

CHC Group Ltd.  
Form S-1/A  
January 16, 2014  
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As filed with the Securities and Exchange Commission on January 16, 2014

Registration No. 333-191268

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**Amendment No. 8**  
**To**  
**FORM S-1**  
**REGISTRATION STATEMENT**  
***UNDER***  
***THE SECURITIES ACT OF 1933***

**CHC Group Ltd.**  
**(Exact name of Registrant as specified in its charter)**

<b>Cayman Islands</b> <b>(State or other jurisdiction of</b>	<b>4522</b> <b>(Primary Standard Industrial</b>	<b>98-0587405</b> <b>(I.R.S. Employer</b>
<b>incorporation or organization)</b>	<b>Classification Code Number)</b>	<b>Identification Number)</b>

**CHC Group Ltd.**

**190 Elgin Avenue**

**George Town**

**Grand Cayman, KY1-9005**

**Cayman Islands**

**(604) 276-7500**

**(Address, including zip code, and telephone number, of registrants principal executive offices)**

**CT Corporation System**

**111 Eighth Avenue**

**New York, New York 10011**

**(212) 590-9070**

**(Name, address, including zip code and telephone number, including area code, of agent for service)**

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<b>(650) 843-5636</b>			

**Approximate date of commencement of proposed sale to the public:** As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, check the following box. "

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer " Accelerated filer "  
 Non-accelerated filer x (Do not check if a smaller reporting company) Smaller reporting company "

**CALCULATION OF REGISTRATION FEE**

<b>Title of Each Class of</b>	<b>Amount to be Registered <sup>(1)</sup></b>	<b>Proposed Maximum Offering Price</b>	<b>Proposed Maximum Aggregate</b>	<b>Amount of</b>
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<b>Securities to be Registered</b>		<b>Per Share <sup>(2)</sup></b>	<b>Offering Price <sup>(1)(2)</sup></b>	<b>Registration Fee <sup>(3)</sup></b>
Ordinary shares, \$0.0001 par value per share	33,823,800	\$14.00	\$473,533,200	\$60,992

(1) Includes 4,411,800 shares that the underwriters have the option to purchase.

(2) Estimated solely for the purpose of computing the amount of the registration fee pursuant to Rule 457(a) under the Securities Act of 1933, as amended.

(3) Previously paid in full with the initial filing of this Registration Statement and subsequent amendments thereto, when the applicable amount of registration fee was \$81,458, which was based on a proposed maximum offering price per share of \$18.00.

**The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.**

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**The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement of which this prospectus is a part and which is filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities nor does it solicit an offer to buy these securities in any state where the offer or sale is not permitted.**

**Subject to completion, dated January 16, 2014**

**PROSPECTUS**

**29,412,000 Ordinary Shares**

**CHC Group Ltd.**

CHC Group Ltd. is offering 29,412,000 of its ordinary shares. This is our initial public offering and no public market currently exists for our ordinary shares. We anticipate that the initial public offering price will be between \$12.00 and \$14.00 per share.

After the completion of this offering, funds affiliated with First Reserve Management, L.P., or First Reserve, will continue to own a majority of the voting power of ordinary shares eligible to vote in the election of our directors. As a result, we will be a controlled company within the meaning of the corporate governance standards of The New York Stock Exchange, or the NYSE.

Our ordinary shares have been approved for listing on the NYSE under the symbol HELI.

**Investing in our ordinary shares involves risks. See Risk Factors beginning on page 22.**

PRICE \$ PER SHARE

	Price to Public	Underwriting Discounts	Proceeds, before expenses, to us(1)
Per Share	\$	\$	\$
Total	\$	\$	\$

(1) We have agreed to reimburse the underwriters for certain expenses in connection with this offering. See Underwriting (Conflicts of Interest).

To the extent that the underwriters sell more than 29,412,000 ordinary shares, the underwriters have the option to purchase up to an additional 4,411,800 ordinary shares from us at the initial public offering price less the underwriting discounts.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the ordinary shares to purchasers on or about \_\_\_\_\_, 2014.

**J.P. Morgan**

**Barclays**

**UBS Investment Bank**

**HSBC**

**RBC Capital Markets**

**Wells Fargo Securities**

**BNP PARIBAS**

**Standard Bank**

**Cormark Securities (USA) Limited**

**Cowen and Company**

**Raymond James**

**Simmons & Company**

**Tudor, Pickering, Holt & Co.**

**International**

, 2014

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You should rely only on the information contained in this prospectus or contained in any free writing prospectus filed with the U.S. Securities and Exchange Commission, or the SEC. Neither we, nor the underwriters, have authorized anyone to provide additional information or information different from those contained in this prospectus or in any free writing prospectuses filed with the SEC. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We are offering to sell, and seeking offers to buy, our ordinary shares only in jurisdictions where such offers and sales are permitted. The information in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of our ordinary shares. Our business, financial condition, results of operations, and prospects may have changed since that

date.

For investors outside the United States: Neither we nor the underwriters have done anything that would permit our initial public offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of our ordinary shares and the distribution of this prospectus outside of the United States.

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**MARKET, INDUSTRY AND OTHER DATA**

The market data and other statistical information (such as the size of certain markets and our position and the position of our competitors within these markets, oil and gas production and market information) used throughout this prospectus are based on independent industry publications, government publications, reports by market research firms or other published independent sources, including reports from Spears & Associates, or Spears, U.S. Energy Information Administration, International Energy Agency, or IEA, and PFC Energy. Some market data and statistical information are also based on our good faith estimates, which are derived from our review of internal surveys, as well as the independent sources listed above. We believe that these external sources and estimates are reliable, but have not independently verified them.

**BASIS OF PRESENTATION**

The audited consolidated financial statements of CHC Group Ltd. (the Successor, the Company, we, us or our ), consist of the Successor's consolidated balance sheets as of April 30, 2012 and 2013 and the Successor's consolidated statements of operations, comprehensive income (loss), changes in shareholder's equity and cash flows for the years ended April 30, 2011, 2012, and 2013. CHC Group Ltd. was incorporated on July 3, 2008 under the Cayman Islands Companies Law, with the sole purpose to acquire CHC Helicopter Corporation (the Predecessor ). The Successor completed its acquisition of the Predecessor on September 16, 2008, and has included the results of operations and cash flows of the entity formerly known as CHC Helicopter Corporation from September 16, 2008 to April 30, 2009 in its unaudited consolidated financial statements for the fiscal year ended April 30, 2009, which are not included in this prospectus. Our results of operations also include organizational expenses and losses related to the acquisition, as it was not previously operating in the helicopter transportation services industry from May 1, 2008 up to the date of the acquisition. The acquisition of the Predecessor was accounted for using the purchase method of accounting. The application of the purchase method of accounting requires the allocation of the acquisition purchase price to the tangible and intangible assets acquired, and liabilities assumed, based on their respective fair values as of the date of the acquisition. As a result, the assets and liabilities acquired from the Predecessor on the date of acquisition are recorded at fair values, and these became the Successor's cost basis. Accordingly, the Predecessor period from May 1, 2008 to September 15, 2008 and the Successor period from May 1, 2008 to April 30, 2009 have a different basis of accounting. The Predecessor adopted the U.S. dollar as its reporting currency on May 1, 2008. As such, historical figures previously reported in Canadian dollars have been translated into U.S. dollars using the current rate method. Under this method, the statement of operations and cash flow statement items have been translated into U.S. dollars using the rates in effect at the date of the transactions. Assets and liabilities have been translated using the exchange rate in effect at the balance sheet date. The Predecessor applied this method retrospectively to all activity that commenced May 1, 2004. Equity balances which arose prior to May 1, 2004 have been translated to the reporting currency at the exchange rate in effect on May 1, 2004.

**TRADEMARKS**

CHC Helicopter and the CHC Helicopter logo are trademarks of CHC Capital (Barbados) Ltd., a wholly owned subsidiary of CHC Group Ltd. All other trademarks and service marks appearing in this prospectus are the property of their respective holders. All rights reserved. The absence of a trademark or service mark or logo from this prospectus does not constitute a waiver of trademark or other intellectual property rights of CHC Group Ltd., its subsidiaries, affiliates, licensors or any other persons.

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**PROSPECTUS SUMMARY**

*This summary highlights some of the information contained in this prospectus, but does not contain all of the information that may be important to you. You should read this entire prospectus and the documents to which we refer you before making an investment decision. You should carefully consider the information set forth under Risk Factors, Cautionary Note Regarding Forward-Looking Statements, Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and the related notes included elsewhere in this prospectus. Where applicable, we have assumed an initial public offering price of \$13.00 per share (the midpoint of the price range set forth on the cover page of this prospectus). Unless otherwise indicated, the information presented in this prospectus assumes that the underwriters' option to purchase additional ordinary shares is not exercised.*

*Unless the context otherwise requires, references in this prospectus to Company, CHC, we, us and our refer to CHC Group Ltd., a Cayman Islands exempted company, and its subsidiaries. Our fiscal year ends on April 30, and we refer to fiscal years based on the end of such period (the fiscal year ended April 30, 2013 is referred to as fiscal 2013 ). Certain operational terms used in this prospectus are defined under the heading Glossary.*

**CHC HELICOPTER**

**Overview**

We are the world's largest commercial operator of helicopters based on revenue of \$1.7 billion in fiscal 2013. We are also the world's largest commercial operator of heavy and medium helicopters based on our fleet of 238 heavy and medium helicopters as of October 31, 2013. With bases on six continents, we are one of only two global commercial helicopter service providers to the offshore oil and gas industry. Our mission is to provide the highest level of service in the industry, which we believe will enable our customers to go further, do more and come home safely. Through our 60 years of experience providing helicopter services, we believe our brand and reputation have become associated with safe and reliable transportation and mission-critical logistics solutions. Our fleet of heavy and medium helicopters, global capabilities and reputation for safety position us to capitalize on anticipated increases in ultra-deepwater and deepwater drilling and production spending by our major, national and independent oil and gas company customers.

Our helicopters are primarily used to facilitate large, long-distance crew changes on offshore production facilities and drilling rigs. We also provide search and rescue services, or SAR, and emergency medical services, or EMS, to government agencies. We maintain a presence in most major offshore oil and gas markets through a network of approximately 70 bases with operations in approximately 30 countries, more than any other commercial helicopter service provider in the world. We cover this expansive and diverse geography with a technologically advanced fleet of 238 helicopters and the expertise to serve customers in ultra-deepwater and deepwater locations. To secure and maintain operating certificates in the many jurisdictions in which we provide helicopter services, we must meet stringent and diverse regulatory standards across multiple jurisdictions, and have an established track record in obtaining and maintaining certificates as well as working with regulators and local partners.

We generate the majority of our oil and gas customer Helicopter Services revenue from contracts tied to our customers offshore production operations, which have long-term transportation requirements. A substantial portion of our remaining oil and gas customer Helicopter Services revenue comes from transporting personnel to and from offshore drilling rigs, and we believe this capability allows us to take advantage of expansion in the global ultra-deepwater rig fleet. Approximately 71% to 75% of the flying revenue in our Helicopter Services segment was attributable to fixed monthly charges for the fiscal years ended April 30, 2011, 2012 and 2013.



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We also provide maintenance, repair and overhaul, or MRO, services through our Heli-One business to both our own Helicopter Services segment and to third-party customers. Our MRO capabilities enable us to perform heavy structural repairs, and maintain, overhaul and test helicopters and helicopter components globally across various helicopter types. We believe our in-house MRO operations through our Heli-One business enable us to manage our supply chain and maintain our fleet more efficiently, thereby increasing the availability of our helicopters and reducing our overall cost of maintenance. In addition, we are the largest provider of these services (excluding original equipment manufacturers, or OEMs), which allows us to provide our Heli-One customers with comprehensive MRO services across multiple helicopter types and families. Our MRO services include complete maintenance outsourcing solutions, parts sales and distribution, engineering services, design services and logistics support.

We conduct our business through two operating segments: Helicopter Services for flying operations and Heli-One for MRO services. The following charts show our revenue generated by segment, our Heavy Equivalent, or HE Rate, our Adjusted EBITDAR, our Adjusted EBITDAR margin, our operating income and our operating margin, for each of the fiscal years ended April 30, 2011, 2012 and 2013:

- (1) HE Rate is the third-party operating revenue from our Helicopter Services segment excluding reimbursable revenue divided by a weighted average factor corresponding to the number of heavy and medium helicopters in our fleet. Our heavy and medium helicopters, including owned and leased, are weighted at 100% and 50%, respectively, to arrive at a single HE count, excluding helicopters expected to be retired from our fleet.
- (2) Adjusted EBITDAR margin is calculated as Adjusted EBITDAR divided by total revenue less reimbursable revenue. Cost reimbursements from customers are recorded as reimbursable revenue with the related reimbursement expense in direct costs.
- (3) Operating margin is calculated as operating income divided by total revenue.

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Adjusted EBITDAR, Adjusted EBITDAR margin and HE rate are not financial measures in accordance with U.S. generally accepted accounting principles ( GAAP ). For an explanation of how we calculate Adjusted EBITDAR, Adjusted EBITDAR margin and HE rate, see Summary Historical Consolidated Financial Data and Management s Discussion and Analysis of Financial Condition and Results of Operations Key Financial and Operating Metrics.

We have incurred net losses in the past five years, including approximately \$67.1 million, \$96.2 million, \$116.5 million and \$87.0 million in the last three fiscal years ended April 30, 2011, 2012 and 2013, and the six months ended October 31, 2013, respectively, and on a cumulative basis since our inception. Our net losses during this five-year period have resulted from a number of factors, including non-cash impairments of goodwill and other assets totaling \$919.0 million and interest charges related to substantial leverage incurred to acquire additional helicopters and grow our business. See Risk Factors Risks Related to Our Net Losses and Our Indebtedness We have a history of net losses.

## **Our Market Opportunity**

We believe trends in the offshore oil and gas industry will positively affect the market and demand for our helicopter services. As the major, national and independent oil and gas companies seek to replace reserves and grow production, we believe they will continue to explore for, develop and produce oil and gas from deeper waters and at locations that are further offshore, which requires more complex transportation and logistics services. According to PFC Energy, the number of oil and gas platforms that are accessible by helicopter in ultra-deepwater and deepwater locations has more than doubled in the past ten years, and the distance from shore has been increasing. Oil and gas companies are also adopting increasingly complex offshore oilfield services and solutions that require more personnel to operate. Additionally, regulatory bodies are increasing their own oversight functions and crews are being rotated on and off at periodic intervals. We believe these factors will drive an increase in the number of personnel needing to be transported to and from offshore facilities. Helicopter service is the most efficient and often the only viable or permitted form of transportation in many of these jurisdictions due to the distance from shore of the platforms and environmental conditions offshore, particularly in the North Sea, where a sea-faring vessel may take a substantially longer time to cover the same distance and in significantly less comfortable conditions, with greater logistical risks of transporting workers from vessel to platform.

We believe that the adoption of more complex services on ultra-deepwater and deepwater installations, increased regulatory oversight of these installations and more frequent rotation of increasingly larger crews at regular intervals will further drive customer demand for heavy and medium helicopters, which comprise all of our fleet. Based on our experience, heavy and medium helicopters are favored by customers with ultra-deepwater and deepwater transportation needs due to their greater range, passenger capacity, comfort, enhanced passenger safety systems and ability to fly under a variety of conditions. In recent years, in our experience, the demand for new commercial medium and heavy helicopters has outpaced their supply, a trend we believe will continue. As a result, we expect the market dynamics for our helicopter services to remain strong. Furthermore, we believe that our size and scale afford us greater operational and commercial flexibility when purchasing new helicopters and helicopter parts, allowing us to continue to grow our business in response to market opportunities.

