0	0.2	0.3	0.2	0.7	0.1	0.4	3.8	3.5	7.9

GAP and U.K. SAR operating results are included within our Europe-Caspian region results. Adjusted EBITDA excludes corporate overhead allocations consistent with financial reporting. Adjusted EBITDA is a non-GAAP measure of which the most comparable GAAP measure is net income (loss). We have not provided a reconciliation of this non-GAAP information to GAAP. The most comparable GAAP measure to adjusted EBITDA is net income (loss) which is not calculated at this lower level of our business as we do not allocate certain costs, including corporate and other overhead costs, interest expense and income taxes within our accounting system. Providing this data would require unreasonable efforts in the form of allocations of other costs across the organization.



# Historical U.K. SAR performance (2)

Historical U.K. SAR performance											
(\$ in millions)		Q1	Q2	Q3	Q4	FY16	Q1	Q2	Q3	Q4	FY17
GAP SAR	Op rev	\$11.4	\$10.8	\$10.7	\$9.8	\$42.7	\$10.2	\$9.2	\$8.7	\$8.6	\$36.6
	Adj EBITDA	2.3	-0.2	1.1	0.2	3.3	1.1	-0.3	-1.3	0.1	-0.4
	Total rent	3.6	3.6	3.6	3.7	14.5	3.7	3.6	3.6	3.6	14.5
U.K. SAR	Op rev	17.2	28.2	36.9	52.2	134.5	39.4	41.7	36.5	35.3	153.0
	Adj EBITDA	-0.1	9.0	15.8	23.6	48.3	11.6	13.0	7.5	8.8	40.9
	Total rent	8.7	9.3	9.0	7.1	34.1	7.3	7.3	7.2	7.3	29.0
Total	Op rev	28.6	39.0	47.5	62.1	177.2	49.5	50.9	45.2	44.0	189.6
	Adj EBITDA	2.1	8.8	16.9	23.8	51.6	12.7	12.6	6.3	8.9	40.5
	Total rent	12.3	13.0	12.5	10.8	48.6	10.9	10.9	10.8	10.8	43.5

Includes only Stornoway, the last GAP SAR base which transitioned to U.K. SAR in July 2017

		Q1	Q2	Q3	Q4	FY18
GAP SAR	Op rev	\$4.8	-			\$4.8
	Adj EBITDA	0.2	-			0.2
	Total rent	1.9	-			1.9
U.K. SAR	Op rev	47.8	56.1			103.8
	Adj EBITDA	10.1	15.5			25.6
	Total rent	11.7	13.1			24.8
Total	Op rev	52.6	56.1			108.6
	Adj EBITDA	10.3	15.5			25.8
	Total rent	13.6	13.1			26.7

GAP and U.K. SAR operating results are included within our Europe-Caspian region results. Adjusted EBITDA excludes corporate overhead allocations consistent with financial reporting. Adjusted EBITDA is a non-GAAP measure of which the most comparable GAAP measure is net income (loss). We have not provided a reconciliation of this non-GAAP information to GAAP. The most comparable GAAP measure to adjusted EBITDA is net income (loss) which is not calculated at this lower level of our business as we do not allocate certain costs, including corporate and other overhead costs, interest expense and income taxes within our accounting system. Providing this data would require unreasonable efforts in the form of allocations of other costs across the organization.

# Historical fixed wing performance (1)

Historical fixed wing performance											
(\$ in millions)		Q1	Q2	Q3	Q4	FY14	Q1	Q2	Q3	Q4	FY15
Eastern	Op rev				\$21.2	\$21.2	\$39.8	\$39.5	\$34.8	\$30.7	\$144.8
	Adj EBITDA				2.8	2.8	6.9	7.5	3.8	3.3	21.6
	Total rent				1.4	1.4	2.4	2.2	1.6	1.8	7.9
Airthor	Op rev									11.4	11.4
	Adj EBITDA									0.7	0.7
	Total rent									1.4	1.4
Total	Op rev				21.2	21.2	39.8	39.5	34.8	42.0	156.2
	Adj EBITDA				2.8	2.8	6.9	7.5	3.8	4.0	22.2
	Total rent				1.4	1.4	2.4	2.2	1.6	3.2	9.3

