

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

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FORM 8-K  
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CURRENT REPORT PURSUANT  
TO SECTION 13 OR 15(D) OF THE  
SECURITIES EXCHANGE ACT OF 1934

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED) DECEMBER 19, 1996

OFFSHORE LOGISTICS, INC.  
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE  
(STATE OR OTHER JURISDICTION OF INCORPORATION)

0-5232 72-0679819  
(COMMISSION FILE NUMBER) (I.R.S. EMPLOYER IDENTIFICATION NO.)

224 Rue de Jean P.O. Box 5C, Lafayette, 70505  
LA (ZIP CODE)  
(ADDRESS OF PRINCIPAL EXECUTIVE  
OFFICES)

(318) 233-1221  
(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

N/A  
(FORMER NAME OR FORMER ADDRESS, IF CHANGED SINCE LAST REPORT)

ITEM 2. ACQUISITION OR DISPOSITION OF ASSETS

On December 19, 1996, Offshore Logistics, Inc. ("OLOG") acquired 49% of the common stock and a significant economic interest in Bristow Aviation Holdings Limited ("Bristow"). Bristow is incorporated in England and holds all of the outstanding shares in Bristow Helicopter Group Limited ("BHGL").

Bristow was organized with three different classes of ordinary shares (common stock) having disproportionate voting rights. Caledonia Investments plc and its subsidiary, Caledonia Industrial & Services Limited, (collectively, "Caledonia"), OLOG and Mr. Andreas K.L. Ugland of Oslo, Norway (the "E.U. Investor"), a business affiliate of Bristow in a Norwegian helicopter services company, own 49%, 49% and 2% respectively, of Bristow's total outstanding ordinary shares, representing 37.5%, 37.5% and 25%, respectively, of the total voting rights.

OLOG, Caledonia, the EU Investor and Bristow entered into a shareholders' agreement respecting, among other things, the composition of the board of directors of Bristow. Under such agreement, Caledonia has the right to appoint three directors, OLOG has the right to appoint two directors, the EU Investor is appointed a director and the seventh director is appointed from Bristow's management. On all matters coming before Bristow's board, Caledonia's appointees has a total of five votes and the four other directors have one vote each.

These ownership and voting arrangements allow Bristow to satisfy The British Civil Aviation Authority (the "CAA") requirements that qualified European shareholders have majority ownership and control.

OLOG paid (Pounds)80.2 million (approximately \$132 million) in cash (funded from existing OLOG cash balances and the proceeds of 6% Convertible Subordinated Notes ("Notes") due 2003 and issued on December 17, 1996), \$7.5 million of the Notes issued to Caledonia and 1,374,389 shares of Common Stock issued to Caledonia and BHGL's management on December 19, 1996. In addition, OLOG acquired (Pounds)5 million principal amount of BHGL's subordinated debt for cash of approximately \$8.9 million including accrued interest. Caledonia received 1,300,000 shares of the Common Stock and BHGL's management received 74,389. OLOG provided Caledonia and BHGL's management with certain customary registration rights under U.S. securities laws respecting the resale of their shares of Common Stock (including the shares underlying the Notes issued to Caledonia).

In addition to its ownership of 49% of Bristow's outstanding ordinary shares and (Pounds)5.0 million principal amount of Bristow's subordinated debt, OLOG acquired (Pounds)91 million (approximately \$150 million) principal amount of subordinated unsecured loan stock (debt) of Bristow bearing interest at an annual rate of 13.5% and payable semi-annually. Bristow has the right to defer payment of interest on such debt until January 31, 2002. Any such deferred interest would also accrue interest at an annual rate of 13.5%.

So long as Caledonia has a significant interest in the shares of Common Stock issued to it pursuant to the Master Agreement or maintains its voting control of Bristow, Caledonia will have the right to nominate two persons to the board of directors of OLOG and to replace any such directors so nominated. Initially, Caledonia has nominated Peter N. Buckley, its Chairman, and Jonathan H. Cartwright, Caledonia's Finance Director, to the OLOG board.

Caledonia, OLOG and the EU Investor also entered into a put/call agreement whereunder, upon giving specified prior notice, OLOG has the right to buy all the Bristow shares held by Caledonia and the EU Investor, who, in turn, each has the right to sell such shares to OLOG. Under current U.K. law, OLOG would be required to find a qualified European investor to own any Bristow shares it acquired under the put/call agreement. The agreement fixes the put/call price of the shares at (Pounds)5.1 million (including (Pounds)4.9 million for Caledonia's shares and (Pounds)0.2 million for the EU Investor's shares), plus an additional amount equal to a compound annual return of 10% should either Caledonia or the EU Investor elect to sell its shares to OLOG or 12% should OLOG elect to buy such shares. OLOG has secured the fixed price of Caledonia's Bristow shares with U.K. government securities and guarantee to Caledonia the appropriate compound annual return thereon.

OLOG will consolidate Bristow's results for financial reporting purposes. The economic interests of Caledonia and the EU Investor in Bristow will be limited, in effect, to the fixed put/call price for their respective shares plus a compound annual return.

Caledonia will receive management fees from Bristow for as long as Caledonia owns its Bristow shares. Such management fees will be payable semiannually in advance and will total (Pounds)500,000 for the first year, (Pounds)900,000 for each of the second and third years and (Pounds)757,000 for each of the fourth and fifth years. If OLOG exercises its right to buy Caledonia's Bristow shares within the first five years following closing, then the full amount of the management fees for the remainder of the five-year period will be payable to Caledonia in a lump sum at the time of the purchase. If Caledonia exercises its right to sell its Bristow shares to OLOG, then no management fees would be payable after completion of the sale, unless (i) OLOG fails to purchase the shares, (ii) Caledonia exercised its right to sell following a sale by OLOG of its Bristow shares or (iii) OLOG is in breach of its obligations under the shareholders' agreement. If, at the end of five years from closing, neither the right to buy nor the right to sell has been exercised, then the management fees payable for each of the following two years will equal (Pounds)500,000. The EU Investor may also receive nominal management fees from Bristow as long

as he owns Bristow shares.

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ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial statements of business acquired

The financial statements for the acquired business, Bristow Helicopter Group Limited, for the periods required by Rule 3-05(b) of Regulation S-X are attached hereto as Annex A.

(b) Pro forma financial information

The pro forma financial information required pursuant to Article 11 of Regulation S-X is attached hereto as Annex B.

(c) Exhibits

2(1) Master Agreement dated December 12, 1996. The documents listed as "Annexures" in the Table of Contents of the Master Agreement are not included. The Registrant agrees to furnish supplementally a copy of any omitted Annexure to the Securities and Exchange Commission upon request.

ITEM 9. SALES OF EQUITY SECURITIES PURSUANT TO REGULATION S.

On December 19, 1996, the Registrant issued \$7.5 million of the Convertible Subordinated Notes due 2003 (the "Notes") to Caledonia in accordance with the Bristow transaction discussed in Item 2 of this Form 8-K. The Notes are convertible into common stock at any time on or after February 15, 1997, and prior to the close of business on December 15, 2003, at a conversion price of \$22.86 per share, subject to adjustment in certain events. On such date, the Registrant also issued 1,374,389 shares of Common Stock to Caledonia and BHGL's management in the Bristow transaction. The Notes and Common Stock were issued pursuant to Regulation S under the Securities Act of 1933. Caledonia agreed not to make any disposition of its Notes or Common Stock in or into the United States prior to January 29, 1997 and BHGL's management agreed not to make any such dispositions of such Common Stock prior to January 29, 1998. Because two representatives of Caledonia are members of the Board of Directors of the Registrant, Caledonia may be deemed to be an "affiliate" of the Registrant.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

OFFSHORE LOGISTICS, INC.

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(Registrant)

Date January 3, 1997

By /s/ George M. Small

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George M. Small  
Vice President and  
Chief Financial Officer

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ANNEX A

BRISTOW HELICOPTER GROUP LIMITED

INDEPENDENT AUDITORS' REPORT

The Stockholders'  
Bristow Helicopter Group Limited

We have audited the accompanying consolidated balance sheets of Bristow Helicopter Group Limited as at 31 December 1995 and 1994, and the related consolidated profit and loss accounts and cash flow statements for each of the years in the three year period ended 31 December 1995. These consolidated financial statements are the responsibility of the management of Bristow Helicopter Group Limited. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audit in accordance with generally accepted auditing standards in the United Kingdom, which standards are substantially equivalent to auditing standards generally accepted in the United States. 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 Bristow Helicopter Group Limited as at 31 December 1995 and 1994, and the results of its operations and its cash flows for each of the years in the three year period ended 31 December 1995, in conformity with generally accepted accounting principles in the United Kingdom.

Accounting principles generally accepted in the United Kingdom vary in certain respects from accounting principles generally accepted in the United States. Application of accounting principles generally accepted in the United States would have affected results of operations for each of the years in the three-year period ended 31 December 1995 and shareholders' funds as at 31 December 1995 and 1994, to the extent summarised in note 27 to the consolidated financial statements.

KPMG  
Gatwick, England  
15 April 1996

BRISTOW HELICOPTER GROUP LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEARS ENDED 31 DECEMBER 1995, 1994, AND 1993

	NOTE	1995	1994	1993
		-----	-----	-----
		(Pounds) 000'S	(Pounds) 000'S	(Pounds) 000'S
TURNOVER.....	2	144,212	143,316	174,279

Other operating income.....		115	390	1,346
Raw materials and consumables.		(39,921)	(36,211)	(45,600)
Staff costs.....	3	(52,123)	(55,124)	(58,670)
Depreciation.....		(5,706)	(5,361)	(11,010)
Other operating charges.....		(23,039)	(24,911)	(24,587)
OPERATING COSTS.....		(120,674)	(121,217)	(138,521)
OPERATING PROFIT.....		23,538	22,099	35,758
Profit on disposal of fixed assets.....		5,999	1,107	1,684
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST AND INVESTMENT RETURNS.....		29,537	23,206	37,442
Loss from interests in associated undertakings.....		(119)	(578)	6
Amounts written off investments.....	8	(1,032)	133	(1,551)
Profit on disposal of fixed asset investments.....		--	1,240	--
Other interest receivable and similar income.....		317	481	1,577
Interest payable and similar charges.....	5	(12,646)	(12,948)	(16,294)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION.....	4	16,057	11,534	21,180
Tax on profit on ordinary activities.....	6	(5,300)	(2,936)	(1,567)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION.....		10,757	8,598	19,613
Minority interests.....		2	20	(34)
RETAINED PROFIT FOR THE FINANCIAL YEAR.....	17	10,759	8,618	19,579

The turnover and profit were derived from continuing operations.

The accompanying notes are an integral part of these statements.

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BRISTOW HELICOPTER GROUP LIMITED

CONSOLIDATED BALANCE SHEET  
AT 31 DECEMBER 1995 AND 1994

	NOTE	1995	1994
		(Pounds) 000'S	(Pounds) 000'S
FIXED ASSETS			
Tangible assets.....	7	60,986	52,400
Investments.....	8	1,223	542
		-----	-----
		62,209	52,942
		-----	-----
CURRENT ASSETS			

Stocks.....	9	5,464	5,480
Debtors.....	10	24,858	25,447
Own shares.....	22	1,221	88
		-----	-----
		31,543	31,015
CREDITORS--amounts falling due within one year.....	11	(41,253)	(52,196)
		-----	-----
NET CURRENT LIABILITIES.....		(9,710)	(21,181)
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES.....		52,499	31,761
CREDITORS--amounts falling due after more than one year.....	11	(83,190)	(74,975)
PROVISION FOR LIABILITIES AND CHARGES.....	15	(19,513)	(16,369)
		-----	-----
		(50,204)	(59,583)
		=====	=====
CAPITAL AND RESERVES			
Called up share capital.....	16	10,000	10,000
Share premium account.....	17	3,338	3,338
Goodwill write-off reserve.....	17	(111,845)	(110,461)
Profit and loss account.....	17	48,249	37,484
		-----	-----
SHAREHOLDERS' FUNDS.....		(50,258)	(59,639)
MINORITY INTEREST.....		54	56
		-----	-----
		(50,204)	(59,583)
		=====	=====

The accompanying notes are an integral part of these statements.

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BRISTOW HELICOPTER GROUP LIMITED

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS  
YEARS ENDED 31 DECEMBER 1995, 1994 AND 1993

	1995	1994	1993
	-----	-----	-----
	(Pounds) 000'S	(Pounds) 000'S	(Pounds) 000'S
Profit for the financial year.....	10,759	8,618	19,579
Goodwill written off on acquisitions of an associated undertaking.....	(1,384)	--	--
Goodwill written off on acquisition of a minority interest in a subsidiary undertaking.....	--	6	--
Net acquisition expenses written off..	--	--	(18)
Exchange adjustment.....	6	(127)	(19)
	-----	-----	-----
Net addition to shareholders' funds...	9,381	8,497	19,542
Opening shareholders' funds.....	(59,639)	(68,136)	(87,678)
	-----	-----	-----
Closing shareholders' funds.....	(50,258)	(59,639)	(68,136)
	=====	=====	=====

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	1995	1994	1993
	(Pounds) 000'S	(Pounds) 000'S	(Pounds) 000'S
Profit for the financial year.....	10,759	8,618	19,579
Exchange adjustment.....	6	(127)	(19)
	-----	-----	-----
Prior period adjustment.....	10,765	8,491	19,560
	--	--	(2,031)
	-----	-----	-----
TOTAL GAINS AND LOSSES RECOGNISED FOR THE YEAR.....	10,765	8,491	17,529
	=====	=====	=====

The accompanying notes are an integral part of these statements.

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BRISTOW HELICOPTER GROUP LIMITED  
CONSOLIDATED CASH FLOW STATEMENT  
YEARS ENDED 31 DECEMBER 1995, 1994, AND 1993

	NOTES	1995	1994	1993
		(Pounds) 000'S	(Pounds) 000'S	(Pounds) 000'S
NET CASH INFLOW FROM OPERATING ACTIVITIES.....	18	28,828	24,223	49,877
RETURN ON INVESTMENTS AND SER- VICING OF FINANCE.....				
Interest received.....		317	474	1,497
Interest paid.....		(10,176)	(10,438)	(14,183)
Interest element of finance lease rental payments.....		(184)	--	--
Dividends received from associ- ated undertakings.....		--	--	3
		-----	-----	-----
Net cash outflow from returns on investment and servicing of finance.....		(10,043)	(9,964)	(12,683)
TAXATION				
UK corporation tax paid.....		(8,105)	(4,322)	(3,904)
Overseas tax paid.....		(1,931)	(1,921)	(2,480)
		-----	-----	-----
TAX PAID.....		(10,036)	(6,243)	(6,384)
Investing activities.....				
Purchase of tangible fixed assets.....		(8,666)	(12,846)	(2,779)
Purchase of investment.....		(3,643)	(915)	(516)
Aircraft disposal proceeds...		6,447	1,077	1,051
Sale of other tangible fixed assets.....		156	53	4,413
Sale of investments.....		--	1,241	--
		-----	-----	-----
Net cash (outflow)/inflow from investing activities.....		(5,706)	(11,390)	2,169
		-----	-----	-----
Net cash inflow/(outflow) be-				

fore financing.....		3,043	(3,374)	32,979
FINANCING				
Amount repaid on borrowings..	19	(2,000)	(11,000)	(45,500)
Repayment of capital elements of finance lease rentals....	19	(785)	--	--
Expenses relating to new financing and acquisition of subsidiary undertakings.....		--	--	(18)
		-----	-----	-----
Net cash outflow from financ- ing.....		(2,785)	(11,000)	(45,518)
		-----	-----	-----
Increase/(Decrease) in cash and cash equivalents.....	20	258	(14,374)	(12,539)
		=====	=====	=====

The accompanying notes are an integral part of these statements.

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BRISTOW HELICOPTER GROUP LIMITED

NOTES (forming part of the financial statements)

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules on a going concern basis.

Basis of consolidation

The Group financial statements consolidate the accounts of Bristow Helicopter Group Limited and its subsidiary undertakings (see note 25). These financial statements are made up to 31 December 1995 and 1994. For associated undertakings the Group includes its share of profits and losses in the consolidated profit and loss account and its share of post acquisition accumulated retained profits or deficits in the consolidated balance sheet.

The consolidated financial statements are based on accounts of subsidiary undertakings which are coterminous with those of the parent company and on accounts of associated undertakings which are coterminous with or end no more than three months before those of the parent company.

Unless otherwise stated, the acquisition method of accounting has been adopted. Under this method, the results of subsidiary and associated undertakings acquired or disposed of in the period are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal. Goodwill arising on consolidation (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) is taken to a goodwill write-off reserve. Any excess of the aggregate of the fair value of the separable net assets acquired over the fair value of the consideration given (negative goodwill) is credited direct to reserves.

On the subsequent disposal or termination of a previously acquired business, the profit or loss on disposal or termination is calculated after charging the gross amount of any related goodwill previously taken to reserves.

The amount of the profit for the financial year dealt with in the financial

statements of Bristow Helicopter Group Limited is disclosed in note 17 to these accounts.

#### Turnover

Turnover represents total revenue receivable for the period exclusive of VAT and intra-group transactions.

#### Leased Assets

Assets held under finance leases are treated as tangible fixed assets; depreciation is provided over the estimated useful life of the assets and the deemed capital element of future rentals is included under creditors. Deemed interest, calculated on a reducing balance basis, is charged as interest payable over the period of the lease.

The rental costs arising from operating leases are charged against profit before interest as they arise.

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### BRISTOW HELICOPTER GROUP LIMITED

#### NOTES (continued)

#### 1. ACCOUNTING POLICIES (continued)

##### Depreciation of Tangible Fixed Assets

Depreciation is provided at rates calculated to write off the cost of the assets, less estimated residual value, either in the case of the Eurocopter AS332L, the new Sikorsky S76A + and the Bell 214ST helicopters, on a flying hour basis, or by equal instalments over their estimated useful economic life as follows:--

Freehold buildings.....	0-40 years
Freehold land.....	Not depreciated
Long leasehold property.....	over lease period
Short leasehold property.....	over lease period
Plant and equipment.....	3-10 years
Vehicles.....	3-5 years
Helicopters, aircraft and capital spares.....	8-15 years

##### Research and Development

Research and Development expenditure is written off against profits in the period in which it is incurred.

##### Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

##### Provisions for Component Overhauls

A provision for component overhauls is made on an hourly basis in respect of the major components of all twin-engine helicopters and certain fixed wing aircraft. Component overhauls in respect of the major components of single engine helicopters and certain fixed wing aircraft are charged to trading

profit as costs are incurred.

#### Foreign Currencies

The trading results of overseas subsidiaries and associated companies are translated into sterling at average exchange rates for the period.

Assets and liabilities denominated in foreign currencies are translated into sterling either at the rates ruling at the Balance Sheet date or, where there are related forward foreign exchange contracts, at contract rates. Exchange differences arising from the translation of the results of overseas subsidiaries and associated companies at average rates, and the re-translation of the opening net investments in overseas subsidiaries and associated companies, are dealt with in Group reserves. All other exchange differences are dealt with in the profit and loss account.

#### Deep Discounted Loan Notes, Loan Stock and Term Loans

The loans are stated in the Balance Sheet at cost plus accrued interest to date.

Interest is allocated to the Profit and Loss Account at a constant rate over the term of the loan.

#### Stocks

Consumable spares and minor rotatable stocks are stated at the lower of cost or net realisable value.

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### BRISTOW HELICOPTER GROUP LIMITED

#### NOTES (continued)

##### 1. ACCOUNTING POLICIES (continued)

Work in progress and stocks for resale are valued at the lower of cost, inclusive of appropriate overheads, or net realisable value.

#### Pension Costs

The Group operates pension schemes providing benefits based on final pensionable pay. The assets of the schemes are held separately from those of the Group in an independently administered fund. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the Group.

##### 2. TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Segmental reporting as required by Statement of Standard Accounting Practice No. 25 and analysis of turnover by geographical location and attributable market as required by the Companies Act 1985 have not been included in these financial statements as the Directors regard such disclosure as being seriously prejudicial to the interests of the business.

##### 3. EMPLOYEE INFORMATION

#### Staff numbers

The average number of persons employed by the Group (including directors) during the year analysed by category, was as follows:

	NUMBER OF EMPLOYEES		
	1995	1994	1993
Operating staff.....	1,435	1,563	1,656
Management and administration.....	270	292	308
	-----	-----	-----
	1,705	1,855	1,964
	=====	=====	=====

Staff costs

	1995	1994	1993
	-----	-----	-----
	(Pounds) 000'S	(Pounds) 000'S	(Pounds) 000'S
Staff costs for the above persons--			
Wages and salaries.....	45,145	47,870	51,546
Social Security costs.....	3,119	3,349	3,169
Other pension costs (see note 24).....	3,859	3,905	3,955
	-----	-----	-----
	52,123	55,124	58,670
	=====	=====	=====

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BRISTOW HELICOPTER GROUP LIMITED

NOTES (continued)

3. EMPLOYEE INFORMATION (continued)

Directors' remuneration

	1995	1994	1993
	-----	-----	-----
	(Pounds)	(Pounds)	(Pounds)
Directors' emoluments for the year (including pension contributions).....	536,498	382,904	714,414
Consideration paid to third parties in respect of directors' services.....	48,954	48,954	48,240
	-----	-----	-----
	585,452	431,858	762,654
	=====	=====	=====
Fees and other emoluments disclosed above (excluding pension contributions) include amounts paid to:			
The Chairman.....	16,320	16,320	16,080
	=====	=====	=====
The highest paid director.....	319,936	206,433	318,567
	=====	=====	=====

Directors' emoluments (excluding pension contributions) were within the following ranges:

(Pounds) 1 to			
(Pounds) 5,000.....	1	--	--
(Pounds) 5,001 to			
(Pounds) 10,000.....	--	1	--
(Pounds) 10,001 to			
(Pounds) 15,000.....	4	3	3
(Pounds) 15,001 to			
(Pounds) 20,000.....	--	1	1
(Pounds) 85,001 to			
(Pounds) 90,000.....	--	1	--
(Pounds)135,001 to			
(Pounds)140,000.....	1	--	--
(Pounds)145,001 to			
(Pounds)150,000.....	--	--	1
(Pounds)155,001 to			
(Pounds)160,000.....	--	--	1
(Pounds)205,001 to			
(Pounds)210,000.....	--	1	--
(Pounds)315,001 to			
(Pounds)320,000.....	1	--	1

#### 4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	1995	1994	1993
	-----	-----	-----
	(Pounds) 000'S	(Pounds) 000'S	(Pounds) 000'S
Profit on ordinary activities before taxation is stated after crediting:			
Profit on disposal of fixed asset investments.....	--	1,240	--
Rents receivable.....	68	70	70
and after charging:			
Rentals paid under operating leases:			
--Aircraft hire.....	659	820	1,400
--Hire of plant and machinery..	71	59	70
--Rentals of properties.....	956	855	840
Charitable donations.....	10	8	5
Research and development expenditure.....	--	261	332
Remuneration of auditors:			
--Auditing the financial statements.....	113	113	110
--Other services.....	32	33	72

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BRISTOW HELICOPTER GROUP LIMITED

NOTES (continued)

#### 5. INTEREST PAYABLE AND SIMILAR CHARGES

1995	1994	1993
-----	-----	-----

(Pounds) 000'S (Pounds) 000'S (Pounds) 000'S

On bank loans and overdrafts and other loans:			
Repayable within five years, by instalments.....	8,001	8,719	10,179
Repayable wholly or partly in more than five years.....	4,037	4,037	6,039
	-----	-----	-----
	12,038	12,756	16,218
Interest paid under finance leases.....	272	--	--
Other interest and similar charges.....	336	192	76
	-----	-----	-----
	12,646	12,948	16,294
	=====	=====	=====

6. TAXATION

	1995	1994	1993
	-----	-----	-----
	(Pounds) 000'S	(Pounds) 000'S	(Pounds) 000'S
United Kingdom corporation tax at 33% on the profit for the year on ordinary activities			
Corporation tax--current year...	2,346	390	7,300
--prior year.....	(204)	93	(970)
Overseas tax--current year.....	1,973	1,592	2,205
	-----	-----	-----
	4,115	2,075	8,535
Double tax relief.....	(1,852)	(1,432)	(1,861)
Deferred taxation--current year...	2,988	2,395	(1,761)
--prior year.....	(79)	(75)	(3,351)
Associated undertakings.....	128	(27)	5
	-----	-----	-----
	5,300	2,936	1,567
	=====	=====	=====

The charge for taxation on the profit on disposal of fixed assets in the year was (Pounds)1,427,250 (years ended 31 December 1994 and 1993--(Pounds)354,746 and (Pounds)446,912 respectively).

BRISTOW HELICOPTER GROUP LIMITED

NOTES (continued)

7. TANGIBLE ASSETS

LAND AND BUILDINGS	AIRCRAFT*	PLANT EQUIPMENT AND VEHICLES	TOTAL
-----	-----	-----	-----
(Pounds) 000	(Pounds) 000	(Pounds) 000	(Pounds) 000

Cost				
At 1 January 1994.....	13,163	138,629	46,211	198,003
Exchange adjustments.....	19	--	(11)	8
Additions.....	933	10,636	1,277	12,846
Disposals.....	(2)	(2,020)	(1,057)	(3,079)
	-----	-----	-----	-----
At 31 December 1994.....	14,113	147,245	46,420	207,778
Exchange adjustments.....	(12)	--	(7)	(19)
Additions.....	13	13,422	1,475	14,910
Disposals.....	(96)	(4,423)	(1,274)	(5,793)
	-----	-----	-----	-----
At 31 December 1995.....	14,018	156,244	46,614	216,876
	=====	=====	=====	=====
Depreciation				
At 1 January 1994.....	7,571	105,277	40,231	153,079
Exchange adjustments.....	11	--	(18)	(7)
Charge for the period.....	390	3,065	1,906	5,361
Disposals.....	(1)	(2,020)	(1,034)	(3,055)
	-----	-----	-----	-----
At 31 December 1994.....	7,971	106,322	41,085	155,378
Exchange adjustments.....	(6)	--	1	(5)
Charge for the period.....	377	3,713	1,616	5,706
Disposals.....	(72)	(3,900)	(1,217)	(5,189)
	-----	-----	-----	-----
At 31 December 1995.....	8,270	106,135	41,485	155,890
	=====	=====	=====	=====
Net book value				
At 31 December 1994.....	6,142	40,923	5,335	52,400
	=====	=====	=====	=====
At 31 December 1995.....	5,748	50,109	5,129	60,986
	=====	=====	=====	=====

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\* The Net Book Value of aircraft at 31 December 1995 includes (Pounds)8,929,835 in respect of aircraft acquired under finance leases (1994: (Pounds)3,075,656). Aircraft depreciation for the year to 31 December 1995 includes (Pounds)390,378 relating to these aircraft (1994: (Pounds)152,735). Aircraft additions in the year includes payments on account totalling (Pounds)7,025,484.