Based on our experience operating in the industry, the market for MRO services is highly fragmented. We believe we are the only independent non-OEM provider of MRO services with a global footprint. Moreover, we believe our status as the largest commercial operator that purchases heavy and medium helicopters has positioned us to obtain licenses from all of the major manufacturers to conduct a full range of MRO services across a wide array of models of helicopters used in our industry. We believe that our geographic reach, combined with the related licenses, offers us a significant opportunity to grow our Heli-One business with our third-party customers. As demand for helicopter services grows in conjunction with growth in ultra-deepwater and deepwater drilling and production, we expect that a corresponding increase in flying hours should lead to greater demand for MRO services.





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### **Our Operations**

We conduct operations in approximately 30 countries through a network of approximately 70 bases on six continents, including a new global operations center located in Irving, Texas. We believe our global operations center is the first of its kind in our industry, allowing us to centrally coordinate flight schedules, pilot rostering, training, fleet management and maintenance from a single location. Representatives from helicopter manufacturers work on-site at our global operations center alongside our own employees to resolve maintenance issues and return helicopters to service. Our global operations center leverages new information technology systems to promulgate best-in-class practices and procedures throughout our company.

We assist our customers with logistics solutions to manage rotation of their crews, as many of our offshore oil and gas customers are required by law and collective labor agreements to change crews every seven to 14 days. For the 12 months ended October 31, 2013, we operated approximately 86,000 flights worldwide, carrying in excess of one million passengers. As offshore operators have moved further from shore and become more remote, crews have grown larger and taken on functions that previously relied on shore based support. To accommodate the change out of larger crews, a helicopter would have to make multiple trips or several helicopters would have to be used. Computerized logistics systems in our global operations center help us provide seamless coordination between our regional bases and our customers, matching customer needs with helicopters, engineer and pilot availability which enables efficient crew changes, while maintaining compliance with relevant regulations. In addition, we have advanced systems in place to monitor and maintain equipment. In the event a helicopter requires unforeseen repairs or replacement of parts, we have the ability to provide immediate support to ground personnel to make a repair as well as a dedicated team available to identify the most efficient manner to source any replacement parts. Since October 2012, this infrastructure, and these processes, have enabled us to save approximately 24 aircraft on ground, or AOG, days per month, for a savings of approximately \$300,000 per month. We believe that our global operations center, combined with our expertise in crew logistics and equipment availability as well as our robust compliance programs, allow us to offer superior and differentiated service to our customers.

Our MRO operations are conducted through our Heli-One business, which provides quality and cost control for maintenance, repair, and overhaul of our own fleet as well as comprehensive outsourced MRO services to third-party customers. We maintain four principal Heli-One centers for our global MRO operations, including Delta, British Columbia (Canada), Fort Collins, Colorado (USA), Rzeszow (Poland) and Stavanger (Norway). We maintain a strategic inventory of spare parts, providing us the ability to respond quickly and efficiently to unplanned maintenance events. We believe our focus on speed and efficiency allows us to provide better service at lower cost. Approximately 28% and 34% of our third-party Heli-One revenue in the 2012 and 2013 fiscal years, respectively, was derived from power by the hour contracts, where the customer pays a ratable monthly charge, typically based on the number of hours flown, for all scheduled and un-scheduled maintenance.

### **Safety and Regulatory Compliance**

We strive to exceed the stringent safety and performance audit standards set by aviation regulatory bodies and our customers. We have established an in-house flight safety group that is responsible for our compliance with safety standards within our organization, standardizing base operating procedures, compliance with government regulations and customer requirements, and educating and training our flight crews. Over the five year period ended November 1, 2013, according to our safety records we had a rolling average of 0.37 accidents per 100,000 flight hours, a much lower than average rate reported for civilian twin engine helicopters and an even smaller fraction of the rate reported for offshore helicopter operations generally, per industry reports. We also host a highly regarded annual international safety summit attended by our customers, manufacturers, competitors and regulators, which is a manifestation of our commitment to safe operations.



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A key to maintaining our strong safety record is having a highly qualified and experienced workforce. Our pilots average in excess of 3,000 flight hours of experience, and many of them carry endorsements to operate more than one type of helicopter. Our mechanics are highly experienced and receive ongoing training from helicopter manufacturers.

In addition to safety regulations, most of the countries in which we conduct flying operations have laws, with typically complex requirements, that require commercial operators to hold either or both an operating license and an air operator certificate, or AOC. We believe our track record of safety and experience working with regulators will enhance our ability to obtain needed licenses/certificates as we continue to grow.

## **Our Fleet**

Helicopters are generally classified as light (3 to 7 passengers), medium (8 to 15 passengers) and heavy (16 to 26 passengers). We believe heavy and medium helicopters are favored by our customers and are best suited for crew change transportation services on oil and gas production facilities and drilling rigs due to their greater range, higher passenger capacity, enhanced passenger safety systems and ability to fly under a broader variety of conditions than light helicopters. In addition, heavy and medium helicopters have twin engines and typically two pilots, making them safer for longer flights. As a result, larger helicopters generally command higher pricing and earn higher margins compared to smaller helicopters.

We operate the largest fleet of heavy and medium commercial helicopters serving the offshore oil and gas industry, with 238 heavy and medium helicopters as of October 31, 2013. Our fleet is comprised purely of heavy and medium helicopters, which we believe optimally positions us to respond to opportunities in the high growth ultra-deepwater and deepwater market. Over the last eight years, we have modernized and expanded our fleet significantly, and we continue to invest to meet customer demand for newer heavy and medium helicopters. We have strong longstanding operating relationships with the four major OEMs, Eurocopter, Sikorsky, AgustaWestland and Bell, and have helicopters manufactured by each of them in our fleet. This diversity ensures that we are not overly reliant on any one model or manufacturer, while still giving our fleet critical mass across various helicopter types, resulting in fleet management, maintenance and training efficiencies.

The model life cycle for helicopters spans multiple decades. Individual components, which represent a large majority of a helicopter's value, are frequently replaced to meet regulatory requirements or safety standards. In addition, there is an active secondary market for helicopters supported by independent appraisers and valuation experts.

As of October 31, 2013, our fleet was valued at approximately \$2.95 billion, based on the average of 2013 third-party appraisals of fair market value by Ascend Worldwide Group Holdings Limited and HeliValue\$, Inc., consisting of approximately \$2.03 billion of value attributable to heavy helicopters and approximately \$920 million of value attributable to medium helicopters. As of October 31, 2013, the average age of our fleet was 11 years. The Eurocopter EC225, Sikorsky S92A, AgustaWestland AW139 and Sikorsky S76C++, which have been the core part of our capital investment program in recent years, represent approximately 76% of our total fleet value as of October 31, 2013.

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The table below provides a detailed summary of our fleet as of October 31, 2013:

Helicopter Type	Total	Cruise Speed (kts)	Approximate Range (nmi)	Passenger Capacity	Maximum Weight (lbs)
<b>Heavy:</b>					
Sikorsky S92A	37	145	400	19	26,500
Eurocopter EC225	31	145	400	19	24,250
Eurocopter (AS332 L, L1, and L2)	40	130-140	250-350	17-19	18,000-20,500
Sikorsky S61N	5	N/A <sup>(1)</sup>	N/A <sup>(1)</sup>	N/A <sup>(1)</sup>	N/A <sup>(1)</sup>
<b>Total Heavy</b>	<b>113</b>				
<b>Medium:</b>					
Agusta AW139	39	145	280	12-15	15,000
Sikorsky S76C++	23	145	220	12	11,700
Sikorsky S76C+	22	145	175	12	11,700
Sikorsky S76A/B/C	16	135	110-130	12	10,800-11,700
Bell 412	11	125	135	13	11,900
Eurocopter AS365 Series	9	120-145	80	11	9,500
Eurocopter EC135/145/155	5	N/A <sup>(2)</sup>	N/A <sup>(2)</sup>	N/A <sup>(2)</sup>	N/A <sup>(2)</sup>
<b>Total Medium</b>	<b>125</b>				
<b>Total Helicopters</b>	<b>238</b>				

<sup>(1)</sup> SAR only

<sup>(2)</sup> EMS only

As of October 31, 2013, we have committed to purchase \$71.9 million of helicopter parts by October 31, 2015 and 36 new heavy and medium helicopters from multiple OEMs for a total commitment of \$953.9 million. These helicopters are expected to be delivered in fiscal 2014 (\$253.7 million), 2015 (\$315.5 million) and 2016 to 2017 (\$384.7 million) and will be deployed in our Helicopter Services segment. In addition, we have committed to purchase \$100.0 million of heavy helicopters from Eurocopter prior to December 31, 2016. These helicopters will be purchased outright or financed through leases. In addition, at October 31, 2013, we had the option to purchase 26 heavy and medium helicopters which, if exercised, would represent a total purchase commitment of 62 helicopters, excluding the committed dollar amount with Eurocopter.

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The table below shows new deliveries of helicopters under contract with OEMs and lessors as of October 31, 2013 in fiscal years ending April 30, 2014, 2015, 2016 and 2017 and beyond.

Note: Does not include helicopters related to our commitment to purchase \$100.0 million of heavy helicopters from Eurocopter.

The following map illustrates the geographic distribution of our helicopters as of October 31, 2013 and countries in which we operated over the prior 12 months:

Note: Fleet count as of October 31, 2013. Worldwide fleet includes 23 helicopters held for fleet retirement, on dry lease, and in post-delivery modification.

**Table of Contents****Customers and Contracts**

Our current oil and gas customer base is comprised of major, national and independent oil and gas companies. These customers generally enter into multi-year contracts for our services. The majority of our customer contracts provide for revenues based on fixed-monthly charges and hourly flight rates. In addition, our contracts generally require the customer to either provide or to be charged for fuel, which significantly limits our operational exposure to volatility in fuel costs.

Our contracts with offshore oil and gas customers are typically for periods of four to five years, and normally carry extension options of one to five years. Our contracts with government agencies for SAR and EMS services are typically for periods of eight to ten years, and we believe government agencies will increasingly look to outsource this function. Based on our experience, we believe that contracts are awarded based on a number of factors, including technical capability, operational effectiveness, price, strength of relationships, availability of fleet types and other technical mission requirements, quality of customer service and the safety record of the helicopter service provider. We believe that maintaining a strong safety record is imperative for our customers, and that our safety record and safety culture at all levels of our organization are key to maintaining and growing our business.

Longer-term contracts are ordinarily awarded through competitive bidding processes. An incumbent operator commonly has a competitive advantage when pursuing future business with that customer because of its relationship with the customer, knowledge of operating site characteristics, pre-existing investment in support infrastructure and demonstrated ability to meet defined service-level requirements. Also, customers often prefer to avoid start-up costs associated with switching to another operator. Over the past 12 months, we have retained approximately 92% of offshore oil and gas customer contracts that were up for renewal or extension.

Our key customers include many leading oil and gas companies around the world. The following table sets out our top ten customers based on revenue for our fiscal year ended April 30, 2013 and geographic regions served. Our top two customers for the year ended April 30, 2013 were Statoil and Petrobras, accounting for 14% of our revenues each. No other single customer accounted for more than 10% of our revenues during this period.

Company	Credit rating (Moody's / S&P)	Geographic regions served by CHC				
		North Sea	Brazil	Australia	SE Asia	Africa Euro Asia
	A2 / A					
	Aa1 / AA					
	A1 / A					
	A3 / A-					
	N/A					
	A3 / BBB					
	Aa1 / AA					
	Aa2 / AA-					
	Aa1 / AA-					
	Baa1/BBB+					

For our fiscal year ended April 30, 2013, the customers in the table above constituted approximately 60% of our total revenues.



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The largest customer of our Heli-One segment is our Helicopter Services segment. Our Heli-One contracts with third parties include military, coast guard, parapublic and other governmental organizations, and other helicopter operators. Revenues can be earned for services provided individually or, in many cases, as part of multi-year, complete maintenance outsourcing agreements.

## **Competitive Strengths**

We believe that we possess the following competitive strengths, which will enable us to continue to grow our business globally:

***The world's largest new generation fleet of heavy and medium helicopters.*** We are the world's largest commercial operator of helicopters based on revenue of \$1.7 billion in fiscal 2013. We are also the world's largest commercial operator of heavy and medium helicopters based on our fleet of 238 heavy and medium helicopters as of October 31, 2013. Our premium fleet has enabled us to establish a prominent position as a helicopter services provider to the fast-growing ultra-deepwater and deepwater markets. Our fleet includes some of the newest and most advanced civilian helicopters, including the Eurocopter EC225, Sikorsky S92A, AgustaWestland AW139 and Sikorsky S76C++, which together represent 76% of our total fleet value and which we believe helps us attract and retain highly experienced pilots and maintenance engineers. We have modernized and expanded our fleet significantly over the last eight years, and we continue to invest to meet customer demand. As of October 31, 2013, we have plans to acquire 36 new heavy and medium helicopters from multiple OEMs, and \$100.0 million of heavy helicopters from Eurocopter, with delivery dates between fiscal 2014 and 2017, and options to acquire an additional 26 heavy and medium helicopters. The size of our fleet and diversity across multiple helicopter types enables us to meet the varied operational requirements of our customers.

***Largest global footprint servicing the offshore oil and gas market.*** We are the most globally diverse participant in our industry, with operations in approximately 30 countries. Our broad geographic coverage and experience entering new markets enables us to respond quickly and efficiently to new business opportunities, by leveraging our knowledge of, and experience with, international safety standards, local market regulations and customs. Additionally, our multi-national footprint and scale allow us to secure contracts and global framework agreements where our largest customers are seeking helicopter operators that can provide one standard of service in many locations around the world.

***Strong long-term relationships with leading oil and gas producers.*** We believe we have strong relationships with our top ten customers, which include Statoil, Petrobras, BP, Shell, Total, ENI and other oil and gas producers, many of which we have continuously served for over a decade. We establish relationships with our customers at both the regional and global level, which positions us to grow our business as our customers grow. We believe this enables us to better understand our customers' growth objectives and positions us to participate in contract tenders. Our strong customer relationships and track record of performance have allowed us to achieve a 92% retention rate on contract renewals and extensions and a 65% win rate on all contract tenders over the 12 month period through October 31, 2013.



***Safety record and reputation.*** We have implemented a single safety management system worldwide and continue to meet or exceed the stringent safety and performance audits conducted by our customers. Over the five year period ended November 1, 2013, according to our safety records, we had a rolling average of 0.37 accidents per 100,000 flight hours, a much lower than average rate reported for civilian twin engine helicopters and an even smaller fraction of the rate reported for offshore helicopter operations generally, per industry reports. Our pilots average in excess of 3,000 hours of flight experience, and many of them carry endorsements to operate more than one type of helicopter. Our mechanics are highly experienced and receive ongoing training from helicopter manufacturers. We

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also host a highly regarded annual international safety summit attended by our customers, manufacturers, competitors and regulators, which is a manifestation of our commitment to safe operations.

***Our innovative transformation initiatives are driving standardization, efficiencies and cost savings.*** For the past three years, we have implemented a comprehensive review of our operations and organizational structure through our transformation initiatives, with the goal of consolidating, strengthening and standardizing our capabilities, tools, processes and systems globally, while lowering overhead costs. We recently designed and launched our global operations center and implemented new information technology, or IT, systems across our operations to drive highly integrated processes, including fleet management, flight scheduling, maintenance and supply chain, which we believe allow us to offer superior and differentiated services to our customers and our personnel in the field.

***Only global commercial helicopter operator with in-house MRO operations through Heli-One.*** Our Heli-One division is the market leader in helicopter MRO services by a non-OEM. Our Heli-One segment enhances the quality control and cost competitiveness of our maintenance processes, and improves the flight availability of our fleet. We have the capability to service and support multiple models from all the major OEMs including Eurocopter, Sikorsky, AgustaWestland and Bell, which allows us to offer a comprehensive outsourced maintenance solution to other helicopter operators, and to diversify our revenue stream.