Fixed wing operating results are included within their respective regional results. Adjusted EBITDA excludes corporate overhead allocations consistent with financial reporting. Adjusted EBITDA is a non-GAAP measure of which the most comparable GAAP measure is net income (loss). We have not provided a reconciliation of this non-GAAP information to GAAP. The most comparable GAAP measure to Adjusted EBITDA is net income (loss) which is not calculated at this lower level of our business as we do not allocate certain costs, including corporate and other overhead costs, interest expense and income taxes within our accounting system. Providing this data would require unreasonable efforts in the form of allocations of other costs across the organization.

# Historical fixed wing performance (2)

Historical fixed wing performance											
(\$ in millions)		Q1	Q2	Q3	Q4	FY16	Q1	Q2	Q3	Q4	FY17
Eastern	Op rev	\$34.1	\$32.9	\$27.3	\$39.2	\$133.5	\$30.9	\$29.8	\$25.1	\$24.5	\$110.4
	Adj EBITDA	5.7	5.8	2.7	-0.7	13.6	1.5	0.3	-2.1	-4.3	-4.5
	Total rent	1.8	1.9	1.7	2.5	8.0	2.4	2.8	2.2	2.2	9.6
Airnorth	Op rev	21.5	21.6	17.9	14.3	75.4	19.7	21.5	18.7	17.2	77.1
	Adj EBITDA	3.9	2.9	3.2	2.4	12.4	3.5	3.2	1.1	-0.7	7.1
	Total rent	2.1	2.0	2.0	2.1	8.1	2.1	2.0	2.3	2.6	8.9
Total	Op rev	55.6	54.5	45.2	53.6	208.9	50.6	51.3	43.8	41.7	187.4
	Adj EBITDA	9.7	8.7	5.9	1.6	25.9	5.0	3.5	-0.9	-5.0	2.6
	Total rent	3.9	3.9	3.7	4.6	16.1	4.5	4.7	4.5	4.7	18.5

		Q1	Q2	Q3	Q4	FY18
Eastern	Op rev	\$27.9	\$30.5			\$58.4
	Adj EBITDA	0.1	0.2			0.4
	Total rent	2.5	3.1			5.6
Airnorth	Op rev	21.0	24.6			45.6
	Adj EBITDA	0.9	5.6			6.4
	Total rent	2.5	2.4			4.9
Total	Op rev	48.9	55.1			103.9
	Adj EBITDA	1.0	5.8			6.8
	Total rent	5.0	5.5			10.5

Fixed wing operating results are included within their respective regional results. Adjusted EBITDA excludes corporate overhead allocations consistent with financial reporting. Adjusted EBITDA is a non-GAAP measure of which the most comparable GAAP measure is net income (loss). We have not provided a reconciliation of this non-GAAP information to GAAP. The most comparable GAAP measure to Adjusted EBITDA is net income (loss) which is not calculated at this lower level of our business as we do not allocate certain costs, including corporate and other overhead costs, interest expense and income taxes within our accounting system. Providing this data would require unreasonable efforts in the form of allocations of other costs across the organization.