	31 DECEMBER 1995	31 DECEMBER 1994
	-----	-----
	(Pounds) 000	(Pounds) 000

The net book value of land and buildings comprises:		
Freehold.....	3,065	3,151
Leases with 50 years or more unexpired.....	1,063	1,076
Leases with less than 50 years unexpired.....	1,620	1,915
	-----	-----
	5,748	6,142
	-----	-----
Freehold land and buildings not depreciated included in above totals.....	1,885	1,890
	=====	=====

	ASSOCIATED UNDERTAKINGS		OTHER	TOTAL
	SHARES	LOANS	UNLISTED INVESTMENTS	
	(Pounds) 000	(Pounds) 000	(Pounds) 000	(Pounds) 000
Cost				
At 1 January 1994.....	554	--	958	1,512
Additions.....	220	665	30	915
Disposals.....	--	--	(1)	(1)
Share of current period losses.	(609)	--	--	(609)
At 31 December 1994.....	165	665	987	1,817
Exchange adjustments.....	(23)	--	--	(23)
Additions.....	2,584	1,059	--	3,643
Goodwill written off on acquisition.....	(1,384)	--	--	(1,384)
Transfer to associated undertaking.....	20	--	(20)	--
Share of current period losses.	(247)	--	--	(247)
At 31 December 1995.....	1,115	1,724	967	3,806
Provisions				
At 1 January 1994.....	516	--	407	923
Provided (released) during the period.....	(381)	665	68	352
At 31 December 1994.....	135	665	475	1,275
Provided during the period.....	182	1,059	67	1,308
At 31 December 1995.....	317	1,724	542	2,583
Net book value				
At 31 December 1994.....	30	--	512	542
At 31 December 1995.....	798	--	425	1,223

The net charge to the profit and loss account of (Pounds)1,032,000 (1994: (Pounds)133,000) in respect of provisions against investments represents a charge of (Pounds)1,308,000 (1994: (Pounds)352,000) included above and a reduction in amounts included within creditors falling due within one year of (Pounds)276,000 (1994: (Pounds)485,000).

BRISTOW HELICOPTER GROUP LIMITED

NOTES (continued)

8. INVESTMENTS (continued)

The principal subsidiary undertakings and associated undertakings at 31 December 1995 are shown in note 25.

Bristow Helicopters Inc. and Bristow Helicopters Australia Pty. Ltd., have been treated as subsidiary undertakings due to the dominant influence of the Group over their affairs. During 1995 year the Group purchased an investment in Irish Helicopters Limited as part of a joint venture arrangement, which is accounted for as an associate.

9. STOCKS

	31 DECEMBER 1995	31 DECEMBER 1994
	-----	-----
	(Pounds) 000 'S	(Pounds) 000 'S
Consumable spares, minor rotatable spares and fuel.....	5,045	5,182
Work in progress and stock for resale....	419	298
	-----	-----
	5,464	5,480
	=====	=====

10. DEBTORS due within one year

	31 DECEMBER 1995	31 DECEMBER 1994
	-----	-----
	(Pounds) 000 'S	(Pounds) 000 'S
Trade debtors.....	20,428	21,960
Amounts due from associated undertakings...	1,312	300
Other debtors.....	1,081	1,095
Prepayments and accrued income.....	1,803	1,812
	-----	-----
	24,624	25,167
	-----	-----
--Amounts due after more than one year		
Prepayments and accrued income.....	234	280
	-----	-----
	24,858	25,447
	=====	=====

11. CREDITORS

	31 DECEMBER 1995	31 DECEMBER 1994
	-----	-----
	(Pounds) 000 'S	(Pounds) 000 'S
--Amounts falling due within one year		
Bank loan and overdrafts (see note 12)....	9,566	12,843
Obligations under finance leases (see note 13).....	431	--
Payments received on account.....	522	623
Trade creditors.....	17,207	16,239
Corporation tax.....	4,186	11,849
Other taxes and social security.....	1,678	1,311
Other creditors.....	4,326	6,076
Accruals and deferred income.....	3,337	3,255
	-----	-----
	41,253	52,196
	=====	=====

BRISTOW HELICOPTER GROUP LIMITED

NOTES (continued)

	31 DECEMBER 1995	31 DECEMBER 1994
	-----	-----
	(Pounds) 000'S	(Pounds) 000'S
--Amounts falling due after more than one year		
Bank loans and overdrafts (see note 12)...	24,895	24,099
Obligations under finance leases (see note 13).....	5,028	--
Series A Guaranteed Deep Discount Loan Note 1997 (12.89%).....	16,556	14,667
Series B Guaranteed Deep Discount Loan Note 1998 (12.36%).....	9,738	8,667
Unsecured subordinated loan stock (see note 14).....	26,973	27,542
	-----	-----
	83,190	74,975
	=====	=====

12. BANK LOANS AND OVERDRAFTS

	31 DECEMBER 1995	31 DECEMBER 1994
	-----	-----
	(Pounds) 000'S	(Pounds) 000'S
Bank overdraft.....	1,326	1,584
Term loan.....	33,135	35,358
	-----	-----
	34,461	36,942
	=====	=====
Wholly repayable by instalments:		
Due within one year.....	9,566	12,843
Due between one and five years.....	24,895	24,099
	-----	-----
	34,461	36,942
	=====	=====

The Term Loan is repayable by instalments up to 5 years. The interest rate attaching to the loan is linked to the London Inter-Bank Offered Rate (LIBOR) plus a variable margin, limited to a maximum rate of 12.6% on the first (Pounds)36m.

The average rate of interest charged to the profit and loss account is 12.19%.

The Term Loan is secured and details of its security are outlined in note 23.

13. OBLIGATIONS UNDER LEASES AND HIRE PURCHASE CONTRACTS

31 DECEMBER 1995 31 DECEMBER 1994  
-----

Obligations under finance leases fall due as follows:

Within one year.....	431	--
Within two to five years.....	2,623	--
Over five years.....	2,405	--
	-----	---
	5,459	--
	=====	===

BRISTOW HELICOPTER GROUP LIMITED

NOTES (continued)

13. OBLIGATIONS UNDER LEASES AND HIRE PURCHASE CONTRACTS (continued)

Annual commitments under non-cancellable operating leases are as follows:

	LAND AND BUILDINGS		PLANT AND MACHINERY	
	31 DECEMBER 1995	31 DECEMBER 1994	31 DECEMBER 31 1995	31 DECEMBER 1994
	(Pounds) 000'S	(Pounds) 000'S	(Pounds) 000'S	(Pounds) 000'S
Operating leases which expire:				
Within one year.....	17	73	573	--
Within two to five years.....	132	103	20	500
Over 5 years.....	837	811	21	21
	---	---	---	---
	986	987	614	521
	===	===	===	===

14. LOAN STOCK

	31 DECEMBER 1995	31 DECEMBER 1994
	(Pounds) 000'S	(Pounds) 000'S

Repayable by instalments in more than five years:

Unsecured subordinated loan stock.....	26,973	27,542
	=====	=====

The unsecured subordinated loan stock is repayable in four equal annual instalments commencing on 7 November 1998. The rates of interest range from 9.4% to 18.8%, the latter rate becoming effective in respect of a proportion of the loan stock with effect from 1 July 1993 and to the entirety of the loan stock with effect from 1 January 1994.

The average rate of interest charged to the profit and loss account is 16.5%.

15. PROVISION FOR LIABILITIES AND CHARGES

TAXATION	COMPONENT	
INCLUDING	OVERHAULS	
DEFERRED	AND SELF	
TAXATION	INSURED RISKS	TOTAL

	(Pounds) 000'S	(Pounds) 000'S	(Pounds) 000'S
At 1 January 1994.....	2,051	12,591	14,642
Utilised during year.....	--	(5,607)	(5,607)
Charge for the year in the profit and loss account.....	2,320	5,014	7,334
At 31 December 1994.....	4,371	11,998	16,369
Utilised during year.....	--	(3,501)	(3,501)
Charge for the year in the profit and loss account.....	2,910	3,735	6,645
At 31 December 1995.....	7,281	12,232	19,513

The amounts provided and not provided for deferred taxation are set out below:

	31 DECEMBER 1995		31 DECEMBER 1994	
	PROVIDED	UNPROVIDED	PROVIDED	UNPROVIDED
	(Pounds) 000'S	(Pounds) 000'S	(Pounds) 000'S	(Pounds) 000'S
Difference between accumulated depreciation and amortisation and capital allowances.....	10,002	--	8,348	--
Corporation tax on chargeable gain rolled over.....	1,384	--	1,041	--
Interest equalisation and other timing differences.....	(4,105)	--	(5,018)	--
	7,281	--	4,371	--

The amounts provided are for other short term timing differences. All liabilities for deferred taxation have been provided for.

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BRISTOW HELICOPTER GROUP LIMITED

NOTES (continued)

16. SHARE CAPITAL

	31 DECEMBER 1995	31 DECEMBER 1994
	(Pounds) 000'S	(Pounds) 000'S
Authorised 90,000,000 "A" Ordinary shares of 5p each.....	4,500	4,500

90,000,000 "B" Ordinary shares of 5p each.....	4,500	4,500
20,000,000 "C" Ordinary shares of 5p each.....	1,000	1,000
	-----	-----
	10,000	10,000
	=====	=====
Allotted, called up and fully paid		
90,000,000 "A" Ordinary shares of 5p each.....	4,500	4,500
90,000,000 "B" Ordinary shares of 5p each.....	4,500	4,500
20,000,000 "C" Ordinary shares of 5p each.....	1,000	1,000
	-----	-----
	10,000	10,000
	=====	=====

## 17. RESERVES

	SHARE PREMIUM	PROFIT AND LOSS	GOODWILL WRITE-OFF RESERVE
	-----	-----	-----
	(Pounds) 000 'S	(Pounds) 000 'S	(Pounds) 000 'S
At 1 January 1994.....	13,138	28,993	(110,467)
Capitalization of shares for bonus issue.....	(9,800)	--	--
Exchange adjustment.....	--	(127)	--
Profit for the year.....	--	8,618	--
Acquisition of subsidiary.....	--	--	6
	-----	-----	-----
At 31 December 1994.....	3,338	37,484	(110,461)
Exchange adjustment.....	--	6	--
Profit for the year.....	--	10,759	--
Acquisition of associate.....	--	--	(1,384)
	-----	-----	-----
At 31 December 1995.....	3,338	48,249	(111,845)
	=====	=====	=====

The balance on the "Goodwill Write-off Reserve" represents the cumulative goodwill written off to reserves on the acquisition of subsidiary and associate undertakings up to 31 December 1995.

The Group share of associated companies' reserves included in the above is (Pounds)141,540.

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## BRISTOW HELICOPTER GROUP LIMITED

### NOTES (continued)

## 18. NET CASH INFLOW FROM OPERATING ACTIVITIES

	YEAR ENDED 31 DECEMBER 1995	YEAR ENDED 31 DECEMBER 1994	YEAR ENDED 31 DECMEBER 1993
	-----	-----	-----
	(Pounds) 000 'S	(Pounds) 000 'S	(Pounds) 000 'S
Operating profit.....	23,538	22,099	35,758
Depreciation charge.....	5,706	5,361	11,010
Net (loss)/profit of			

associates and minorities.....	(119)	(578)	6
Decrease/(increase) in stocks.....	16	(619)	778
(Increase)/decrease in debtors.....	(544)	1,575	2,147
Increase/(decrease) in creditors and provisions.....	211	(3,469)	180
Exchange movement.....	20	(146)	(2)
	-----	-----	-----
Net cash inflow from operating activities....	28,828	24,223	49,877
	=====	=====	=====

19. NET CASH FLOW FROM FINANCING

	SHARE CAPITAL (INCLUDING PREMIUM)	LOANS	OBLIGATIONS UNDER LEASES AND HIRE PURCHASE CONTRACTS
	(Pounds) 000'S	(Pounds) 000'S	(Pounds) 000'S
Balance at 1 January 1993...	13,356	137,407	--
Net cash outflow from financing during the year....	(18)	(45,500)	--
Movement on interest accruals.....	--	3,168	--
	-----	-----	-----
Balance at 31 December 1993.	13,338	95,075	--
Net cash outflow from financing during the year....	--	(11,000)	--
Movements on interest accruals.....	--	2,159	--
	-----	-----	-----
Balance at 31 Decmeber 1994.	13,338	86,234	--
Inception of finance lease contracts.....	--	--	6,244
Net cash outflows from financing during the year..	--	(2,000)	--
Capital element of finance lease rental payments.....	--	--	(785)
Movement on interest accruals.....	--	2,168	--
	-----	-----	-----
Balance at 31 December 1995.	13,338	86,402	5,459
	=====	=====	=====

31 DECEMBER 1995	31 DECEMBER 1994	31 DECMEBER 1993
-----	-----	-----
(Pounds) 000'S	(Pounds) 000'S	(Pounds) 000'S

Loans comprise:

Bank loans and overdraft due within one year.....	9,566	12,843	10,930
Less bank overdraft.....	(1,326)	(1,584)	--
Creditors due after more than one year.....	78,162	74,975	84,145
	-----	-----	-----
	86,402	86,234	95,075

## BRISTOW HELICOPTER GROUP LIMITED

## NOTES (continued)

## 20. CASH AND CASH EQUIVALENTS

Analysis of changes in cash and cash equivalents during the year:

	31 DECEMBER 1995	31 DECEMBER 1994	31 DECEMBER 1993
	----- (Pounds) 000 'S	----- (Pounds) 000 'S	----- (Pounds) 000 'S
Group			
Opening Balance.....	(1,584)	12,790	25,329
Net cash inflow/(outflow) before adjustments for the effect of foreign exchange rate changes...	258	(14,267)	(12,456)
Effect of foreign exchange rate changes.....	--	(107)	(83)
	-----	-----	-----
Balance of cash at bank and in hand/(bank overdraft) at 31 December.....	(1,326)	(1,584)	12,790
	=====	=====	=====

## 21. CAPITAL COMMITMENTS

	31 DECEMBER 1995	31 DECEMBER 1994
	----- (Pounds) 000 'S	----- (Pounds) 000 'S
Group		
Contracted but not yet delivered.....	24	4,287
Authorised but not contracted.....	842	1,934
	---	---
	866	6,221
	===	=====

## 22. OWN SHARES

The Group set up an Employee Share Scheme shortly after the management buyout of the Group in November 1991 to enable employees to acquire shares in the Group. The shares are held on behalf of the participating employees by Bristow Nominees Limited, which acts at all times in accordance with the provisions of the Trust Deed and Rules of the Employee Share Scheme.

The amount shown as "Own shares" under current assets in the balance sheet at 31 December 1995 of (Pounds)1,221,000 (at 31 December 1994--(Pounds)88,000) represents the outstanding loan to Bristow Nominees Limited used to finance the repurchase of shares from leavers at the prevailing valuation. The total number of "C" ordinary shares of 5p each held by Bristow Nominees Limited at 31

December 1995 was 13,190,000.

### 23. CONTINGENT LIABILITIES

The Company is party to an agreement dated 7 November 1991, guaranteeing the obligations of the Company and its subsidiary undertakings and charging its undertakings and property as security for such guarantees or obligations which have arisen or may arise pursuant to the bank loans and overdrafts, revolving and guarantee facilities, provided to the Company and its subsidiary undertakings by National Westminster Bank plc., The Governor and Company of the Bank of Scotland and 3i Group plc. On 31 December 1995 the amount due under the revolving and guarantee facilities was (Pounds)1.9 million (1994-- (Pounds)3.0 million).

### 24. PENSION SCHEME

The Group pension schemes commenced on 31 January 1992. Prior to this date employees were members of pension schemes operated by The Bricom Group Limited. Independent actuaries have confirmed that the schemes were fully funded at the date of transfer from the Bricom Group Schemes to the Bristow Group Schemes and established the contribution rates to be adopted.

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## BRISTOW HELICOPTER GROUP LIMITED

### NOTES (continued)

The Group pension schemes provide benefits based on final pensionable earnings. The assets of the schemes are held in separate trustee administered funds and contributions are invested independently of the Group's assets. The schemes are of the defined benefit type funded by contributions partly from employees and partly from Group companies at rates determined by independent actuaries on the basis of triennial valuations. The last actuarial assessment of the schemes was at 31 March 1995 which showed the market value of the schemes assets was (Pounds)76.7m. The level of funding being the actuarial value of assets expressed as a percentage of the benefits accrued to members, after allowing for future salary increases, was 96.7% at 31 March 1995. On the preliminary advice of the actuary, the Group has increased the employers contributions by a further one percent from 1 April 1995 to commence the elimination of this deficit.

The main actuarial assumptions used to determine the level of contributions are that the long term annual rate of return on investments would be 2.75% in excess of annual increases in pensionable earnings and 5.5% in excess of annual increases to pensions.

The charge for providing pension benefit for the year to 31 December 1995 was (Pounds)3,859,429 (31 December 1994-- (Pounds)3,905,353).

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## BRISTOW HELICOPTER GROUP LIMITED

### NOTES (continued)

### 25. PRINCIPAL SUBSIDIARY AND ASSOCIATED UNDERTAKINGS

COUNTRY OF  
INCORPORATION SHARES HELD

SUBSIDIARY UNDERTAKINGS -----	REGISTRATION -----	CLASS -----	% HELD -----
Bristow Aviation Ltd.....	England	Ordinary	100
Bristow Helicopters Ltd.....	England	Ordinary	100
		5% Non-cumulative preference	100
Bristow Helicopters (Eastern) Ltd.....	England	Ordinary	100
Bristow Helicopters (International) Ltd.....	England	Ordinary	100
		Preference	100
Bristow Helicopters Australia Pty. Ltd.....	Australia	Ordinary	49
Bristow Helicopters Inc.....	U.S.A.	Ordinary	Nil
		Non-voting	100
Bristow Helicopters Malaysia Sdn. Bhd.....	Malaysia	Ordinary	100
British Executive Air Services Ltd.....	England	Ordinary	100
Bitsystem Ltd.....	England	Ordinary	100
British Island Airways (Guernsey) Ltd.....	Guernsey	Ordinary	100
Caledonian Helicopters Ltd.....	England	Ordinary	100
Helicopter Rentals Ltd.....	Bermuda	Ordinary	100
Oxford Heli-Services Ltd.....	England	Ordinary	100
PT Bristow Masayu Helicopters.....	Indonesia	Ordinary	80
Bristow Helicopters Singapore Pte. Ltd. ....	Singapore	Ordinary	100
United Helicopters Ltd.....	England	Ordinary	100
Air Service Training Ltd.....	England	Ordinary	100
Irish Helicopters Ltd	Ireland	Ordinary	51
ASSOCIATED UNDERTAKINGS -----			
Bristow Helicopters (Nigeria) Ltd.....	Nigeria	Ordinary	40
Bristow Caribbean Ltd.....	Trinidad	Ordinary	40
Norsk Helikopter A.S.....	Norway	Ordinary	49
Holitalia SpA.....	Italy	Ordinary	33

All the companies in the Group provide services connected with air transport.

#### 26. DIFFERENCES BETWEEN UNITED KINGDOM AND UNITED STATES GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

The financial statements are prepared in accordance with accounting principles generally accepted in the United Kingdom ("UK GAAP") which differ in certain respects from those generally accepted in the United States ("US GAAP"). The significant areas of difference affecting the financial statements of Bristow Helicopter Group Limited are described below.

##### (a) Goodwill

Under UK GAAP Bristow sets off goodwill arising on consolidation directly against retained earnings in the year of acquisition. Under US GAAP, goodwill arising on consolidation is capitalised on the balance sheet and then amortized over its useful life. Having considered all the relevant factors, Bristow have determined the expected useful life of goodwill to be 25 years.

BRISTOW HELICOPTER GROUP LIMITED

NOTES (continued)

#### 26. DIFFERENCES BETWEEN UNITED KINGDOM AND UNITED STATES GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (continued)

##### (b) Deferred taxation

Under UK GAAP Bristow provides for deferred taxation using the liability method on all material timing differences to the extent that it is considered probable that the liabilities will crystallise in the foreseeable future. Under US GAAP as set out in Statement of Financial Accounting Standards ("FAS") No 109 "Accounting for Income Taxes", deferred taxation is provided for all temporary differences on a full liability basis.

(c) Pensions

Under UK GAAP Bristow accounts for pension costs in accordance with Statement of Standard Accounting Practice (SSAP) 24 on a long-term basis, spreading the expected pension costs over the service lives of employees, using assumptions as advised by an independent actuary.

Under US GAAP, in accordance with FAS 87, "Employers' Accounting for Pensions" the cost of providing pensions is attributed to periods of service in accordance with the benefit formulas underlying the pension plans. The resultant projected benefit obligation is matched against the current value of the underlying plan assets and any unrecognised actuarial gains and losses in determining the pension cost or credit for the year.

(d) Own share

Under UK GAAP Bristow presents the outstanding loan to Bristow Nominees Limited used to finance the repurchase of shares from leavers as "Own shares" under current assets.

Under US GAAP such loan would be presented as a reduction of shareholders' funds.

(e) Statement of cash flows

Under UK GAAP, cash flows are presented separately for operating activities, returns on investments and servicing of finance, taxation, investing activities and financing activities. Under US GAAP, cash flow activities are reported as operating activities, investing activities and financing activities. Cash flows from taxation and returns on investments and servicing of finance would, with the exception of dividends paid and cost of financing, be included as operating activities. The payment of dividends and cost of financing would be included under financing activities.

Under UK GAAP, cash and cash equivalents include bank loans and overdrafts repayable within three months from the date of the advance. Under US GAAP such cash flow activities are included under financing activities.

BRISTOW HELICOPTER GROUP LIMITED

NOTES (continued)

27. SUMMARY OF DIFFERENCES BETWEEN GENERALLY ACCEPTED ACCOUNTING PRINCIPLES IN THE UNITED KINGDOM AND THE UNITED STATES.

The approximate effects of the differences between UK GAAP and US GAAP on net income and shareholders' funds are as follows:

YEAR ENDED 31 DECEMBER

-----  
1995                      1994                      1993

	(Pounds) 000'S	(Pounds) 000'S	(Pounds) 000'S
NET INCOME			
As reported in accordance with UK GAAP.....	10,759	8,618	19,579
Items increasing/(decreasing) net income			
Amortisation of goodwill.....	(4,539)	(4,539)	(4,539)
Pensions.....	653	(300)	(200)
Deferred taxation.....	(215)	99	66
Net income in accordance with US GAAP.....	6,658	3,878	14,906

	AS AT 31 DECEMBER	
	1995	1994
SHAREHOLDERS' FUNDS		
As reported in accordance with UK GAAP.....	(50,258)	(59,639)
Items increasing/(decreasing) shareholders' funds.....		
Capitalisation of goodwill.....	95,954	99,109
Pensions.....	(4,547)	(5,200)
Deferred taxation.....	1,501	1,716
Own shares.....	(1,221)	(88)
Shareholders' funds in accordance with US GAAP.....	41,429	35,898

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BRISTOW HELICOPTER GROUP LIMITED

UNAUDITED CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE PERIODS ENDED 30 SEPTEMBER 1996 AND 1995

	9 MONTHS ENDED 30 SEPTEMBER 96	9 MONTHS ENDED 30 SEPTEMBER 95
	(Pounds) 000'S	(Pounds) 000'S
TURNOVER.....	119,243	106,867
Other operating income.....	102	68
Raw materials and consumables.....	(35,426)	(28,748)
Staff costs.....	(41,026)	(38,668)
Depreciation.....	(4,444)	(4,125)
Other operating charges.....	(20,575)	(17,679)
OPERATING COSTS.....	(101,369)	(89,152)
OPERATING PROFIT.....	17,874	17,715
Profit on disposal of fixed assets.....	1,359	5,950

PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST AND INVESTMENT RETURNS.....	19,233	23,665
Loss from interests in associated undertakings.....	62	(345)
Amounts written off investments.....	(409)	(518)
Other interest receivable and similar income.	591	127
Interest payable and similar charges.....	(9,441)	(9,876)
	-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION..	10,036	13,053
Tax on profit on ordinary activities.....	(3,436)	(4,307)
	-----	-----
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION...	6,600	8,746
Minority interest.....	--	--
	-----	-----
RETAINED PROFIT FOR THE FINANCIAL YEAR.....	6,600	8,746
	=====	=====

The turnover and profit were derived from continuing operations.