***Experienced management team.*** Our chief executive officer and senior executives have extensive experience at CHC managing our helicopter services business and Heli-One business and with managing major, international public corporations focused on technology, IT services and operational excellence. We believe our management's breadth of experience, equity ownership and incentive plans align their objectives with those of our shareholders.

## **Our Business Strategy**

Our goal is to enhance our leadership position and create value for our shareholders by consistently and efficiently providing safe, reliable value-added services to our customers while maximizing our return on assets, earnings and cash flow. To achieve this goal, we intend to focus on the following key strategies:

***Achieve the highest levels of safety and performance.*** Our overall strategy is deeply rooted in a foundation of safety. We will continue to build on our highly safety-conscious culture where the safety of our passengers and employees is embedded in everything we do. We will invest in technology, processes, training and talent to continuously improve our capabilities to enable us to achieve the highest level of safety performance and standards.

***Continue to apply a disciplined, returns-based approach to evaluating growth opportunities.*** We have implemented a rigorous, financial returns-based approach throughout our organization that is fundamental to how we evaluate growth opportunities. Our centralized decision-making framework is critical to ensuring that our clearly defined return thresholds are applied in all key investment-making decisions, such as setting contract terms, pursuing expansion into new regions and acquiring new helicopters. This disciplined and coordinated methodology of pursuing the highest risk-adjusted growth opportunities will continue to drive

our expansion strategy and enable us to make rational capital investment decisions and maximize our returns as we continue to grow.

***Continue to invest in our fleet of heavy and medium helicopters to meet customer demand and maximize our long-term financial returns.*** We will continue to upgrade our fleet and optimize our fleet size and mix to reflect the latest technologies and larger helicopters demanded by our customers, while selectively divesting older helicopters. We will continue to manage our fleet to provide optimum service to the growing ultra-deepwater and deepwater markets, where larger helicopters are preferred by our customers for their reliability, comfort and efficiency. The demand for helicopter services

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combined with continued constraints on new helicopter supply will allow us to focus our investments in our fleet on opportunities with the highest strategic and financial value. We believe our global fleet management strategy allows us to deploy our assets to our most attractive opportunities worldwide.

***Expand our operations in high growth markets.*** We have existing operations in what we believe are some of the highest growth markets for helicopter services, such as Brazil and Australia. We intend to continue to grow in these regions as we believe the demand for our services continues to grow. We will also continuously evaluate entry into new markets with high projected growth rates which are often characterized by isolated locations and greater operating distances from shore. We have a track record of successfully entering new markets, which requires experienced pilots and expertise in assessing risks, obtaining permits, partnering with local businesses, working with regulators and establishing new flight bases. We believe our customers recognize the importance of our track record as well as our standardized and globally-integrated operational support, maintenance and IT systems, and our ability to realize operational efficiencies across numerous and often remote jurisdictions. We believe that owning the world's largest fleet of heavy and medium helicopters positions us to continue to grow our business in high growth ultra-deepwater and deepwater markets.

***Leverage the differentiated attributes of our Heli-One segment to expand the depth and global reach of our Heli-One platform.*** We believe we are the largest non-OEM MRO vendor servicing the industry today and we believe that our Heli-One segment provides us with a competitive and differentiating advantage. The breadth of services we provide and our operational scale has enabled us to establish unique supply chain management expertise that we will leverage to provide superior service levels to our customers. We will capitalize upon our access to key OEM licenses to bolster our strategic inventories and to improve the level of integration with our own internal operations, as well as to expand our third-party revenues. We will seek to grow our third-party Heli-One business, as we believe it offers an opportunity to generate attractive returns on limited incremental capital investment. Given the fragmented nature of the global MRO market, we will also pursue targeted strategic acquisitions to enhance our position in key regions or markets and to capture new, unique service offerings for our customers.

***Utilize knowledge and enterprise management systems to hone our customer service.*** We seek to build a customer-centric culture responsive to our customers' unique requirements. As part of our operational transformation efforts and investment in IT systems, we have expanded our capabilities to measure and report key performance metrics that are most critical to our customers. Our commercial and customer support teams maintain a regular dialogue across multiple disciplines within our customers' organizations to share these performance metrics as well as to discuss our customers' future plans. This enables us to better understand our customers' needs and how well we are addressing them. We believe that developing and maintaining such a deep understanding of our customers' requirements enables us to provide superior customer-centric services and ideally positions us to grow with our customers as they expand their operations.

***Continue to implement innovative transformation initiatives to pursue industry leading operating efficiency and superior returns.*** We believe innovation is core to our culture. We believe we are the first in the industry to establish a global, in-house MRO capability through Heli-One and a global operations center, and to implement innovative IT platforms to standardize global processes. We have established leadership in

innovative transformation as a firmwide mindset with the goal of continuously improving operating efficiency, identifying cost savings and enhancing returns.

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**Recent Developments**

Following an incident in October 2012 that led to the temporary industry-wide suspension of all over-water flights by Eurocopter EC225 helicopters, in July 2013, we commenced the phased re-introduction of our EC225 fleet to full service. We have now resumed commercial service on the Eurocopter EC225 fleet.

On August 23, 2013, one of our Eurocopter AS332L2 heavy helicopters was involved in an accident near Sumburgh in the Shetland Isles, United Kingdom. Authorities subsequently confirmed four fatalities and multiple injuries among the 16 passengers and two crew members on board. The cause of the accident is not yet known, and full investigations are being carried out in conjunction with the U.K. Air Accident Investigation Branch, or UK AAIB, and Police Scotland.

Despite engineering and operating differences between the AS332L2, AS332L, AS332L1 and EC225 helicopters, for a limited period, we voluntarily canceled all our flights worldwide on those helicopter types (except for those involved in life-saving missions), out of respect for our work force and those of our customers, and to evaluate any implications associated with the accident.

Within a week of the incident, after consultation with our principal regulators, customers, union representatives and industry groups, and based on findings that there was no evidence to support a continuation of our temporary voluntary suspension and, on recommendations to return to active service all variants of these helicopter types, we resumed commercial passenger flights to and from offshore oil and gas installations, excluding those in the UK with AS332L2 helicopters. We resumed AS332L2 commercial flights in the UK in mid-September. All of these helicopter types worldwide have been returned to commercial operations.

On October 18, 2013, the UK AAIB issued its latest special bulletin about its investigation on the causes of the accident. A full copy of the special bulletin is available at [http://www.aaib.gov.uk/publications/special\\_bulletins/s7\\_2013\\_\\_\\_as332\\_12\\_super\\_puma\\_\\_g\\_wnsb.cfm](http://www.aaib.gov.uk/publications/special_bulletins/s7_2013___as332_12_super_puma__g_wnsb.cfm). Neither the foregoing website nor the information contained on the website nor the report accessible through such website shall be deemed incorporated into, and neither shall be a part of, this prospectus or the registration statement of which it forms a part. In the special bulletin, the UK AAIB confirmed that, to date, the wreckage examination and analysis of recorded data as well as information from interviews of people involved in the accident have not found any evidence of a technical fault that could have been causal to the accident. The investigations by the UK AAIB and Police Scotland are not complete and are ongoing.

It is too early to determine the extent of the impact of the accident on our results of operations or financial condition based on information currently available.

**Summary Risk Factors**

An investment in our ordinary shares involves a number of risks, including changes in economic and oil and gas industry conditions, competition and other material factors, that could materially affect our business, financial condition and results of operations, and cause the trading price of our ordinary shares to decline. Some of the significant challenges and risks include the following:

we have a history of net losses;

our level of indebtedness could adversely affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in our business and place us at a competitive disadvantage;

many of the markets in which we operate are highly competitive, which may result in a loss of market share or a decrease in revenue or profit margins;

we rely on a limited number of large offshore helicopter support contracts with a limited number of customers, and if any of these are terminated early or not renewed, our revenues could decline;

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operating helicopters involves a degree of inherent risk and we are exposed to the risk of losses from safety incidents;

failure to mitigate potential losses through a robust safety management and insurance coverage program, would jeopardize our financial condition in the event of a safety or other hazardous incident;

failure to maintain standards of acceptable safety performance could have an adverse impact on our ability to attract and retain customers and could adversely impact our reputation, operations and financial performance;

our operations are subject to extensive regulations, which could increase our costs and adversely affect us;

we derive significant revenue from non-wholly owned entities, which, if we develop problems with the other owners of such non-wholly owned entities, could adversely affect our financial condition and results of operations;

our operations may suffer due to political and economic uncertainty; and

we are controlled by our financial sponsor, which might have interests that conflict with ours and the interests of our other shareholders.

Prior to this offering, funds affiliated with First Reserve, our financial sponsor, owned and controlled, directly or indirectly, approximately 98.7% of our outstanding equity interests. Immediately following the completion of this offering, funds affiliated with First Reserve will own an approximate 60.5% indirect economic and voting interest in us through 6922767 Holding (Cayman) Inc. ( CHC Cayman ), which will own approximately 61.3% of our outstanding ordinary shares (or 57.9% if the underwriters exercise their option to purchase additional ordinary shares in full). These percentage ownership levels could change in the future. For more information, see Principal Shareholders.

Founded in 1983, First Reserve is an investment firm with over \$23 billion of capital raised since inception. First Reserve makes both private equity and infrastructure investments throughout the energy value chain. For 30 years, it has invested solely in the global energy industry, utilizing its broad base of specialized energy industry knowledge as a competitive advantage. First Reserve invests strategically across a wide range of industry sectors, developing a portfolio that is diversified across the energy value chain, backing talented management teams and creating value by building companies.



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**Our Organizational Structure**

The following chart shows a summary of our capital structure as of October 31, 2013, as adjusted for this offering and the use of proceeds therefrom.

- (1) On October 4, 2010, our subsidiary CHC Helicopter S.A. issued \$1.1 billion aggregate principal amount of 9.250% Senior Secured Notes due 2020, or the senior secured notes, at an issue price of 98.399%. On October 5, 2012, CHC Helicopter S.A. issued an additional \$200.0 million aggregate principal amount of senior secured notes at an issue price of 101%. On May 13, 2013, CHC Helicopter S.A. issued \$300.0 million aggregate principal amount of 9.375% Senior Notes due 2021, or the senior unsecured notes, and, together with the senior secured notes, the senior notes, at par.
- (2) As of October 31, 2013, we had \$15.0 million of borrowings outstanding under our existing senior secured revolving credit facility and \$53.4 million of letters of credit were issued and outstanding thereunder. Subsequent to October 31, 2013, the borrowings under our existing senior secured credit facility increased from \$15.0 million by \$210.0 million to \$225.0 million as of the date of this prospectus. Our existing senior secured revolving credit facility currently matures in 2015. We intend to enter into a new senior secured revolving credit facility concurrently with the consummation of this offering. See Description of Indebtedness.

We intend to use approximately \$134.0 million of the net proceeds from this offering to redeem 10% of the aggregate principal amount of our senior secured notes at 103% of the principal amount, plus accrued and unpaid interest, if any, and a portion of the net proceeds from this offering, together with cash then on hand, to repay borrowings under our existing senior secured revolving credit facility. See Use of Proceeds.

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**Corporate Information**

CHC Group Ltd., formerly known as FR Horizon Holding (Cayman) Inc., was incorporated in the Cayman Islands on July 3, 2008 and changed its name by way of special shareholder resolution dated September 12, 2013 to CHC Group Ltd. CHC Group Ltd.'s registered office is located at c/o Intertrust Corporate Services (Cayman) Ltd., 190 Elgin Avenue, George Town, Grand Cayman, KY1-9005, Cayman Islands.

We have entered into agreements with Heli-One Canada Inc. and Heli-One American Support, LLC to provide certain management services, subject to authority limits as determined by our board of directors and set out in such agreements. The corporate headquarters of Heli-One Canada Inc.'s offices is located at 4740 Agar Drive, Richmond, British Columbia, V7B 1A3 Canada and its telephone number is (604) 276-7500.

Our website is located at *www.chc.ca*. Information contained on, or that can be accessed through, our website shall not be deemed incorporated into and is not a part of this prospectus or the registration statement of which it forms a part.

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**The Offering**

Ordinary shares offered by us	29,412,000 ordinary shares (or 33,823,800 ordinary shares if the underwriters exercise their option to purchase additional ordinary shares in full).
Ordinary shares to be outstanding immediately after this offering	75,931,484 ordinary shares (or 80,343,284 ordinary shares if the underwriters exercise their option to purchase additional ordinary shares in full).
Use of proceeds	We estimate that our net proceeds from the sale of the ordinary shares that we are offering will be approximately \$353.8 million, assuming an initial public offering price of \$13.00 per share, which represents the midpoint of the price range set forth on the cover page of this prospectus, and after deducting underwriting discounts and estimated offering expenses of \$28.5 million payable by us. We intend to use approximately \$134.0 million of the net proceeds from this offering to redeem 10% of the aggregate principal amount of our senior secured notes at 103% of the principal amount, plus accrued and unpaid interest, if any, and the remaining net proceeds, together with cash then on hand, to repay borrowings under our existing senior secured revolving credit facility and, if any, for general corporate purposes. As of the date of this prospectus, we had \$225.0 million outstanding under our existing senior secured revolving credit facility. See Use of Proceeds.
Dividend policy	We do not intend to pay cash dividends on our ordinary shares for the foreseeable future. See Dividend Policy.
Conflicts of Interest	Affiliates of HSBC Securities (USA) Inc., RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC will receive 5% or more of the net proceeds of this offering by reason of the repayment of a portion of the outstanding indebtedness under our existing senior secured revolving credit facility, as described under Use of Proceeds. Accordingly, HSBC Securities (USA) Inc., RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC will be deemed to have a conflict of interest within the meaning of Rule 5121 of the Financial Industry Regulatory Authority, Inc. ( FINRA ) and this offering will be conducted pursuant to the requirements of that rule. Rule 5121 requires that a qualified independent underwriter as defined in Rule 5121(f)(12) participate in the preparation of this registration statement and exercise its usual standard of due diligence with respect thereto. Barclays Capital Inc. has agreed to act as qualified independent

underwriter for this offering. We have agreed to indemnify Barclays Capital Inc. for certain liabilities, including liabilities under the Securities Act of 1933, as amended (the Securities Act ). Pursuant to Rule 5121(c), none of HSBC Securities (USA) Inc., RBC Capital Markets, LLC, UBS Securities LLC or Wells Fargo Securities, LLC, or any other underwriter that has a conflict of interest pursuant to

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Rule 5121, is permitted to confirm sales to any account over which they exercise discretionary authority without the specific written approval of the accountholder. See Underwriting (Conflicts of Interest).

Proposed NYSE symbol HELL.

In this prospectus, unless otherwise indicated, the number of ordinary shares outstanding and the other information based thereon is based on the number of ordinary shares outstanding at January 6, 2014 after consummation of a series of share capital restructuring transactions (the share capital restructuring transactions ) that resulted in the subdivision of our authorized and issued share capital to reduce the par value of each ordinary share in the Company from \$1 to \$0.0001 per share and the subsequent reduction of the issued ordinary shares to 46,519,484 (see Description of Share Capital Restructuring Transactions ) and does not reflect:

4,411,800 ordinary shares issuable upon the exercise of the underwriters' option to purchase additional ordinary shares from us;

7,500,000 ordinary shares issuable pursuant to our 2013 Omnibus Incentive Plan, or the 2013 Incentive Plan; or

2,812,015 ordinary shares issuable pursuant to our 2013 Employee Share Purchase Plan, or the 2013 ESPP.

