SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

[X] Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended December 31, 1994

[_] Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period ________ to ________
Commission File Number 0-5232

Offshore Logistics, Inc.
(Exact name of registrant as specified in its charter)

Delaware	72-0679819
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification Number)
224 Rue de Jean P.O. Box 5C, Lafayette, LA	70505
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (318) 233-1221

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

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, and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate the number of shares outstanding of each of the issuer's classes of Common Stock, as of December 31, 1994.

19,405,459 shares of Common Stock, $.01 par value

OFFSHORE LOGISTICS, INC. AND SUBSIDIARIES
Consolidated Statement of Income
(thousands of dollars, except per share amounts)

	Three Months Ended December 31, 1994	Three Months Ended December 31, 1993	Six Months Ended December 31, 1994	Six Months Ended December 31, 1993
GROSS REVENUE				
Operating revenue	$ 41,519	$ 22,699	$ 67,741	$ 44,663
Gain on disposal of equipment	176	333	179	345
	41,695	23,032	67,920	45,008
OPERATING EXPENSES				
Direct Cost	30,962	14,575	47,467	27,569
Depreciation and amortization	2,606	1,800	4,635	3,630
General and administration	2,872	1,715	4,620	3,450
	36,440	18,090	56,722	34,649
OPERATING INCOME	5,255	4,942	11,198	10,359
Earnings from unconsolidated entities	1,775	507	2,400	1,007
Interest income	609	444	1,308	905
Interest expense	268	302	445	618
INCOME BEFORE PROVISION FOR INCOME TAXES	7,371	5,591	14,461	11,653
Provision for income taxes	2,138	1,491	4,210	3,126
Minority interest in income of consolidated subsidiaries	(13)	-	(13)	-
NET INCOME	$ 5,220	$ 4,100	$ 10,238	$ 8,527
Earnings per common share and common equivalent share	$ 0.27	$ 0.23	$ 0.54	$ 0.47
Common shares and common equivalent shares outstanding	19,644,684	18,042,218	18,927,082	18,004,314

OFFSHORE LOGISTICS, INC. AND SUBSIDIARIES
Consolidated Balance Sheet
(thousands of dollars)

	December 31, 1994	June 30, 1994
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 32,685	$ 27,225
Investment in marketable securities	19,964	19,950
Accounts receivable	28,000	17,681
Inventories	25,706	21,907
Prepaid expenses	1,286	500
Total current assets	107,641	87,263
Investments in unconsolidated entities	8,829	12,917
Property and equipment - at cost:		
Land and buildings	2,849	2,772
Aircraft and equipment	126,297	122,759
	129,146	125,531
Less: accumulated depreciation and amoritization	(55,347)	(51,614)

	73,799	73,917
Other assets, primarily goodwill	26,817	148
	$ 217,086	$ 174,245

LIABILITIES AND STOCKHOLDERS' INVESTMENT

CURRENT LIABILITIES:		
Accounts payable	$ 4,220	$ 1,957
Accrued liabilities	7,842	5,210
Current maturities of long-term debt	2,011	3,031
Total current liabilities	14,073	10,198
Long-term debt - less current maturities	6,600	2,000
Deferred taxes	18,939	17,980
Deferred credits	1,250	2,500
Minority interest in consolidated subsidiaries	1,513	--
STOCKHOLDERS' INVESTMENT:		
Common Stock, $.01 par value, authorized 35,000,000 shares; outstanding 19,405,459 and 17,602,379 at December 31 and June 30, respectively (exclusive of 517,550 treasury shares)	193	176
Paid in capital	94,452	71,563
Retained earnings	80,066	69,828
	174,711	141,567
	$ 217,086	$ 174,245

OFFSHORE LOGISTICS, INC. AND SUBSIDIARIES
Consolidated Statement of Cash Flows
(thousands of dollars)

	Six Months Ended December 31,	
	1994	1993
Cash flows from operating activities:		
Net income	$ 10,238	$ 8,527
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	4,635	3,630
Increase in deferred taxes	959	670
Gain on asset dispositions	(179)	(345)
Equity in earnings from unconsolidated entities (over) under dividends received	(41)	(83)
Minority interest in earnings	13	-