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BRISTOW HELICOPTER GROUP LIMITED  
UNAUDITED CONSOLIDATED BALANCE SHEET  
AT 30 SEPTEMBER 1996 AND 31 DECEMBER 1995

	30 SEPTEMBER 1996	31 DECEMBER 1995
	-----	-----
	(Pounds) 000'S	(Pounds) 000'S
FIXED ASSETS		
Tangible assets.....	58,074	60,986
Investments.....	1,300	1,223
	-----	-----
	59,374	62,209
	-----	-----
CURRENT ASSETS		
Stocks.....	5,628	5,464
Debtors.....	31,484	24,858
Cash at bank and in hand.....	2,860	--
Own shares.....	2,919	1,221
	-----	-----
	42,891	31,543
CREDITORS: AMOUNTS DUE WITHIN ONE YEAR.....	(48,646)	(41,253)
	-----	-----
NET CURRENT LIABILITIES...	(5,755)	(9,710)
	-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES.....	53,619	52,499
Creditors: Amounts due after one year.....	(79,480)	(83,190)
Provision for liabilities and charges.....	(17,444)	(19,513)
	-----	-----
NET ASSETS.....	(43,305)	(50,204)
	=====	=====
CAPITAL AND RESERVES		
Called up share capital.	10,000	10,000
Share premium account...	3,338	3,338
Goodwill write-off re-		

serve.....	(111,492)	(111,845)
Profit and loss account.	54,849	48,249
	-----	-----
SHAREHOLDERS' FUNDS.....	(43,305)	(50,258)
Minority interest.....	--	54
	-----	-----
	(43,305)	(50,204)
	=====	=====

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BRISTOW HELICOPTER GROUP LIMITED  
UNAUDITED CONSOLIDATED CASH FLOW STATEMENT  
PERIODS ENDED 30 SEPTEMBER 1996 AND 1995

	9 MONTHS ENDED 30 SEPTEMBER 1996	9 MONTHS ENDED 30 SEPTEMBER 1995
	----- (Pounds) 000 'S	----- (Pounds) 000 'S
NET CASHFLOW FROM OPERATING ACTIVITIES.....	17,007	21,795
	-----	-----
RETURN ON INVESTMENT AND SERVICING OF FI- NANCE		
Interest received.....	591	127
Interest paid.....	(7,361)	(8,494)
Interest element of finance lease rental payments.....	(250)	(195)
	-----	-----
NET CASH OUTFLOW FROM RETURNS ON INVESTMENT AND SERVICING OF FINANCE.....	(7,020)	(8,562)
TAXATION.....		
UK corporation tax paid.....	(191)	(7,922)
Overseas taxation paid.....	(1,403)	(1,452)
	-----	-----
TAX PAID.....	(1,594)	(9,374)
INVESTING ACTIVITIES		
Purchase of tangible fixed assets.....	(1,818)	(3,733)
Purchase of investment.....	--	(2,123)
Aircraft disposal proceeds.....	1,682	6,447
Sale of other tangible fixed assets.....	250	100
	-----	-----
NET CASH INFLOW FROM INVESTING ACTIVITIES..	114	691
	-----	-----
NET CASH INFLOW BEFORE FINANCING.....	8,507	4,550
FINANCING		
Amounts repaid on borrowings.....	(4,000)	(2,000)
Repayment of capital element of finance lease rentals.....	(321)	(679)
	-----	-----
NET CASH OUTFLOW FROM FINANCING.....	(4,321)	(2,679)
INCREASE IN CASH AND CASH EQUIVALENTS.....	4,186	1,871
	=====	=====

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## 1. BASIS OF PRESENTATION

The accompanying interim consolidated financial statements of Bristow Helicopter Group Limited as at 30 September 1996 and 31 December 1995 and for the nine months ended 30 September 1996 and 1995 are unaudited. In the opinion of management, all adjustments (consisting only of normal recurring adjustments) necessary for a fair presentation of the financial statements have been included therein. The results of these interim periods are not necessarily indicative of results for the year.

For the purposes of these consolidated interim financial statements, certain information and disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United Kingdom have been omitted. These unaudited financial statements should be read in conjunction with the audited financial statements and notes thereto as at and for the year ended 31 December 1995.

## 2. DIFFERENCES BETWEEN UNITED KINGDOM AND UNITED STATES GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

The financial statements are prepared in accordance with accounting principles generally accepted in the United Kingdom ("UK GAAP") which differ in certain respects from those generally accepted in the United States ("US GAAP"). The significant differences are described below.

### (a) Goodwill

Under UK GAAP Bristow sets off goodwill arising on consolidation directly against retained earnings in the year of acquisition. Under US GAAP, goodwill arising on consolidation is capitalized on the balance sheet and then amortised over its useful life. Having considered all the relevant factors, Bristow have determined the expected useful life of goodwill to be 25 years.

### (b) Deferred taxation

Under UK GAAP Bristow provides for deferred taxation using the liability method on all material timing difference to the extent that it is considered probable that the liabilities will crystallise in the foreseeable future. Under US GAAP, as set out in Statement of Financial Accounting Standards ("FAS") No 109 "Accounting for Income Taxes", deferred taxation is provided for all temporary differences on a full liability basis.

### (c) Pensions

Under UK GAAP Bristow accounts for pension costs on a long-term basis, spreading the expected pension costs over the service lives of employees, using assumptions as advised by an independent actuary.

Under US GAAP, in accordance with FAS 87, "Employers' Accounting for Pensions," the cost of providing pensions is attributed to periods of service in accordance with the benefit formulas underlying the pension plans. The resultant projected benefit obligation is matched against the current value of the underlying plan assets and any unrecognised actuarial gains and losses in determining the pension cost or credit for the year.

### (d) Own share

Under UK GAAP Bristow presents the outstanding loan to Bristow Nominees Limited used to finance the repurchase of shares from leavers as "Own shares" under current assets.

Under US GAAP such loan would be presented as a reduction of shareholders' funds.

NOTES (continued)

(e) Statement of cash flows

Under UK GAAP, cash flows are presented separately for operating activities, returns on investments and servicing of finance, taxation, investing activities and financing activities. Under US GAAP, cash flow activities are reported as operating activities, investing activities and financing activities. Cash flows from taxation and returns on investments and servicing of finance would, with the exception of dividends paid and cost of financing, be included as operating activities. The payment of dividends and cost of financing would be included under financing activities.

Under UK GAAP, cash and cash equivalents include bank loans and overdrafts repayable within three months from the date of the advance. Under US GAAP such cash flow activities are included under financing activities.

3. SUMMARY OF DIFFERENCES BETWEEN GENERALLY ACCEPTED ACCOUNTING PRINCIPLES IN THE UNITED KINGDOM AND THE UNITED STATES

The approximate effects of the differences between UK GAAP and US GAAP on net income and shareholders' funds is as follows:

	NINE MONTHS ENDED 30 SEPTEMBER	
	1996	1995
	(Pounds) 000'S (Pounds) 000'S	
NET INCOME		
As reported in accordance with UK GAAP.....	6,600	8,746
Items increasing/(decreasing) net income.....		
Amortisation of goodwill.....	(3,404)	(3,404)
Pensions.....	477	490
Deferred taxation.....	(157)	(162)
	-----	-----
Net income in accordance with US GAAP.....	3,516	5,670
	=====	=====
	AS AT	
	SEPTEMBER 30, 1996	DECEMBER 31, 1995
	-----	-----
SHAREHOLDERS' FUNDS		
As reported in accordance with UK GAAP.....	(43,305)	(50,258)
Items increasing/(decreasing) shareholders' funds.....		
Capitalisation of goodwill.....	92,197	94,954
Pensions.....	(4,070)	(4,547)
Deferred taxation.....	1,344	1,501
Own Shares.....	(2,919)	(1,221)
	-----	-----
Shareholders' funds in accordance with US GAAP...	43,247	41,429
	=====	=====

## UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The following unaudited pro forma condensed consolidated financial information is derived from the historical financial statements of OLOG and Bristow and certain assumptions deemed appropriate by the Company. The Unaudited Pro Forma Condensed Consolidated Statements of Income for the 12 months ended June 30, 1996 and the three months ended September 30, 1996 reflects (i) the Bristow Transaction and (ii) the issuance of the Notes and the application of the net proceeds therefrom, as if such transactions had occurred on July 1, 1995. The Unaudited Pro Forma Condensed Consolidated Balance Sheet as of September 30, 1996 reflects such transactions as if they had occurred on September 30, 1996. The Unaudited Pro Forma Condensed Consolidated Financial Statements should be read in conjunction with the notes thereto and the historical financial statements of OLOG, including the notes thereto, included in the Company's Form 10-K and the historical financial statements of Bristow, including the notes thereto, included elsewhere herein.

The pro forma adjustments to give effect to the various events described above are based upon currently available information and upon certain assumptions that management believes are reasonable. Bristow's historical financial data included in these pro forma statements have been restated to conform with U.S. GAAP. For a discussion of the principal differences between U.K. and U.S. GAAP, see Notes 26 and 27 to Bristow's Consolidated Financial Statements. The Bristow Transaction will be accounted for by the Company under the purchase method of accounting and the assets and liabilities of Bristow will be recorded at their estimated fair market values at the date of acquisition. The adjustments included in the Unaudited Pro Forma Combined Financial Statements reflect the Company's preliminary determination of these adjustments based upon available information. There can be no assurance that the actual adjustments will not vary significantly from the estimated adjustments reflected in the Unaudited Pro Forma Condensed Consolidated Financial Statements. Bristow's September 30, 1996 historical balance sheet was translated from British Pounds Sterling to U.S. Dollars using the exchange rate on that date of 1.5634. The income statements for the three months ended September 30, 1996 and 12 months ended June 30, 1996 were translated using a weighted average exchange rate of 1.5547 and 1.5475, respectively.

The Unaudited Pro Forma Condensed Consolidated Financial Statements do not purport to be indicative of the financial position or results of operations that would actually have occurred if the transactions described had occurred as presented in such statements or that may be obtained in the future. In addition, future results may vary significantly from the results reflected in such statements due to general economic conditions, oil and gas commodity prices, the demand and prices for oil and gas related offshore transportation services, increases in the number of helicopters available for service, the exchange rate between U.S. Dollars and British Pounds Sterling, and several other factors, many of which are beyond the Company's control.

## OFFSHORE LOGISTICS, INC. AND SUBSIDIARIES

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET  
(DOLLARS IN THOUSANDS)AS OF SEPTEMBER 30, 1996  
-----

	OLOG	BRISTOW	ADJUSTMENTS	PRO FORMA
<b>ASSETS</b>				
<b>Current Assets:</b>				
Cash, cash equivalents and investment in marketable securities...	\$ 85,194	\$ 4,471	\$ (65,492) (a)	\$ 24,173
Restricted cash investment.....	--	--	7,662 (b)	7,662
Accounts receivable.....	29,662	49,222	--	78,884
Inventories.....	26,896	8,799	31,268 (c)	66,963
Prepaid expenses.....	932	--	--	932
	-----	-----	-----	-----
Total current assets...	142,684	62,492	(26,562)	178,614
Investments in unconsolidated entities...	8,783	2,032	--	10,815
Property and equipment--at cost:				
Land and buildings.....	2,977	21,901	--	24,878
Aircraft and equipment...	136,755	314,944	(40,152) (d)	411,547
	-----	-----	-----	-----
	139,732	336,845	(40,152)	436,425
Less: Accumulated depreciation and amortization.....	(66,334)	(246,052)	246,052 (d)	(66,334)
	-----	-----	-----	-----
	73,398	90,793	205,900	370,091
Other assets, primarily goodwill.....	24,089	144,141	(62,230) (e)	106,000
	-----	-----	-----	-----
	\$248,954	\$ 299,458	\$117,108	\$665,520
	=====	=====	=====	=====
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>				
<b>Current Liabilities:</b>				
Accounts payable.....	\$ 3,476	\$ 61,981	\$ --	\$ 65,457
Accrued liabilities.....	10,902	--	--	10,902
Current maturities of long-term debt.....	4,850	14,071	767 (f)	19,688
	-----	-----	-----	-----
Total current liabilities.....	19,228	76,052	767	96,047
	-----	-----	-----	-----
Long-term debt, less current maturities.....	750	124,259	90,524 (f)	215,533
Deferred credits.....	1,865	22,378	(22,378) (g)	1,865
Deferred taxes.....	20,518	9,157	88,678 (h)	118,353
Minority interest.....	1,043	--	7,973 (i)	9,016
Stockholders' equity:				
Common stock.....	195	15,634	(15,620)	209
Additional paid in capital.....	95,946	655	18,487	115,088
Retained earnings.....	109,409	51,323	(51,323)	109,409
	-----	-----	-----	-----
	205,550	67,612	(48,456) (j)	224,706
	-----	-----	-----	-----
Total liabilities and stockholders' equity..	\$248,954	\$ 299,458	\$117,108	\$665,520
	=====	=====	=====	=====

See accompanying Notes to Unaudited Pro Forma Condensed Consolidated Financial Statements and the historical financial statements of Bristow, including the notes thereto.

OFFSHORE LOGISTICS, INC. AND SUBSIDIARIES

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF INCOME  
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	12 MONTHS ENDED JUNE 30, 1996			
	OLOG	BRISTOW	ADJUSTMENTS	PRO FORMA
Gross Revenue:				
Operating revenue.....	\$156,766	\$237,198	\$ --	\$393,964
Gain (loss) on disposal of equipment.....	(537)	398	--	(139)
	-----	-----	-----	-----
	156,229	237,596	--	393,825
	-----	-----	-----	-----
Operating Expenses:				
Direct cost.....	120,594	149,109	511 (k)	270,214
Depreciation and amortization.....	9,230	16,295	2,653 (l)	28,178
General and administrative..	12,278	41,301	--	53,579
	-----	-----	-----	-----
	142,102	206,705	3,164	351,971
	-----	-----	-----	-----
Operating Income.....	14,127	30,891	(3,164)	41,854
Earnings from unconsolidated entities.....	4,056	(654)	--	3,402
Interest and other income (expense).....	4,055	735	(3,412) (m)	1,378
Interest expense.....	779	20,102	(1,506) (n)	19,375
	-----	-----	-----	-----
Income Before Provision for Income Taxes.....	21,459	10,870	(5,070)	27,259
Provision for income taxes...	6,219	6,029	(3,221) (o)	9,027
(Income) Loss of minority interest.....	36	--	(947) (p)	(911)
	-----	-----	-----	-----
Net Income.....	\$ 15,276	\$ 4,841	\$ (2,796)	\$ 17,321
	=====	=====	=====	=====
Earnings per common share				
Primary.....	\$ 0.77	.02		\$ 0.82
Fully diluted.....	\$ 0.77	.02		\$ 0.82
Weighted average shares outstanding				
Primary.....	19,767	200,000		21,141 (q)
Fully diluted.....	19,767	200,000		21,141

QUARTER ENDED  
SEPTEMBER 30, 1996

	QUARTER ENDED SEPTEMBER 30, 1996			
	OLOG	BRISTOW	ADJUSTMENTS	PRO FORMA
Gross Revenue:				
Operating revenue.....	\$ 41,986	\$ 62,765	\$ --	\$104,751
Gain (loss) on disposal of equipment.....	231	1,911	--	2,142
	-----	-----	-----	-----
	42,217	64,676	--	106,893
	-----	-----	-----	-----
Operating Expenses:				
Direct cost.....	30,217	40,237	247 (k)	70,701

Depreciation and amortization.....	2,435	3,975	666 (l)	7,076
General and administrative..	3,190	10,135	--	13,325
	-----	-----	-----	-----
	35,842	54,347	913	91,102
	-----	-----	-----	-----
Operating Income .....	6,375	10,329	(913)	15,791
Earnings (losses) from unconsolidated entities.....	1,255	(538)	--	717
Interest and other income (expense).....	1,102	375	(913) (m)	564
Interest expense.....	139	4,830	(413) (n)	4,556
	-----	-----	-----	-----
Income Before Provision for Income Taxes.....	8,593	5,336	(1,413)	12,516
Provision for income taxes...	2,750	2,410	(814) (o)	4,346
(Income) Loss of minority interest.....	12	--	(238) (p)	(226)
	-----	-----	-----	-----
Net Income.....	\$ 5,855	\$ 2,926	\$ (837)	\$ 7,944
	=====	=====	=====	=====
Earnings per common share				
Primary.....	\$ 0.30	\$ 0.01		\$ 0.38
Fully diluted.....	\$ 0.30	\$ 0.01		\$ 0.35
Weighted average shares outstanding				
Primary.....	19,765	200,000		21,139 (q)
Fully diluted.....	19,765	200,000		24,967

See accompanying Notes to Unaudited Pro Forma Combined Consolidated Financial Statements and the historical financial statements of OLOG and Bristow, including the notes thereto.

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#### OFFSHORE LOGISTICS, INC. AND SUBSIDIARIES

##### NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The following notes set forth the assumption used in preparing the Unaudited Pro Forma Condensed Consolidated Financial Statements. The pro forma adjustments are based on estimates made by the Company's management using information currently available.

The adjustments to the accompanying Unaudited Pro Forma Condensed Consolidated Balance Sheet are described below.

- a. To record existing OLOG cash used to finance a portion of the Bristow Transaction.
- b. To record the cash investment to secure the Caledonia put option.
- c. To record a write-up of Bristow's inventory to fair value.
- d. To record the write-off of Bristow's existing accumulated depreciation and to record the write-up of Bristow's fixed assets to fair value.
- e. To record the write-off of Bristow's existing goodwill and to record the goodwill associated with the Bristow Transaction.
- f. To record the issuance of \$87.5 million of the Notes, the write-up of assumed Bristow debt with higher than market interest rates to fair value (\$6.7 million), the obligation for Newco management fees payable to Caledonia (\$4.9 million) and the elimination of certain Bristow subordinated debt acquired by OLOG.

- g. To eliminate Bristow's accrued maintenance and repairs provision given the write-up of fixed assets to fair value and to eliminate Bristow's pension liability as the fair value of the plan assets approximates the actual liability of pension obligation.
- h. To record recognition of deferred taxes for the pro forma adjustments except for the goodwill recorded, and to adjust Bristow's existing deferred tax assets.
- i. To record the interest in Bristow held by Caledonia and the EU Investor as specified in the put/call options between OLOG, Caledonia and the EU Investor.
- j. To record the issuance of 1,374,000 OLOG shares and to adjust and eliminate Bristow's stockholders' equity.

The adjustments to the accompanying Unaudited Pro Forma Condensed Consolidated Statements of Income are described below.

- k. To adjust the maintenance and repairs provision and pension expense of Bristow.
- l. To record the incremental depreciation and amortization related to the stepped up basis of fixed assets and goodwill. Fixed assets of Bristow will be depreciated over 10 to 15 years with residual values of 30% to 50%. Goodwill and transaction costs will be amortized over 30 years.
- m. To record reduced interest income as a result of the use of OLOG's existing cash equivalent balances to finance a portion of the Bristow Transaction.
- n. To record interest expense adjustments related to the Notes offering at an assumed annual interest rate of 6%, certain subordinated debt held by U.K. institutional investors to be acquired by OLOG in the Bristow Transaction, the restatement of certain assumed debt to reflect market interest rates and amortization of deferred debt issuance costs related to the Notes over the term of the Notes (ten years).
- o. To record the tax effect of the income statement adjustments (at 33% for applicable Bristow adjustments and 34% for applicable OLOG adjustments).
- p. To record the minority interest accruals at 12% as specified in the call arrangements between OLOG, Caledonia and the EU Investor.
- q. The pro forma weighted average shares outstanding includes the issuance of 1,374,000 of OLOG shares.

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION
-----	-----

2(1) Master Agreement dated December 12, 1996

DATED 12TH DECEMBER 1996

---

(1) MORGAN GRENFELL DEVELOPMENT CAPITAL  
NOMINEES LIMITED A/C MGCP AND OTHERS

-and-

(2) STEPHEN WILLIAM PALFRAMAN AND OTHERS

-and-

(3) OFFSHORE LOGISTICS, INC. AND OFFSHORE  
LOGISTICS INTERNATIONAL, INC.

-and-

(4) CALEDONIA INVESTMENTS PLC AND CALEDONIA  
INDUSTRIAL & SERVICES LIMITED

-and-

(5) MR ANDREAS K L UGLAND

-and-

(6) BRISTOW AVIATION HOLDINGS LIMITED

CONFORMED COPY

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MASTER AGREEMENT

---

HEBERT SMITH  
Exchange House  
Primrose Street  
London EC2A2HS  
Tel: 0171 374-8000  
Fax: 0171 496-0043  
Ref: 223/432/30576235

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ANNEXURES

'A'	BHGL C Directors Consent
'B'	BHGL Resolution
'C'	Bristow Board Minutes
'D'	Bristow Resolution
'E'	Caledonia Registration Rights Agreement
'F'	Letter of Undertaking
'G'	Debenture
'H'	Guarantee

'I' Loan Stock Resolution  
'J' New Articles  
'K' Parent Guarantee  
'L' Properties  
'M' Registration Rights Agreement  
'N' Stock Instrument  
'O' Subordination Agreement  
'P' Supplemental Letter Agreement

THIS AGREEMENT is made on 12th December 1996

BETWEEN:

- (1) MORGAN GRENFELL DEVELOPMENT CAPITAL NOMINEES LIMITED A/C MGCP AND THOSE PERSONS whose names and addresses are set out in Part 1 of Schedule 1 ("MGDC VENDORS" and severally an "MGDC VENDOR");
- (2) STEPHEN WILLIAM PALFRAMAN AND THOSE PERSONS whose names and addresses are set out in Part II of Schedule 1 (the "MANAGEMENT VENDORS" and severally a "MANAGEMENT VENDOR");
- (3) OFFSHORE LOGISTICS, INC. a Delaware corporation whose address is at 224 Rue de Jean, Post Office Box 5C, Lafayette, Louisiana 70505, USA ("OLOG") and OFFSHORE LOGISTICS INTERNATIONAL, INC. a Panamanian corporation whose address is at 224 Rue de Jean, Post Office Box 5C, Lafayette, Louisiana 70505, USA ("OLII");
- (4) CALEDONIA INVESTMENTS PLC, a company incorporated in England and Wales with registered number 235481 and whose registered office is at Cayzer House, 1 Thomas More Street, London E1 9AR ("CALEDONIA") and CALEDONIA INDUSTRIAL & SERVICES LIMITED a company incorporated in England and Wales with registered number 3143101 and whose address is at Cayzer House, 1 Thomas More Street, London E1 9AR ("CIS");
- (5) MR ANDREAS K L UGLAND OF PO Box 308, Storgaten 90, N-4891, Grimstad, Norway ("MR UGLAND"); and
- (6) BRISTOW AVIATION HOLDINGS LIMITED, a company incorporated in England and Wales with registered number 3234500 and whose registered office is at Redhill Aerodrome, Redhill, Surrey RH1 5JZ ("BRISTOW").

IT IS AGREED as follows:

1. INTERPRETATION

1.1 In this Agreement and in the Schedules the following definitions are used:

"A SHARES" means issued a US dollar convertible ordinary shares of us\$0.00001 each in the capital of the Company;

"ACCOUNTS" means the audited consolidated balance sheet of the Company and the Subsidiaries as at the Accounts Date and the audited consolidated profit and loss account of the Company and the Subsidiaries in respect of the accounting reference period ended on the Accounts Date;

"ACCOUNTS DATE" means 31 December, 1995;

"ARTICLES" means the articles of association of the Company on the date of this Agreement;

1

"ASSOCIATED COMPANIES" means those companies in which the Company holds less than 50% but more than 20% of the rights to attend and vote at general meeting details of which are set out in Part III of Schedule 11;

"B SHARES" means issued B US dollar convertible ordinary shares of US\$0.00001 each in the capital of the Company;

"BHGL LOAN STOCK" means (pounds)5,016,317 in principal amount of subordinated unsecured loan stock of the Company constituted by the BHGL Loan Stock Instrument;

"BHGL C DIRECTORS CONSENT" means the written consent of the C directors of the Company pursuant to the Articles in the agreed form annexed hereto marked "A";

"BHGL LOAN STOCK INSTRUMENT" means the instrument constituting the BHGL Loan Stock dated 7th November 1991;

"BHGL RESOLUTION" means the written resolution in the agreed form annexed hereto marked "B" of the shareholders of the Company to:

- (1) waive any pre-emption rights under the Articles;
- (2) disapply any requirement to make a general offer; and
- (3) approve certain amendments to the Schedule thereto in connection with the operation of the Ratchet thereunder;

"BRISTOW'S ACCOUNT" means the account of Bristow with HSBC Investment Bank plc, 10 Queen Street Place, London EC4R 1BL account no: 38337289 (FAO Bristow Aviation Holdings Limited) and Sort Code 40-52-39;

"BRISTOW BOARD MINUTES" means the minutes of the board meeting of Bristow to be held at stage three in the agreed form annexed hereto marked "C";

"BRISTOW RESOLUTION" means the resolution in the agreed form annexed hereto marked "D" of the shareholders of Bristow to, inter alia;

- (1) increase the authorised share capital of Bristow to (Pounds)10,000,000 ordinary shares of (Pounds)1 each;
- (2) redesignate the authorised share capital of Bristow as 4,900,000 New A Shares, 4,900,000 New B Shares and 200,000 New C Shares; and
- (3) conditionally upon Completion, adopt the New Articles as the new articles of association of Bristow;

"BUSINESS DAY" means a day (not being a Saturday) on which banks are open for general banking business in the City of London;

"C SHARES" means issued C US dollar convertible ordinary shares of US\$0.00001 each in the capital of the Company;

2

"CALEDONIA GROUP" means Caledonia and any holding company, subsidiary or subsidiary undertaking of Caledonia and any subsidiary or subsidiary undertaking of such holding company (but excluding for the avoidance of doubt any member of the group) and the expression "THAT SHAREHOLDER'S GROUP" has a corresponding meaning;

"CALEDONIA'S ACCOUNT" means the account of Caledonia with HSBC Investment Bank plc, 10 Queen Street Place, London EC4R 1BL, Account No: 38337289 (FAO Caledonia Industrial & Services Limited) and Sort Code: 40-52-39;

"CALEDONIA REGISTRATION RIGHTS AGREEMENT" means the registration rights agreement between CIS (1) and OLOG (2) in the agreed form annexed hereto marked 'E';

"COMPANIES ACT" means the Companies Act 1985;

"COMPANY" means Bristow Helicopter Group Limited a company registered in England and Wales with registered number 2641653 further particulars of which are set out in Part 1 of Schedule 11;

"COMPLETION" means completion of Stage Seven;

"COMPLETION DATE" means the date on which Completion occurs;

"CONDITION" means the condition set out in Clause 2;

"DEBENTURE" means the debenture between Bristow (1) and National Westminster Bank plc as security trustee (2) in the agreed form annexed hereto marked 'G';

"DEFERRED SHARES" means issued Deferred Shares of 5p each in the capital of the Company;

"DICKSON MINTO" means Dickson Minto of Royal London House 22/25 Finsbury Square, London EC2A 1DS;

"DICKSON MINTO'S ACCOUNT" means the account of Dickson Minto with HSBC Investment Bank plc, 10 Queen Street Place, London EC4R 1BL Account No: 38337289 (FAO Dickson Minto W.S.: BHGL Vendors) and Sort Code 40-52-39;

"DOLLAR DEFERRED SHARES" means the US dollar deferred shares of US\$0.00001 each in the capital of the Company in issue following the operation of the Ratchet;