Table of Contents**Summary Historical Consolidated Financial Data**

The following table shows our summary historical consolidated financial data, for the periods and as of the dates indicated. The summary statement of operations and cash flow data for the years ended April 30, 2011, 2012 and 2013 and the balance sheet data as of April 30, 2012 and 2013 are derived from our audited consolidated financial statements and related notes for the respective periods included elsewhere in this prospectus. The balance sheet data as of April 30, 2011 are derived from our unaudited consolidated financial statements, not included in this prospectus.

The summary statement of operations and cash flow data for the six months ended October 31, 2012 and 2013 and balance sheet data as of October 31, 2013 are derived from our unaudited interim consolidated financial statements and related notes for the respective periods included elsewhere in this prospectus. The balance sheet data as of October 31, 2012 are derived from our unaudited interim consolidated financial statements for the period not included in this prospectus. The October 31, 2012 unaudited interim consolidated balance sheet has not been reviewed by our independent registered accounting firm. In the opinion of management, our unaudited interim consolidated financial data reflects all adjustments (consisting of normal and recurring adjustments) considered necessary to fairly present our financial position for the periods presented. The results of operations for the six month periods are not necessarily indicative of the results that may be expected for the full year.

The summary financial data presented below is qualified in its entirety by reference to, and should be read in conjunction with the sections entitled Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and related notes included elsewhere in this prospectus.

	As at and for the year ended April 30,			As at and for the six months	
	2011	2012	2013	ended October 31, 2012	ended October 31, 2013
<b>Operating data:</b>					
Revenue:					
Operating revenue	\$ 1,321,036	\$ 1,525,795	\$ 1,578,309	\$ 779,790	\$ 776,276
Reimbursable revenue	124,424	166,744	165,538	83,065	82,027
<b>Total revenue</b>	<b>1,445,460</b>	<b>1,692,539</b>	<b>1,743,847</b>	<b>862,855</b>	<b>858,303</b>
Direct costs(i)	(1,047,532)	(1,205,740)	(1,190,101)	(600,257)	(604,455)
Earnings from equity accounted investees	2,159	2,844	4,718	1,837	3,918
General and administration costs	(64,867)	(70,108)	(74,113)	(37,570)	(38,657)
<b>Adjusted EBITDAR(ii)</b>	<b>335,220</b>	<b>419,535</b>	<b>484,351</b>	<b>226,865</b>	<b>219,109</b>
Helicopter lease and associated costs(i)	(164,828)	(176,685)	(201,736)	(97,227)	(110,445)
Depreciation	(99,625)	(112,967)	(131,926)	(55,945)	(70,751)
Restructuring costs	(4,751)	(22,511)	(10,976)	(3,727)	
Asset impairments(iii)	(29,403)	(17,651)	(29,981)	(16,405)	(23,014)
Gain (loss) on disposal of assets	7,193	8,169	(15,483)	(4,617)	(4,421)

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<b>Operating income</b>	<b>43,806</b>	<b>97,890</b>	<b>94,249</b>	<b>48,944</b>	<b>10,478</b>
Financing charges(iv)	(140,565)	(129,778)	(157,311)	(68,290)	(86,642)
<b>Loss from continuing operations before income tax</b>	<b>(96,759)</b>	<b>(31,888)</b>	<b>(63,062)</b>	<b>(19,346)</b>	<b>(76,164)</b>
Income tax recovery (expense)	32,833	(48,225)	(54,452)	(6,303)	(10,800)
<b>Loss from continuing operations</b>	<b>(63,926)</b>	<b>(80,113)</b>	<b>(117,514)</b>	<b>(25,649)</b>	<b>(86,964)</b>
Earnings (loss) from discontinued operations, net of tax	(3,202)	(16,107)	1,025	812	
Net loss	\$ (67,128)	\$ (96,220)	\$ (116,489)	\$ (24,837)	\$ (86,964)

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	As at and for the years ended April 30,			As at and for the six months ended October 31,	
	2011	2012	2013	2012	2013
	(in thousands of U.S. dollars)				
<b>Net earnings (loss) attributable to:</b>					
Net loss attributable to controlling interest	\$ (72,197)	\$ (108,642)	\$ (119,436)	\$ (26,185)	\$ (89,321)
Net earnings attributable to non-controlling interest	5,069	12,422	2,947	1,348	2,357
<b>Net loss</b>	<b>\$ (67,128)</b>	<b>\$ (96,220)</b>	<b>\$ (116,489)</b>	<b>\$ (24,837)</b>	<b>\$ (86,964)</b>
<b>Net loss per ordinary share attributable to controlling interest basic and diluted:</b>					
Continuing operations	(1.57)	(2.05)	(2.59)	(0.58)	(1.92)
Discontinued operations	(0.07)	(0.35)	0.02	0.02	
Net loss per ordinary share	(1.64)	(2.40)	(2.57)	(0.56)	(1.92)
Weighted average number of ordinary stock outstanding basic and diluted	44,019,484	45,198,936	46,519,484	46,519,484	46,519,484
<b>Pro forma net loss per ordinary share attributable to controlling interest basic and diluted:</b>					
Net loss per ordinary share (v)			\$ (1.42)		\$ (1.10)
Pro forma weighted average number of ordinary stock outstanding basic and diluted (vi)			75,931,484		75,931,484
<b>Balance sheet data:</b>					
Cash and cash equivalents	\$ 69,020	\$ 55,639	\$ 123,801	\$ 68,935	\$ 84,189
<b>Total assets</b>	<b>2,790,236</b>	<b>2,717,143</b>	<b>2,893,768</b>	<b>2,810,210</b>	<b>2,890,030</b>
Total long-term debt and capital lease obligations(vii)	1,291,486	1,287,080	1,477,225	1,415,543	1,665,279
<b>Total liabilities</b>	<b>2,041,535</b>	<b>2,054,558</b>	<b>2,388,349</b>	<b>2,180,778</b>	<b>2,489,747</b>
Capital stock	5	5	5	5	5
Shareholders equity	745,614	660,910	513,681	624,923	407,460



**Other financial information:**

Adjusted EBITDAR margin(ii)		25%		27%		31%		29%		28%
Adjusted net loss(viii)	\$	(53,459)	\$	(83,177)	\$	(59,237)	\$	(4,102)	\$	(56,966)
HE Rate(ix)	\$	6,842	\$	8,034	\$	8,730	\$	4,413	\$	4,292

- (i) Direct costs above excludes helicopter lease and associated costs. These costs are combined in the consolidated statement of operations, which are included in the unaudited interim consolidated financial statements and the audited annual consolidated financial statements included elsewhere in this prospectus.
- (ii) Adjusted EBITDAR is a non-GAAP measure that is defined as earnings (loss) before interest, taxes, depreciation, amortization and helicopter lease and associated costs or total revenue plus earnings from equity accounted investees, less direct costs excluding helicopter lease and associated costs less general and administration costs. Adjusted EBITDAR also excludes restructuring costs, asset impairments, gain (loss) on disposal of assets and goodwill impairment, if any. These items are significant components to understanding and assessing financial performance and liquidity. Adjusted EBITDAR margin is calculated as Adjusted EBITDAR divided by total revenue less reimbursable revenue. Cost reimbursements from customers are recorded as reimbursable revenue with the related reimbursement expense in direct costs. See our Management's Discussion and Analysis of Financial Condition and Results of Operations Key Financial and Operating Metrics for a further discussion of this non-GAAP measure. Additional information about our Adjusted EBITDAR, including a reconciliation of this measure to our operating income, is also provided in Note 19 of our unaudited interim consolidated financial statements for the six

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months ended October 31, 2012 and 2013 and Note 27 of our audited annual consolidated financial statements for the years ended April 30, 2011, 2012 and 2013, each of which are included elsewhere in this prospectus. See below for our calculation of Adjusted EBITDAR Margin.

	<b>2011</b>	<b>For the years ended April 30,</b>		<b>For the six months ended October 31,</b>	
		<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>
Adjusted EBITDAR	\$ 335,220	\$ 419,535	\$ 484,351	\$ 226,865	\$ 219,109
Total revenues less reimbursable revenue	\$ 1,321,036	\$ 1,525,795	\$ 1,578,309	\$ 779,790	\$ 776,276
Adjusted EBITDAR Margin	25%	27%	31%	29%	28%

- (iii) Asset impairments includes impairment of assets held for sale, impairment of assets held for use, impairment of receivables and residual value guarantees and impairment of intangible assets if any.
- (iv) Financing charges includes interest on long-term debt, foreign exchange gain (loss) and other financing charges (income). Other financing charges includes amortization of deferred financing costs, net gain (loss) on the fair value of derivative financial instruments, interest income and expense and the other items set forth in Note 10 to our unaudited interim consolidated financial statements for the six months ended October 31, 2012 and 2013 and Note 16 to our audited annual consolidated financial statements for the years ended April 30, 2011, 2012 and 2013, each of which are included elsewhere in this prospectus.
- (v) Pro forma net loss per ordinary share gives effect to the application of the net proceeds of this offering to redeem 10% of the aggregate principal amount of our senior secured notes at 103% of the principal amount totaling \$134.0 million, plus accrued and unpaid interest, if any, as if this transaction occurred on May 1, 2012 and has reduced the interest expense by \$11.3 million and \$6.1 million for the fiscal year and interim periods, respectively.
- (vi) Pro forma weighted average number of ordinary stock outstanding gives effect to the issuance of 29,412,000 ordinary shares in this offering attributable to the redemption of 10% of the aggregate principal amount of our senior secured notes at 103% of the principal amount totaling \$134.0 million, plus accrued and unpaid interest, if any, and to repay borrowings of \$225.0 million under our existing senior secured revolving credit facility as if the offering and these transactions had occurred on May 1, 2012 for the fiscal year and interim periods, respectively (excluding the additional 4,411,800 ordinary shares that may be issued by us in this offering pursuant to the underwriters' option to purchase additional ordinary shares).
- (vii) Total long-term debt and capital lease obligations is presented net of the discount and includes the premium on our senior notes and excludes a facility secured by accounts receivables. As of October 31, 2013, the facility secured by accounts receivables had a balance of \$43.4 million. See Note 2(a)(ii) to our unaudited interim consolidated financial statements for the six months ended October 31, 2012 and 2013 and Note 4(a)(ii) to our audited annual consolidated financial statements, each of which are included elsewhere in this prospectus.

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(viii) Adjusted net loss is a non-GAAP measure that has not been prepared in accordance with GAAP, and has not been audited or reviewed by our independent auditors. This financial measure is therefore considered a non-GAAP financial measure. See Management's Discussion and Analysis of Financial Condition and Results of Operations Summary Results of Operations for a discussion of this non-GAAP financial measure. A description of the adjustments to and reconciliations of this non-GAAP financial measure to the most comparable GAAP financial measure is as follows:

	For the years ended April 30,			For the six months ended October 31,	
	2011	2012	2013	2012	2013
<b>Adjusted net loss</b>	\$ (53,459)	\$ (83,177)	\$ (59,237)	\$ (4,102)	\$ (56,966)
Asset impairments	(29,403)	(17,651)	(29,981)	(16,405)	(23,014)
Gain (loss) on disposal of assets	7,193	8,169	(15,483)	(4,617)	(4,421)
Foreign exchange gain (loss)	17,891	1,819	(11,383)	3,251	(12,903)
Unrealized gain (loss) on derivatives	(9,350)	(5,380)	(405)	(2,964)	10,340
<b>Net loss</b>	\$ (67,128)	\$ (96,220)	\$ (116,489)	\$ (24,837)	\$ (86,964)

(ix) HE Rate is the third-party operating revenue from the Helicopter Services segment excluding reimbursable revenue divided by a weighted average factor corresponding to the number of heavy and medium helicopters in our fleet. Our heavy and medium helicopters, including owned and leased, are weighted as 100% and 50%, respectively, to arrive at a single HE count, excluding helicopters expected to be retired from our fleet. See below for our calculation of this non-GAAP measure and the Management's Discussion and Analysis of Financial Condition and Results of Operations for a further discussion of this non-GAAP measure.

	For the years ended April 30,			For the six months ended October 31,	
	2011	2012	2013	2012	2013
Helicopter Services total external revenue	\$ 1,316,238	\$ 1,526,060	\$ 1,603,403	\$ 795,821	\$ 795,365
Less: Reimbursable revenues	(124,424)	(166,744)	(165,538)	(83,065)	(82,027)
Helicopter Services operating revenue	\$ 1,191,814	\$ 1,359,316	\$ 1,437,865	\$ 712,756	\$ 713,338
Heavy Equivalent (HE)	174.2	169.2	164.7	161.5	166.2
HE Rate	\$ 6,842	\$ 8,034	\$ 8,730	\$ 4,413	\$ 4,292

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**RISK FACTORS**

*Investing in our ordinary shares involves a number of risks. You should consider carefully the risks and uncertainties described below, together with all of the other information in this prospectus, including the consolidated financial statements and the related notes included elsewhere in this prospectus, before deciding whether to invest in our ordinary shares. This prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in this prospectus. See Cautionary Note Regarding Forward-Looking Statements.*

**Risks Related to Our Net Losses and Our Indebtedness**

***We have a history of net losses.***

We have incurred net losses in the past five years, including approximately \$67.1 million, \$96.2 million, \$116.5 million and \$87.0 million in the last three fiscal years ended April 30, 2011, 2012 and 2013, and the six months ended October 31, 2013, respectively, and on a cumulative basis since our inception. Our net losses during this five-year period have resulted from a number of factors, including non-cash impairments of goodwill and other assets totaling \$919.0 million and interest charges related to substantial leverage incurred to acquire additional helicopters and grow our business. We may continue to incur net losses in the future and our net losses may increase in the future, including as a result of our planned helicopter acquisitions, and we cannot assure you that we will achieve or sustain profitability, or that we will continue to generate sufficient cash flow and liquidity through access to the capital markets to meet our debt and interest obligations as and when they become due.

***Our level of indebtedness could adversely affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in our business or our industry and place us at a competitive disadvantage.***

We are highly leveraged. As of October 31, 2013, as adjusted for the consummation of this offering and the use of proceeds therefrom, our total indebtedness would have been \$1,532.4 million. Our level of indebtedness could have important consequences to you. For example, it could:

increase our vulnerability to general adverse economic and industry conditions;

limit our ability to fund future capital expenditures and working capital, to engage in future acquisitions or development activities, or to otherwise realize the value of our assets and opportunities fully because of the need to dedicate a substantial portion of our cash flow from operations to payments of interest and principal on our debt or to comply with any restrictive terms of our debt;

limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;

impair our ability to obtain additional financing in the future; and

place us at a competitive disadvantage compared to our competitors that have less debt.

If we fail to comply with the covenants or other terms of any agreements governing our indebtedness, our creditors may have the right to accelerate the maturity of that debt and, in the case of our secured debt, foreclose upon the collateral securing that debt. Realization of any of these factors could adversely affect our financial condition.

In addition, if we do not generate sufficient cash flow from operations to satisfy our debt obligations, we may have to undertake alternative financing plans, such as:

refinancing or restructuring our debt;

selling assets;

reducing or delaying capital investments; or

seeking to raise additional capital.

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However, any alternative financing plans that we undertake, if necessary, might not allow us to meet our debt obligations. Our inability to generate sufficient cash flow to satisfy our debt obligations, including our obligations under our outstanding senior notes, or to obtain alternative financing, could materially and adversely affect our business, financial condition, results of operations or prospects.