# Adjusted EBITDA reconciliation

## Adjusted EBITDA reconciliation

(\$ in millions)	Q1	Q2	Q3	Q4	FY15	Q1	Q2	Q3	Q4	FY16
Net income	\$45.0	\$27.8	\$0.1	\$15.8	\$88.7	(\$1.6)	(\$45.7)	\$3.6	(\$33.4)	(\$77.1)
Income tax expense	\$11.8	\$6.0	\$0.6	\$4.4	\$22.8	\$2.6	(\$2.8)	\$9.6	(\$11.6)	(\$2.1)
Interest expense	\$7.4	\$8.0	\$7.1	\$7.9	\$30.3	\$7.9	\$7.4	\$9.7	\$10.2	\$35.2
Gain on disposal of assets	(\$0.6)	(\$0.1)	\$26.3	\$10.3	\$35.8	\$7.7	\$14.0	\$2.2	\$6.8	\$30.7
Depreciation and amortization	\$25.3	\$28.2	\$23.6	\$37.1	\$114.3	\$37.1	\$37.4	\$32.3	\$30.0	\$136.8
Special items	\$5.6	\$6.8	\$5.1	\$0.9	\$17.1	\$13.4	\$28.0	\$7.3	\$33.3	\$82.1
Adjusted EBITDA	\$94.5	\$76.6	\$62.8	\$76.4	\$309.1	\$67.2	\$38.3	\$64.7	\$35.3	\$205.5

	Q1	Q2	Q3	Q4	FY17	Q1 FY18	Q2 FY18
Net income	(\$41.1)	(\$30.1)	(\$26.1)	(\$79.7)	(\$176.9)	(\$55.7)	(\$31.4)
Income tax expense	(\$2.2)	(\$5.2)	(\$3.6)	\$43.6	\$32.6	\$13.5	\$2.5
Interest expense	\$11.1	\$11.7	\$12.3	\$15.7	\$50.9	\$16.2	\$18.7
Gain on disposal of assets	\$10.0	\$2.2	\$0.9	\$1.4	\$14.5	(\$0.7)	\$8.5
Depreciation and amortization	\$34.7	\$28.6	\$29.8	\$25.7	\$118.7	\$31.1	\$31.4
Special items	\$6.6	\$18.3	\$9.5	(\$3.1)	\$31.3	\$10.9	\$2.7
Adjusted EBITDA	\$19.1	\$25.4	\$22.9	\$3.7	\$71.1	\$15.2	\$32.4

Adjusted EBITDA excludes special items and asset dispositions

# Adjusted EBITDA regional reconciliation

Adjusted EBITDA by region										
\$ in millions	Q1	Q2	Q3	Q4	FY15	Q1	Q2	Q3	Q4	FY16
Europe Caspian	\$51.7	\$49.8	\$33.9	\$22.0	\$157.4	\$30.5	\$32.3	\$32.7	\$28.4	\$124.0
Africa	20.0	24.0	28.3	37.4	109.8	21.0	18.2	15.7	5.5	60.4
Americas	35.1	22.7	27.6	29.8	115.2	28.1	1.5	30.9	11.5	72.0
Asia Pacific	7.7	7.3	7.6	12.2	34.8	7.7	7.1	7.4	6.2	28.4
Corporate	-20.0	-27.3	-34.7	-25.0	-108.1	-20.1	-20.7	-21.9	-16.4	-79.1
<b>Consolidated</b>	<b>\$94.5</b>	<b>\$76.6</b>	<b>\$62.8</b>	<b>\$76.4</b>	<b>\$309.1</b>	<b>\$67.2</b>	<b>\$38.3</b>	<b>\$64.7</b>	<b>\$35.3</b>	<b>\$205.5</b>

\$ in millions	Q1	Q2	Q3	Q4	FY17	Q1 FY18	Q2 FY18
Europe Caspian	\$17.6	\$16.6	\$9.1	\$1.9	\$45.2	\$16.2	\$24.0
Africa	6.8	15.6	17.0	12.2	51.6	13.4	12.6
Americas	14.0	10.2	10.0	5.6	40.0	6.2	14.6
Asia Pacific	-3.1	-2.4	-5.0	5.5	-5.0	-5.7	1.4
Corporate	-16.2	-14.6	-8.2	-21.5	-60.6	-14.8	-20.2
<b>Consolidated</b>	<b>\$19.1</b>	<b>\$25.4</b>	<b>\$22.9</b>	<b>\$3.7</b>	<b>\$71.1</b>	<b>\$15.2</b>	<b>\$32.4</b>