"ENCUMBRANCES" means any option, charge, lien, equity, rights of pre-emption or any other third party rights or encumbrances;

"ENVIRONMENT" means the natural and man-made environment and all or any of the following media namely air water and land including air within buildings and air within other natural or man-made structures above or below ground;

"ENVIRONMENTAL LAW" means all laws regulations directives statutes subordinate legislation common law and other national and local laws all judgments orders instructions or awards of any court or competent authority and all codes of practice and guidance notes which relate to the Environment or human health or the health of

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animals or plants including the Environmental Protection Act 1990 the Environment Act 1995 the Planning (Hazardous Substances) Act 1990 the Water Resources Act 1991 the Water Industry Act 1991 the control of Pollution Act 1974 the Clean Air Acts the Control of Industrial Major Accident Hazards Regulations 1984 and the Control of Substances Hazardous to Health Regulations 1988;

"FIRST DISCLOSURE LETTER" means the letter from Dickson Minto to Herbert Smith containing disclosures against the Warranties set out in Part 1 of Schedule 9 delivered immediately prior to the coming into effect of this Agreement and which expression includes the annexures thereto;

"FRESHFIELDS" means Freshfields of Whitefriars, 65 Fleet Street, London EC4Y 1HS;

"GROUP" means the Company, the Subsidiaries and the Associated Companies;

"GUARANTEE" means the deed of guarantee between Bristow (1) and National Westminster Bank plc as security trustee (2) in the agreed form annexed hereto marked "H";

"HERBERT SMITH" means Herbert Smith of Exchange House, Primrose Street, London EC2A 2HS;

"INDIVIDUAL MANAGERS" means the Management Vendors other than Bristow Nominees Limited;

"LOAN STOCK RESOLUTION" means the written resolution in the agreed form annexed hereto marked "I" to amend the terms of the BHGL Loan Stock Instrument;

"LOAN STOCK VENDORS" means the holders of the BHGL Loan Stock whose names are set out in Part III of Schedule 1;

"MANAGEMENT ACCOUNTS" means the consolidated monthly management accounts of the Company and the Subsidiaries for the period from the Accounts Date to the Management Accounts Date;

"MANAGEMENT ACCOUNTS DATE" means 30th September 1996;

"NASDAQ" means National Association of Securities Dealers Automated Quotation System;

"NEW ARTICLES" means the new articles of association of Bristow in the agreed form annexed hereto marked "J";

"NEW A SHARES" means the 4,900,000 A ordinary shares of (Pounds)1 each in the capital of Bristow;

"NEW B SHARES" means the 4,900,000 B ordinary shares of (Pounds)1 each in the capital of Bristow;

"NEW C SHARES" means the 200,000 C ordinary shares of (Pounds)1 each in the capital of Bristow;

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"OLOG'S ACCOUNT" means the account of OLOG with HSBC Investment Bank plc, 10 Queen Street Place, London EC4R 1BL Account No: 38337289 (FAO Offshore Logistics, Inc., and Sort Code: 40-52-39;

"OLOG COMMON STOCK" means shares of common stock of \$1 par value in the capital of OLOG;

"OLOG GROUP" means OLOG and any holding company, subsidiary or subsidiary undertaking of OLOG and any subsidiary or subsidiary undertaking of such holding company and the expression "THAT SHAREHOLDER'S GROUP" shall have a corresponding meaning;

"OLOG LOAN STOCK" means \$98,000,000 convertible subordinated notes due 2003 of OLOG constituted by an indenture to be entered into between OLOG and Fleet National Bank (as trustee) prior to Completion;

"PARENT GUARANTEE" means a guarantee between Bristow (1), Caledonia and CIS (2) and OLOG and OLII (3), in the agreed form annexed hereto marked "K";

"PROPERTIES" means the English leasehold properties of the Group listed in Annexure "L";

"RATCHET" means the conversion of certain A Shares and B Shares into New Deferred Shares pursuant to the Schedule to the Articles as amended by the passing of the BHGL Resolution;

"REGISTRATION RIGHTS AGREEMENT" means the registration rights agreement between OLOG (1), Jefferies & Company Inc. (2), Simmons & Company International (3) and Johnson Rice & Company L.L.C. (4) in the agreed form annexed hereto marked "M";

"SECOND DISCLOSURE LETTER" means the letter from Dickson Minto to Herbert Smith containing disclosures against the Warranties set out in Part 1 of

Schedule 9 delivered immediately prior to Completion and which expression includes the annexures thereto;

"SHARES" means the A shares, the B shares and the C shares;

"SHAREHOLDERS AGREEMENT" means the shareholders agreement of even date between OLOG and OLII (1), Caledonia and CIS (2), Mr. Ugland (3), Bristow (4) and the Company (5);

"STAGE ONE" has the meaning set out in Clause 3.1;

"STAGE TWO" has the meaning set out in Clause 3.2;

"STAGE THREE" has the meaning set out in Clause 3.3;

"STAGE FOUR" has the meaning set out in Clause 3.4;

"STAGE FIVE" has the meaning set out in Clause 3.5;

"STAGE SIX" has the meaning set out in Clause 3.6;

"STAGE SEVEN" has the meaning set out in Clause 3.7;

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"STOCK" MEANS (Pounds)91,000,000 in principal amount of 13.5 per cent subordinated unsecured loan stock of Bristow constituted by the Stock Instrument;

"STOCK INSTRUMENT" means the instrument constituting the Stock in the agreed form annexed hereto marked "N";

"SUBORDINATION AGREEMENT" means the subordination agreement between Bristow (1), OLOG and OLII (2), Caledonia and CIS (3) and National Westminster Bank plc as security trustee (4), in the agreed form annexed hereto marked "O";

"SUBSIDIARIES" means those subsidiaries and subsidiary undertakings of the Company, details of which are set out in Part II of Schedule 11;

"SUPPLEMENTAL LETTER AGREEMENT" means the supplemental letter agreement between OLOG (1) and Caledonia (2), in the agreed form annexed hereto marked "P";

"TAXATION" OR "TAX" means all forms of tax, duty, rates, levy or other imposition whenever and by whatever authority imposed and whether in the United Kingdom or elsewhere;

"TAXES ACT" means the Income and Corporation Taxes act 1988;

"TAX WARRANTY" means that warranty set out in paragraph 1.2.3 of Schedule 9;

"TCGA" means the Taxation of Chargeable Gains Act 1992;

"VENDORS" means the MDGC Vendors, the Management Vendors, the Loan Stock Vendors and CIS;

"UNDERWRITING AGREEMENT" means the US purchase agreement between OLOG, Jefferies & Company, Inc., Simmons & Company International and Johnson Rice & Company L.L.C to be entered into on the date of this Agreement; and

"WARRANTIES" means those Warranties set out in Schedule 9.

1.2 In this Agreement, words and expressions defined in the Companies Act shall bear the same meaning as in that Act.

1.3 In this Agreement, save where the context otherwise requires:

- 1.3.1 a reference to a statute or statutory provision shall include a reference:
  - (A) to that statute or statutory provision as from time to time consolidated, modified, re-enacted or replaced by any statute or statutory provision;
  - (B) to any repealed statute or statutory provision which it re-enacts (with or without modification); and
  - (C) to any subordinate legislation made under the relevant statute;
- 1.3.2 words in the singular shall include the plural, and vice versa;
- 1.3.3 the masculine gender shall include the feminine and neutral and vice versa;

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- 1.3.4 a reference to a person shall include a reference to a firm, a body corporate, an unincorporated association or to a person's executors or administrators;
- 1.3.5 a reference to a Clause, Schedule or Annexure shall be a reference to a clause of, schedule to or annexure to this Agreement;
- 1.3.6 references to any English legal term for any action, remedy, method or judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall in respect of any jurisdiction other than England be deemed to include what most nearly approximates in that jurisdiction to the English legal term;
- 1.3.7 a person shall be deemed to be connected with another if that person is connected with another within the meaning of section 839 of the Taxes Act;
- 1.3.8 references to writing shall include any modes of reproducing words in a legible and non-transitory form;
- 1.3.9 a reference to a balance sheet or profit and loss account shall include a reference to any note forming part of it;
- 1.3.10 references to documents "in the agreed form" shall be to documents agreed between the parties, annexed to this Agreement and initialled for identification by Freshfields, Herbert Smith and Dickson Minto;
- 1.3.11 the headings in this Agreement are for convenience only and shall not affect the interpretation of any provision of this Agreement; and
- 1.3.12 references to this Agreement include this Agreement as amended or supplemented in accordance with its terms.

## 2. CONDITION

The parties proceeding to Stage One is conditional on the Underwriting Agreement having become unconditional and OLOG having received the net proceeds from the sale of OLOG Loan Stock pursuant thereto.

## 3. SALE AND PURCHASE

- 3.1 On the second business day following the satisfaction of the Condition, Caledonia, CIS, OLOG, OLII, the MGDC Vendors, the Loan Stock Vendors and the Management Vendors shall proceed to stage one as set out in Schedule 2 ("STAGE ONE") .

- 3.2 Upon and subject to completion of Stage One, CIS, OLOG and the Individual Managers shall proceed to stage two as set out in Schedule 3 ("STAGE TWO").
- 3.3 Upon and subject to completion of Stage Two, OLOG and Bristow shall proceed to stage three as set out in Schedule 4 ("STAGE THREE").
- 3.4 Upon and subject to completion of Stage Three, OLOG, the MGDC Vendors, the Management Vendors and Bristow, shall proceed to stage four as set out in Schedule 5 ("STAGE FOUR").

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- 3.5 Upon and subject to completion of Stage Four, OLOG, OLII, Mr. Ugland, the Management Vendors, the MGDC Vendors and the Loan Stock Vendors shall proceed to Stage Five as set out in Schedule 6 (STAGE FIVE").
- 3.6 Upon and subject to completion of Stage Five, CIS, OLOG, and Bristow shall proceed to Stage Six as set out in Schedule 7 ("STAGE SIX").
- 3.7 Upon and subject to completion of Stage Six, Caledonia, CIS, OLOG, OLII, Mr. Ugland, the MGDC Vendors, the Management Vendors and Bristow shall proceed to Stage Seven as set out in Schedule 8 ("STAGE SEVEN").
- 3.8 For the purposes of the transaction contemplated by this Agreement only, Caledonia, CIS, the MGDC Vendors and the Management Vendors hereby waive any restrictions on transfer which may exist in relation to the Shares or the Deferred Shares under the Articles or otherwise and in particular, but without limitation, waive all rights of pre-emption over any of the Shares or the Deferred Shares conferred upon them by the Articles or otherwise.
- 3.9 The Loan Stock Vendors and CIS hereby waive any restrictions on transfer which may exist in relation to the BHGL Loan Stock under the BHGL Loan Stock Instrument or otherwise and in particular, but without limitation, waive all rights of pre-emption over any of the BHGL Loan Stock conferred upon them by the BHGL Loan Stock Instrument or otherwise.
- 3.10 Caledonia, CIS, OLOG and OLII agree that where any action is required of Bristow under this Agreement they shall use all reasonable endeavours to procure that such action is carried out by Bristow as contemplated by this Agreement.
- 3.11 Caledonia agrees that it shall procure the due and punctual performance by CIS of its obligations under this Agreement and OLOG agrees that it shall procure the due and punctual performance by OLII of its obligations under this Agreement.
- 3.12 Each of the Individual Managers to whom OLOG Common Stock will be issued at Completion agrees that he will not sell, transfer or otherwise dispose of, mortgage, charge or encumber the whole or any part of such OLOG Common Stock or grant to any third party any rights therein without the prior written consent of OLOG (such consent not to be unreasonably withheld) until the expiry of one year after the Completion Date save that he may sell or transfer such OLOG Common Stock to his spouse, brother or sister, child or children ("FAMILY MEMBER") but only on terms that such family member agrees to be bound by the provisions of this Clause 3.12 on the same basis as such individual manager and that such family member will if required by OLOG enter into a deed of adherence with this Clause 3.12 in a form satisfactory to OLOG and OLOG shall be entitled to include an endorsement to this effect on any certificate of such OLOG Common Stock issued to any Individual Manager at Completion.

#### 4. DEFAULT UNDER CLAUSE 3

- 4.1 Completion of this Agreement shall not take place unless and until completion of each of Stage One to Stage Seven has occurred within 20 days of the date of this Agreement.

4.2 If Completion of any of Stage One to Stage Seven does not take place on the date and time set out in this Agreement, the parties may:

4.2.1 defer Completion thereof to a date no later than 20 days after the date of this Agreement (in which case this Clause shall apply to Completion as so deferred); or

4.2.2 rescind this Agreement without liability to any party in which case and from that date the provisions of this Agreement (other than Clause 7 (Announcements) and Clause 11 (Costs)) shall have no effect and no party shall have any liability under them (but without prejudice to the rights of any of the parties in respect of any antecedent breach).

## 5. WARRANTIES

5.1 Each of the Individual Managers separately represents and warrants to OLOG and OLII that, so far as he is actually aware, after having made reasonable enquiries of Anthony Jones and Philip Hunt and KPMG, the Warranties set out in Part I of Schedule 9 are true and accurate in all material respects on the date of this Agreement.

5.2 For the purposes of this Agreement an Individual Manager shall not be deemed to be actually aware of any matter, fact or circumstance which would be a breach of the Warranties set out in Part 1 of Schedule 9 unless he was actually aware of the matter, fact or circumstance at the date of this Agreement and in addition in the case of the Warranties set out in paragraphs 1.1.2, 1.2.3, 4.1.1, 4.1.3, 4.1.5, 4.2, 6.1, 6.4, 7.3 (insofar as it relates to employees of the Company and British Island Airways (Guernsey) Limited) and 9.1.6 that he was aware (or ought reasonably to have been aware) at the date of this Agreement that such matter, fact or circumstance would be a breach of the Warranties contained in paragraphs 1.1.2, 1.2.3, 4.1.1, 4.1.3, 4.1.5, 4.2, 6.1, 6.4, 7.3 (subject as aforesaid) and 9.1.6 unless disclosed.

5.3 Each of the Vendors severally represents and warrants to OLOG and OLII that the Warranties set out in Part II of Schedule 9 are true and accurate in all material respects on the date of this Agreement.

5.4 OLOG warrants and represents to CIS, the MGDC Vendors and the Management Vendors that the Warranties set out in Part III of Schedule 9 in so far as they apply to CIS, the MGDC Vendors and the Management Vendors respectively are true and accurate in all material respects on the date of this Agreement.

5.5 The Vendors shall not (in the event of any claim being made against any of them in connection with the sale of the Shares or the BHGL Loan Stock pursuant to this Agreement) make any claim against the Group or against any director or employee of the Group on whom any of the Vendors may have relied before agreeing to any term of this Agreement or authorising any statement in the First Disclosure Letter or the Second Disclosure Letter.

5.6 Each of the Warranties shall be construed as a separate warranty.

5.7 The Warranties shall be deemed to be repeated at Completion and any express or implied reference therein to the date of this Agreement shall be replaced by a reference to the Completion Date.

5.8 Save as provided in Clause 6.7, the rights and remedies of the parties in respect of a breach of any of the Warranties shall not be affected by Completion, by the giving of any time or other indulgence by any party to any person, by any party rescinding or not rescinding this Agreement, or by

any other cause whatsoever except a specific waiver or release by any party in writing; and any such waiver or release shall not prejudice or affect any remaining rights or remedies of any party.

## 6. LIMITATIONS ON LIABILITY UNDER THE WARRANTIES

- 6.1 This Clause 6 and Schedule 10 shall have effect to limit the liability of each of the Vendors in respect of this Agreement.
- 6.2 No limitations or qualifications on the liability of any Vendor or OLOG in respect of a breach of Warranty or any other provision of this Agreement shall apply in the case of fraud or wilful misrepresentation.
- 6.3 Save in respect of any breach of Warranty giving rise to a right of rescission pursuant to Clause 6.7, OLOG and OLII shall not be entitled to claim that any fact or circumstance constitutes a breach of any of the Warranties set out in Part I or Part II of Schedule 9 if any member of the OLOG Group or any of its directors or employees, is actually aware of such fact or circumstance at the date of this Agreement or if such fact or circumstance has been disclosed in this Agreement, in the First Disclosure Letter, the Second Disclosure Letter or any other letter, document or communication set out in the First Disclosure Letter or the Second Disclosure Letter.
- 6.4 None of the Warranties shall be deemed to constitute directly or indirectly a Warranty in respect of the future financial or trading position, performance or prospects of the Group or any member thereof and OLOG and OLII acknowledge and agree that save as aforesaid none of the Vendors makes any warranty as to such matters.
- 6.5 Each of OLOG and OLII confirms that it has not relied on any warranty, representation or undertaking of any of the Vendors or any other person save for any warranty, representation or undertaking expressly set out in this Agreement and that save as expressly provided for in this Agreement all representations, warranties and undertakings whether express or implied, statutory or otherwise are expressly excluded.
- 6.6 Any payment made by any of the Vendors pursuant to the terms of this Agreement shall be treated by the parties as a reduction pro tanto of the purchase price payable by him/it for the Shares.
- 6.7 The sole remedy of OLOG and OLII in respect of any claim for breach of Warranty under Part I or Part II of Schedule 9 shall be in damages. OLOG and OLII shall have no right to rescind or terminate this Agreement for breach of Warranty unless at any time after the date of this Agreement and prior to Completion there occurs any act or event constituting a material breach of Warranty at the date of this Agreement or which would constitute a material breach of Warranty if such Warranty were repeated on any day from the date of this Agreement to and including the Completion Date. In such case OLOG or OLII shall be entitled by notice in writing on the other parties to this Agreement not to proceed to Completion in which event this Agreement shall be of no effect and no party shall have any further liability to the other. Completion of the

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transaction contemplated by this Agreement in circumstances where OLOG or OLII are actually aware that a right to rescind has arisen shall constitute a waiver by OLOG and OLII of its rights in respect of the relevant breach. For the purposes of this Clause 6.7 an act or event shall constitute a "material breach" of warranty if it is both a breach of warranty and an act or event which is material and adverse to the assets and liabilities, financial position, profits and losses, or prospects of the Group taken as a whole.

## 7. ANNOUNCEMENTS

Save where an announcement is required by law or the rules of London Stock Exchange Limited, NASDAQ or any other exchange upon which the securities of Caledonia or OLOG are traded or dealt, none of the parties shall make, or procure or permit the making of, any announcement whether before or after Completion with respect to this Agreement or any ancillary matter without the prior consent of OLOG, Caledonia and Morgan Grenfell Development Capital Nominees Limited.

8. ASSIGNMENT

Any party may assign its rights under this Agreement after Completion and this Agreement shall be binding on and enure for the benefit of the parties' successors, assigns and personal representatives.

9. ENTIRE AGREEMENT

This Agreement, together with the First Disclosure Letter, the Second Disclosure Letter and the documents in the agreed form, represents the entire understanding, and constitutes the whole agreement, in relation to its subject matter and supersedes any previous agreement between the parties with respect thereto and without prejudice to the generality of the foregoing in the absence of fraud or wilful misrepresentation, excludes any warranty, condition or other undertaking implied at law or by custom.

10. FURTHER ASSURANCE

10.1 So far as it remains to be performed this Agreement shall continue in full force and effect notwithstanding Completion.

10.2 Each of the parties shall after Completion execute all such deeds and documents and do all such things as any other party may reasonably require for perfecting the transactions intended to be effected under or pursuant to this Agreement.

11. COSTS

The parties other than Caledonia, CIS, the MGDC Vendors and the Management Vendors shall pay their own costs in connection with the preparation and negotiation of this Agreement and any matter contemplated by it. Bristow shall procure that the costs of Caledonia, CIS, the MGDC Vendors and the Management Vendors in connection with the preparation and negotiation of this Agreement and any matter contemplated by it are paid by the Company.

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12. NOTICES

12.1 A notice, approval, consent or other communication in connection with this Agreement:

12.1.1 must be in writing; and

12.1.2 must be left at the address of the addressee, or sent by prepaid ordinary post (airmail if posted to or from a place outside the United Kingdom) to the address of the addressee or sent by facsimile to the facsimile number of the addressee which is specified in this Clause or if the addressee notifies another address or facsimile number in England and Wales then to that address or facsimile number.

The address and facsimile number (where appropriate) of each party is:

MGDC VENDORS

The address and facsimile number set out under the name of each of the MGDC Vendors in Part 1 of Schedule 1.

MANAGEMENT VENDORS

The address set out under the name of each Management Vendor in Part II of Schedule 1.

THE LOAN STOCK VENDORS

The address set out under the name of each Loan Stock Vendor in Part III of Schedule 1.

OLOG AND OLII

Address: - 224 Rue de Jean, Post Office Box 5C, Lafayette,  
Louisiana 70505, USA

Facsimile: 001 318 235 6678

For the attention of: Dru Milke Esq.

CALEDONIA AND CIS

Address: - Cayzer House, 1 Thomas More Street, London E1 9AR

Facsimile: 011 44 171 488 0896

For the attention of: Jonathan Cartwright

MR. UGLAND

Address: PO Box 308, Storgaten 90, N-4891, Grimstad, Norway

Facsimile: 00 47 37 04 0986

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BRISTOW

Address: Redhill Aerodrome, Redhill, Surrey RH1 5JZ

Facsimile: 011 44 1737 822387

For the attention of: The Company Secretary

- 12.2 A notice, approval, consent or other communication shall take effect from the time it is received (or, if earlier, the time it is deemed to be received in accordance with Clause 12.3) unless a later time is specified in it.
- 12.3 A letter or facsimile is deemed to be received:
- 12.3.1 in the case of a posted letter, unless actually received earlier, on the third (seventh, if posted to or from a place outside the United Kingdom) day after posting; and
- 12.3.2 in the case of facsimile, on production of a transmission report from the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to the facsimile number of the recipient.
- 12.4 A notice given or document supplied to Morgan Grenfell Development Capital Nominees Limited shall be deemed to have been given or supplied to all of the MGDC Vendors except where the notice or document relates to a claim for breach of Warranty against any MGDC Vendor in which case it shall be given to that MGDC Vendor individually.
- 12.5 A notice given or document supplied to Dickson Minto shall be deemed to have been given or supplied to all of the Management Vendors except where the notice or document relates to a claim for breach of Warranty against any Management Vendor in which case it shall be given to that Management Vendor individually.
- 12.6 A notice given or document supplied to NatWest Ventures Limited shall be deemed to have been given or supplied to all of the Loan Stock Vendors

except where the notice or document relates to a claim for breach of Warranty against any Loan Stock Vendor in which case it shall be given to that Loan Stock Vendor individually.

13. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all the counterparts together shall constitute one and the same instrument.

14. GENERAL

14.1 No variation of this Agreement shall be valid unless it is in writing and signed by or on behalf of OLOG, Caledonia, Mr. Ugland, the Management Vendors and the MGDC Vendors.

14.2 The failure to exercise or delay in exercising a right or remedy under this Agreement shall not constitute a waiver of the right or remedy or a waiver of any other rights or remedies and no single or partial exercise of any right or remedy under this Agreement

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shall prevent any further exercise of the right or remedy or the exercise of any other right or remedy.

14.3 To the extent that any provision of this Agreement, or of any other arrangement of which it forms part, is a restriction or information provision for the purposes of the Restrictive Trade Practices Act 1976 ("RTPA") by virtue of which this Agreement or any such arrangement is registrable under the RTPA, no such restriction or provision shall take effect until the day after particulars of this Agreement or, as the case may be, that arrangement, have been furnished to the Director General of Fair Trading in accordance with the RTPA.

15. GOVERNING LAW, JURISDICTION AND SERVICE OF PROCESS

15.1 This Agreement shall be governed by, and construed in accordance with, English law.

15.2 Each party irrevocably agrees that the Courts of England shall have exclusive jurisdiction in relation to any claim, dispute or difference concerning this Agreement and any matter arising therefrom.

15.3 Each party irrevocably waives any right that it may have to object to an action being brought in those Courts, to claim that the action has been brought in an inconvenient forum, or to claim that those Courts do not have jurisdiction.

15.4 Each of the parties agrees that without preventing any other mode of service, any document in an action (including, but not limited to, any writ of summons or other originating process or any third or other party notice) may be served on any party by being delivered to or left for that party at its address for service of notices under Clause 12.

IN WITNESS of which the parties have executed this Agreement on the date first mentioned above.