Decrease (Increase) in accounts receivable	2,653	(1,537)
Increase in inventories	(140)	(1,362)
Increase in prepaid expenses and other	(70)	(93)
Increase in accounts payable	861	729
Increase (Decrease) in accrued liabilities	(1,857)	2
Decrease in deferred credits	(1,250)	(1,013)
Net cash provided by operating activities	15,822	9,125
Cash flows from investing activities:		
Capital expenditures	(1,038)	(9,805)
Proceeds from asset dispositions	277	472
Additional advances to GPM	-	(750)
GPM acquisition costs, net of cash received	(567)	-
Acquisition of CPS, net of cash received	(7,586)	-
Net cash used in investing activities	(8,914)	(10,083)
Cash flows from financing activities:		
Repayment of debt	(3,224)	(3,690)
Issue common stock	1,776	334
Net cash used in financing activities	(1,448)	(3,356)
Net increase (decrease) in cash	5,460	(4,314)
Cash and cash equivalents at beginning of year	27,225	27,180
Cash and cash equivalents at end of quarter	$ 32,685	$ 22,866
Supplemental disclosure of cash flow information		
Cash paid during the period for:		
Interest	$ 282	$ 625
Income taxes	2,641	1,684

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1994

NOTE A - Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and do not include all information and footnotes necessary for a fair presentation of financial position, results of operations, and cash flows in conformity with generally accepted accounting principles. In the opinion of management, any adjustments considered necessary for a fair presentation have been included. Operating results for the six months ended December 31, 1994, are not necessarily indicative of the results that may be expected for the year ending June 30, 1995. For further information, refer to the consolidated financial statements and footnotes included in the Company's Annual Report on Form 10-K for the year ended June 30, 1994.

NOTE B - Production Management Services

The Company expanded its operations in July 1992 to include production management services. During fiscal 1993 and until October 29, 1993, the Company owned 50% of PPI-Seahawk Services, Inc. ("Seahawk"), a company which provided platform and production management services, offshore medical support services, and temporary personnel to the oil and gas industry. On October 29, 1993, the Company further expanded its interest in production management services by Seahawk merging into Grasso Corporation ("Grasso"). The Company exchanged its 50% investment in Seahawk for a 27.5% interest in Grasso.

On September 16, 1994, the Company acquired the remaining 72.5% interest in Grasso by issuing .49 of a share of the Company's common stock for each share of Grasso common stock owned. In addition, holders of Grasso Class B warrants are entitled to receive similar warrants for shares of the Company's common stock. The Merger was treated as a purchase for accounting purposes which resulted in goodwill of approximately $22.6 million after stepping up the assets and liabilities of Grasso. The goodwill will be amortized over a 20 year period.

The following summarized income statement data reflects the impact the Grasso merger would have had on the Company's results of operations had the transactions taken place on July 1, 1993:

	Proforma Results for the Six Months Ended December 31,	
	1994	1993
Gross revenue	$76,555	$63,289
Net income	$ 9,766	$ 7,810
Earnings per common share and common equivalent share	$ .50	$ .40

NOTE C - Cathodic Protection Services

In October 1994, the Company acquired 75% of Cathodic Protection Services Company ("CPS") for $7.5 million. CPS manufactures, installs and maintains cathodic protection systems to arrest corrosion in oil and gas drilling and production facilities, pipelines, oil and gas well casings, hydrocarbon processing plants, and other metal structures. The acquisition was treated as a purchase for accounting purposes which resulted in goodwill of approximately $3.6 million. The goodwill will be amortized over a 20 year period. The proforma effect of this acquisition as though it had been acquired at the beginning of each of the periods presented is not material to the operating results of the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

A summary of operating results for the applicable periods is as follows:

	Three Months Ended	Six Months Ended

	December 31,		December 31,	
	1994	1993	1994	1993
Gross revenue	$ 41,695	$ 23,032	$ 67,920	$ 45,008
Operating expenses	36,440	18,090	56,722	34,649
Operating income	5,255	4,942	11,198	10,359
Earnings from unconsolidated entities	1,775	507	2,400	1,007
Interest income	609	444	1,308	905
Interest expense	268	302	445	618
Income before provision for income taxes	7,371	5,591	14,461	11,653
Provision for income taxes	2,138	1,491	4,210	3,126
Minority interest in income of consolidated subsidiaries	(13)	-	(13)	_
Net income	$ 5,220	$ 4,100	$ 10,238	$ 8,527