Adjusted EBITDA excludes special items and asset dispositions



# Rent by region

Rent by region										
\$ in millions	Q1	Q2	Q3	Q4	FY15	Q1	Q2	Q3	Q4	FY16
Europe Caspian	\$18.9	\$20.9	\$30.2	\$33.3	\$103.3	\$34.7	\$35.0	\$33.4	\$33.3	\$136.4
Africa	1.9	2.0	1.5	1.6	7.0	1.8	1.7	2.5	1.4	7.5
Americas	5.0	5.1	5.6	5.0	20.7	5.4	5.8	5.0	4.8	21.0
Asia Pacific	5.1	5.2	6.9	8.0	25.2	9.4	9.2	9.2	9.2	37.1
Corporate	2.3	2.3	2.1	1.9	8.6	2.7	2.6	2.1	2.6	9.9
<b>Consolidated</b>	<b>\$33.1</b>	<b>\$35.4</b>	<b>\$46.3</b>	<b>\$49.9</b>	<b>\$164.8</b>	<b>\$53.9</b>	<b>\$54.4</b>	<b>\$52.2</b>	<b>\$51.3</b>	<b>\$211.8</b>

\$ in millions	Q1	Q2	Q3	Q4	FY17	Q1 FY18	Q2 FY18
Europe Caspian	\$32.3	\$33.6	\$34.1	\$34.1	\$134.1	\$36.5	\$36.9
Africa	2.3	2.1	1.8	2.0	8.1	2.2	2.2
Americas	5.6	5.1	5.6	6.8	23.0	7.0	5.2
Asia Pacific	9.3	9.3	10.2	11.0	39.8	11.0	10.6
Corporate	1.9	2.0	1.9	1.9	7.7	2.1	2.4
<b>Consolidated</b>	<b>\$51.3</b>	<b>\$52.0</b>	<b>\$53.7</b>	<b>\$55.7</b>	<b>\$212.6</b>	<b>\$58.7</b>	<b>\$57.2</b>

# GAAP reconciliation

U.S. GAAP reconciliation		
(In thousands, except per share amounts)	Q2 FY18	Q2 FY17
Net loss	(\$31,396)	(\$30,107)
Loss on disposal of assets	8,526	2,186
Special items <sup>1</sup>	2,676	18,265
Depreciation and amortization	31,381	28,592
Interest expense	18,717	11,703
Provision (benefit) for income taxes	2,474	(5,240)
<b>Adjusted EBITDA</b>	<b>\$32,378</b>	<b>\$25,399</b>
Net loss attributable to Bristow Group	(\$31,209)	(\$29,797)
Loss on disposal of assets <sup>2</sup>	14,144	1,487
Special items <sup>1,2</sup>	5,458	15,996
<b>Adjusted net loss</b>	<b>(\$11,607)</b>	<b>(\$12,314)</b>
Diluted loss per share	(\$0.88)	(\$0.85)
Loss on disposal of assets <sup>2</sup>	0.40	0.04
Special items <sup>1,2</sup>	0.15	0.46
<b>Adjusted diluted loss per share</b>	<b>(\$0.33)</b>	<b>(\$0.35)</b>

1) See information about special items in 10-Q or earnings release for Q1 FY18

2) These amounts are presented after applying the appropriate tax effect to each item and dividing by the weighted average shares outstanding during the related period to calculate the earnings per share impact

# Líder adjusted EBITDA and leverage

Líder adjusted EBITDA reconciliation				
(\$ in millions)	Q4 CY16	Q1 CY17	Q2 CY17	Q3 CY17
Gross revenue	\$58	\$57	\$59	\$52
Revenue deductions	(3)	(3)	(3)	(4)
Net operating revenue	55	54	56	49
Cost of products and services	(44)	(42)	(42)	(39)
Gross profit	10	11	14	9
Selling and administrative expenses	(5)	(5)	(4)	(5)
Equity income of associates	0	0	(0)	1
Other operating income/expenses	1	0	0	0
Operating result	6	6	11	5
Depreciation and amortization	2	2	2	2
Adjusted EBITDA	8	9	13	7