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SCHEDULE 1

PART I

MGDC VENDORS

MGDC VENDORS NAMES AND ADDRESSES	NUMBER OF A SHARES BEFORE OPERATION OF THE RATCHET	NUMBER OF A SHARES TO BE SOLD	NUMBER OF DEFERRED SHARES TO BE SOLD	NUMBER OF DOLLAR DEFERRED SHARES TO BE SOLD	NO OF A SHARES TO BE SOLD AT STAGE 4	NO OF DOLLAR DEFERRED SHARES TO BE SOLD AT STAGE 4	NO OF DEFERRED SHARES TO BE SOLD AT STAGE 4	STOCK TO BE ALLOTTED FOR (6)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Morgan Grenfell Development Capital Nominees Limited, A/C MGDC, 23 Great Winchester Street, London	40,298,510	32,835,823	40,298,510	7,462,687	32,835,823	7,462,687	40,298,510	18,694,130
Morgan Nominees (Guernsey) Limited, Morgan Grenfell House, Lefevre Street, St. Peter Port, Guernsey, Channel Islands	3,022,500	2,462,778	3,022,500	559,722	2,462,778	559,722	3,022,500	1,402,310
Morgan Grenfell Development Capital Nominees Limited, A/C MGDC, 23 Great Winchester Street, London	5,373,130	4,378,106	5,373,130	995,024	4,378,106	995,024	5,373,130	2,492,490
Coal Pension Venture Nominees Limited, Pinners Hall, 105-108 Old Broad Street, London EC2M 1EH	7,327,170	5,970,287	7,327,170	1,356,883	5,970,287	1,356,883	7,327,170	3,398,850
CINVen Investors Nominees Limited, Pinners Hall, 105-108 Old Broad Street, London EC2M 1EH	60,870	49,598	60,870	11,272	49,598	11,272	60,870	28,210
Railway Pension Venture Capital Limited, 55 Old Broad Street, London EC2M 1RX	3,694,020	3,009,942	3,694,020	684,078	3,009,942	684,078	3,694,020	1,713,530
Barclays Venture Nominees Limited, 54 Lombard Street, London EC3P 3AH	3,694,020	3,009,942	3,694,020	684,078	3,009,942	684,078	3,694,020	1,713,530
Nippon Enterprise Development Corp, JBP OVAL3F, 52-2, 5 Chome Jingumae Shibuya-KU, Tokyo 150, Japan	1,343,280	1,094,524	1,343,280	248,756	1,094,524	248,756	1,343,280	623,350
Berrylands Nominees Limited 107 Cheapside, London EC2V 6DV	3,612,770	2,943,739	3,612,770	669,031	2,943,739	669,031	3,612,770	1,676,220
Commercial Union Life Assurance Co. Ltd., St. Helens, 1 Undershaft, London EC3P 3DQ	1,007,460	820,893	1,007,460	186,567	820,893	186,567	1,007,460	467,740
Commercial Union Nominees Limited, St. Helens, 1 Undershaft, London EC3P 3DQ	1,007,460	820,893	1,007,460	186,567	820,893	186,567	1,007,460	467,740

MGDC VENDORS NAMES AND ADDRESSES	NEW B SHARES TO BE ALLOTTED FOR (6)	STOCK TO BE SOLD TO OLII AT STAGE 5	NEW B SHARES TO BE SOLD TO OLII AT STAGE 5	STOCK TO BE SOLD TO OLOG AT STAGE 5	NEW B SHARES TO BE SOLD TO OLOG AT STAGE 5	CASH CONSIDERATION FOR (10) AND (11) IN (POUNDS)	CASH CONSIDERATION FOR (12) AND (13) IN (POUNDS)
(1)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Morgan Grenfell Development Capital Nominees Limited, A/C MGDC, 23 Great Winchester Street, London	1,006,607	11,896,430	640,577	6,797,700	366,030	12,537,314	7,164,180
Morgan Nominees (Guernsey) Limited, Morgan Grenfell House, Lefevre Street, St. Peter Port, Guernsey, Channel Islands	75,509	892,710	48,069	509,600	27,440	940,333	537,333
Morgan Grenfell Development Capital Nominees Limited, A/C MGDC, 23 Great Winchester Street, London	134,211	1,586,130	85,407	906,360	48,804	1,671,640	955,223
Coal Pension Venture Nominees Limited, Pinners Hall, 105-108 Old Broad Street, London EC2M 1EH	183,015	2,163,070	116,473	1,235,780	66,542	2,279,564	1,302,608
CINVen Investors Nominees Limited, Pinners Hall, 105-108 Old Broad Street, London EC2M 1EH	1,519	18,200	980	10,010	539	18,937	10,821
Railway Pension Venture Capital Limited, 55 Old Broad Street, London EC2M 1RX	92,267	1,090,180	58,702	623,350	33,565	1,149,251	656,715

Barclays Venture Nominees Limited, 54 Lombard Street, London EC3P 3AH	92,267	1,090,180	58,702	623,350	33,565	1,149,251	656,715
Nippon Enterprise Development Corp, JBP OVAL3F, 52-2, 5 Chome Jingumae Shibuya-Ku, Tokyo 150, Japan	33,565	396,760	21,364	226,590	12,201	417,909	238,805
Berrylands Nominees Limited 107 Cheapside, London EC2V 6DV	90,258	1,066,520	57,428	609,700	32,830	1,123,973	642,270
Commercial Union Life Assurance Co. Ltd., St. Helens, 1 Undershaft, London EC3P 3DQ	25,186	297,570	16,023	170,170	9,163	313,432	179,104
Commercial Union Nominees Limited, St. Helens, 1 Undershaft, London EC3P 3DQ	25,186	297,570	16,023	170,170	9,163	313,432	179,104

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MGDC VENDORS NAMES AND ADDRESSES	NUMBER OF A SHARES BEFORE OPERATION OF THE RATCHET	NUMBER OF A SHARES TO BE SOLD	NUMBER OF DEFERRED SHARES TO BE SOLD	NUMBER OF DOLLAR DEFERRED SHARES TO BE SOLD	NO OF A SHARES TO BE SOLD AT STAGE 4	NO OF DOLLAR DEFERRED SHARES TO BE SOLD AT STAGE 4	NO OF DEFERRED SHARES TO BE SOLD AT STAGE 4	STOCK TO BE ALLOTTED FOR (6)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Aberdeen City Council Superannuation Fund, Woodhill House, Westburn Road, Aberdeen, AB9 2LU	671,640	547,262	671,640	124,378	547,262	124,378	671,640	311,220
County NatWest Ventures Investments Limited, 135 Bishopsgate, London EC2M 3UR	7,388,040	6,019,884	7,388,040	1,368,156	6,019,884	1,368,156	7,388,040	3,427,060
Lloyds Bank Nominees Limited, A.C HUGEF, 48 Chiswell Street, London EC1V 4XX	2,014,920	1,641,787	2,014,920	373,133	1,641,787	373,133	2,014,920	934,570
English and Scottish Investors plc, Gartmore House, 16-18 Monument Street, London EC3R 8AJ	5,373,120	4,378,098	5,373,120	995,022	4,378,098	995,022	5,373,120	2,492,490
The Gartmore 1990 Fund, Gartmore House, 16-18 Monument Street, London	1,007,460	820,893	1,007,460	186,567	820,893	186,567	1,007,460	467,740
Gartmore Enterprise Trust plc Charles Oakley House, 125 West Regent Street, Glasgow	1,679,100	1,368,156	1,679,100	310,944	1,368,156	310,944	1,679,100	778,960
NC Lombard Street Nominees Limited, x30 account, PO Box 348, 42 Islington High Street, London N1 8XI	1,343,280	1,094,524	1,343,280	248,756	1,094,524	248,756	1,343,280	623,350
Grant Charles Haggith, 22a Abbots Road, Abbots Langley, Herts, WD5 OAZ	12,500	10,185	12,500	2,315	10,185	2,315	12,500	5,460
Nandraney Devi Haggith, 22a Abbots Road, Abbots Langley, Herts, WD5 OAZ	12,500	10,185	12,500	2,315	10,185	2,315	12,500	5,460
Thomas Henry Postlewaite, Vinnicks Cottage, Pill Hill, Highclere, Newbury, Berkshire RG15 9SA	7,500	6,111	7,500	1,389	6,111	1,389	7,500	3,640
Noreen Josephine Postlewaite, Vinnicks Cottage, Pill Hill, Highclere, Newbury, Berkshire RG15 9SA	7,500	6,111	7,500	1,389	6,111	1,389	7,500	3,640
David Charles Bays 15 Woodhall Avenue, Pinner, Middlesex HA5 3DY	20,630	16,810	20,630	3,820	16,810	3,820	20,630	10,010
Patricia May Bays, 15 Woodhall Avenue, Pinner, Middlesex HA5 3DY	20,620	16,802	20,620	3,818	16,802	3,818	20,620	10,010
TOTALS	90,000,000	73,333,333	90,000,000	16,666,667	73,333,333	16,666,667	90,000,000	41,751,710

MGDC VENDORS NAMES AND ADDRESSES	NEW B SHARES TO BE ALLOTTED FOR (6)	STOCK TO BE SOLD TO OLII AT STAGE 5	NEW B SHARES TO BE SOLD TO OLII AT STAGE 5	STOCK TO BE SOLD TO OLOG AT STAGE 5	NEW B SHARES TO BE SOLD TO OLOG AT STAGE 5	CASH CONSIDERATION FOR (10) AND (11) IN (POUNDS)	CASH CONSIDERATION FOR (12) AND (13) IN (POUNDS)
(1)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Aberdeen City Council Superannuation Fund, Woodhill House, Westburn Road, Aberdeen, AB9 2LU	16,758	198,380	10,682	112,840	6,076	208,955	119,403
County NatWest Ventures Investments Limited, 135 Bishopsgate, London EC2M 3UR	184,534	2,181,270	117,453	1,245,790	67,081	2,298,501	1,313,429
Lloyds Bank Nominees Limited, A.C HUGEFF, 48 Chiswell Street, London EC1V 4XX	50,323	595,140	32,046	339,430	18,277	626,864	358,208
English and Scottish Investors plc, Gartmore House, 16-18 Monument Street, London EC3R 8AJ	134,211	1,586,130	85,407	906,360	48,804	1,671,637	955,221
The Gartmore 1990 Fund, Gartmore House, 16-18 Monument Street, London	25,186	297,570	16,023	170,170	9,163	313,432	179,104
Gartmore Enterprise Trust plc Charles Oakley House, 125 West Regent Street, Glasgow	41,944	495,950	26,705	283,010	15,239	522,387	298,507
NC Lombard Street Nominees Limited, x30 account, PO Box 348, 42 Islington High Street, London N1 8XI	33,565	396,760	21,364	226,590	12,201	417,909	238,805
Grant Charles Haggith, 22a Abbots Road, Abbots Langley, Herts, WD5 OAZ	294	3,640	196	1,820	98	3,889	2,222
Nandraney Devi Haggith, 22a Abbots Road, Abbots Langley, Herts, WD5 OAZ	294	3,640	196	1,820	98	3,889	2,222
Thomas Henry Postlewaite, Vinnicks Cottage, Pill Hill, Highclere, Newbury, Berkshire RG15 9SA	196	2,730	147	910	49	2,333	1,333
Noreen Josephine Postlewaite, Vinnicks Cottage, Pill Hill, Highclere, Newbury, Berkshire RG15 9SA	196	2,730	147	910	49	2,333	1,333
David Charles Bays 15 Woodhall Avenue, Pinner, Middlesex HA5 3DY	539	6,370	343	3,640	196	6,418	3,668
Patricia May Bays, 15 Woodhall Avenue, Pinner, Middlesex HA5 3DY	539	6,370	343	3,640	196	6,415	3,666
TOTALS	2,248,169	26,572,000	1,430,800	15,179,710	817,369	28,000,000	16,000,000

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## PART II

### MANAGEMENT VENDORS

MANAGEMENT VENDORS NAMES & ADDRESSES	TOTAL NO OF C SHARES TO BE SOLD	NUMBER OF DEFERRED SHARES TO BE SOLD	NO OF C SHARES TO BE SOLD AT STAGE 2	NO OF DEFERRED SHARES TO BE SOLD AT STAGE 2	OLOG COMMON STOCK TO BE ALLOTTED FOR (4)	NO OF C SHARES TO BE SOLD AT STAGE 4	NO OF DEFERRED SHARES TO BE SOLD AT STAGE 4	STOCK TO BE ALLOTTED FOR (7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Stephen William Palframan, Saillards, Underhill Lane, Ditchling, Hassocks BN6 8NA	900,000	900,000	225,000	225,000	14,066	675,000	675,000	409,500
Ian Blair McIntosh, 140 Harestone Hill, Caterham, Surrey	560,000	560,000	140,000	140,000	8,752	420,000	420,000	254,800
Bristow Nominees Limited, Redhill Aerodrome, Redhill, Surrey RH1 5JZ	15,240,000	15,240,000	0	0	0	15,240,000	15,240,000	9,245,600
Christopher William Russell Fry, 6 Raglan Close, Reigate, Surrey	600,000	600,000	150,000	150,000	9,377	450,000	450,000	273,000
Keith H. R. Gaston-Parry, The Rod House, Horsham, Surrey	500,000	500,000	125,000	125,000	7,814	375,000	375,000	227,500
Michael John Norris, Fairford Lodge, 14 Brightlands Road, Reigate	500,000	500,000	125,000	125,000	7,814	375,000	375,000	227,500
Michael Wyatt Bill, 6 Wray Lane, Reigate, Surrey	500,000	500,000	125,000	125,000	7,814	375,000	375,000	227,500
Dennis Russell, Luckwood,	200,000	200,000	50,000	50,000	3,125	150,000	150,000	91,000

17 Woodside Road, Beare Green, Dorking									
Allan Cyril Brown, 5 Wolstonbury Close, Hurstpiepoint	200,000	200,000	50,000	50,000	3,125	150,000	150,000	91,000	
Ian P. Scott, 81 Hawes Lane, West Wickham, Kent	250,000	250,000	62,500	62,500	3,907	187,500	187,500	113,750	
Saifudeen Edu, 11 Bourdillon Road, Ikoyi, Lagos, Nigeria	500,000	500,000	125,000	125,000	7,814	375,000	375,000	227,500	
Michael Oni, Ebani House, 62 Marina, Lagos, Nigeria	50,000	50,000	12,500	12,500	781	37,500	37,500	22,750	
TOTALS:	20,000,000	20,000,000	1,190,000	1,190,000	74,389	18,810,000	18,810,000	11,411,400	

MANAGEMENT VENDORS NAMES & ADDRESSES	NEW B SHARES TO BE ALLOTTED FOR (7)	CASH CONSIDERATION (7) IN (POUNDS)	STOCK TO OLOG AT STAGE 5	NEW B SHARES TO BE SOLD TO OLOG AT STAGE 5	CASH CONSIDERATION FOR (12) AND (13) IN (POUNDS)
(1)	(10)	(11)	(12)	(13)	(14)
Stephen William Palframan, Saillards, Underhill Lane, Ditchling, Hassocks BN6 8NA	22,050	7,177	409,500	22,050	431,575
Ian Blair McIntosh, 140 Harestone Hill, Caterham, Surrey	13,720	4,466	254,800	13,720	268,538
Bristow Nominees Limited, Redhill Aerodrome, Redhill, Surrey RH1 5JZ	497,840	162,041	9,245,600	497,840	9,743,959
Christopher William Russell Fry, 6 Raglan Close, Reigate, Surrey	14,700	4,785	273,000	14,700	287,720
Keith H. R. Gaston-Parry, The Rod House, Horsham, Surrey	12,250	3,987	227,500	12,250	239,769
Michael John Norris, Fairford Lodge, 14 Brightlands Road, Reigate	12,250	3,987	227,500	12,250	239,769
Michael Wyatt Bill, 6 Wray Lane, Reigate, Surrey	12,250	3,987	227,500	12,250	239,769
Dennis Russell, Luckwood, 17 Woodside Road, Beare Green, Dorking	4,900	1,595	91,000	4,900	95,914
Allan Cyril Brown, 5 Wolstonbury Close, Hurstpiepoint	4,900	1,595	91,000	4,900	95,914
Ian P. Scott, 81 Hawes Lane, West Wickham, Kent	6,125	1,994	113,750	6,125	119,884
Saifudeen Edu, 11 Bourdillon Road, Ikoyi, Lagos, Nigeria	12,250	3,987	227,500	12,250	239,769
Michael Oni, Ebani House, 62 Marina, Lagos, Nigeria	1,225	399	22,750	1,225	23,981
TOTALS:	614,460	200,000	11,411,400	614,460	12,026,558

LOAN STOCK VENDORS NAME AND ADDRESSES (1)	PRINCIPAL AMOUNT OF LOAN STOCK TO BE SOLD AT STAGE 5 IN (POUND) (2)
Nippon Enterprise Development Corp, JBP Oval 3f, 52-2, 5-Chome, Jingumae, Shibuya-Ku, Tokyo 150, Japan	290,802
Commercial Union Life Assurance Co. Ltd, St. Helen's, 1 Undershaft, London EC3P 3DQ	218,101
Commercial Union Nominees Limited A/C PF, St. Helens, 1 Undershaft, London EC3P 3DQ	218,101
Aberdeen City Council Superannuation Fund, Woodhill House, Westburn Road, Aberdeen, AB9 2LU	145,401
County NatWest Ventures Investments Limited, 135 Bishopsgate, London EC2M 3UR	1,599,408
English & Scottish Investors PLC, Gartmore House, 16-18 Monument Street, London EC3R 8AJ	1,163,206
NC Lombard Street Nominees Limited X 30 Account, Regent's House, PO Box 348, 42 Islington High Street, London N1 8XI	290,802
Morgan Nominees (Guernsey) Limited, Morgan Grenfell House, Lefevre Street, St. Peter Port, Guernsey, Channel Islands	654,294
Lloyds Bank Nominees Limited, 48 Chiswell Street, London EC1V 4XX	436,202
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TOTALS:	5,016,317
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SCHEDULE 2

STAGE ONE

1.1 At Stage One:

- 1.1.1 CIS, the MGDC Vendors and the Management Vendors shall procure that the C directors of the Company give their consent in the form of the BHGL C Directors Consent as well as the passing of the BHGL Resolution by all relevant persons;
- 1.1.2 CIS, the MGDC Vendors and the Management Vendors shall procure the holding of a board meeting of the Company at which the board of directors of the Company shall approve the conversion pro rata of 18.518 per cent. of the A Shares and 18.518 per cent. B Shares into Dollar Deferred Shares pursuant to the Ratchet.
- 1.1.3 the Loan Stock Vendors and CIS shall procure the passing of the Loan Stock Resolution by all relevant persons;

- 1.1.4 Caledonia shall deliver or cause to be delivered a copy of the minutes of a duly held meeting of the board of directors of Caledonia or a duly appointed and convened committee of the board of directors of Caledonia evidencing the authority of the persons executing this Agreement on behalf of Caledonia and approving the transfers contemplated by it or other appropriate evidence of due authorisation;
- 1.1.5 OLOG shall deliver or cause to be delivered a copy of the minutes of a duly held meeting of the board of directors of OLOG evidencing the authority of the persons executing this Agreement on behalf of OLOG and approving the transfers contemplated by it or other appropriate evidence of due authorisation;
- 1.1.6 CIS shall deliver or cause to be delivered a copy of the minutes of a duly held meeting of the board of directors of CIS evidencing the authority of the persons executing this Agreement on behalf of CIS and approving the transfers contemplated by it or other appropriate evidence of due authorisation;
- 1.1.7 OLII shall deliver or cause to be delivered a copy of the minutes of a duly held meeting of the board of directors of OLII evidencing the authority of the persons executing this Agreement on behalf of OLII and approving the transfers contemplated by it or other appropriate evidence of due authorisation;
- 1.1.8 each of the MGDC Vendors shall deliver or cause to be delivered evidence of the authority of the persons executing this Agreement on behalf of such MGDC Vendor and approving the transfers contemplated by it;
- 1.1.9 each of the Loan Stock Vendors shall deliver or cause to be delivered a copy of the minutes of a duly held meeting of the board of directors of such Loan Stock Vendor evidencing the authority of the persons executing this Agreement on behalf of such Loan Stock Vendor and approving the transfers contemplated by it or other appropriate evidence of due authorisation;

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- 1.1.10 Bristow Nominees Limited shall deliver or cause to be delivered a copy of the minutes of a duly held meeting of the board of directors of Bristow Nominees Limited evidencing the authority of the persons executing the Agreement on behalf of Bristow Nominees Limited and approving the transfers contemplated by it or other appropriate evidence of due authorisation.

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### SCHEDULE 3

#### STAGE TWO

#### 1. STAGE TWO

##### 1.1 At Stage Two:-

- 1.1.1 CIS as the beneficial owner shall sell with full title guarantee, free from Encumbrances and together with all rights (present and future) attaching thereto, and OLOG shall purchase, 41,056,696 B Shares, 50,387,764 Deferred Shares and 9,331,068 Dollar Deferred Shares;
- 1.1.2 CIS as the beneficial owner shall sell with full title guarantee, free from Encumbrances and together with all rights (present and future) attaching thereto, and OLOG shall purchase 24,109,971 B

Shares, 29,589,510 Deferred Shares and 5,479,539 Dollar Deferred Shares; and

1.1.3 Each of the Individual Managers as the beneficial owner shall sell with full title guarantee, free from Encumbrances and together with all rights (present and future) attaching thereto, and OLOG shall purchase, those C Shares set opposite that Individual Manager's name in column (4) of Part II of Schedule 1 and those Deferred Shares set opposite that Individual Manager's name in column (5) of Part II of Schedule 1.

## 2. CONSIDERATION

- 2.1 The consideration for the sale of the 41,056,696 B Shares pursuant to paragraph 1.1.1 shall be the payment to CIS of (Pounds)24,547,786 in cash.
- 2.2 The consideration for the sale of the 50,387,764 Deferred Shares and the 9,331,068 Dollar Deferred Shares pursuant to paragraph 1.1.1 shall be the payment to CIS of (Pounds)0.02.
- 2.3 The consideration for the sale of the 24,109,971 B Shares pursuant to paragraph 1.1.2 shall subject as provided in paragraph 2.9 be the allotment to CIS of 1,300,000 shares of OLOG Common Stock and \$7.5 million in principal amount of OLOG Loan Stock.
- 2.4 The consideration for the sale of the 29,589,510 Deferred Shares and the 5,479,539 Dollar Deferred Shares pursuant to paragraph 1.1.2 shall be the payment to CIS of (Pounds)0.02.
- 2.5 The consideration for the sale of the 1,190,000 C Shares pursuant to paragraph 1.1.3 shall be the issue to the Individual Managers of a total of 74,389 shares of OLOG Common Stock. Fractions of OLOG Common Stock will not be issued as part of the consideration hereunder.
- 2.6 The consideration for the sale of the 1,190,000 Deferred Shares pursuant to paragraph 1.1.3 shall be the payment to each Individual Manager of (Pounds)0.01.
- 2.7 The consideration referred to in paragraphs 2.1-2.6 shall be satisfied at completion of Stage Two in accordance with the provisions of paragraph 3 of this Schedule.

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- 2.8 The OLOG Common Stock to be allotted to CIS pursuant to paragraph 2.3 and to the Individual Managers pursuant to paragraph 2.5 shall be issued fully paid and shall rank pari passu with existing OLOG Common Stock in issue on the Completion Date.
- 2.9 In the event that the average of the aggregate closing bid prices quoted for one share of OLOG Common Stock on NASDAQ at the close of business on the 20 business days immediately preceding the Completion Date falls below US\$12.50 there shall be allotted to Caledonia pursuant to Clause 2.3 US\$16.25 million of OLOG Common Stock valued with reference to such average price.

## 3. COMPLETION OF STAGE TWO

- 3.1 Completion of Stage Two shall take place at the offices of Herbert Smith immediately following the completion of Stage One.
- 3.2 At completion of Stage Two:
- 3.2.1 CIS shall deliver or cause to be delivered to OLOG share warrants in respect of 65,166,667 B Shares and 14,810,607 Dollar Deferred Shares, a duly executed transfer in favour of OLOG in respect of 79,977,274 Deferred Shares and the relative share certificate for

the Deferred Shares and CIS shall execute a certificate confirming the date of issue of the OLOG Loan Stock;

3.2.2 each Individual Manager shall deliver or cause to be delivered to OLOG share warrants or a duly executed transfer in favour of OLOG in respect of those C Shares set opposite its name in column (4) of Part II of Schedule 1, a duly executed transfer in favour of OLOG in respect of these Deferred Shares set opposite its name in column (5) of Part II of Schedule 1 and the relative share certificates for the Deferred Shares and registered C Shares;

3.2.3 OLOG shall:

- (A) pay to Caledonia's Account by telegraphic transfer the sum of (Pounds)24,547,786;
- (B) issue to CIS 1,300,000 shares of OLOG Common Stock or, where paragraph 2.9 applies, US\$16.25 million of OLOG Common Stock;
- (C) issue to CIS \$7.5 million in principal amount of OLOG Loan Stock;
- (D) issue to the Individual Managers 74,389 shares of OLOG Common Stock apportioned between the Individual Managers as set out in column (6) of Part II of Schedule 1;
- (E) enter the name of CIS in the register of members of OLOG as the holder of the OLOG Common Stock issued to CIS pursuant to this Schedule and issue CIS with a certificate in respect of such OLOG Common Stock;
- (F) enter the name of CIS in the register of loan stock holders of OLOG as the holder of the OLOG Loan Stock issued to CIS pursuant to this Schedule and issue CIS with a certificate in respect of such OLOG

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Loan Stock and execute a certificate confirming the date of issue of the OLOG Loan Stock;

- (G) enter the names of each Individual Manager in the register of members of OLOG as the holder of the OLOG Common Stock issued to that Individual Manager pursuant to this Schedule and issue such Individual Manager with a certificate in respect of such OLOG Common Stock;
- (H) pay to CIS (Pounds)0.04 in satisfaction of the consideration payable to CIS for the Deferred Shares and the Dollar Deferred Shares pursuant to this Schedule 3; and
- (I) pay to the Individual Managers (Pounds)0.01 each in satisfaction for the consideration payable to the Individual Managers for the Deferred Shares pursuant to this Schedule 3.

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#### SCHEDULE 4

#### STAGE THREE

1. AT STAGE THREE:-

1.1 OLOG shall:-

1.1.1 procure that a board meeting of Bristow is held to deal with the

matters set out in the Bristow Board Minutes;

- 1.1.2 procure the passing of the Bristow Resolution by the requisite majority at a duly convened meeting of the shareholders of Bristow; and
  - 1.1.3 procure that two directors of Bristow shall execute the Stock Instrument pursuant to the authority referred to in paragraph 1.1.1;
- 1.2 OLOG shall:-
- 1.2.1 subscribe for 199,998 New C Shares in consideration for the transfer to Bristow by OLOG of 200,000 C Shares including payment for its subscriber shares in Bristow (which shall have been redesignated as New C Shares pursuant to the passing of the Bristow Resolution);
  - 1.2.2 transfer to Bristow 200,000 Deferred Shares;
  - 1.2.3 deliver to Bristow share warrants in respect of 200,000 C Shares together with a duly executed transfer in favour of Bristow of 200,000 Deferred Shares together with the relative share certificate therefor;
  - 1.2.4 irrevocably undertake (subject to the fulfilment by Bristow of its obligations in paragraph 1.3 below) to sell the 200,000 New C Shares to Mr. Ugland for the consideration and otherwise on the terms set out in Schedule 6; and
- 1.3 Bristow shall:-
- 1.3.1 issue and allot to OLOG 199,998 New C Shares and credit as fully paid the remaining two New C Shares;
  - 1.3.2 enter the name of OLOG in the register of members of the Company as the holder of such New C Shares and issue a share certificate to OLOG in respect of such New C Shares; and
  - 1.3.3 pay (Pounds)0.01 to OLOG in consideration for the transfer of 200,000 Deferred Shares.
2. The New C Shares to be allotted to OLOG pursuant to paragraph 1.3 shall be issued fully paid.