***Failure to comply with covenants contained in certain of our lease agreements could limit our ability to maintain our leased helicopter fleet and could adversely affect our business.***

The terms of our helicopter lease agreements contain covenants that impose operating and financial limitations on us. Such lease agreements limit, among other things, our ability to utilize helicopters in certain jurisdictions and/or sublease helicopters, and may contain restrictions upon a change of control. A breach of lease covenants could result in an obligation to repay amounts outstanding under the lease. If such an event occurs, we may not be able to pay all amounts due under the leases or refinance such leases on terms satisfactory to us or at all, which could have a material adverse effect on our business, financial condition and results of operations. We have in prior periods entered into discussions with specific lessors for covenant resets, amendments and waivers when we have anticipated to fail covenant obligations, and in other instances received financial support from our shareholders to avoid covenant breaches. While we do not currently anticipate any breaches, no assurance can be made that we will not in the future, or that we will be successful in negotiating covenant resets, amendments or waivers, as necessary, or that financial support will be available.

## **Risks Related to Our Business and Industry**

***Many of the markets in which we operate are highly competitive, which may result in a loss of market share or a decrease in revenue or profit margins.***

Many of the markets in which we operate are highly competitive, which could result in a loss of market share or a decrease in revenue or profit margins. Contracting for helicopter services is usually done through a competitive bidding process among those having the necessary equipment and resources. Factors that affect competition in our industry include price, reliability, safety, professional reputation, helicopter availability, equipment and quality of service. We compete against a number of helicopter operators including the other major global commercial helicopter operator, and other local and regional operators. There can be no assurance that our competitors will not be successful in capturing a share of our present or potential customer base. In addition, many oil and gas companies and government agencies to which we provide services have the financial ability to perform their own helicopter flying operations in-house should they elect to do so.

The main MRO competitors to our Heli-One business are the OEMs of helicopters and helicopter components. As such, our main competitors in this industry are also our main parts suppliers and MRO license providers. A conflict with the OEMs could result in our inability to obtain parts and licenses in a timely manner in required quantities and at competitive prices. In addition, the OEMs hold greater inventory of helicopter components, have more extensive operational experience and significantly greater capital resources. These, in turn, could have a material adverse effect on our business, financial condition or results of operations.

***We rely on a limited number of large offshore helicopter support contracts with a limited number of customers. If any of these are terminated early or not renewed, our revenues could decline.***

We rely on a limited number of large offshore helicopter support contracts with a limited number of customers. For the fiscal year ended April 30, 2013, revenue from Statoil ASA totaling \$245.9 million and Petrobras totaling \$247.1 million were each approximately 14% of our total revenues. For the fiscal year ended April 30, 2013, our top ten

customers accounted for approximately 60% of our total revenues. Many of our contracts contain clauses that allow for early termination by the customer for convenience if exercised, could have a material adverse effect on our business, financial condition or results of operations.

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***Operating helicopters involves a degree of inherent risk and we are exposed to the risk of losses from safety incidents.***

Hazards, such as helicopter accidents, adverse weather conditions, darkness, collisions and fire are inherent in furnishing helicopter services and can result in personal injury and loss of life, accidents, reduced number of flight hours, severe damage to and destruction of property and equipment and suspension of operations or grounding of helicopters. For example, on October 22, 2012, one of our EC225 helicopters made a controlled water landing in the North Sea with no injuries to crew or passengers. All flights of all operators using the same type of helicopter were subsequently suspended for the duration of a lengthy investigation and corrective action from the manufacturer. In addition, on August 23, 2013, one of our L2 helicopters was involved in an accident in the North Sea, resulting in four fatalities among the 16 passengers and two crew members on board. The cause of the accident is not yet known and full investigations are being carried out. We voluntarily restricted the use of this model of helicopter worldwide and in the United Kingdom for a limited period. As of October 31, 2013, our global fleet of L2 helicopters had returned to commercial operations. In addition to any loss of property or liability associated with helicopter crashes, our revenue, profitability and margins would decline to the extent any of our helicopters were voluntarily or mandatorily grounded. While we seek to mitigate the financial impact of such risks and preserve our rights through commercial and other arrangements with all those involved, when available, these mitigation efforts may not be successful or available for all incidents. Our performance, profitability and margins may fluctuate from period to period as a result of such incidents and our mitigation efforts.

***If we are unable to mitigate potential losses through a robust safety management and insurance coverage program, our financial condition would be jeopardized in the event of a safety or other hazardous incident.***

We attempt to protect ourselves against potential losses through our safety management system and insurance coverage. However, portions of our insurance coverage is subject to deductibles and maximum coverage amounts, and we do not carry insurance against all types of losses. We cannot ensure that our existing coverage will be sufficient to protect against all losses, that we will be able to maintain our existing coverage in the future or that the premiums will not increase substantially including, potentially, in connection with the L2 accident that occurred in August 2013. See Prospectus Summary Recent Developments. Our safety management system may not be effective. In addition, terrorist activity, risk of war, accidents or other events could increase our insurance premiums. Our inability to renew our aviation insurance coverage or the loss, expropriation or confiscation of, or severe damage to, a large number of our helicopters could adversely affect our operations and possibly our financial condition and results of operations. Furthermore, we are not insured for loss of profit, loss of use of our helicopters, business interruption or loss of flight hours. The loss of, or limited availability of, our liability insurance coverage, inadequate coverage from our liability insurance or substantial increases in future premiums could have a material adverse effect on our business, financial condition and results of operations.

***Failure to maintain standards of acceptable safety performance could have an adverse impact on our ability to attract and retain customers and could adversely impact our reputation, operations and financial performance.***

Our customers consider safety and reliability as the two primary attributes when selecting a provider of helicopter transportation services. If we fail to maintain standards of safety and reliability that are satisfactory to our customers, our ability to retain current customers and attract new customers may be adversely affected. Moreover, helicopter crashes or similar disasters of another helicopter operator could impact customer confidence and lead to a reduction in customer contracts or result in the grounding of our helicopters, particularly if such helicopter crash or disaster were due to a safety fault in a type of helicopter used in our fleet. In addition, the loss of any helicopter as a result of an accident could cause significant adverse publicity and the interruption of air services to our customers, which could adversely impact our reputation, operations and financial results. Our helicopters have been involved in accidents in



the past, some of which have included loss of life and property damage.

***Negative publicity may adversely impact us.***

Media coverage and public statements that insinuate improper actions by us, regardless of their factual accuracy or truthfulness, may result in negative publicity, litigation or governmental investigations by regulators.

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Addressing negative publicity and any resulting litigation or investigations may distract management, increase costs and divert resources. Negative publicity may have an adverse impact on our reputation and the morale of our employees, which could adversely affect our business, financial condition or results of operations.

***Our fixed operating expenses and long-term contracts with customers could adversely affect our business under certain circumstances.***

Our profitability is directly related to demand for our helicopter services. Because of the significant expenses related to helicopter financing, crew wages and benefits, lease costs, insurance and maintenance programs, a substantial portion of our operating expenses are fixed and must be paid even when certain helicopters are not actively servicing customers and thereby generating income. A decrease in our revenues could therefore result in a disproportionate decrease in our earnings, as a substantial portion of our operating expenses would remain unchanged. Similarly, the discontinuation of any rebates, discounts or preferential financing terms offered to us by helicopter manufacturers would have the effect of increasing our fixed expenses, and without a corresponding increase in our revenues, would negatively impact our results of operations. We expect our maintenance costs to increase to a level comparative to normal activity as the EC225 has returned to commercial operations. Nonetheless, no assurance can be given that our costs will be comparable on a period to period basis, particularly when incidents may impact our helicopters.

Our long-term helicopter services and Heli-One contracts contain pre-determined price escalation terms and conditions. Although supplier costs and other cost increases are passed through to our customers through rate increases where possible, these escalations may not be sufficient to enable us to recoup increased costs in full. In addition, because many of our contracts are long-term in nature, cost increases may not be adjusted in our contract rates until the contracts are up for renewal. In particular, in our Heli-One business, approximately 28% and 34% of our third-party Heli-One revenue in the 2012 and 2013 fiscal years, respectively, was derived from PBH contracts, where the customer pays a ratable monthly charge, typically based on the number of hours flown, for all scheduled and un-scheduled maintenance. It can be difficult to correctly estimate the cost of providing maintenance on a PBH basis. There can be no assurance that we will be able to estimate costs accurately or recover increased costs by passing these costs on to our customers. In the event that we are unable to do so, the profitability of our customer contracts and our business, financial condition and results of operations could be materially and adversely affected.

***We depend on a small number of helicopter manufacturers.***

We contract with only four manufacturers of heavy and medium helicopters: Eurocopter, Sikorsky, AgustaWestland and Bell. These manufacturers have limited availability of helicopters, particularly heavy helicopters, and we have limited alternative sources of new helicopters. If we are unable to acquire new helicopters, continue operating helicopters already in our fleet, or purchase helicopters in the secondary markets, our business would be harmed.

Lead times for delivery of new heavy and medium helicopters are long (currently at least one year and historically as long as two years) and increasing for certain models, and annual production of new heavy and medium helicopters is limited. If any of these helicopter manufacturers faced production delays due to, for example, natural disasters, labor strikes, unavailability of skilled labor or safety issues, we may experience a significant delay in the delivery of previously ordered helicopters. During these periods, we may not be able to obtain additional helicopters with acceptable pricing, delivery dates or other terms. Delivery delays or our inability to obtain acceptable helicopter orders would adversely affect our revenue and profitability and could jeopardize our ability to meet the demands of our customers and execute our growth strategy. Although we have been able to acquire sufficient helicopters to date, a lack of available helicopters or the failure of our suppliers to deliver helicopters we have ordered on a timely basis could limit our ability to take advantage of growth opportunities or jeopardize our ability to meet the demands of our customers. Additionally, lack of availability of new helicopters could result in an increase in prices for certain types of

used helicopters.

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If any of the helicopter manufacturers we contract with, or the government bodies that regulate them, identify safety issues with helicopter models we currently operate or that we intend to acquire, we may be unable to operate a portion of our fleet or could experience a delay in acquiring new helicopters, both of which would negatively affect our business. For example, in October 2012, one of our EC225 helicopters made a controlled water landing in the North Sea with no injuries to crew or passengers. All flights of all operators using the same type of helicopter were subsequently suspended for the duration of a lengthy investigation and corrective action from the manufacturer. In August 2013, one of our AS332L2 helicopters was involved in an accident in the North Sea, resulting in four fatalities, see **Risks Related to Our Business and Industry** Operating helicopters involves a degree of inherent risk and we are exposed to the risk of losses from safety incidents. The cause of the August 2013 accident is not yet known. Regulatory investigations and political debate are currently in process or planned in the United Kingdom. The AS332L2 and the EC225 are produced by the same manufacturer, and we operate other helicopter types by this manufacturer (as of October 31, 2013, 85 helicopters in total), which total represents approximately 36% of our entire fleet. If it is ever determined that a safety issue exists across one or more model types by the same manufacturer, we may be required to suspend flight operations of a significant and material portion of our fleet.

If we are unable to fully resume operations with the AS332L2 or EC225, or are forced to suspend operations of different helicopter models, our business, financial condition and results of operations during any period in which flight operations are suspended could be affected.

***We depend on a limited number of third-party suppliers for helicopter parts and subcontract services.***

We rely on a few key vendors for the supply of parts and subcontract services required to maintain our helicopters. Due to high demand, these vendors could experience backlogs in their manufacturing schedules and some parts may be in limited supply from time to time, which could have an adverse impact upon our ability to maintain and repair our helicopters.

We currently obtain a substantial portion of our helicopter spare parts and components from helicopter manufacturers and maintain supply arrangements with other key suppliers. To the extent that these suppliers also supply parts for helicopters used by the military or other government organizations, parts delivery for our helicopters may be delayed during periods in which there are high levels of military or government operations. Our inability to perform timely maintenance and repairs can result in our helicopters being underutilized which could have an adverse impact on our business, financial condition and results of operations. Furthermore, our operations in remote locations, where delivery of these components and parts could take a significant period of time, could experience delays in our ability to maintain and repair our helicopters. While every effort is made to mitigate the impact of any such delays, this may pose a risk to our results of operations. We do not have an alternative source of supply for parts and components supplied by the main helicopter manufacturers. Failure or significant delay by these vendors in providing necessary parts could, in the absence of alternative sources of supply, have a material adverse effect on our business, including the withholding of payments by customers in certain cases. Due to our dependence on helicopter manufacturers for helicopter parts and components, we may also be subject to adverse impacts from unusually high price increases that are greater than overall inflationary trends. We might not be able to increase our contract rates. An unusually high increase in the price of parts or components that cannot be fully passed on to our customers could have a material adverse effect on our business, financial condition or results of operations.

***Our business requires substantial capital expenditures, lease and working capital financing. Any deterioration of current economic conditions could adversely impact our business, financial condition and results of operations and we might be unable to obtain needed capital or financing on satisfactory terms or at all.***

Our business requires substantial capital expenditures including significant ongoing investment to purchase or lease new helicopters, refinance existing leases and maintain our existing fleet. To the extent that we do not generate sufficient cash from our operations, we will need to raise additional funds through operating lease financing or other debt financing to execute our growth strategy and make the capital expenditures required to operate our business successfully.

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Concerns about a systemic impact of a potential long-term and wide-spread economic recession, increased energy costs, the availability and cost of credit, diminished business and consumer confidence and increased unemployment rates contribute to increased market volatility and diminish expectations for western and emerging economies, including the jurisdictions in which we operate. In particular, the cost of raising money in the credit markets could increase substantially as many lenders and institutional investors, concerned about the stability of the financial markets generally and about the solvency of counterparties, could increase interest rates, enact tighter lending standards and reduce and, in some cases, cease to provide funding, to borrowers. In addition, financial market instability could leave our creditors unable to meet their obligations to us.

Our ability to access capital and bank markets or the availability of lease or other financings may be restricted at a time when we would like to, or need to access capital. Such inability could have an impact on our growth plans or on our flexibility to react to changing economic and business conditions. In addition, our credit facilities and helicopter leases will have maintenance covenants which may need to be renegotiated from time to time, and the financial market instability could have an impact on the lenders or lessors willingness to renegotiate these covenants on reasonable terms.

***We rely on the secondary used helicopter market to dispose of our older helicopters and parts due to our on-going fleet modernization efforts.***

We are dependent upon the secondary used helicopters and parts market to dispose of older models of helicopters as part of our ongoing fleet modernization efforts and any spare helicopter capacity associated with the termination or non-renewal of existing contracts. If we are unable to dispose of our older helicopters and parts due to a lack of demand in the secondary market, our helicopters and parts carrying costs may increase above requirements for our current operations, or we may accept lower selling prices, resulting in losses on disposition. A failure to dispose of helicopters and parts in the secondary market could impair our ability to operate our fleet efficiently and service existing contracts or win new mandates and could have a material adverse effect on our business, financial condition or results of operations.

***Our operations are subject to extensive regulations which could increase our costs and adversely affect us.***

The helicopter industry is regulated by various laws and regulations in the jurisdictions in which we operate. The scope of such regulation includes infrastructure and operational issues relating to helicopters, maintenance, spare parts and route flying rights as well as safety and security requirements. We cannot fully anticipate all changes that might be made to the laws and regulations to which we are subject nor the possible impact of such changes. These changes could subject us to additional costs and restrictions.

We are subject to governmental regulation that limits foreign ownership of aircraft companies. Based on regulations in various jurisdictions in which we operate, our authorizations, licenses and certificates may be suspended or revoked and we may lose our ability to operate within these regions if certain levels of local ownership are not maintained. See Note 2 to the interim unaudited consolidated financial statements and Note 4 to the annual audited consolidated financials included elsewhere in this prospectus.

Our ability to conduct our business is dependent on our ability to maintain authorizations, licenses and certificates, which in many jurisdictions require us to subcontract with third-parties to obtain required helicopter operating leases. We are routinely audited to ensure compliance with all flight operation and helicopter maintenance requirements. There can be no assurance that we will pass all such audits. Our failure to pass such audits or any breach of regulations applicable to us could result in fines, adverse publicity or grounding of our helicopters, all of which could have a material adverse effect on our business, financial condition and results of operations, especially if a regulatory

breach were to lead to a helicopter crash or accident. Changes in laws or regulations could have a material adverse impact on our cost of operations or revenues from operations.