Results of Operations

Consolidated operating revenues for the three months and six months ended December 31, 1994 were $41.5 million and $67.7 million, respectively. Prior year operating revenues were $22.7 million and $44.7 million, respectively. The acquisitions of GPM and CPS had a significant impact on the Company's operating revenues for the December 1994 quarter. Consolidated operating expenses for the three months and six months ended December 31, 1994 were $36.4 million and $56.7 million, respectively. Prior year operating expenses were $18.1 million and $34.6 million, respectively.

Operating revenues for the Air Division increased 2% and 7% for the three and six months ended December 31, 1994. Consolidated flight hours during the three and six months ended December 31, 1994 were approximately 29,000 and 60,000 hours, respectively. This represents a 6% and 5% increase in flight hours compared to the same periods in the prior year. This increase is primarily the result of increased operations in the Gulf of Mexico. Operating expenses for the Air Division were relatively unchanged and increased 7% for the three and six months ended December 31, 1994, respectively. Gross margins for the Air Division were approximately 26% for the three and six months ended December 31, 1994, relatively unchanged from the prior year.

GPM, the Company's production management services subsidiary, acquired on September 16, 1994, generated $10.8 million and $12.8 million in operating revenues for the three months and six months ended December 31, 1994, respectively. Operating expenses from GPM were $10.8 million and $12.7 for the three months and six months ended December 31, 1994, respectively. GPM was operating at nearly a break even gross margin for the three and six months ended December 31, 1994.

CPS, the Company's 75% owned cathodic protection corrosion control company, was acquired in October 1994. Operating revenues for the three months and six months ended December 31, 1994 included $9.1 million from CPS. Operating expenses from CPS for the three months and six months ended December 31, 1994 were $8.9 million. CPS gross margin for the three months ended December 31, 1994 was $0.2 million, approximately 2% of revenues.

The Company operates, through an unconsolidated subsidary, several aircraft in Mexico. This subsidiary's major contract is denominated in Pesos. The recent devaluation of the Peso will have an adverse affect on the subsidiary unless such contract can be renegotiated. Such negotiations are presently underway and the subsidiary believes that the outcome would be positive. The Company believes that an unfavorable outcome of these negotiations would not have a material adverse effect on the Company's business or financial position.

Liquidity and Capital Resources

Cash and cash equivalents (including marketable securities) were $52.6 million as of December 31, 1994, a $5.5 million increase from fiscal year end 1994. Total debt was $8.6 million as of December 31, 1994.

As of December 31, 1994, the Company had $10 million of credit available under an unsecured working capital line of credit from a bank. Management believes that normal operations will provide sufficient working capital and cash flow to meet debt service for the foreseeable future.

The effective income tax rates from continuing operations were 29% and 27% for the six months ended December 31, 1994 and 1993, respectively, and is based on the Company's projected effective tax rate for the fiscal year then ended. The increase in the effective tax rate is due primarily to amortization of goodwill related to GPM acquisition, which is not deductible for tax purposes. As of June 30, 1994, the Company had approximately $229,000 of alternative minimum tax credits available to reduce regular federal tax liability in future years.

The Company has received notices from the United States Environmental Protection Agency that it is one of approximately 160 potentially responsible parties ("PRP") at one Superfund site in Texas, one of over 300 PRP's at two sites in Louisiana, and a PRP at a site in Rhode Island. The Company believes, based on presently available information, that its potential liability for clean-up and other response costs in connection with these sites is not likely to have a material adverse effect on the Company's business or financial condition.

PART II

Item 4. Submission of Matters to a Vote of Security Holders

(a) The Annual meeting of Stockholders was held on December 9, 1994.