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#### SCHEDULE 5

#### STAGE FOUR

1. STAGE FOUR
- 1.1 At Stage Four:
  - 1.1.1 each of the MGDC Vendors shall sell or procure to be sold with full title guarantee, free from Encumbrances and together with all rights (present and future) attaching thereto, and Bristow shall purchase, those A Shares set opposite that MGDC Vendor's name in column (6) of Part I of Schedule 1 together with those Deferred Shares set opposite that MGDC Vendor's name in column (8) of Part 1 of Schedule 1 and those Dollar Deferred Shares set opposite that MGDC Vendor's name in column (7) of Part 1 of Schedule 1;
  - 1.1.2 Bristow shall allot (Pounds)189,280 in principal amount of Stock and 10,192 New B Shares to OLOG; and
  - 1.1.3 each of the Management Vendors as beneficial owner shall sell or procure to be sold with full title guarantee, free from Encumbrances

and together with all rights (present and future) attaching thereto and Bristow shall purchase, those C Shares set opposite that Management Vendor's name in column (7) of Part II of Schedule 1 together with those Deferred Shares set opposite that Management Vendor's name in column (8) of Part II of Schedule 1.

## 2. CONSIDERATION

- 2.1 The consideration for the sale of the A Shares pursuant to paragraph 1.1.1 shall be the allotment to the MGDC Vendors of (Pounds)41,751,710 in principal amount of Stock and 2,248,169 New B Shares.
- 2.2 The consideration for the sale of the Deferred Shares and the Dollar Deferred Shares pursuant to paragraph 1.1.1 shall be the payment to each of the MGDC Vendors of (Pounds)0.02.
- 2.3 The consideration for the allotment of the Stock and the New B Shares to OLOG pursuant to paragraph 1.1.2 shall be the payment by OLOG to Bristow of (Pounds)200,000 in cash.
- 2.4 The consideration for the sale of the C Shares pursuant to paragraph 1.1.3 shall be the allotment to the Management Vendors of (Pounds)11,411,400 in principal amount of Stock and 614,460 New B Shares and the payment to the Management Vendors of (Pounds)200,000 in cash.
- 2.5 The consideration for the sale of the Deferred Shares pursuant to paragraph 1.1.3 shall be the payment to each of the Management Vendors of (Pounds)0.01.
- 2.6 The consideration referred to in paragraphs 2.1-2.5 shall be satisfied at completion of Stage Four in accordance with the provisions of paragraph 3 of this Schedule.
- 2.7 The Stock and the New B Shares to be allotted to the MGDC Vendors and the Management Vendors pursuant to this paragraph 2 shall be issued fully paid.

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## 3. COMPLETION OF STAGE FOUR

- 3.1 Completion of Stage Four shall take place at the offices of Herbert Smith immediately following the completion of Stage Three.
- 3.2 At completion of Stage Four:
  - 3.2.1 each MGDC Vendor shall deliver or cause to be delivered to Bristow share warrants or a duly executed transfer in favour of Bristow in respect of those A Shares set opposite its name in column (6) of Part II of Schedule 1, a duly executed transfer in favour of Bristow in respect of those Deferred Shares set opposite its name in column (8) of Part I of Schedule 1, share warrants in respect of those Dollar Deferred Shares set opposite its name in column (7) of Part I of Schedule 1 and the relative share certificate for the Deferred Shares and the registered A Shares;
  - 3.2.2 OLOG shall pay to Bristow's Account by telegraphic transfer the sum of (Pounds)200,000;
  - 3.2.3 each Management Vendor shall deliver or cause to be delivered to Bristow, share warrants or a duly executed transfer in favour of Bristow in respect of those C Shares set opposite its name in column (7) of Part II of Schedule 1, a duly executed transfer in favour of Bristow in respect of those Deferred Shares set opposite its name in column (8) of Part II of Schedule 1 and the relative share certificate for the Deferred Shares and the registered C Shares;
  - 3.2.4 Bristow shall:

- (A) issue and allot to the MGDC Vendors (Pounds)41,751,710 in principal amount of Stock apportioned between the MGDC Vendors as set out in Column (9) of Part I of Schedule 1 and 2,248,169 New B Shares apportioned between the MGDC Vendors as set out in Column (10) of Part 1 of Schedule 1;
- (B) issue and allot to OLOG (Pounds)189,280 in principal amount of Stock and 10,192 New B Shares;
- (C) issue and allot to the Management Vendors (Pounds)11,411,400 in principal amount of Stock to be apportioned between the Management Vendors as set out in Column (9) of Part II of Schedule 1 and 614,460 New B Shares to be apportioned between the Management Vendors as set out in column (10) of Part II of Schedule 1;
- (D) pay to Dickson Minto's account by telegraphic transfer the sum of (Pounds)200,000 apportioned between the Management Vendors as set out in column (11) of Part II of Schedule 1;
- (E) enter the name of each MGDC Vendor in the register of loan stock holders of Bristow as the holder of the Stock set opposite its name in Column (9) of Part 1 of Schedule 1 and issue a certificate to such MGDC Vendor in respect of such Stock;

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- (F) enter the name of each MGDC Vendor in the register of shareholders of Bristow as the holder of the New B Shares set opposite its name in Column (10) of Part 1 of Schedule 1 and issue a share certificate to such MGDC Vendor in respect of such Shares;
- (G) enter the name of OLOG in the register of loan stock holders of Bristow as the holder of (Pounds)189,280 in principal amount of Stock and issue a certificate to OLOG in respect of such Stock;
- (H) enter the name of OLOG in the register of shareholders of Bristow as the holder of 10,192 New B Shares and issue a share certificate to OLOG in respect of such Shares;
- (I) enter the name of each Management Vendor in the register of loan stock holders of Bristow as the holder of the Stock set opposite its name in column (9) of Part II of Schedule II and issue a certificate to such Management Vendor in respect of such Stock;
- (J) enter the name of each Management Vendor in the register of shareholders of Bristow as the holder of the New B Shares set opposite its name in Column (10) of Part II of Schedule I and issue a share certificate to such Management Vendor in respect of such Shares; and
- (K) pay to each of the MGDC Vendors (Pounds)0.02 in satisfaction of the consideration payable for the Deferred Shares and the New Deferred Shares pursuant to this Schedule 5; and
- (L) pay to each of the Management Vendors (Pounds)0.01 in satisfaction of the consideration payable for the Deferred Shares pursuant to this Schedule 5.

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STAGE FIVE

1. STAGE FIVE

1.1 At Stage Five:

- 1.1.1 OLOG as the beneficial owner shall sell with full title guarantee, free from Encumbrances and together with all rights (present and future) attaching thereto, and Mr. Ugland shall purchase, 200,000 New C Shares;
- 1.1.2 each of the MGDC Vendors as beneficial owner shall sell with full title guarantee, free from Encumbrances and together with all rights (present and future) attaching thereto, and OLII shall purchase, that Stock set opposite that MGDC Vendor's name in column (11) of Part I of Schedule 1 and those New B Shares set opposite that MGDC Vendor's name in column (12) of Part 1 of Schedule 1;
- 1.1.3 each of the MGDC Vendors as beneficial owner shall sell with full title guarantee, free from Encumbrances and together with all rights (present and future) attaching thereto, and OLOG shall purchase that Stock set opposite that MGDC Vendor's name in column (13) of Part 1 of Schedule 1 and those New B Shares set opposite that MGDC Vendor's name in column (14) of Part 1 of Schedule 1;
- 1.1.4 each of the Management Vendors as beneficial owner shall sell with full title guarantee, free from Encumbrances and together with all rights (present and future) attaching thereto, and OLOG shall purchase, that Stock set opposite that Management Vendor's name in column (12) of Part II of Schedule 1 and those New B Shares set opposite that Management Vendors name in column (13) of Part II of Schedule 1; and
- 1.1.5 each of the Loan Stock Vendors as beneficial owner shall sell with full title guarantee, free from Encumbrances and together with all rights (present and future and including payment of any dividend due but unpaid thereon) attaching thereto and OLOG shall purchase the principal amount of BHGL Loan Stock set opposite that Loan Stock Vendor's name in column (2) of Part III of Schedule 1 and shall pay any interest accrued due thereon to such Loan Stock Vendor.

2. CONSIDERATION

- 2.1 The consideration for the sale of the 200,000 New C Shares pursuant to paragraph 1.1.1 shall be the payment by Mr. Ugland to OLOG of (Pounds)200,000 in cash.
- 2.2 The consideration for the sale of the Stock and New B Shares pursuant to paragraph 1.1.2 shall be the payment by OLII to the MGDC Vendors of (Pounds)28,000,000 in cash.
- 2.3 The consideration for the sale of the Stock and New B Shares pursuant to paragraph 1.1.3 shall be the payment by OLOG to the MGDC Vendors of (Pounds)16,000,000 in cash.
- 2.4 The consideration for the sale of the Stock and New B Shares pursuant to paragraph 1.1.4 shall be the payment by OLOG to the Management Vendors of (Pounds)12,026,558 in cash.
- 2.5 The consideration for the sale of the BHGL Loan Stock pursuant to paragraph 1.1.5 shall be the payment by OLOG to the Loan Stock Vendors of (Pounds)5,016,317 in cash plus (Pounds)443,190.24 of interest accrued due thereon.

2.6 The consideration referred to in paragraphs 2.1-2.5 above shall be paid at completion of Stage Five in accordance with the provisions of paragraph 3 of this Schedule.

### 3. COMPLETION OF STAGE FIVE

3.1 Completion of Stage Five shall take place at the offices of Herbert Smith immediately following the completion of Stage Four.

3.2 At completion of Stage Five:

3.2.1 OLOG shall deliver or cause to be delivered to Mr. Ugland a duly executed transfer in respect of 200,000 New C Shares in favour of Mr. Ugland together with the relative share certificate therefor;

3.2.2 each of the MGDC Vendors shall deliver or cause to be delivered to OLII duly executed transfers in favour of OLII or such person as OLII may nominate in respect of that Stock set opposite its name in column (11) of Part I of Schedule 1 and those New B Shares set opposite its name in column (12) of Part 1 of Schedule 1 together with the relative certificates therefor;

3.2.3 each of the MGDC Vendors shall deliver or cause to be delivered to OLOG duly executed transfers in favour of OLOG or such person as OLOG may nominate in respect of that Stock set opposite its name in column (13) of Part 1 of Schedule 1 and those New B Shares set opposite its name in column (14) of Part 1 of Schedule 1 together with the relative certificates therefor;

3.2.4 each of the Management Vendors shall deliver or cause to be delivered to OLOG a duly executed transfer in favour of OLOG or such person as OLOG may nominate in respect of that Stock set opposite its name in column (12) of Part II of Schedule 1 and those New B Shares set opposite its name in column (13) of Part II of Schedule 1 together with the relative certificates therefor;

3.2.5 each of the Loan Stock Vendors shall deliver or cause to be delivered to OLOG a duly executed transfer in favour of OLOG or such persons as OLOG may nominate in respect of that BHGL Loan Stock set opposite its name in column (2) of Part III of Schedule 1 together with the relative certificate therefor;

3.2.6 Mr. Ugland shall pay to OLOG's Account by telegraphic transfer the sum of (Pounds)200,000;

3.2.7 OLII shall pay to Dickson Minto's Account on behalf of the MGDC Vendors by telegraphic transfer the sum of (Pounds)28,000,000 to be apportioned between the MGDC Vendors as set out in column (15) of Part 1 of Schedule 1; and

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3.2.8 OLOG shall pay to Dickson Minto's Account:

(A) on behalf of the MGDC Vendors by telegraphic transfer the sum of (Pounds)16,000,000 to be apportioned between the MGDC Vendors as set out in column (16) of Part I of Schedule 1;

(B) on behalf of the Management Vendors by telegraphic transfer the sum of (Pounds)12,026,558 to be apportioned between the Management Vendors as set out in Column (14) of Part II of Schedule 1; and

(C) on behalf of the Loan Stock Vendors by telegraphic transfer the sum of (Pounds)5,016,317 plus (Pounds)443,190.24 of accrued interest to be apportioned between the Loan Stock Vendors pro rata to their holdings of Loan Stock as set out in column (2) of

Part III of Schedule 1.

3.2.9 Bristow shall:

- (A) enter the name of OLII in the register of Bristow Stock holders as the holder of 26,572,000 in principal amount of Stock and issue to OLII a Stock certificate therefor; and
- (B) enter the name of OLOG in the register of Bristow Stock holders as the holder of 26,591,110 in principal amount of Stock and issue to OLOG a Stock certificate therefor.

3.3 The receipt of Dickson Minto for the consideration monies referred to in paragraphs 3.2.7 and 3.2.8 above shall be a sufficient discharge to OLOG and OLII who shall not be concerned to see that any moneys are in fact applied in paying the Management Vendors, the MGDC Vendors, the Loan Stock Vendors or any of them in accordance with their respective entitlements.

4. POST COMPLETION OF STAGE FIVE

4.1 As soon as practicable after completion of Stage Five, Bristow shall:

- 4.1.1 subject to the transfer thereof being duly stamped, enter the name of Mr Ugland in the register of members of Bristow as the holder of 200,000 New C Shares and issue to Mr Ugland a share certificate therefor;
- 4.1.2 subject to the transfer thereof being duly stamped, enter the name of OLII in the register of members of Bristow as the holder of 1,430,800 New B Shares and issue to OLII a share certificate therefor;
- 4.1.3 subject to the transfer thereof being duly stamped, enter the name of OLOG in the register of members of Bristow as the holder of 1,431,829 New B Shares and issue to OLOG a share certificate therefor;
- 4.1.4 subject to the transfer thereof being duly stamped if required, to procure the entry of OLOG in the register of BHGL Loan Stock holders as the holder of the BHGL Loan Stock and procure the issue to OLOG of a BHGL Loan Stock certificate therefor.

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SCHEDULE 7

STAGE SIX

1. STAGE SIX

1.1 At Stage Six:

- 1.1.1 CIS as the beneficial owner shall sell with full title guarantee, free from Encumbrances and together with all rights (present and future) attaching thereto, and Bristow shall purchase 8,166,666 B Shares, 10,022,726 Deferred Shares and 1,856,060 Dollar Deferred Shares; and
- 1.1.2 OLOG as the beneficial owner shall sell with full title guarantee, free from Encumbrances and together with all rights (present and future) attaching thereto, and Bristow shall purchase 65,166,667 B Shares, 990,000 C Shares, 80,967,274 Deferred Shares and 14,810,607 Dollar Deferred Shares.

2. CONSIDERATION

2.1 The consideration for the sale of 8,166,666 B Shares pursuant to paragraph

- 1.1.1 shall be the allotment to CIS of 4,900,000 New A Shares.
- 2.2 The consideration for the sale of the 10,022,726 Deferred Shares and the 1,856,060 Dollar Deferred Shares pursuant to paragraph 1.1.1 shall be the payment to CIS of (Pounds)0.02.
- 2.3 The consideration for the sale of the 65,166,667 B Shares and the 990,000 C Shares pursuant to paragraph 1.1.2 shall be the allotment to OLOG of:-
- 2.3.1 2,027,179 New B Shares; and
- 2.3.2 (Pounds)37,647,610 in principal amount of Stock.
- 2.4 The consideration for the sale of the 80,967,274 Deferred Shares and the 14,810,607 Dollar Deferred Shares pursuant to paragraph 1.1.2 shall be the payment to OLOG of (Pounds)0.02.
- 2.5 The consideration referred to in paragraphs 2.1-2.4 shall be satisfied at Completion in accordance with the provisions of paragraph 3 of this Schedule.
- 2.6 The New A Shares to be allotted to CIS pursuant to paragraph 2.1, the New B Shares to be allotted to OLOG pursuant to paragraph 2.3.1 and the Stock to be allotted to OLOG pursuant to paragraph 2.3.2 shall be issued fully paid.
3. COMPLETION OF STAGE SIX
- 3.1 Completion of Stage Six shall take place at the offices of Herbert Smith immediately following the Completion of Stage Five.
- 3.2 At completion of Stage Six:
- 3.2.1 CIS shall deliver or cause to be delivered to Bristow, share warrants in respect of 8,166,666 B Shares and 1,856,060 Dollar Deferred Shares, a duly executed

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transfer in favour of Bristow in respect of 10,022,726 Deferred Shares and the relative share certificate for the Deferred Shares;

- 3.2.2 OLOG shall deliver or cause to be delivered to Bristow, share warrants in respect of 65,166,667 B Shares and 14,810,607 Dollar Deferred Shares, share warrants or duly executed transfers in favour of Bristow in respect of 990,000 C Shares, a duly executed transfer in favour of Bristow in respect of 80,967,274 Deferred Shares and the relative share certificates for the Deferred Shares and the registered C Shares;
- 3.2.3 Bristow shall:-
- (A) issue and allot to CIS 4,900,000 New A Shares;
  - (B) issue and allot to OLOG 2,027,179 New B Shares;
  - (C) issue and allot to OLOG (Pounds)37,647,610 in principal amount of Stock;
  - (D) enter the name of CIS in the register of Members of Bristow as the holder of 4,900,000 New A Shares and issue a share certificate to CIS in respect of such Shares;
  - (E) enter the name of OLOG in the register of Members of Bristow as the holder of 2,027,179 New B Shares and issue a share certificate to OLOG in respect of such Shares;
  - (F) enter the name of OLOG in the register of Stock holders of

Bristow as the holder of (Pounds)37,647,610 in principal amount of Stock and issue a certificate to OLOG in respect of such Stock; and

- (G) pay to CIS and OLOG (Pounds)0.02 each in satisfaction of the consideration payable for the Deferred Shares and the New Deferred Shares pursuant to this Schedule 6.

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SCHEDULE 8

STAGE SEVEN

- 1.1 Stage Seven shall take place at the offices of Herbert Smith immediately following the completion of Stage Six.
- 1.2 At Stage Seven:
- 1.2.1 there shall be delivered to Bristow by or on behalf of CIS, the MGDC Vendors and the Management Vendors the certificate of incorporation, common seals, all statutory and minute books (written up to date) and share certificates books of the Company;
  - 1.2.2 there shall be delivered to Herbert Smith by Dickson Minto, the Second Disclosure Letter;
  - 1.2.3 OLOG shall deliver to Caledonia the Letter of Undertaking in the agreed form annexed hereto marked 'F';
  - 1.2.4 Bristow shall enter into the Debenture with the other parties thereto;
  - 1.2.5 Bristow shall enter into the Guarantee with the other parties thereto;
  - 1.2.6 Bristow, Caledonia, CIS, OLOG and OLII shall enter into the Parent Guarantee;
  - 1.2.7 OLOG and CIS shall enter into the Caledonia Registration Rights Agreement;
  - 1.2.8 OLOG shall enter into the Registration Rights Agreement with the other parties thereto;
  - 1.2.9 Bristow, OLOG, OLII, Caledonia and CIS shall enter into the Subordination Agreement with National Westminster Bank Plc;
  - 1.2.10 OLOG and Caledonia shall enter into the Supplemental Letter Agreement;
  - 1.2.11 CIS, the MGDC Vendors and the Management Vendors shall procure that a board meeting of the Company is held at which:-
    - (A) if requested by Caledonia and/or OLOG, Caledonia and/or OLOG shall each be entitled to appoint one director to the Company with effect from close of business on the Completion Date; and
    - (B) the Company shall declare a dividend in favour of Bristow of (Pounds)199,452 (net of ACT) (being an amount equal to the first instalment of the Management Fee payable to CIS under the Shareholders Agreement) and shall instruct the Company Secretary to pay such dividend to Bristow's Account on the same day; and
  - 1.2.12 Bristow shall pay a dividend of (Pounds)199,452 (net of ACT) to Caledonia's Account in satisfaction of the first instalment of the

SCHEDULE 9

PART I

MANAGEMENT VENDORS WARRANTIES

1. ACCOUNTS

1.1 GENERAL

The Accounts:

- 1.1.1 have been prepared in accordance with all applicable Statements of Standard Accounting Practice, Financial Reporting Standards and Abstracts of the Urgent Issues Task Force and in all material respects in accordance with generally accepted accounting practice commonly adopted by companies carrying on businesses similar to those carried on by the Company and the Subsidiaries;
- 1.1.2 show a true and fair view of the state of affairs of the Company and the Subsidiaries as at the Accounts Date and of its profits or losses for the financial year ended on that date;
- 1.1.3 comply with the requirements of the Companies Act; and
- 1.1.4 are prepared on consistent bases and policies of accounting which, since the Accounts Date, have continued to be adopted by the Company and the Subsidiaries without alteration.

1.2 POSITION SINCE ACCOUNTS DATE

Since the Accounts Date:

- 1.2.1 apart from the dividends provided for in the Accounts, no dividend or other distribution (as defined for the purposes of section 209 or 210 of the Taxes Act) has been declared, paid or made by the Company;
- 1.2.2 the business of the Company and the Subsidiaries has been carried on in the ordinary course and so as to maintain it as a going concern;
- 1.2.3 the Company and the Subsidiaries has not entered into any transaction which has given rise or shall give rise to a liability to taxation on the Company and the Subsidiaries (or would have done so or would or would be reasonably likely to do so but for the availability of any relief, allowance, deduction or credit) other than corporation tax on income of the Group arising from transactions entered into in the ordinary course of business.

1.3 MANAGEMENT ACCOUNTS

- 1.3.1 The Management Accounts have been prepared on bases and using policies of accounting consistent with those used by the Company and the Subsidiaries in the preparation of the Accounts and have otherwise generally been prepared in all material respects in accordance with generally accepted accounting policies

1.3.2 Since the Management Accounts Date there has been no material adverse change in the financial or trading position of the Group .

## 2. ASSETS

### 2.1 TITLE TO ASSETS

The assets included in the Accounts or acquired by the Company and the Subsidiaries since the Accounts Date (other than assets disposed of since that date in the ordinary course of business and other than any asset with a cost price of less than (Pounds)250,000) are the absolute property of the Company and the Subsidiaries free from any mortgage, charge, lien, bill of sale or other encumbrance and are not the subject of any leasing, hiring or hire-purchase agreement or agreement for payment on deferred terms or assignment or factoring or other similar agreement and all such assets are in the possession or under the control of the Company and the Subsidiaries.

### 2.2 CONDITION OF AIRCRAFT

A Schedule indicating which of those helicopters and fixed wing aircraft owned or used by the Group are operational, in storage or under maintenance is annexed to the Disclosure Letter, and such Schedule is true and accurate in all material respects.

### 2.3 CONTROL OF RECORDS AND INFORMATION

All records and information belonging to the Company and the Subsidiaries (whether or not held in written form) which are required by the Company and the Subsidiaries for the conduct of its business in the ordinary course are in its exclusive possession, under its direct control and subject to unrestricted access by it.

### 2.4 ACQUISITION AT ARM'S LENGTH

The Group has not within the period of twenty-four months ending on the date hereof, acquired any asset with a cost price of (Pounds)250,000 or more on terms which were not by way of bargain at arm's-length.

## 3. PROPERTIES

The Group has not at any time had vested in it (whether as an original tenant or undertenant or as an assignee, transferee or otherwise) any leasehold property in England (other than the Properties) which represents or is likely to represent a liability to the Group (whether in the form of rent, service charge, maintenance, obligations under covenants or otherwise) of (Pounds)250,000 or more.

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## 4. COMMERCIAL ARRANGEMENTS AND CONDUCT

### 4.1 MATERIAL CONTRACTS

There is not outstanding:

4.1.1 any contract of guarantee, indemnity or suretyship or any contract to secure any obligation of any person under which the Group has a contingent liability exceeding (Pounds)1,000,000;

4.1.2 any agreement or arrangement between the Group and a major distributor or supplier of the Group outside the ordinary course of business of the Group; 4.1.3 any joint venture, shareholders consortium or partnership agreement or similar arrangement to which the Group is a party;

4.1.4 any sale or purchase option or similar agreement or arrangement affecting any assets owned or to be owned by the Group with a cost

price of more than (Pounds)250,000;

- 4.1.5 any liability, obligation or commitment of any kind (other than those listed in 4.1.1 to 4.1.4 above) on the part of the Group (including a capital commitment) which has not been incurred in the ordinary course of business of the Group.

For the purposes of this Warranty 4.1 the ordinary course of business of the Group comprises the following activities:-

- (A) the provision of helicopter transportation services to the oil and gas industry;
- (B) helicopter operating, technical and maintenance services;
- (C) helicopter search and rescue services;
- (D) fixed wing aircraft operating services; and
- (E) helicopter or fixed wing aircraft training services.

#### 4.2 EFFECT OF AGREEMENT ON OTHER AGREEMENTS

There is no material agreement or arrangement between the Group and any other person which shall or is likely to be terminated as a result of this Agreement (or Completion) or which shall be affected materially by it.

#### 4.3 COMMERCIAL POSITION

There is no substantial customer or supplier of the Group who has notified the Group that it has ceased or intends to cease purchasing from or supplying to it.

### 5. LITIGATION, DEFAULTS AND INSURANCE

#### 5.1 LEGAL PROCEEDINGS

Apart from normal debt collection, the Group is not engaged or proposing to engage in any litigation, arbitration, prosecution or other legal proceedings, and there are no

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claims or actions (whether criminal or civil) in progress, outstanding, pending or threatened against the Group, any of its assets or any of its directors or in respect of which the Group is liable to indemnify any party concerned in each case where its potential liability exceeds (Pounds)250,000.

#### 5.2 OFFICIAL INVESTIGATIONS

The Group has not been notified of any governmental or official investigation or inquiry concerning the Group which is in progress or threatened.

#### 5.3 CLAIMS

No claim exceeding (Pounds)250,000 under any policy of insurance taken out in connection with the business or assets of the Group is outstanding and no such claim is pending.

### 6. CORPORATE ORGANISATION AND BUSINESS

#### 6.1 MEMORANDUM AND ARTICLES

The Company has at all times complied with all the provisions of its memorandum and articles of association and, in particular, has not entered

into any ultra vires transaction.

## 6.2 LICENCES PERMISSIONS OR CONSENTS

All licences, permissions and consents the absence of which would have a material adverse effect on the business of the Group have been obtained by it and are in full force and effect and there are no circumstances indicating that any of those licences, permissions or consents is likely to be revoked or not renewed in the ordinary course.