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If we are unable to maintain required government-issued licenses for our operations or if our ownership in our foreign partners exceeds permitted levels, we will be unable to conduct helicopter operations in the applicable jurisdiction, as outlined below.

### *Europe*

Approximately 25% of our revenue for the fiscal year ended April 30, 2013 originated from helicopter flying services provided by subsidiaries of EEA Helicopter Operations B.V., or EHOB, a Dutch Company 49.9% owned by us. These subsidiaries operate in the United Kingdom, Denmark, the Netherlands and Ireland (member states of the European Union, or the EU, and Norway (member state of the EEA). To operate helicopters in the EU and EEA, an operator must be licensed by the applicable national Civil Aviation Authority. Under applicable European law, an operator must be effectively controlled and majority owned by nationals of member states of the EU or the EEA to maintain its license. We believe that the majority shareholder in EHOB is an EU national and therefore these subsidiaries are currently majority owned and effectively controlled within the meaning of European Union and European Economic Area licensing requirements. Any change in the national status of the majority shareholder in EHOB could affect the licenses of these subsidiaries.

### *Canada*

Our helicopter operations in Canada are conducted through CHC Helicopters Canada Inc., a company in which we hold a minority interest. Our flying operations are regulated by Transport Canada and are conducted under that company's AOC. Our ability to conduct our helicopter operating business in Canada is dependent on our ability to maintain our relationship with CHC Helicopters Canada Inc. Our helicopter operations in certain other countries are conducted pursuant to an AOC issued by the Minister of Transport (Canada) under the provisions of the Aeronautics Act (Canada) for approximately 20 helicopters which our wholly owned subsidiary holds pursuant to an exemption until 2015. If we are unable to extend the ministerial exemption pursuant to which this certificate is issued, we will need to obtain licenses and certificates issued by the countries in which we conduct such operations or reach an agreement with CHC Helicopters Canada Inc. and/or customers in such countries to transfer the operations there to CHC Helicopters Canada Inc. We cannot give any assurance that we will be able to either extend the ministerial exemption, obtain local licenses and certificates or transfer such operations to CHC Helicopters Canada Inc., either at all or on acceptable terms.

### *Australia*

Civil aviation in Australia is governed by the Civil Aviation Act 1988 (Cwlth) of Australia, and regulations made thereunder. To operate a helicopter in Australia, it must be registered with the Australian Civil Aviation Safety Authority and a Certificate of Airworthiness must be obtained, be valid and be in effect. The operation of a helicopter for a commercial purpose into, out of, or within Australian territory can only be undertaken as authorized by an Air Operators Certificate. Our ability to offer our helicopter transportation services in Australia is dependent on maintaining this certificate.

### *Brazil*

Approximately 16% of our revenue for the fiscal year ended April 30, 2013 originated from helicopter flying services provided by a subsidiary of Brazilian Helicopter Holdings S.A., or BHH, a Brazilian Company 60% owned by us. This subsidiary operates in Brazil. To operate helicopters in Brazil, an operator must be licensed by the applicable national Civil Aviation Authority. Under applicable Brazilian law, in order to maintain its license, an operator must be controlled by nationals of Brazil and its officers must be Brazilian as well. By control, Brazilian aviation legislation



refers to holding of at least 80% of operator's voting shares. We believe that the majority holder of voting shares in BHH is a Brazilian national and therefore this subsidiary is currently controlled within the meaning of Brazil licensing requirements. Any change in the national status of the majority shareholder in BHH and/or in the nationality of the officers of this subsidiary could affect the licenses of BHH.

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Our helicopter operations in Brazil are conducted through BHS – Brazilian Helicopter Services Táxi Aéreo S.A., the above-mentioned subsidiary of BHH. Our flying operations are regulated by the National Agency for Civil Aviation and are conducted under that company's AOC. Our ability to conduct our helicopter operating business in Brazil is dependent on our ability to maintain such AOC. If we are unable to keep such AOC, we will be prevented from performing flying operations in Brazil.

### *Other Countries and Regulations*

Our operations in other foreign jurisdictions are regulated to various degrees by the governments of such jurisdictions and must be conducted in compliance with those regulations and, where applicable, in accordance with our air service licenses and AOC. These regulations may require us to obtain a license to operate in that country, may favor local companies or require operating permits that can only be obtained by locally registered companies and may impose other nationality requirements. In such cases, we partner with local persons, but there is no assurance regarding which foreign governmental regulations may be applicable in the future to our helicopter operations and whether we would be able to comply with them.

The revocation of any of the licenses discussed above or the termination of any of the relationships with local parties discussed above could have a material adverse effect on our business, financial condition or results of operations.

***Our MRO business, Heli-One, could suffer if licenses issued by the OEMs and/or governmental authorities are not renewed or we cannot obtain additional licenses.***

Our MRO business, Heli-One, receives a significant portion of its third-party revenue from activities that require licenses from the OEMs and governmental authorities. The Heli-One business may require additional licenses to grow. We cannot provide any assurance that we will be able to obtain or maintain such licenses from the OEMs and/or governmental authorities on acceptable terms or at all. Furthermore, our MRO business could decline if existing licenses are revoked or cannot be renewed upon the expiration of existing terms.

***We derive significant revenue from non-wholly owned variable interest entities. If we are unable to maintain good relations with the other owners of such non-wholly owned entities, our business, financial condition or results of operations could be adversely affected.***

Local aviation regulations require us to operate through non-wholly owned entities with local shareholders. We conduct many of our international operations through entities in which we have a minority investment or through strategic alliances with foreign partners. We derive significant amounts of revenue from these entities. For the six months ended October 31, 2013, we derived \$528.3 million of revenue, representing 62% of our total revenue from variable interest entities owned in part by local shareholders. We depend to some extent upon good relations with our local shareholders to ensure profitable operations. These shareholders may have interests that are not always aligned with ours. These shareholders are not required to provide any funding that these entities may require. Furthermore, certain shareholders' agreements with local shareholders contain call arrangements which allow the local shareholder to elect to purchase our shares and/or require us to bear all of the losses of these entities. The calls are exercisable in certain circumstances, including liquidation and events of default. In the event shareholder disputes arise or we lose our interest in these entities and/or find other local partners, this could negatively impact our revenues and profit sharing from these entities, and could have a material adverse effect on our business, financial condition or results of operations.

***Our operations may suffer due to political and economic uncertainty.***

Risks associated with some of our operations include political, social and economic instability, war, terrorism and civil disturbances or other events that may limit or disrupt markets, expropriation without fair compensation, requirements to award contracts, concessions or licenses to nationals, international exchange restrictions and

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currency fluctuations, changing political conditions and monetary policies of foreign governments. Any of these events could materially adversely affect our ability to provide services to our customers. Certain of our helicopter leases and loan agreements impose limitations on our ability, including requiring the prior approval of the lessor or the lender, to locate particular helicopters in certain countries. We cannot provide assurance that these limitations will not affect our ability to allocate resources in the future to meet our operational needs.

### ***Our business in countries with a history of corruption and transactions with foreign governments increases the compliance risks associated with our international activities.***

Our international operations could expose us to trade and economic sanctions or other restrictions imposed by the United States or other governments or organizations. The U.S. Department of Justice, or the DOJ, and other federal agencies and authorities have a broad range of civil and criminal penalties at their disposal to impose against corporations and individuals for violations of trading sanctions laws, the Foreign Corrupt Practices Act, or the FCPA, and other federal statutes. Under trading sanctions laws, the government may seek to impose modifications to business practices, including cessation of business activities in sanctioned countries, and modifications to compliance programs, which may increase compliance costs, and could subject us to fines, penalties and other sanctions. If any of the risks described above were to materialize, they could adversely impact our financial condition or results of operations.

These laws also prohibit improper payments or offers of payments to foreign governments and their officials and political parties for the purpose of obtaining or retaining business. We have operations, deal with government entities and have contracts in countries known to experience corruption. Our activities in these countries create the risk of unauthorized payments or offers of payments by one of our employees, consultants, sales agents or associates that could be in violation of various laws including the FCPA, even though these parties are not always subject to our control. Our existing safeguards and procedures might prove to be less than fully effective, and our employees, consultants, sales agents or associates might engage in conduct for which we could be held responsible. Violations of the FCPA could result in severe criminal or civil sanctions, and we could be subject to other liabilities that could negatively affect our business, financial condition or results of operations.

In addition, from time to time, we and our subsidiaries are subject to investigation by various government agencies in the jurisdictions in which we operate. In 2006, we voluntarily disclosed to the U.S. Office of Foreign Asset Control, or the OFAC, that our subsidiary, formerly operating as Schreiner Airways might have violated applicable U.S. laws and regulations by re-exporting to Iran, Sudan, and Libya certain helicopters, related parts, map data, operation and maintenance manuals, and aircraft parts for third-party customers. OFAC's investigation is ongoing and we continue to fully cooperate. Should the U.S. government determine that these activities violated applicable laws and regulations, we or our subsidiaries could be subject to civil or criminal penalties, including fines and/or suspension of the privilege to engage in trading activities involving goods, software and technology subject to U.S. jurisdiction. At January 6, 2014, it is not possible to determine the outcome of this matter, or the significance, if any, to our business, financial condition or results of operations.

### ***We are subject to extensive environmental, health and safety laws, rules, regulations and ordinances that could have an adverse impact on our business.***

We are subject to extensive laws, rules, regulations and ordinances in the various jurisdictions in which we operate relating to pollution and protection of the environment and to human health and safety, including those relating to discharge of noise, emissions to the air, releases or discharges to soil or water, the use, storage and disposal of petroleum and other regulated materials and the remediation of contaminated sites.

Our operations, including helicopter maintenance and helicopter fueling, involve the use, handling, storage and disposal of materials that may be classified as hazardous to human health and safety and to the environment. Laws protecting the environment have become more stringent in recent years and may, in certain circumstances, impose liability for the investigation and cleanup of releases of regulated materials and related environmental

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damage without regard to negligence or fault. These laws also might expose us to liability for the conduct of, or conditions caused by, others such as historic spills of regulated materials at our facilities, for acts that were in compliance with all applicable laws at the time such acts were performed, and for contamination at third-party sites where substances were sent for off-site treatment or disposal. Additionally, any failure by us to comply with applicable environmental, health and safety or planning laws and regulations could result in governmental authorities or other third parties taking action against our business that could adversely impact our operations and financial condition, including the:

issuance of administrative, civil and criminal penalties;

denial or revocation of permits or other authorizations;

imposition of limitations on our operations; and

performance of site investigatory, remedial or other corrective actions.

In addition, changes in laws or regulations protecting the environment may result in changes in the regulation of the offshore oil and gas industry, which in turn could adversely affect us. We cannot predict the likelihood of change to any of these laws or in their enforcement or the impact that any such change, or any discovery of previously unknown conditions, could have on our costs and financial position.

***We are subject to many different forms of taxation in various jurisdictions throughout the world, which could lead to disagreements with tax authorities regarding the application of tax laws.***

We are subject to many different forms of taxation including, but not limited to, income tax, withholding tax, commodity tax and payroll-related taxes. Tax law and administration is extremely complex and often requires us to make subjective determinations. The tax authorities in the various jurisdictions where we conduct business might not agree with the determinations that are made by us with respect to the application of tax law. Such disagreements could result in lengthy legal disputes and, ultimately, in the payment of substantial funds to the government authorities of foreign and local jurisdictions where we carry on business or provide goods or services, which could have a material adverse effect on our business, financial condition or results of operations.

Our estimate of tax related assets, liabilities, recoveries and expenses incorporates significant assumptions. These assumptions include, but are not limited to, the tax laws in various jurisdictions, the effect of tax treaties between jurisdictions, taxable income projections, and the benefits of various restructuring plans. To the extent that such assumptions differ from actual results, we may have to record additional income tax expenses and liabilities.

***We are exposed to foreign currency risks.***

Our consolidated financial statements are presented in U.S. dollars. However, a significant portion of our revenue and operating expenses are denominated in currencies consisting primarily of Pound Sterling, Norwegian Kroner, Canadian Dollars, Australian Dollars and the Euro. The functional currencies of many of our subsidiaries are non-U.S. currencies. There can be no assurances that our foreign currency risk management strategies will be effective and that foreign currency fluctuations will not adversely affect our results of operations and financial condition. See

Management's Discussion and Analysis of Financial Condition and Results of Operations Critical Accounting Policies and Estimates Quantitative and Qualitative Disclosures About Market Risk elsewhere in this prospectus.

***Our failure to hedge exposure to fluctuations in foreign currency exchange rates effectively could unfavorably affect our financial performance.***

We currently utilize derivative instruments to hedge our exposure to fluctuations in certain foreign currency exchange rates. These instruments may involve elements of market risk in excess of the amounts recognized in our consolidated financial statements. See Management's Discussion and Analysis of Financial Condition and

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Results of Operations Critical Accounting Policies and Estimates Quantitative and Qualitative Disclosures About Market Risk elsewhere in this prospectus. Further, our financial results from operations of our subsidiaries which incur revenue and operating expenses in currencies other than U.S. dollars may be negatively affected if we fail to execute or if we improperly hedge our exposure to currency fluctuations.

***We are exposed to credit risks.***

We are exposed to credit risk on our financial investments which depends on the ability of our counterparties to fulfill their obligations to us. We manage credit risk by entering into arrangements with established counterparties and through the establishment of credit policies and limits, which are applied in the selection of counterparties.

Credit risk on financial instruments arises from the potential for counterparties to default on their contractual obligations and is limited to those contracts on which we would incur a loss in replacing the instrument. We limit our credit risk by dealing only with counterparties that possess investment grade credit ratings and monitor our concentration risk with counterparties on an ongoing basis. The carrying amount of financial assets represents the maximum credit exposure for financial assets.

Credit risk arises on our trade receivables from the unexpected loss in cash and earnings when a customer cannot meet its obligation to us or when the value of security provided declines. To mitigate trade credit risk, we have developed credit policies that include the review, approval and monitoring of new customers, annual credit evaluations and credit limits. There can be no assurance that our risk mitigation strategies will be effective and that credit risk will not adversely affect our financial condition and results of operations.

***Our customers may seek to shift risk to us.***

We give to and receive from our customers indemnities relating to damages caused or sustained by us in connection with our operations. Our customers' changing views on risk allocation could cause us to accept greater risk to win new business or could result in us losing business if we are not prepared to take such risks. To the extent that we accept such additional risk, and seek to insure against it, our insurance premiums could rise.

***Our operations are largely dependent upon the level of activity in the oil and gas industry.***

To varying degrees, activity levels in the oil and gas industry are affected by long-term trends in oil and gas prices. Historically, the prices for oil and gas have been volatile and subject to wide fluctuations in response to changes in the supply of and demand for oil and gas, market uncertainty and a variety of additional factors beyond our control, such as:

actions of the Organization of Petroleum Exporting Countries and other oil producing countries to control prices or change production levels;

general economic and political conditions, both worldwide and in the regions in which we operate;

governmental regulation and policy;



the price and availability of alternative fuels;

advances in exploration, development and production technology; and

the effects of hostilities or instability in oil-producing countries or the regions in which they are located. We cannot predict future oil and gas price movements. Any prolonged reduction in oil and gas prices could depress the level of helicopter activity in support of exploration and, to a lesser extent, production activity and, therefore have a material adverse effect on our business, financial condition and results of operations. For the fiscal year ended April 30, 2013, revenue generated by helicopter transportation services for the oil and gas industry was approximately 81% of our total revenues.