(c) Matters voted on at the meeting included:

1. For the election of directors, all nominees were approved. The results were as follows:

NOMINEE	FOR	WITHHELD
James B. Clement	15,749,525	68,598
Louis F. Crane	15,751,877	66,246
David S. Foster	15,745,787	72,336
David M. Johnson	15,748,677	69,446
Kenneth M. Jones	15,749,555	68,568
Homer L. Luther, Jr.	15,441,127	376,996
Harry C. Sager	15,748,012	70,111
George M. Small	15,750,277	67,846
Howard Wolf	15,749,977	68,146

2. Proposal to approve the 1994 Long-Term Management Incentive Plan was approved. The following votes were cast:

   For: 11,794,724   Against: 3,759,900   Abstained: 762,505

3. Proposal to approve the Annual Incentive Compensation Plan was approved. The following votes were cast:

   For: 14,690,449   Against: 658,443   Abstained: 769,309

Item 6. Exhibits and Reports on Form 8-K

(a) Listed below are the documents filed as exhibits to this report.

Exhibit 11
Computation of Earnings Per Share
Exhibit 27
Financial Data Schedule

(b) No reports on Form 8-K were filed during the quarter ended December 31, 1994

SIGNATURES

Pursuant to the requirements 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.

OFFSHORE LOGISTICS, INC.

BY: /s/ JAMES B. CLEMENT

JAMES B. CLEMENT
President
Chief Executive Officer

DATE: February 10, 1995

BY: /s/ GEORGE M. SMALL

GEORGE M. SMALL
Vice President
Chief Financial Officer

DATE: February 10, 1995

EXHIBIT 11
Computation of Earnings Per Share

	Three Months Ended December 31,		Six Months Ended December 31,	
	1994	1993	1994	1993
PRIMARY:				
Weighted average shares outstanding	19,316,826	17,585,401	18,574,587	17,575,792
Net effect of dilutive stock warrants based on the Treasury Stock method using average market price	25,946	97,505	54,458	92,330
Net effect of dilutive stock options based on the Treasury Stock method using average market price	301,912	359,312	298,037	336,192
	19,644,684	18,042,218	18,927,082	18,004,314
FULLY DILUTED:				
Weighted average shares outstanding	19,316,826	17,585,401	18,574,587	17,575,792
Net effect of dilutive stock warrants based on the Treasury Stock method using end of period market price	25,946	97,505	55,280	100,272
Net effect of dilutive stock options based on the Treasury Stock method using end of period market price	301,912	359,312	300,827	356,863
	19,644,684	18,042,218	18,930,694	18,032,927
	(thousands of dollars, except per share data)			
Net income	$ 5,220	$ 4,100	$ 10,238	$ 8,527
Per share amount - Primary	$ 0.27	$ 0.23	$ 0.54	$ 0.47
Per share amount - Fully diluted	$ 0.27	$ 0.23	$ 0.54	$ 0.47

<ARTICLE> 5
<MULTIPLIER> 1,000

<PERIOD-TYPE>	6-MOS
<FISCAL-YEAR-END>	JUN-30-1995
<PERIOD-START>	JUL-01-1994
<PERIOD-END>	DEC-31-1994
<CASH>	32,685
<SECURITIES>	19,964
<RECEIVABLES>	28,000
<ALLOWANCES>	0
<INVENTORY>	25,706
<CURRENT-ASSETS>	107,641
<PP&E>	129,146
<DEPRECIATION>	55,347
<TOTAL-ASSETS>	217,086
<CURRENT-LIABILITIES>	14,073
<BONDS>	6,600
<COMMON>	193
<PREFERRED-MANDATORY>	0
<PREFERRED>	0
<OTHER-SE>	174,518
<TOTAL-LIABILITY-AND-EQUITY>	217,086
<SALES>	67,741
<TOTAL-REVENUES>	67,920
<CGS>	47,467
<TOTAL-COSTS>	56,722
<OTHER-EXPENSES>	0
<LOSS-PROVISION>	0
<INTEREST-EXPENSE>	445
<INCOME-PRETAX>	14,461
<INCOME-TAX>	4,210
<INCOME-CONTINUING>	10,238
<DISCONTINUED>	0
<EXTRAORDINARY>	0
<CHANGES>	0
<NET-INCOME>	10,238
<EPS-PRIMARY>	.54
<EPS-DILUTED>	.54