## 6.3 OTHER ASPECTS OF CARRYING ON BUSINESS

The Group has complied in all material respects with all those legal requirements applicable to its business where failure to so comply would have a material adverse effect on the business of the Group, whether in the United Kingdom or in any other country.

## 6.4 ENVIRONMENT

The Group has not since 31st December 1994 received any notice or intimation alleging any breach of Environmental Law with a potential liability to the Group of more than (Pounds)300,000.

## 6.5 EXISTENCE OF SUBSIDIARIES

The Company does not have any subsidiary other than the Subsidiaries.

## 6.6 PARTICULARS OF SUBSIDIARIES

The particulars of the Subsidiaries and the Associated Companies set out in Part II and Part III of Schedule 9 are correct and the share capital of each of the Subsidiaries and the Associated Companies is beneficially owned as shown there, free from all charges, liens, encumbrances and claims.

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## 6.7 INTERESTS IN SHARES

Other than the shareholdings of the Company in the Subsidiaries and the Associated Companies, the Company has no interest in the share capital or other securities of any other body corporate.

## 7. EMPLOYEES

7.1 The names, addresses, age and date of commencement of employment of those persons employed by the Company and the Subsidiaries in the United Kingdom and Guernsey are set out in the Disclosure Letter and such information is true and accurate in all material respects.

7.2 True and accurate details of the respective salaries, ages, length of service, notice periods, terms and conditions of employment, share incentive schemes, share option schemes, profit-share or bonus schemes and entitlements under these schemes relating to persons employed by the Company and the Subsidiaries with an annual salary (including bonuses) of (Pounds)50,000 or more (or the foreign currency equivalent) have been disclosed to OLOG in the Disclosure Letter.

7.3 The Company and each of the Subsidiaries has in relation to each of its employees and to each of its former employees discharged in all material respects its obligations to pay all salaries, wages, commissions, bonuses, overtime pay, holiday pay, sick pay, accrued entitlement under incentive schemes, PAYE and national insurance contributions and other benefits of or connected with employment up to the date of this Agreement.

## 8. PENSIONS

8.1 No agreement or arrangement (other than those pension schemes disclosed in

the First Disclosure Letter ("DISCLOSED SCHEMES")) exists for the provision by the Company and the Subsidiaries of any relevant benefits (as defined in section 612 (1) of the Taxes Act with the omission of the exception in that definition) for any person employed or formerly employed by the Company and the Subsidiaries or for any dependant of any such person.

- 8.2 The Company and each of the Subsidiaries has no obligation (whether actual or contingent present or future) to contribute to any personal pension scheme (as defined in section 630 of the Taxes Act) in respect of any person employed or formerly employed by the Company and the Subsidiaries.
- 8.3 The Company and each of the Subsidiaries which has or has had employees participating in the Disclosed Schemes or any of them has duly complied in all material respects with its obligations under the Disclosed Schemes and all amounts due to be paid to the Disclosed Schemes from the Company and such Subsidiaries and their employees have been paid.
- 8.4 Since the date of the most recent actuarial valuation or funding review of the Disclosed Schemes (true and accurate details of which are set out in the Disclosure Letter), contributions made to the Disclosed Schemes have been at a rate or rates not lower than that or those recommended in the actuarial valuation or funding review (as appropriate).

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## 9. MISCELLANEOUS

### 9.1 INSOLVENCY

- 9.1.1 No order has been made and no resolution has been passed for the winding up of, or a provisional liquidator to be appointed in respect of, the Company and no petition has been presented and no meeting has been convened for the purpose of winding up the Company;
- 9.1.2 no administration order has been made and no petition for such an order has been presented in respect of the Company;
- 9.1.3 no receiver (which expression shall include an administrative receiver) has been appointed in respect of the Company;
- 9.1.4 the Company is not insolvent or unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 and the Company has not stopped paying its debts as they fall due;
- 9.1.5 no voluntary arrangement has been proposed under section 1 of the Insolvency Act 1986 in respect of the Company;
- 9.1.6 no unsatisfied judgment for an amount in excess of (Pounds)10,000 is outstanding against the Company; and
- 9.1.7 no event analogous to any of the foregoing has occurred in relation to any other member of the Group in any jurisdiction.

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## PART II

### SPECIFIC VENDOR WARRANTIES

Each of the Vendors represents and warrants to OLOG and OLII in respect of itself only, as follows:-

#### 1. OWNERSHIP OF THE SHARES

It is or will at Completion be the legal and beneficial owner of, or otherwise has full power and authority to transfer, legal and beneficial

title to those Shares, Deferred Shares and Loan Stock set opposite its name in Schedule 1 free from Encumbrances.

2. CAPACITY

- 2.1 It has the requisite power and authority to enter into and perform this Agreement and this Agreement constitutes and any document to be delivered by it at Completion will constitute valid and binding obligations on it in accordance with its terms.
- 2.2 It has not received notice from the Company of any exercise or claim or purporting to exercise or claim any lien over its shares and no call on its Shares, Deferred Shares or Loan Stock (as appropriate) is outstanding but all are fully paid up.
- 2.3 There will at Completion be no agreements or arrangements to which it is a party under which any member of the Group will have any continuing obligations or liabilities other than under any agreement or arrangement referred to in this Agreement or in the case of the Management Vendors under any service agreement or arrangement between such Management Vendor and any member of the Group.

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PART III

OLOG WARRANTIES

1. OLOG REPRESENTS AND WARRANTS TO THE INDIVIDUAL MANAGERS THAT:

- 1.1 The Rights Agreement dated as of 29th February 1996 (the "Rights Agreement") between OLOG and Chemical Mellon Shareholder Services L.L.C. has been duly authorized, executed and delivered by OLOG; the Rights (as defined in the Rights Agreement) to be issued upon issuance of the OLOG Common Stock to be issued under this Agreement have been duly authorized and the Series A Junior Participating Preferred Stock to be issued upon exercise of the Rights has been duly authorized. Upon issuance of the OLOG Common Stock hereunder (including one Right for each Share of OLOG Common Stock), the Individual Managers will have all rights and powers and be subject to all other terms and conditions as are available and applicable to a Rights holder under the Rights Agreement and no further action on the part of OLOG is required to effect the foregoing.
- 1.2 All corporate action required to be taken for the authorization, issuance and sale of the OLOG Common Stock (including one Right for each share of OLOG Common Stock) pursuant to this Agreement has been validly and sufficiently taken. The shares of OLOG Common Stock and the Rights appertaining thereto have been duly authorized for issuance and sale to the Individual Managers pursuant to this Agreement and, when issued and delivered by OLOG herein pursuant to this Agreement against payment of the consideration set forth herein, such OLOG Common Stock and Rights will be validly issued and fully paid and nonassessable; and no holder thereof will be subject to personal liability solely by reason of being such a holder.
2. OLOG represents and warrants to CIS, the MGDC Vendors and the Management Vendors that it has the requisite power and authority to enter into and perform this Agreement and this Agreement constitutes and any document so delivered by it at Completion will constitute valid and binding obligations on it in accordance with its terms.

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SCHEDULE 10

LIMITATIONS ON LIABILITY UNDER THE WARRANTIES

1. The Individual Managers shall have no liability in respect of a claim under Part I of Schedule 9 unless the amount that could in the absence of paragraphs 2, 3 and 4 hereof otherwise be recoverable from the Individual Managers in respect of that claim exceeds (Pounds)50,000.
2. The Individual Managers shall not have any liability in respect of a claim under Part I of Schedule 9 unless and until the amount that could in the absence of paragraphs 3 and 4 hereof otherwise be recoverable from the Individual Managers in respect of that claim, when aggregated with any other amount or amounts recoverable in respect of other claims under Part I of Schedule 9 (excluding any amounts in respect of a claim for which the Individual Managers have no liability because of paragraph 1), exceeds (Pounds)1,500,000 and in the event that the aggregated amounts exceed (Pounds)1,500,000 the Individual Managers shall (subject to paragraphs 1, 3 and 4) be liable for the full amount of all claims under Part I of Schedule 9.
3. The liability of each of the Individual Managers in respect of any claim under Part 1 of Schedule 9 shall not exceed that proportion of such claim which the C Shares set opposite his name in Column (2) of Part II of Schedule 1 bears to the total Shares in issue immediately before Stage One.
4. The total liability of each of the Individual Managers in respect of all Claims is limited to 50 per cent of the amount of the Consideration received by him hereunder.
5. The total liability of each of the Vendors other than the Individual Managers in respect of all claims is limited to the amount of the Consideration received by it hereunder.
6. No Individual Manager shall have any liability in respect of a claim under Part I of Schedule 9 (other than under the Tax Warranty) unless OLOG or OLII has given that Individual Manager written notice of the claim (stating in reasonable detail the nature of the claim and, if practicable, the amount claimed) on or before 30th April 1998.
7. No Individual Manager shall have any liability in respect of a claim under the Tax Warranty unless OLOG or OLII has given that Individual Manager written notice of the claim (stating in reasonable detail the nature of the claim and, if practicable, the amount claimed) on or before 30th April 2003.
8. No Vendor shall have any liability in respect of a claim under Part II of Schedule 9 unless OLOG or OLII has given that Vendor written notice of the claim (stating in reasonable detail the nature of the claim and if practicable the amount claimed) on or before 30th April 2008.
9. OLOG shall not have any liability in respect of a claim under Part III of Schedule 9 unless CIS, the MGDC or the Management Vendors has given OLOG written notice of the claim (stating in reasonable detail the nature of the claim and if practicable the amount claimed) on or before 30th April 2008.
10. A claim notified in accordance with paragraphs 6 and/or 7 and not satisfied, settled or withdrawn is unenforceable against any Individual Manager on the expiry of the period

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of six months starting on the day of notification of the claim, unless proceedings in respect of the claim have been issued and served on that Individual Manager.

11. No Individual Manager shall have any liability in respect of a claim under Part I of Schedule 9 to the extent that the matter giving rise to the claim would not have arisen but for:
  - 11.1 An event after the Completion Date caused by a member of the OLOG Group or

- a director, employee, agent or adviser of the OLOG group;
- 11.2 the passing of or a change in, after the date of this Agreement, a law, rule, regulation, interpretation of the law or administrative practice of a government, governmental department, agency or regulatory body, a change in any area of accounting principle or practice generally accepted in any jurisdiction or an increase in the tax rates or an imposition of tax, in each case not actually or prospectively in force at the date of this Agreement;
  - 11.3 a change in accounting policy or practice of any member of the Group after the Completion Date;
  - 11.4 to the extent that the matter giving rise to the claim arises wholly or partially from an event after the date of this Agreement but before Completion at the request or direction of a member of the OLOG Group or an authorised director, employee, agent or adviser of the OLOG Group;
  - 11.5 to the extent that the matter giving rise to the claim was specifically taken into account in computing the amount of an allowance, provision or reserve in the Accounts or was specifically referred to in the Accounts or in the directors report attached to the Accounts;
  - 11.6 to the extent that the matter giving rise to the claim is a tax liability of any Company or Subsidiary arising because the assets of any Company or Subsidiary are more than, or its liabilities are less than, were stated in the Accounts;
  - 11.7 to the extent that the matter giving rise to the claim is a tax liability against which a relief arising on or before Completion and not shown as an asset in the Accounts is utilised; and
  - 11.8 to the extent that any Company or Subsidiary obtains the benefit of a relief (other than a deferred relief) in an accounting period ending after the Accounts Date for an expenditure, reserve or provision which was specifically taken into account in the Accounts so as to reduce the net assets of a Company or Subsidiary but was not, in preparing the Accounts, treated as non-deductible or non-allowable for tax purposes so as to increase the provision for tax in the Accounts.
12. OLOG and OLII are not entitled to recover more than once in respect of any one matter giving rise to a claim.
  13. If any member of the Group is entitled to recover from another person a sum which relates to a matter which has given, or might give, rise to a claim and any Individual Manager has first agreed (to OLOG and OLII's reasonable satisfaction) to indemnify Bristow against all costs which Bristow or any other member of the Group may incur

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in connection with the taking of the following action, then, at that Individual Manager's request, Bristow shall, and shall ensure that the Group will, take any action reasonably requested by that Individual Manager to enforce recovery against the other person and where prior to such recovery the Individual Managers (or some thereof) have made payment to OLOG and OLII in settlement of the claim under the Warranties, OLOG and OLII shall account to each Individual Manager for the lesser of:

- 13.1 the appropriate share of the sum recovered (including any interest paid by the other person), net of any reasonable costs incurred in making recovery (save where such costs have been met by any Individual Manager) having regard to paragraph 3 above; and
  - 13.2 the amount paid by the Individual Manager in respect of such claim.
14. Nothing in this Schedule 10 restricts or limits any general obligation at

law of OLOG and OLII to mitigate any loss or damage which it may incur in consequence of a matter giving rise to a claim.

15. IF at any time after the date of this Agreement any of the Individual Managers wishes to insure against his liabilities in respect of claims, OLOG and OLII shall provide such information as it is able and which a prospective insurer may reasonably require for the purposes of effecting the insurance.
16. OLOG and OLII shall, and shall ensure that each member of the Group will preserve all documents, records, correspondence, accounts and other information whatsoever relevant to a matter which may give rise to a claim under the Warranties until the expiry of three years from the date of this Agreement.
17. In assessing any damages or other amounts recoverable for a claim there shall be taken into account any corresponding savings by, or net benefit to, the OLOG Group in connection with the facts or circumstances giving rise to such claim.

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#### SCHEDULE 11

##### PART I

###### DETAILS OF THE COMPANY

- Date of Incorporation: 29.8.91
- Registered Number: 02641653
- Registered Office: Redhill Aerodrome  
Redhill  
Surrey RH1 5JZ
- Authorised share capital: (Pounds)10,000,000 and US\$2,000 divided into 200,000,000 Deferred Shares, 90,000,000 A Shares, 90,000,000 B Shares and 20,000,000 C Shares.
- Issued share capital: (Pounds)10,000,000 and US\$2,000
- Directors: Peter Neville Buckley  
Jonathan Harry Cartwright  
Stephen William Palframan
- Secretary: Ian Blair McIntosh
- Auditors: KPMG
- Bankers: National Westminster Bank plc
- Outstanding Charges:
1. Debenture dated 7.11.91 with National Westminster Bank comprising fixed and floating charges over the undertaking and all property and assets present and future.
  2. Shares charge dated 7.11.91 securing all monies due or to become due from the company to the chargee under the Credit Agreement, Caledonia Counter-Indemnity interest-rate protection letter, security document and Group Guarantee.
  3. Amendment and Restatement Agreement dated 30.6.95 charging all shares and other securities issued by National Westminster Bank in order to secure actual and/or contingent obligations and liabilities under Group Guarantee, Credit Agreement, Working Capital Facility Letter and Security Documents to which Chargor is a party.

## PART II

## DETAILS OF THE SUBSIDIARIES

Name: BRISTOW NOMINEES LIMITED

Date of Incorporation: 29.8.91

Registered Number: 02641652

Country of Incorporation: England and Wales

Registered Office: Redhill Aerodrome  
Redhill  
Surrey RH1 5JZ

Authorised share capital: (pounds)100 divided into 100 Ordinary Shares

Issued share capital: 100 Ordinary Shares of (pounds)1 each

Registered shareholders: Bristow Helicopter Group Limited (100)

Directors: Peter Neville Buckley  
Stephen William Palframan  
Ian Blair McIntosh

Secretary: Ian Blair McIntosh

Auditors: KPMG

Bankers: National Westminster Bank plc.

Articles of Associations Available Yes/No: Yes

Outstanding Charges: None

Name: BRISTOW STAFF PENSION SCHEME TRUSTEES LIMITED

Date of Incorporation: 20.12.91

Registered Number: 02663634

Country of Incorporation: England and Wales

Registered Office: Redhill Aerodrome  
Redhill  
Surrey RH1 5JZ

Authorised share capital: 2 Ordinary Shares of (pounds)1 each

Issued share capital: 2 Ordinary Shares of (pounds)1 each

Registered shareholders: Bristow Helicopter Group Limited (2)

Directors: Michael Wyatt Bill  
Ian Blair McIntosh  
Peter Neville Buckley

Secretary: Ian Blair McIntosh

Auditors: KPMG  
Bankers: National Westminster Bank plc.  
Articles of Association Available: YES  
Outstanding Charges: None

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Name: BRISTOW CALEDONIAN HELICOPTERS LIMITED  
Date of Incorporation: 5.3.92  
Registered Number: SC136989  
Country of Incorporation: Scotland  
Registered Office: Aberdeen Airport  
Dyce  
Aberdeen AB2 0ES  
Authorised share capital: 100 Ordinary Shares of (pounds)1 each  
Issued share capital: 100 Ordinary Shares of (pounds)1 each  
Registered shareholders: Bristow Helicopter Group Limited (100)  
Directors: Ian Blair McIntosh  
Michael John Norris  
Stephen William Palframan  
Anthony Jones

Secretary: Ian Blair McIntosh  
Auditors: KPMG  
Bankers: National Westminster Bank plc.  
Articles of Association Available: YES  
Outstanding Charges: None

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Name: UNITED HELICOPTERS LIMITED  
Date of Incorporation: 22.7.55  
Registered Number: 00552382  
Country of Incorporation: England and Wales  
Registered Office: Redhill Aerodrome  
Redhill  
Surrey RH1 5JZ  
Authorised share capital: 150 000 Ordinary Shares of (pounds)1 each  
Issued share capital: 150 000 Shares of (pounds)1 each  
Registered shareholders: Bristow Helicopter Group Ltd. (150,000)  
Directors: Christopher William Russell Fry

Ian Blair McIntosh  
Michael John Norris  
Stephen William Palframan

Secretary: Ian Blair McIntosh  
Auditors: KPMG  
Bankers: National Westminster Bank plc.  
Articles of Association Available: YES  
Outstanding Charges: (1) 7.11.91 Debenture  
(2) 30.6.95 Amendment and Restatement Agreement

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Name: BRITISH ISLAND AIRWAYS (GUERNSEY) LIMITED  
Date of Incorporation: 27.5.82  
Registered Number: 10852  
Country of Incorporation: Guernsey  
Registered Office: First Floor, National Westminster House,  
Le Truchot,  
St. Peter Port, Guernsey  
Authorised share capital: 100 Ordinary Shares of (pounds)1 each  
Issued share capital: 7 Ordinary Shares of (pounds)1 each  
Registered shareholders: Abacus Trustees (Guernsey) Limited (3)  
Abacus Trustees (Jersey) Limited (1)  
Abacus (Guernsey) Limited (1)  
Abacus Secretaries (Guernsey) Limited (1)  
Abacus Secretaries (Jersey) Limited (1)  
Directors: David Richard Johnson  
Julian Vaughan  
Outstanding Charges: None

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Name: PERTH AIRPORT LIMITED  
Date of Incorporation: 29.10.38  
Registered Number: 00345684  
Country of Incorporation: England and Wales  
Registered Office: Redhill Aerodrome  
Redhill  
Surrey RH1 5JZ  
Authorised share capital: 17,500 Ordinary shares (pounds)1 each  
100 Preference Shares of (pounds)1 each  
Issued share capital: 17,500 Ordinary Shares of (pounds)1 each  
100 Preference Shares of (pounds)1 each  
Registered shareholders: Bristow Helicopter Group Limited (17,500 Ordinary

Shares; 100 Preference Shares)

Directors: Michael Wyatt Bill  
Michael John Norris  
Stephen William Palframan  
Dennis Russell  
Richard Langton  
Ian Blair McIntosh

Secretary: Ian Blair McIntosh

Auditors: KPMG

Bankers: National Westminster Bank plc.  
The Royal Bank of Scotland plc.

Articles of Association: YES

Outstanding Charges: (1) 7/11/91 - Debenture  
(2) 30/6/95 - Amendment and Restatement Agreement

51

Name: BRISTOW AVIATION LIMITED

Date of Incorporation: 21.11.67

Registered Number: 00923298

Country of Incorporation: England and Wales

Registered Office: Redhill Aerodrome  
Redhill  
Surrey RH1 5JZ

Authorised share capital: 18,720,000 Ordinary Shares of 10p each  
100 Preference Shares of (pounds)1 each

Issued share capital: 18,720,000 Ordinary Shares of 10p each  
100 Preference Shares of (pounds)1 each

Registered shareholders: Bristow Helicopter Group Limited  
(18,720,000 Ordinary Shares 100  
Preference Shares)

Directros: Ian Blair McIntosh  
Michael John Norris  
Stephen William Palframan

Secretary: Ian Blair McIntosh

Auditors: KPMG

Bankers: National Westminster Bank plc.

Articles of Association Available: YES

Outstanding Charges: (1) 7/11/91 - Debenture  
(2) 30/6/95 - Amendment and Restatement Agreement

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Name: CALEDONIAN HELICOPTERS LIMITED

Date of Incorporation: 21.7.70

Registered Number: 00985151  
Country of Incorporation: England and Wales  
Registered Office: Redhill Aerodrome  
Redhill  
Surrey RH1 5JZ  
Authorised share capital: 6,000,000 Ordinary Shares of (pounds)1 each  
Issued share capital: 6,000,000 Ordinary Shares of (pounds)1 each  
Registered shareholders: United Helicopters Limited (6,000,000)  
Directors: Christopher William Russell Fry  
Ian Blair McIntosh  
Michael John Norris  
Stephen William Palframan  
Anthony Jones  
Secretary: Ian Blair McIntosh  
Auditors: KPMG  
Articles of Association Available: YES  
Outstanding Charges: (1) 7/11/91 - Debenture  
(2) 8/11/91 - Legal Charge  
(3) 30/6/95 - Amendment and Restatement Agreement

53

Name: BRISTOW HELICOPTERS (INTERNATIONAL) LIMITED  
Date of Incorporation: 12.5.58  
Registered Number: 00604403  
Country of Incorporation: England and Wales  
Registered Office: Redhill Aerodrome  
Surrey RH1 5JZ  
Authorised share capital: 250 Ordinary Shares at (pounds)1 each at  
(pounds)1 each  
750 Preference Shares at (pounds)1 each  
Issued share capital: 250 Ordinary Shares at (pounds)1 each  
750 Preference Shares at (pounds)1 each  
Registered shareholders: United Helicopters Limited (250 Ordinary Shares  
750 Preference Shares)  
Directors: Christopher William Russell Fry  
Keith Gaston-Parry  
Ian Blair McIntosh  
Michael John Norris  
Stephen William Palframan  
Secretary: Ian Blair McIntosh  
Auditors: KPMG  
Bankers: National Westminster Bank plc.

Articles of Association  
Available: YES

Outstanding Charges: (1) 7/11/91 - Debenture  
(2) 30/6/95 - Amendment and Restatement Agreement

54

Name: BRITISH EXECUTIVE AIR SERVICES LIMITED

Date of Incorporation: 19.5.54

Registered Number: 00805738

Country of Incorporation: England and Wales

Registered Office: Redhill Aerodrome  
Redhill  
Surrey RH1 5JZ

Authorised share capital: 1,500,000 Ordinary Shares of (pounds)1 each

Issued share capital: 945,000 Ordinary Shares (pounds)1 each

Registered shareholders: Bristow Helicopters Limited (945,000)

Directors: Ian Blair McIntosh  
Michael John Norris  
Stephen William Palframan  
Edward Tait  
Anthony Jones

Secretary: Ian Blair McIntosh

Auditors: KPMG

Bankers: National Westminster Bank plc.

Articles of Association  
Available: YES

Outstanding Charges: (1) 7/11/91 - Debenture  
(2) 7/11/91 - Deed of Helicopter Mortgage  
(3) 11/11/91 - Confirmatory Charge  
(4) 30/6/95 - Amendment & Restatement Agreement

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Name: OXFORD HELI SERVICES LIMITED

Date of Incorporation: 16.11.64

Registered Number: 00827367

Country of Incorporation: England and Wales

Registered Office: Redhill Aerodrome  
Surrey RH1 5JZ

Authorised share capital: 100 (pounds)1 Ordinary Shares  
1900 (pounds)1 4.38% Cumulative Participating  
Preference Shares

Issued share capital: 500 Shares of (pounds)1 (100 (pounds)1 Ordinary  
Shares; 400 4.38% Cumulative Participating  
Preference Shares)

Registered shareholders: British Executive Air Services Limited (100 Ordinary and 400 4.38% Cumulative Preference Shares)

Directors: Christopher William Russell Fry  
Ian Blair McIntosh  
Michael John Norris  
Stephen William Palframan  
Dennis Russell

Secretary: Ian Blair McIntosh

Auditors: KPMG

Bankers: National Westminster Bank plc.

Articles of Association Available: YES

Outstanding Charges: (1) 7/11/91 Debenture  
(2) 30/6/95 Amendment & Restatement Agreement

56

Name: HELI-UNION B.E.A.S. LIMITED

Date of Incorporation: 4.3.68

Registered Number: 00928170

Country of Incorporation: England and Wales

Registered Office: Redhill Aerodrome  
Redhill  
Surrey RH1 5JZ

Authorised share capital: 1,100 Ordinary Shares of (pounds)1 each divided into 1000 'A' Ordinary Shares of (pounds)1 each and 100 'B' Ordinary Shares of (pounds)1 each

Issued share capital: 1,100 Ordinary Shares divided into: 1000 'A' Ordinary Shares and 100 'B' Ordinary Shares

Registered shareholders: British Executive Air Services Limited (1000 'A' Ordinary Shares; 100 'B' Ordinary Shares)

Directors: Ian Blair McIntosh  
Christopher William Russell Fry  
Stephen William Palframan

Secretary: Ian Blair McIntosh

Auditors: KPMG

Bankers: National Westminster Bank plc.