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Additionally, an increase in onshore fracking, which generally does not require use of our helicopter services, could have an adverse effect on our operations. If onshore fracking were to meaningfully increase in the international markets in which we operate, and if it were to drive a meaningful increase in the supply of hydrocarbons available to the markets we serve, it could potentially adversely impact the level of activity in our offshore oil and gas markets and the demand for our helicopter services.

***Our customers are primarily in the oil and gas industry and, as a result, changes in economic and industry conditions could expose us to additional credit risk.***

The majority of our customers are engaged in oil and gas production, exploration and development. For the fiscal year ended April 30, 2013, revenue generated by helicopter transportation services from oil and gas customers represented approximately 81% of our total revenues. This concentration could impact the overall exposure to credit risk because changes in economic and industry conditions that adversely affect the oil and gas industry could affect the majority of our customers. We generally do not require letters of credit or other collateral to support our trade receivables. Accordingly, a sudden or protracted downturn in the economic condition of the oil and gas industry could adversely impact our ability to collect our receivables and thus impact our business, financial condition or results of operations.

***We are highly dependent upon the level of activity in the North Sea, which is a mature exploration and production region.***

For the fiscal year ended April 30, 2013, approximately 44% of our gross revenue was derived from helicopter services provided to customers operating in the North Sea. The North Sea is a mature exploration and production region that has undergone substantial seismic survey and exploration activity for many years. Because a large number of oil and gas properties in this region have already been drilled, additional prospects of sufficient size and quality could be more difficult to identify. Generally, the production from these drilled oil and gas properties is declining. In the future, production could decline to the point that such properties are no longer economical to operate, in which case, our services with respect to such properties will no longer be needed. Oil and gas companies might not identify sufficient additional drilling sites to replace those that become depleted or cease to be economically viable. If activity in oil and gas exploration, development and production in the North Sea materially declines, our business, financial condition and results of operations could be materially and adversely affected. We cannot predict the levels of activity in this or any other geographic area.

***If oil and gas companies undertake cost reduction methods, there may be an adverse effect on our business.***

Oil and gas companies engaged in the production, exploration and development sector continually seek to implement measures aimed at reducing costs, including the cost of helicopter support operations. For example, oil and gas companies in some circumstances have reduced manning levels on both old and new platforms, rigs and other installations by using new technology to permit unmanned operations, which could increase the length of offshore shifts and reduce the frequency of transportation of employees. The implementation of such measures could reduce the demand for helicopter transportation services and have a material adverse effect on our business, financial condition and results of operations.

***Reductions in spending on helicopter services by government agencies could lead to modifications of SAR and EMS contract terms or delays in receiving payments, which could adversely impact our business, financial condition and results of operations.***

We receive significant revenue from government agencies in Ireland, the United Kingdom and Australia. Any reductions in the budgets of government agencies for spending on helicopter services, implementations of cost savings

measures by government agencies, imposed modifications of contract term or delays in collecting receivables owed to us by our government agency customers or loss of contracts could have an adverse effect on our business, financial condition and results of operations.

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In addition, there are inherent risks in contracting with government agencies. Applicable laws and regulations in the countries in which we operate may enable our government agency customers to (i) terminate contracts for convenience, (ii) reduce, modify or cancel contracts or subcontracts if requirements or budgetary constraints change and/or (iii) terminate contracts or adjust their terms.

***Failure to develop or implement new technologies and disruption to our systems could affect our results of operations.***

Many of the helicopters we operate are characterized by changing technology, introductions and enhancements of models of helicopters and services and shifting customer demands, including technology preferences. Our future growth and financial performance will depend in part upon our ability to develop market and integrate new services and to accommodate the latest technological advances and customer preferences. In addition, the introduction of new technologies or services that compete with our services could result in our revenues decreasing over time. If we are unable to upgrade our operations or fleet with the latest technological advances in a timely manner, or at all, our business, financial condition and results of operations could suffer. Any disruption to computers, communication systems or other technical equipment used by us and our fleet could significantly impair our ability to operate our business efficiently and could have a material adverse effect on our business, financial condition or results of operations.

***We rely on information technology, and if we are unable to protect against service interruptions, data corruption, cyber-based attacks or network security breaches, our operations could be disrupted and our business could be negatively affected.***

We rely on information technology networks and systems to process, transmit and store electronic and financial information; to coordinate our business across our global operation bases; and to communicate within our company and with customers, suppliers, partners and other third-parties. These information technology systems, including the system at our global operations center in Irving, Texas, may be susceptible to damage, disruptions or shutdowns, hardware or software failures, power outages, computer viruses, cyber attacks, telecommunication failures, user errors or catastrophic events. If our information technology systems suffer severe damage, disruption or shutdown, and our business continuity plans do not effectively resolve the issues in a timely manner, our operations could be disrupted and our business could be negatively affected. In addition, cyber attacks could lead to potential unauthorized access and disclosure of confidential information, and data loss and corruption. There is no assurance that we will not experience these service interruptions or cyber attacks in the future.

***Assimilating any future material acquisitions into our company may strain our resources and have an adverse effect on our business.***

The assimilation of any future material acquisitions we may make will require substantial time, effort, attention and dedication of management resources and may distract management from ordinary operations. The transition process could create a number of potential challenges and adverse consequences, including the possible unexpected loss of key employees, customers or suppliers, a possible loss of revenues or an increase in operating or other costs. Inefficiencies and difficulties may arise because of unfamiliarity with new assets and the business associated with them, new geographic areas and new regulatory systems. These types of challenges and uncertainties could have a material adverse effect on our business, financial condition and results of operations. We may not be able to effectively manage the combined operations and assets or realize any of the anticipated benefits of future material acquisitions.

***The loss of key personnel could affect our growth and future success.***

Loss of the services of key management personnel at our corporate and regional headquarters without being able to attract personnel of equal ability could have a material adverse effect upon us.

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Our ability to attract and retain qualified pilots, mechanics, technicians and other highly-trained personnel is an important factor in determining our future success. The market for these experienced and highly trained personnel is competitive and may become more competitive. Accordingly, we cannot be assured that we will be successful in our efforts to attract and retain such personnel in the future. A limited supply of qualified applicants may contribute to wage increases that increase the related costs to us. Our failure to attract and retain qualified personnel could have a material adverse effect on our business, financial condition or results of operations.

***Labor problems could adversely affect us.***

Certain of our employees in the United Kingdom, Ireland, the Netherlands, Norway, Brazil, Canada and Australia (collectively, approximately 73% of our employees as of October 31, 2013) are represented under collective bargaining or union agreements. Any disputes over the terms of these agreements or our potential inability to negotiate acceptable contracts with the unions that represent our employees could result in strikes, work stoppages or other slowdowns by the affected workers. Periodically, certain groups of our employees who are not covered under a collective bargaining agreement consider entering into such an agreement.

If our unionized workers engage in a strike, work stoppage or other slowdown, other employees elect to become unionized, existing labor agreements are renegotiated, or future labor agreements contain terms that are unfavorable to us, we could experience a disruption of our operations or higher ongoing labor costs, which could adversely affect our business, financial condition or results of operations.

***If the assets in our defined benefit pension plans are not sufficient to meet the plans' obligations, we could be required to make substantial cash contributions and our liquidity could be adversely affected.***

We sponsor funded and unfunded defined benefit pension plans for our employees principally in Canada, the United Kingdom, the Netherlands and Norway. As of April 30, 2013, there was an \$87.7 million funding deficit related to our various defined benefit pension plans which require ongoing funding by us.

Our estimate of liabilities and expenses for pensions incorporates significant assumptions, including the interest rate used to discount future liabilities and expected long-term rates of return on plan assets. Our pension contributions and expenses, results of operations, liquidity or shareholders' equity in a particular period could be materially adversely affected by market returns that are less than the plans' expected long-term rates of return, a decline in the rate used to discount future liabilities and changes in the currency exchange rates. If the assets of our pension plans do not achieve expected investment returns for a fiscal year, such deficiency may result in increases in pension expense. Changing economic conditions, poor pension investment returns or other factors may require us to make substantial cash contributions to the pension plans in the future, preventing the use of such cash for other purposes and adversely affecting our liquidity.

***Adverse results of legal proceedings could materially and adversely affect our business, financial condition or results of operations.***

We are subject to and may in the future be subject to a variety of legal proceedings and claims that arise out of the ordinary conduct of our business. Results of legal proceedings cannot be predicted with certainty. Irrespective of its merits, litigation may be both lengthy and disruptive to our operations and could cause significant expenditure and diversion of management attention. We may be faced with significant monetary damages or injunctive relief against us that could materially adversely affect a portion of our business operations or materially and adversely affect our business, financial condition or results of operations should we fail to prevail in certain matters.

***In the event we are or become treated as a passive foreign investment company, or PFIC, for U.S. federal income tax purposes, our U.S. shareholders could be subject to adverse U.S. federal income tax consequences.***

In the event we are or become a PFIC, U.S. Holders (as defined in Taxation Material United States Federal Income Tax Considerations ) of our ordinary shares could be subject to adverse U.S. federal income tax

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consequences. These consequences include the following: (i) if our ordinary shares are marketable stock for purposes of the PFIC rules and a U.S. Holder makes a mark-to-market election with respect to its ordinary shares, the U.S. Holder will be required to include annually in its U.S. federal taxable income an amount reflecting any year-end increase in the value of its ordinary shares, (ii) if a U.S. Holder does not make a mark-to-market election, it may incur significant additional U.S. federal income taxes on income resulting from certain distributions on, or any gain from the disposition of, our ordinary shares, as such income generally would be allocated over the U.S. Holder's holding period for its ordinary shares and subject to tax at the highest rates of U.S. federal income taxation in effect for such years, with an interest charge then imposed on the deferral of the resulting taxes with respect to such income, and (iii) dividends paid by us would not be eligible for reduced individual rates of U.S. federal income taxation in any year in which we are treated as a PFIC and in any year immediately following a year in which we are treated as a PFIC. In addition, U.S. Holders that own an interest in a PFIC are required to file additional U.S. federal tax information returns under guidance that has yet to be finalized. A U.S. Holder may not make a mark-to-market election with respect to any of our subsidiaries that are PFICs to mitigate the adverse tax consequences applicable under the PFIC rules attributable to any such subsidiary. See *Taxation Material United States Federal Income Tax Considerations Passive Foreign Investment Company Consequences*.

The classification of our gross operating income as income from services, which should not be considered passive income for purposes of the PFIC income test, or rents, which could be passive income for that purpose, is a facts and circumstances determination that takes into consideration many factors and the weight that should be given to each factor and is currently subject to significant uncertainty under the U.S. federal income tax law. We believe that our gross operating income should be classified principally as income from services and not from rents, and that, accordingly, we should not be a PFIC under the PFIC income test. Nevertheless, there can be no assurance that the Internal Revenue Service, or IRS, will agree with our conclusion and that the IRS would not successfully challenge our position. Accordingly, there can be no assurance that we are not currently a PFIC and that we will not be a PFIC in the future under the PFIC income test.

**Risks Related to Our Ownership Structure**

*We are controlled by our financial sponsor, which might have interests that conflict with ours or the interests of our other shareholders.*

We are controlled by First Reserve, which can determine the outcome of matters to be decided by our shareholders. Circumstances may occur in which the interests of First Reserve could be in conflict with our interests or the interests of our other shareholders. For example, First Reserve is in the business of making investments in companies and might from time to time in the future acquire interests in businesses that directly or indirectly compete with certain portions of our business or that are suppliers or customers of ours. Further, if First Reserve pursues such acquisitions or makes further investments in our industry, those acquisitions and investment opportunities might not be available to us. So long as First Reserve continues to directly or indirectly own a significant amount of our equity, even if such amount is less than 50%, it will continue to be able to influence our decisions. In addition, this concentration of ownership could have the effect of delaying, preventing or deterring a change of control of our company, could deprive shareholders of an opportunity to receive a premium for their ordinary shares as part of a sale of our company and might ultimately affect the market price of our ordinary shares.

*Upon the listing of our ordinary shares on the NYSE, we will be a controlled company within the meaning of the NYSE rules and, as a result, will qualify for, and intend to rely on, exemptions from certain corporate governance requirements. You will not have the same protections afforded to shareholders of companies that are subject to such requirements.*



After the completion of this offering, funds affiliated with First Reserve will continue to beneficially own a majority of the voting power of our ordinary shares eligible to vote in the election of our directors. As a result, we will be a controlled company within the meaning of the corporate governance standards of the NYSE. Under these rules,

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a company of which more than 50% of the voting power in the election of directors is held by an individual, group or another company is a controlled company and may elect not to comply with certain corporate governance requirements, including the requirements that, within one year of the date of the listing of our ordinary shares:

we have a board of directors that is comprised of a majority of independent directors, as defined under the rules of the NYSE;

we have a compensation committee that is comprised entirely of independent directors; and

we have a nominating and corporate governance committee that is comprised entirely of independent directors.

Following this offering, we intend to utilize these exemptions. As a result, a majority of the directors on our board of directors will not be independent. In addition, the compensation committee and the corporate governance committee of our board of directors will not consist entirely of independent directors or be subject to annual performance evaluations. Accordingly, you will not have the same protections afforded to shareholders of companies that are subject to all of the corporate governance requirements of the NYSE.

## **Risks Related to this Offering and Ownership of Our Ordinary Shares**

***You will experience an immediate and substantial dilution in the net tangible book value of the ordinary shares you purchase in this offering.***

The initial public offering price per share of our ordinary shares is substantially higher than the as adjusted net tangible book value per share of our ordinary shares will be immediately after this offering. As a result, you may pay a price per share that substantially exceeds the book value of our assets after subtracting our liabilities. Investors who purchase ordinary shares in this offering will be diluted by \$11.29 per share after giving effect to the sale of ordinary shares in this offering at an assumed initial public offering price of \$13.00 per share, which represents the midpoint of the price range set forth on the cover page of this prospectus. If we grant options in the future to our employees, and those options are exercised or other issuances of ordinary shares are made, there will be further dilution. See Dilution.

***There may be sales of a substantial amount of our ordinary shares after this offering by our current shareholders, and these sales could cause the price of our ordinary shares to fall.***

After this offering, there will be 75,931,484 ordinary shares outstanding (or 80,343,284 ordinary shares if the underwriters exercise in full their option to purchase additional ordinary shares from us). Of our issued and outstanding ordinary shares, all the shares sold in this offering will be freely transferable, except for any shares held by our affiliates, as that term is defined in Rule 144 under the Securities Act. Immediately following the completion of this offering, funds affiliated with First Reserve will own an approximate 60.5% indirect economic and voting interest in us through CHC Cayman, which will own approximately 61.3% of our outstanding ordinary shares (or 57.9% if the underwriters exercise their option to purchase additional ordinary shares in full). These percentage ownership levels could change in the future. For more information, see Principal Shareholders.

Each of our directors, executive officers and First Reserve have entered into a lock-up agreement with representatives of the underwriters, which regulates, among other things, their sales and transfers of ordinary shares for a period of

180 days after the date of this prospectus, subject to certain exceptions and automatic extensions in certain circumstances. See [Shares Eligible for Future Sale](#) [Lock-Up Agreements](#).

Sales of substantial amounts of our ordinary shares in the public market after this offering, including by us or First Reserve or the perception that such sales will occur, could adversely affect the market price of our ordinary shares and make it difficult for us to raise funds through securities offerings in the future. Of the ordinary shares to be outstanding after the offering, the ordinary shares offered by this prospectus will be eligible for immediate sale in the public market without restriction by persons other than our affiliates.