Líder leverage reconciliation		
(in millions)	Sept-16	Sept-17
Total book debt	\$ 191	\$ 196
TTM adjusted EBITDA	\$ 42	\$ 37
Adjusted debt / TTM adj. EBITDA	4.5x	5.3x
NPV of leases @ 6%	\$ 45	\$ 29

Adjusted EBITDA excludes special items and asset dispositions

# Debt repayments and amortization as of September 30, 2017

Debt repayments and amortization schedule							
(\$ in millions)	Balance 9/30/17	FY18 (6 mos)	FY19	FY20	FY21	FY22	FY23+
6.25% Senior Notes due 2022	\$401.5	-	-	-	-	-	\$401.5
Term Loan	150.9	17.5	43.8	89.7	-	-	-
Term Loan Credit Facility	28.9	28.9	-	-	-	-	-
Revolving Credit Facility	89.1	-	-	89.1	-	-	-
Lombard Debt	207.2	5.3	13.0	13.0	13.0	13.0	149.9
Macquarie Debt	192.0	7.0	14.0	14.0	14.0	143.0	-
PK Air Debt	230.0	-	18.0	19.1	20.3	21.7	150.9
Airnorth Debt	15.2	1.3	2.7	2.9	2.4	2.5	3.3
Eastern Airways Debt	14.6	9.6	5.0	-	-	-	-
<b>Total</b>	<b>\$1,329.5</b>	<b>\$69.6</b>	<b>\$96.5</b>	<b>\$227.8</b>	<b>\$49.8</b>	<b>\$180.2</b>	<b>\$705.6</b>

# Bank financial covenants

## Senior secured leverage ratio

(\$ in millions)	September 30, 2017
Term loan	151
Term loan credit facility	29
Revolving credit facility	89
Covenant PV of leases	464
Letters of credit (secured) <sup>1</sup>	19
<b>Total covenant debt</b>	<b>\$752</b>
TTM Adj EBITDA	\$74
TTM total rent expense	225
Non-cash stock comp expense	13
Cash proceeds from assets sales (max: \$20M)	20
Non-cash FX impact	(2)
Cash tax refunds	1
<b>TTM Covenant EBITDA</b>	<b>\$331</b>

Senior secured leverage ratio actual	<b>2.27x</b>
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Senior secured leverage ratio maximum	<b>4.25x</b>
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## Current ratio

(\$ in millions)	September 30, 2017
Total current assets	\$546
Less: assets HFS	(36)
Revolver availability less \$25M	267
<b>Total covenant current assets</b>	<b>\$777</b>
Total current liabilities	\$406
Less: Term loan maturity in current assets	(29)
<b>Total covenant current liabilities</b>	<b>\$377</b>

<b>Covenant current ratio actual</b>	<b>2.06x</b>
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<b>Covenant current ratio minimum</b>	<b>1.00x</b>
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# Total leverage reconciliation

<b>Consolidated leverage reconciliation</b>			
(in millions)	<b>Debt</b>	<b>Equity</b>	<b>Capital</b>
Book capitalization	\$1,329.4	\$1,233.0	\$2,562.4
Add: Unfunded pension liability	57.9	-	57.9
Add: Guarantees	-	-	-
Add: Letters of credit	21.0	-	21.0
<b>Adjusted capitalization</b>	<b>\$1,408.3</b>	<b>\$1,233.0</b>	<b>\$2,641.3</b>
Q2 FY18 TTM adjusted EBITDA	\$74.2		
<b>Adjusted debt / adjusted EBITDA</b>	<b>19x</b>		
NPV of lease obligations @ 6%	450.4		

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