Articles of Association: YES

Outstanding Charges: None

57

Name: BRISTOW HELICOPTERS SINGAPORE PTE LIMITED

Registered No: 1375/1971

Incorporation Details: Incorporated in Singapore on 16th December 1971

Registered Office: 50 Raffles Place, 18 Floor Shell Tower,  
Singapore 0104

Share Capital: Authorised: 100,000 divided into 5,000 shares  
of S\$20 each

Issued: 100 shares divided into 5 shares of S\$20

Registered Shareholders: United Helicopters Ltd 5 shares of S\$20

Directors: Christopher William Russell Fry  
K. Shanmugam  
Stephen William Palframan

Secretary: Mr Khoo Kah Ho

Holding Company: United Helicopters Limited

Subsidiaries: None

Charges: None

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Name: WEST AUSTRALIAN HELICOPTERS PTY LIMITED

Registered No: 781/67

Incorporation Details: Incorporated in Australia on 9th November 1967

Registered Office: 2nd Floor Reserve Bank Building, 45 St Georges  
Terrace, Perth, Australia

Share Capital: Authorised: 100,000 divided into 100 Ordinary  
Shares of \$1 each, and 99,900 redeemable  
Preference Shares of \$1 each

Issued: \$100,000 divided into:

100 Ordinary Shares of \$1 and  
99,900 Redeemable Preference Shares of \$1

Registered Shareholders: Ordinary Shares:

Cranley Management Pty Limited	51
United Helicopters Limited	49
Redeemable Preference Shares:	
Cranley Management Pty Limited	50,949
United Helicopters Limited	48,951

Directors: Stephen William Palframan  
Anthony Kay  
Christopher William Russell Fry

Secretary: Anthony Kay

Holding Company: Cranley Management Pty Limited

Note: Changed its name from ATA Helicopters Pty Limited to West Australian  
Helicopters Pty Limited on 1st April 1968

Trading Status: Dormant

Charges: None

59

Name: BITSYSTEM LIMITED  
Date of Incorporation: 6.12.88  
Registered Number: 02325297  
Country of Incorporation: England and Wales  
Registered Office: Redhill Aerodrome  
Redhill  
Surrey RH1 5JZ  
Authorised share capital: 10 Ordinary Shares at (pounds)1 each  
Issued share capital: 10 Ordinary Shares at (pounds)1 each  
Registered shareholders: Bristow Helicopters Limited (10)  
Directors: Stephen William Palframan  
Ian Blair McIntosh  
Secretary: Ian Blair McIntosh  
Auditors: KPMG  
Bankers: National Westminster Bank plc.  
Articles of Association Available: YES  
Outstanding Charges: None

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Name: BRISTOW HELICOPTERS (EASTERN) LIMITED  
Date of Incorporation: 6.6.53  
Registered Number: 00520374  
Country of Incorporation: England and Wales  
Registered Office: Redhill Aerodrome  
Surrey RH1 5JZ  
Authorised share capital: 2000 Ordinary Shares of (pounds)1  
Issued share capital: 1000 Ordinary Shares of (pounds)1  
Registered shareholders: Bristow Helicopters Limited (1,000)  
Directors: Michael Wyatt Bill  
Allan Cyril Brown  
Ian Blair McIntosh  
Stephen William Palframan  
Dennis Russell  
Secretary: Ian Blair McIntosh  
Auditors: KPMG  
Bankers: National Westminster Bank plc.

Articles of Association: YES  
Outstanding Charges: (1) 7/11/91 - Debenture  
(2) 30/6/95 - Amendment & Restatement Agreement

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Name: HELICOPTER RENTALS LIMITED  
Date of Incorporation: 17.6.59  
Registered Number: FC 15036  
Country of Incorporation: Bermuda  
Registered Office: Clarendon House  
Church Street  
Hamilton, HM11 Bermuda  
Authorised share capital: BD\$12,000 divided into 5,000 ordinary shares of  
BD\$2.40 each  
Issued share capital: BD\$12,000 divided into 5,000 ordinary shares of  
BD\$2.40 each  
Registered shareholders: Bristow Helicopters Limited 4993  
Charles T.M. Collis 1  
Christopher William Russell Fry 1  
Stephen William Palframan 1  
R.S.L. Pearman 1  
Dennis Russell 1  
Nicholas D. Trollope 1  
Michael John Norris 1  
Directors: Stephen William Palframan  
Christopher William Russell Fry  
Michael John Norris  
Dennis Russell  
Charles T.M. Collis  
Nicholas D. Trollope  
R.S.L. Pearman  
Secretary: Ian Blair McIntosh

Articles of Association/Constitutional Documents Available: YES

Charges: None

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Name: BRISTOW HELIKOPTERS B.V.  
Date of Incorporation: Incorporated in Amsterdam on 2nd July 1993  
Registered Number: 262.40.7149  
1p\*03\*3.26  
Registered Office: Appeldijk 17,4161 BH, Heukelum, The Netherlands  
Authorised share capital: NLG200,000 divided into 200,000 shares of NLG 1  
each  
Issued share capital: NLG 40,000  
Registered shareholders: Bristow Helicopters Limited

Directors: Stephen William Palframan  
Ian Blair McIntosh

Secretary: Ian Blair McIntosh

Holding Company: Bristow Helicopters Limited

Charges: None

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Name: IRISH HELICOPTERS LIMITED

Registered No: 27315

Incorporation Details: Incorporated in Ireland on 8th October 1968

Registered Office: West Point Hangar, Dublin Airport, Ireland

Share Capital: Authorised - 250,000 (pounds)1 Shares  
Issued - 250,000 (pounds)1 Shares

Registered Shareholders: Bristow Helicopters Limited - 127,500 Shares-51%  
Petroleum Helicopter Inc. - 122,500 Shares - 49%

Directors: Carroll W Suggs  
John H Untereker  
Philip Noel Hunt  
Stephen William Palframan

Secretary: Gary Jermyn

Auditors: KPMG Stokes Kennedy Crowley

Charges: None

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Name: BRISTOW HELICOPTERS INC.

Registered No: 318605

Incorporation Details: Incorporated in United States on 26th May 1978

Registered Office: Reid and Riege PC, One State Street,  
Hartford, Conn. 06103-3285

Never did business in Texas  
Never paid Texas Franchise tax

Share Capital: Authorised and Issued:  
1,250 Preferred non-voting shares of par  
value \$10 each  
97,000 non-preferred voting shares of par  
value \$10 each

Registered Shareholders: Preferred non-voting shares of par value \$10 each

C Bond	Holding	250
J Clavell	Holding	250
W Miller	Holding	250
K Osborne	Holding	250
S Percy	Holding	250

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Shareholders of non-preferred voting shares  
par value \$10

Helicopter Rentals  
Limited: Holding 97,500

Director: K J Osborne  
Secretary: N S Hewitt  
Holding Company: Helicopter Rentals Limited  
Acquired 03.04.82  
Holding 100%  
Charges: None

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Name: HELICOPTER RENTALS INC  
Registered No. 2259257  
Incorporation Details: Incorporated in United States on 7th January 1977  
Registered Office: Reid and Reige PC, One State Street,  
Hartford, Conn. 06103-3285  
Tel: 203-278-1150  
Fax: 203-240-1002

Share Capital: Authorised: \$5000 divided with 500 shares of  
\$10 each  
Issued: \$1,000 divided with 100 shares of  
\$10 each

Registered Shareholders: Helicopter Rentals Limited - Holding 100%  
Director: K J Osborne  
Secretary: H S Hewitt  
Charges: None

66

Name: BRISTOW HELICOPTERS LIMITED  
Date of Incorporation: 24.6.55  
Registered Number: 00551102  
Country of Incorporation: England and Wales  
Registered Office: Redhill Aerodrome  
Surrey RH1 5JZ  
Authorised share capital: 10,000 Shares divided into: 8,000 Ordinary  
(pounds)1 Shares;  
2,000 3.5% Non-Cumulative Preference Shares  
Issued share capital: 10,000 Shares divided into:  
8,000 Ordinary (pounds)1 Shares  
2,000 3.5% Non-Cumulative Preference Shares;

Registered shareholders: United Helicopters Limited (8,000 Ordinary Shares; 2,000 3.5% Non-Cumulative Preference Shares)

Directors: Christopher William Russell Fry  
Keith Gaston-Parry  
Ian Blair McIntosh  
Michael John Norris  
Stephen William Palframan  
Dennis Russell  
Ian Scott  
Edward Tait  
Anthony Jones

Secretary: KPMG

Auditors: National Westminster Bank plc.

Articles of Association Available: YES

Outstanding Charges: 7/11/91 - Deed of Mortgage - partially released  
7/11/91 - Australian Shares Charge  
7/11/91 - Debenture - partially satisfied  
21/2/92 - Deed of Supplemental Mortgage  
18/6/92 - Deed of Charge  
1/7/92 - Deed of Supplemental Mortgage  
30/6/95 - Amendment & Restatement Agreement

67

Name: BRISTOW HELICOPTER MALAYSIA SDN BERHAD

Registered No: 351/70

Incorporation Details: Incorporated in Malaysia on 12th June 1970

Registered Office: Office C, Sam Mansion, Jalan Tuba,  
50460 Kuala Lumpur, Malaysia

Tel: 03 2327925  
Fax: 03 2387807

Share Capital: Authorised: 2,000,000 divided into 2,000,000  
Ordinary Shares of M\$1 each.

Issued: 100,000 divided into 100,000  
Ordinary Shares of M\$1.

Registered Shareholders: United Helicopters Limited 100,000

Directors: Mrs P Bowie (Pearl Schubert)  
Christopher William Russell Fry  
Tunku Tan Sri Mohamed  
Stephen William Palframan  
Tunku Shahabuddin

Secretary: Chan Yoke Ying

Charges: None

68

Name: CRANLEY MANAGEMENT PTY LIMITED

Registered No: 009 317 962

Incorporation Details: Incorporated in Australia on 10th June 1988

Registered Office: c/o Kay Goldstein  
10th Floor,  
19 Pier Street  
Cnr. Hay and Pier Streets  
Perth  
WA 6000

Tel: 09 221 3662  
Fax: 09 221 3698

Share Capital: Authorised: 100,000 shares of AS\$1 each

Issued: 2 shares of AS\$1 each

Registered Shareholders: 1 share Tony Kay  
1 share Goodman Investments Pty Limited (The trustee of The Goodman Investment Trust)

Directors: Anthony Kay Appointed  
20.06.88  
Christopher William Russell Fry Appointed  
25.11.96

Secretary: Anthony Kay Appointed  
11.02.96

Holding Company: Bristow Helicopters Limited (via Declarations of Trust from Anthony Kay and Goodman Investments Pty

Subsidiaries: Bristow Helicopters Australia Pty Limited  
West Australian Helicopters Pty Limited

Charges: None

69

Name: BRISTOW HELICOPTERS AUSTRALIA PTY LIMITED

Registered No: 000 5 65 579

Date of incorporation: 15th February 1967

Place of incorporation: Sydney

Registered Office: c/o KPMG, Level 30, Central Park,  
152/158 St George's Terrace,  
Perth, Western Australia, 6000

Principal Place of Business: CAA Building, 130 Fauntleroy Avenue,  
Redcliffe, WA 6104

Share Capital: Authorised: A\$200,000 divided into 200,000  
ordinary shares of A\$1 each

Issued: 50,000 shares fully paid of A\$1

Registered Shareholders: Cranley Management Pty Limited 25,500  
Ordinary \$1 fully paid shares

United Helicopters Limited 24,500 Ordinary  
\$1 fully paid shares

Directors: Stephen William Palframan (Appointed 01.05.1996)  
 Tim Collins (Appointed 21.07.1994)  
 A. Kay (Appointed 21.07.1994)

Secretary: Tim Collins (Appointed 21.07.94)  
 A Kay (Appointed 26.02.91)

Holding Company: Cranley Management Pty Limited

Subsidiaries: None

Auditors: KPMG  
 Attention: Alison Mary Kitchen 30th Floor,  
 Central Park, 152, St. George's Terrace, WA 6000

Outstanding Charges: None

70

Name: TECHNOLOGIE AERONAUTICHE SERVIZI SUPPORTO

Registered No:

Date of incorporation: 13th May 1996

Registered Office: Via Maso Finiguerra 7,  
 50123 Florence  
 Italy

Share Capital: Authorised and issued - 2,000 shares of 10,000  
 lire each = 20 million

Registered Shareholders:

Stephen William Palframan	1,160 shares = 58%
(For Bristow Helicopters Limited)	
Gian Franco Blower	500 shares = 25%
Helitalia SpA	140 shares = 7%
Gian Carlo Vercellis	50 shares = 2 1/2%
Emilio Dalmasso	50 shares = 2 1/2%
Catherine Hiebel	50 shares = 2 1/2%
Riccardo Bacich	50 shares = 2 1/2%
	-----
	2,000 100%

Directors: Provisional - G F Blower  
 - G Vercellis  
 - R Bacich

Secretary: Provisional - Emilio Dalmasso

Auditors: None required

Outstanding Charges: None

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PART III

DETAILS OF THE ASSOCIATED COMPANIES

Name: HELITALIA SPA (ITALY) (33%)

Registered Number: 04605430489 (Chamber of Commerce No. 464 531)

Country of Incorporation: Italy

Registered Office: Helitalia SpA  
Via Maso Finiguerra 7  
50123 Firenze, Italy

Authorised share capital: L1,000,000,000 (100,000 shares of L10,000 each)

Issued share capital: 100,000 shares of L10,000 each

Registered shareholders: Giovanni Francesco Blower (L670,000,000)  
Bristow Helicopters Limited (L330,000,000)

Directors: Giovanni Francesco Blower  
Giancarlo Vercellis  
Bryan Collins  
Stephen William Palframan  
Maurizio Lenzi  
Riccardo Bacich

Outstanding Charges: None

72

Name: NORSK HELICOPTER AS (NORWAY) (49%)

Date of Incorporation:

Registered Number: 967827363

Country of Incorporation: Norway

Registered Office: United Helicopters AS  
Vingveien 3  
4050 Sola  
Norway

Authorised share capital: NOK 25,000 (divided into 25,000 shares of NOK 1 each)

Issued share capital: NOK 25,000

Registered shareholders: Bristow Helicopters Limited (NOK 12,000)  
Andreas Ugland and Sons AS (NOK 12,500)  
Andreas K.L. Ugland (NOK 500)

Directors: Arve Andersson (Chairman)  
Knut Axel Ugland (Board Representative)  
Stephen William Palframan (Board Representative)  
Philip N. Hunt (Board Representative)

Outstanding Charges: None

73

Name: BRISTOW HELICOPTERS (NIGERIA) LIMITED

Registered Number: 6702

Incorporation Details: Incorporated in Nigeria on 17th December 1969

Registered Office: Ebani House, 62 Marina, PO Box 2442,  
Marina, Lagos  
Telephone: 234 1 661462 Fax: 234 1 662709

Share Capital: Authorised: 500,000 divided into 250,000  
Ordinary Shares of Nira 2

Issued: 440,000 divided into 220,000  
Ordinary Shares of Nira 2

Registered Shareholders: Ordinary Shares of Nira 2:

Bristow Helicopters Limited	87,999
Stephen William Palframan	1
A Edu	19,800
M A Oni	19,800
A O Solaru and M A Oni and A Edu as Trustees	4,400
A O Solaru	88,000

Directors: A Edu (Appointed 30.11.76)  
M A Oni (Appointed 26.04.71)  
A O Solaru (Appointed 19.11.73)  
Stephen William Palframan  
L Layton (alternate to Stephen William Palframan)

Secretary: Cosec Services Limited

Holding Company: Bristow Helicopters Limited

Subsidiaries: None

Charges: None

74

Name: BRISTOW CARIBBEAN LIMITED

Registered No: 155

Incorporation Details: Incorporated in Trinidad on 14th June 1974

Registered Office: c/o Pannell Kerr Forster, 53-55 Abercromby Street  
Port of Spain, Trinidad

Telephone: 809 623 1241 Fax: 809 623 1231

Capital: Authorised: \$50,000 divided into 50,000 shares  
of \$1 each

Issued: 40,000 shares of (pounds)1 each

Registered Shareholders: Geo F Huggins and Co Limited 24,000  
United Helicopters Limited 16,000

Directors: Gabriel John Faria - Appointed 1st September 1993  
Stephen William Palframan  
Christopher William Russell Fry  
HDE Boyt

Secretary: D J Hardy

Holding Company: United Helicopters Limited  
Subsidiaries: None  
Charge: None

75

Name: VISCOM (ABERDEEN) LIMITED  
Date of Incorporation: 4th March 1992  
Registered Office: Schoolhill,  
Aberdeen,  
Scotland, AB10 1FR  
Share Capital: Authorised: 10,000 ordinary shares of (pounds)1  
each  
Issued: 1,000 ordinary shares of (pounds)1 each  
Registered Shareholders: All shareholders hold 250 shares  
The Robert Gordon University  
Bristow Helicopters Limited  
Bond Holicopters Limited  
Brintel Helicopters Limited  
Directors: J.D.I. Bell  
D.C. Caldwell  
A.E. Jones  
P. Conway  
Company Secretary: D.C. Caldwell  
Auditors: Coopers & Lybrand  
Chartered Accountants  
32 Albyn Place  
Aberdeen AB1 1YL  
Bankers:  
Outstanding Charges: None

76

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
for and on behalf of MORGAN )  
GRENFELL DEVELOPMENT ) (duly authorised attorney)  
CAPITAL NOMINEES LIMITED )  
A/C MGCP IN THE PRESENCE OF: )

Rebecca Ferguson  
Herbert Smith

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
for and on behalf of MORGAN )  
NOMINEES (GUERNSEY) ) (duly authorised attorney)  
LIMITED IN THE PRESENCE OF: )

Rebecca Ferguson  
Herbert Smith

SIGNED BY NORMAN MURRAY )  
for and on behalf of MORGAN ) /s/ NORMAN MURRAY  
GRENFELL DEVELOPMENT )  
CAPITAL NOMINEES LIMITED ) (duly authorised attorney)  
A/C MGDC IN THE PRESENCE OF: )

Rebecca Ferguson  
Herbert Smith

SIGNED BY NORMAN MURRAY )  
for and on behalf of COAL PENSION ) /s/ NORMAN MURRAY  
VENTURE NOMINEES LIMITED )  
in the presence of: ) (duly authorised attorney)

Rebecca Ferguson  
Herbert Smith

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
for and on behalf of CINVEN INVESTORS) )  
NOMINEES LIMITED IN THE PRESENCE OF: ) (duly authorised attorney)

Rebecca Ferguson  
Herbert Smith

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
for and on behalf of RAILWAY PENSION )  
VENTURE CAPITAL LIMITED ) (duly authorised attorney)  
in the presence of: )

Rebecca Ferguson  
Herbert Smith

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
for and on behalf of BARCLAYS )  
VENTURE NOMINEES LIMITED ) (duly authorised attorney)  
in the presence of: )

Rebecca Ferguson  
Herbert Smith

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
for and on behalf of NIPPON )  
ENTERPRISE CORP IN THE PRESENCE OF: ) (duly authorised attorney)

Rebecca Ferguson  
Herbert Smith

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
for and on behalf of BERRYLANDS )  
NOMINEES LIMITED IN THE PRESENCE OF: ) (duly authorised attorney)

Rebecca Ferguson  
Herbert Smith

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
 for and on behalf of COMMERCIAL )  
 UNION LIFE ASSURANCE CO. ) (duly authorised attorney)  
 LIMITED IN THE PRESENCE OF: )

Rebecca Ferguson  
 Herbert Smith

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
 for and on behalf of COMMERCIAL )  
 UNION NOMINEES LIMITED IN THE ) (duly authorised attorney)  
 presence of: )

Rebecca Ferguson  
 Herbert Smith

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
 for and on behalf of ABERDEEN CITY )  
 COUNCIL SUPERANNUATION ) (duly authorised attorney)  
 FUND IN THE PRESENCE OF: )

Rebecca Ferguson  
 Herbert Smith

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
 for and on behalf of COUNTY NATWEST )  
 VENTURES INVESTMENTS PLC ) (duly authorised attorney)  
 in the presence of: )

Rebecca Ferguson  
 Herbert Smith

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
 for and on behalf of LLOYDS BANK )  
 LIMITED, A/C HUGEF IN THE PRESENCE ) (duly authorised attorney)  
 of: )

Rebecca Ferguson  
 Herbert Smith

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
 for and on behalf of ENGLISH AND )  
 SCOTTISH INVESTORS PLC ) (duly authorised attorney)  
 in the presence of: )

Rebecca Ferguson  
 Herbert Smith

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
 for and on behalf of THE GARTMORE )  
 1990 FUND IN THE PRESENCE OF: ) (duly authorised attorney)

Rebecca Ferguson  
Herbert Smith

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
for and on behalf of GARTMORE )  
ENTERPRISE TRUST PLC IN THE PRESENCE ) (duly authorised attorney)  
of: )

Rebecca Ferguson  
Herbert Smith

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
for and on behalf of NC LOMBARD )  
STREET NOMINEES LIMITED, ) (duly authorised attorney)  
X30 ACCOUNT IN THE PRESENCE OF: )

Rebecca Ferguson  
Herbert Smith

80

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
for and on behalf of GRANT CHARLES )  
HAGGITH IN THE PRESENCE OF: ) (duly authorised attorney)

Rebecca Ferguson  
Herbert Smith

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
for and on behalf of NANDRANEY DEVI )  
HAGGITH IN THE PRESENCE OF: ) (duly authorised attorney)

Rebecca Ferguson  
Herbert Smith

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
for and on behalf of THOMAS HENRY )  
POSTLEWAITE IN THE PRESENCE OF: ) (duly authorised attorney)

Rebecca Ferguson  
Herbert Smith

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
for and on behalf of NOREEN )  
JOSEPHINE POSTLEWAITE ) (duly authorised attorney)  
in the presence of: )

Rebecca Ferguson  
Herbert Smith

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
for and on behalf of DAVID CHARLES )  
BAYS IN THE PRESENCE OF: ) (duly authorised attorney)

Rebecca Ferguson

Herbert Smith

81

SIGNED BY NORMAN MURRAY ) /s/ NORMAN MURRAY  
for and on behalf of PATRICIA MAY )  
BAYS IN THE PRESENCE OF: ) (duly authorised attorney)

Rebecca Ferguson  
Herbert Smith

SIGNED BY ) /s/ STEPHEN WILLIAM PALFRAMAN  
STEPHEN WILLIAM PALFRAMAN )  
in the presence of: )

Rebecca Ferguson  
Herbert Smith

SIGNED BY IAN BLAIR MCINTOSH ) /s/ IAN BLAIR MCINTOSH  
in the presence of: )

Rebecca Ferguson  
Herbert Smith

SIGNED BY S W PALFRAMAN ) /s/ STEPHEN WILLIAM PALFRAMAN  
for and on behalf of BRISTOW )  
NOMINEES LIMITED IN THE PRESENCE OF: )

Rebecca Ferguson  
Herbert Smith

SIGNED BY S W PALFRAMAN ) /s/ STEPHEN WILLIAM PALFRAMAN  
for and on behalf of CHRISTOPHER )  
WILLIAN RUSSELL FRY IN THE ) (duly authorised attorney)  
presence of: )

Rebecca Ferguson  
Herbert Smith

82

SIGNED BY S W PALFRAMAN ) /s/ STEPHEN WILLIAM PALFRAMAN  
for and on behalf of KEITH H.R. )  
GASTON-PARRY IN THE PRESENCE OF: ) (duly authorised attorney)

Rebecca Ferguson  
Herbert Smith

SIGNED BY S W PALFRAMAN ) /s/ STEPHEN WILLIAM PALFRAMAN  
for and on behalf of MICHAEL JOHN )  
NORRIS IN THE PRESENCE OF: ) (duly authorised attorney)

Rebecca Ferguson  
Herbert Smith

SIGNED BY S W PALFRAMAN ) /s/ STEPHEN WILLIAM PALFRAMAN  
for and on behalf of MICHAEL WYATT )  
BILL IN THE PRESENCE OF: ) (duly authorised attorney)

Rebecca Ferguson  
Herbert Smith

SIGNED BY S W PALFRAMAN ) /s/ STEPHEN WILLIAM PALFRAMAN  
for and on behalf of DENNIS RUSSEL )  
in the presence of: ) (duly authorised attorney)

Rebecca Ferguson  
Herbert Smith

SIGNED BY S W PALFRAMAN ) /s/ STEPHEN WILLIAM PALFRAMAN  
for and on behalf of ALLAN CYRIL )  
BROWN IN THE PRESENCE OF: ) (duly authorised attorney)

Rebecca Ferguson  
Herbert Smith

83

SIGNED BY S W PALFRAMAN ) /s/ STEPHEN WILLIAM PALFRAMAN  
for and on behalf of IAN P. SCOTT )  
in the presence of: ) (duly authorised attorney)

Rebecca Ferguson  
Herbert Smith

SIGNED BY S W PALFRAMAN ) /s/ STEPHEN WILLIAM PALFRAMAN  
for and on behalf of SAIFUDEEN EDU )  
in the presence of: ) (duly authorised attorney)

Rebecca Ferguson  
Herbert Smith

SIGNED BY S W PALFRAMAN ) /s/ STEPHEN WILLIAM PALFRAMAN  
for and on behalf of MICHAEL ONI )  
in the presence of: ) (duly authorised attorney)

Rebecca Ferguson  
Herbert Smith

SIGNED BY DRURY A MILKE ) /s/ DRURY A MILKE  
for and on behalf of OFFSHORE )  
LOGISTICS, INC. IN THE PRESENCE OF: )

Rebecca Ferguson  
Herbert Smith

SIGNED BY DRURY A MILKE ) /s/ DRURY A MILKE  
for and on behalf of OFFSHORE )  
LOGISTICS INTERNATIONAL, INC. )

in the presence of: )

Rebecca Ferguson  
Herbert Smith

84

SIGNED BY P N BUCKLEY ) /s/ P N BUCKLEY  
for and on behalf of CALEDONIA )  
INVESTMENTS PLC IN THE PRESENCE OF: )

Michelle Thomas  
Freshfields  
65 Fleet Street  
London

SIGNED BY P N BUCKLEY ) /s/ P N BUCKLEY  
for and on behalf of CALEDONIA )  
INDUSTRIAL & SERVICES LIMITED )  
in the presence of: )

Michelle Thomas  
Freshfields  
65 Fleet Street  
London

SIGNED BY P N JONES ) /s/ ANDREAS K L UGLAND  
for and on behalf of ANDREAS K.L. )  
UGLAND IN THE PRESENCE OF: ) (BY HIS ATTORNEY P N JONES)

Rebecca Ferguson  
Herbert Smith

SIGNED BY DRURY A MILKE ) /s/ DRURY A MILKE  
for and on behalf of BRISTOW )  
AVIATION HOLDINGS LIMITED IN THE )  
presence of: )

Rebecca Ferguson  
Herbert Smith

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