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*There has been no prior trading market for our ordinary shares, and an active trading market might not develop or be sustained following this offering. The market price of our ordinary shares may be volatile, which could cause the value of your investment to decline.*

Prior to this offering, our ordinary shares have not been traded in a public market. We cannot predict the extent to which a trading market will develop or how liquid that market might become. The initial public offering price may not be indicative of prices that will prevail in the trading market. The trading price of our ordinary shares following this offering is, therefore, likely to be highly volatile and could be subject to wide fluctuations in price in response to various factors, some of which are beyond our control. These factors include:

changes in financial estimates, including our ability to meet our future revenue and operating profit or loss projections;

fluctuations in our operating results or those of our competitors;

fluctuations in the economic performance or market valuations of companies perceived by investors to be comparable to us;

fluctuations in worldwide prices of and demand for oil and natural gas;

economic developments in the offshore oil and gas industry as a whole;

general economic conditions and slow or negative growth of related markets;

announcements by us or our competitors of acquisitions, new products, significant contracts or orders, commercial relationships or capital commitments;

the existence of operating risks inherent in our business, including the possibility of declining safety performance;

commencement of or our involvement in litigation;

disruption to our operations;

our ability to maintain our fleet of helicopters;

any major change in our board of directors or management;

political or social conditions in the markets where we operate;

changes in governmental regulations;

changes in foreign exchange rates and controls; and

changes in earnings estimates or recommendations by securities analysts.

In addition, the stock market in general, and the market for providers of helicopter services to the worldwide offshore oil and gas industry in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of those companies. These fluctuations may be even more pronounced in the trading market shortly following this offering. These broad market and industry factors may cause the market price of our ordinary shares to decrease, regardless of our actual operating performance. These trading price fluctuations could also make it more difficult for us to use our ordinary shares as a means to make acquisitions or to use options to purchase our ordinary shares to attract and retain employees. If the market price of our ordinary shares after this offering does not exceed the initial public offering price, you might not realize any return on your investment in us and might lose some or all of your investment. In addition, in the past, following periods of volatility in the overall market and the market price of a company's securities, securities class action litigation has often been instituted against these companies. Any such litigation, if instituted against us, could result in substantial costs and a diversion of our management's attention and resources.

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***We are a holding company and, accordingly, are dependent upon distributions from our subsidiaries to generate the funds necessary to meet our financial obligations and pay dividends.***

We are a holding company and have no business operations of our own. We have no independent means of generating revenue. As a result, we are dependent on loans, dividends and other payments from our subsidiaries to generate the funds necessary to pay our expenses and to pay any cash dividends. There can be no assurance that our subsidiaries will generate sufficient cash flow to dividend or distribute funds to us or that applicable laws, their operating documents and contractual restrictions, including negative covenants in our or their debt instruments, will permit such dividends or distributions. Our debt instruments currently restrict the ability of our subsidiaries to pay dividends or make distributions to us. See also Management's Discussion and Analysis of Financial Condition and Results of Operations Critical Accounting Policies and Estimates Consolidation of Variable Interest Entities.

***The requirements of being a public company may strain our resources and distract our management.***

As a public company, we will be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and requirements of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act. These requirements may place a strain on our systems and resources. The Exchange Act requires that we file annual and current reports with respect to our business and financial condition. The Sarbanes-Oxley Act requires that we maintain effective disclosure controls and procedures and internal controls over financial reporting. To maintain and improve the effectiveness of our disclosure controls and procedures and internal controls, we will need to commit significant resources, hire additional staff and provide additional management oversight. We will be implementing additional procedures and processes for the purpose of addressing the standards and requirements applicable to public companies. These activities may divert management's attention from other business concerns, which could have a material adverse effect on our business, financial condition and results of operations. We expect to incur significant additional annual expenses related to these steps and, among other things, additional directors and officers' liability insurance, director fees, reporting requirements, transfer agent fees, hiring additional accounting, legal and administrative personnel, increased auditing and legal fees and similar expenses.

***We have identified significant deficiencies in our internal control over financial reporting, and our internal controls may not meet all of the standards contemplated by Section 404 of the Sarbanes-Oxley Act. Failure to achieve and maintain effective internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act could have a material adverse effect on our business and ordinary share price.***

In connection with the preparation of our fiscal 2013 financial statements, we concluded that we had three significant deficiencies as of April 30, 2013. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those responsible for oversight of our financial reporting, including the audit committee of the board of directors. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. The significant deficiencies we identified related to our lack of sufficient controls relating to the operations of our IT general controls and of control over certain vendor statement reconciliations. We believe that we have remediated these significant deficiencies as of October 31, 2013. In December 2013 we concluded we had an additional significant deficiency as of October 31, 2013 as the result of the failure to adequately identify one of our contractual arrangements and analyze it from an accounting perspective. We believe this item has been remediated as of the date hereof. Specifically, we remediated our controls by implementing processes to ensure our database data change logs are properly configured, monitored and reviewed on a daily basis. In addition, we have enhanced our review processes to ensure that data changes made to critical or restricted data follow our change management and approval procedures, implemented a new process to reconcile our accounts

payable sub-ledger and accrued liabilities balances to certain vendor statements on a monthly basis, and enhanced our disclosure control process. No assurance can be given that we have adequately remediated these significant deficiencies or that we will not discover additional significant deficiencies or material weaknesses, or that they could not occur in the future.

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Our internal control over financial reporting currently may not meet the standards contemplated by Section 404 of the Sarbanes-Oxley Act that we will eventually be required to meet. If we are not able to complete our assessment of internal controls over financial reporting accordance with the requirements of Section 404 in a timely manner or with adequate compliance, our independent registered public accounting firm might not be able to certify as to their adequacy.

Matters affecting our internal control might cause us to be unable to report our financial information on a timely basis and thereby subject us to adverse regulatory consequences, including sanctions by the SEC or violations of applicable stock exchange listing rules, which could result in a breach of the covenants under our financing arrangements. There also could be a negative reaction in the financial markets due to a loss of investor confidence in us and the reliability of our financial statements. Confidence in the reliability of our financial statements also could suffer if we or our independent registered public accounting firm were to report a material weakness in our internal control over financial reporting. This could materially adversely affect us and lead to a decline in the price of our ordinary shares.

***If securities analysts or industry analysts downgrade our ordinary shares, publish negative research or reports or fail to publish reports about our business, our share price and trading volume could decline.***

The trading market for our ordinary shares will be influenced by the research and reports that industry or securities analysts publish about us, our business and our market. If one or more analysts adversely change their recommendation regarding our stock or our competitors' stock, our share price would likely decline. If one or more analysts cease coverage of us or fail to publish reports on us regularly, we could lose visibility in the financial markets which in turn could cause our share price or trading volume to decline.

***Our actual operating results may differ significantly from our guidance and investor expectations, which would likely cause our share price to decline.***

From time to time, we may release guidance in our earnings releases, earnings conference calls or otherwise, regarding our future performance that represent our management's estimates as of the date of release. If given, this guidance, which will include forward-looking statements, will be based on projections prepared by our management. Projections are based upon a number of assumptions and estimates that, while presented with numerical specificity, are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control. The principal reason that we expect to release guidance is to provide a basis for our management to discuss our business outlook with analysts and investors. With or without our guidance, analysts and other investors may publish expectations regarding our business, financial performance and results of operations. We do not accept any responsibility for any projections or reports published by any such third persons.

Guidance is necessarily speculative in nature, and it can be expected that some or all of the assumptions of the guidance furnished by us will not materialize or will vary significantly from actual results. If our actual performance does not meet or exceed our guidance or investor expectations, the trading price of our ordinary shares is likely to decline.

***Provisions of our articles of association and Cayman Islands corporate law may discourage or prevent an acquisition of us which could adversely affect the value of our ordinary shares.***

Provisions of our memorandum and articles of association and Cayman Islands law may have the effect of delaying or preventing a change of control or changes in our management. Our memorandum and articles of association will contain provisions that:



permit our board of directors to issue, without any further vote or action by our shareholders, preferred shares in one or more series and, with respect to each series, to fix the number of shares constituting

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the series and the designation of the series, the voting powers (if any) of the shares of such series, and the preferences and other special rights, if any, and any qualifications, limitations or restrictions, of the shares of the series; and

will provide for our board of directors to be a classified board.

The foregoing provisions may impose various impediments to the ability of a third-party to acquire control of us, even if a change of control would be beneficial to our existing shareholders.

***Our organizational documents contain a variety of anti-takeover provisions that could delay, deter or prevent a change in control.***

Various provisions of our organizational documents and Cayman Islands law may delay, deter or prevent a change in control of us that is not approved by our board of directors. These provisions include:

a classified board of directors;

a requirement that annual general meetings of shareholders be called by only a majority of the board of directors or by the Chairman of the board of directors or in the case of extraordinary general meetings, by a majority of the board of directors, by the Chairman of the board of directors or by shareholders holding not less than a majority of our shares then outstanding;

advance notice requirements for shareholder proposals and nominations;

limitations on the ability of shareholders to amend, alter or repeal our organizational documents; and

the authority of the board of directors to issue preferred shares with such terms as the board of directors may determine.

***Shareholder rights under Cayman Islands law may differ materially from shareholder rights in the United States, which could adversely affect the ability of us and our shareholders to protect our and their interests.***

We are a company incorporated under the laws of the Cayman Islands. Our corporate affairs are governed by our memorandum and articles of association, as amended and restated from time to time, by the Companies Law (as revised) of the Cayman Islands and the common law of the Cayman Islands. The rights of shareholders to take action against the directors, actions by minority shareholders and the fiduciary responsibilities of our directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands, as well as from English common law, the decisions of whose courts are of persuasive authority but are not binding on a court in the Cayman Islands. In particular, some jurisdictions, such as the state of Delaware, have more fully developed and judicially interpreted bodies of corporate laws. Moreover, we could be involved in a corporate combination in which dissenting shareholders would have no rights comparable to appraisal rights that would otherwise ordinarily be available to dissenting shareholders of United States corporations. Also, our Cayman Islands counsel is not aware of a

significant number of reported class actions having been brought in Cayman Islands courts. Such actions are ordinarily available in respect of United States corporations in U.S. courts. Finally, Cayman Islands companies might not have standing to initiate shareholder derivative actions before the federal courts of the United States. As a result, our public shareholders could face different considerations in protecting their interests in actions against our management, directors or financial sponsor than would shareholders of a corporation incorporated in a jurisdiction in the United States, and our ability to protect our interests may be limited if we are harmed in a manner that would otherwise enable us to sue in a United States federal court. See Description of Share Capital Material Differences in Corporate Law.

***As a holder of the ordinary shares, you might have difficulty obtaining or enforcing a judgment against us because we are incorporated under the laws of the Cayman Islands.***

Because we are a Cayman Islands company, there is uncertainty as to whether the Grand Court of the Cayman Islands would recognize or enforce judgments of United States courts obtained against us predicated

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upon the civil liability provisions of the securities laws of the United States or any state thereof, or be competent to hear original actions brought in the Cayman Islands against us predicated upon the securities laws of the United States or any state thereof.

***Our financial sponsor may compete with us, and our memorandum and articles of association contain a provision that expressly permits our non-employee directors to compete with us.***

First Reserve may compete with us for investments in our business. There is no assurance that any conflicts of interest created by such competition will be resolved in our favor. Moreover, First Reserve is in the business of making investments in companies and acquires and holds interests in businesses that compete directly or indirectly with us. Our memorandum and articles of association, as amended (or our articles of association), will provide that, to the maximum extent permitted from time to time by Cayman Islands law, we renounce any interest or expectancy that we have in, or any right to be offered an opportunity to participate in, any business opportunities that are from time to time presented to our directors or their affiliates, other than to those directors who are employed by us or our subsidiaries, unless the business opportunity is expressly offered to such person in his or her capacity as a director of the Company, and none of First Reserve or its affiliates, or any director who is not employed by us or any of his or her affiliates, will have any duty to refrain from engaging, directly or indirectly, in the same business activities or similar business activities or lines of business in which we or our affiliates engage or propose to engage or to refrain from otherwise competing with us or our affiliates. First Reserve also may pursue acquisition opportunities that may be complementary to our business, and, as a result, those acquisition opportunities might not be available to us.

Our articles of association will also provide that any director, officer, committee member or agent of both the Company and a member of First Reserve group (or an Identified Person), First Reserve or any non-employee director taking, developing, offering or transferring to another person or entity, any potential transaction, business or investment opportunity that has been renounced by the Company shall not constitute an act or omission committed in bad faith or as the result of active or deliberate dishonesty, and any benefit received, directly or indirectly, by First Reserve, an Identified Person or any non-employee director as the result of any such potential transaction, business or investment opportunity shall not constitute receipt of an improper benefit, or an improper personal benefit, in money, property, services or otherwise.

Our articles of association provide that, to the maximum extent permitted from time to time by Cayman Islands law, each of our non-employee directors (including those designated by First Reserve) may:

acquire, hold and dispose of ordinary shares for his or her own account or for the account of others, and exercise all of the rights of a shareholder to the same extent and in the same manner as if he or she were not our director; and

in his or her personal capacity or in his or her capacity as a director, officer, trustee, shareholder, partner, member, equity owner, manager, advisor or employee of any other person, have business interests and engage in business activities that are similar to ours, compete with us or involve a business opportunity that we could seize and develop.

Our articles of association also will provide that, to the maximum extent permitted from time to time by Cayman Islands law, in the event that First Reserve or any non-employee director acquires knowledge of a potential transaction or other business opportunity, such person will have no duty to communicate or offer such transaction or business opportunity to us or any of our affiliates and may take any such opportunity for itself, himself or herself or offer it to

another person or entity unless the business opportunity is expressly offered to such person in his or her capacity as our director. These provisions may limit our ability to pursue business or investment opportunities that we might otherwise have had the opportunity to pursue, which could have an adverse effect on our financial condition, our results of operations, our cash flow, the per share trading price of our ordinary shares and our ability to satisfy our debt service obligations.

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**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus, including the sections titled Prospectus Summary, Risk Factors, Use of Proceeds, Management's Discussion and Analysis of Financial Condition and Results of Operations and Business, contains forward-looking statements that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this prospectus, including statements regarding our future financial condition, business strategy and plans and objectives of management for future operations, are forward-looking statements. In some cases you can identify these statements by forward-looking words such as believe, may, will, estimate, continue, anticipate, intend, would, project, plan, expect or the negative or plural of these words or similar expressions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions described in the section of this prospectus captioned Risk Factors and elsewhere in this prospectus, regarding, among other things:

our level of indebtedness and obligations under our operating leases;

competition in the markets we serve;

loss of any of our large, long-term support contracts;

inherent risks in operating helicopters;

failure to mitigate losses through a robust safety management and insurance coverage program or to maintain standards of acceptable safety performance;

risks associated with our fixed operating expenses and long-term contracts;

our reliance on a small number of helicopter manufacturers;

limited number of suppliers and availability of replacement helicopter parts and subcontracted services;

inability to fund our working capital requirements;

reliance on the secondary used helicopter market to dispose of older helicopters;

extensive regulation;

potential for conflict with the other owners of non-wholly-owned variable interest entities;

political and economic uncertainty;

compliance risks associated with international activities;

application of tax laws in various jurisdictions;

foreign currency exposure and related hedging activities;

exposure to credit risks;

allocation of risk between our customers and us;

dependence on the oil and gas industry, and particular markets within that industry;

reduction or cancellation of services for government agencies;

inability to upgrade our technology;

reliance on information technology;

assimilation of acquisitions and the impact of any future material acquisitions;

loss of key personnel;

labor problems;

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insufficient assets in our defined benefit pension plan;

adverse results of legal proceedings;

potential adverse U.S. federal income tax consequences;

our financial sponsor's control over us, and its interests that may conflict with ours and may differ from those of our public shareholders;

future sales of our ordinary shares by current shareholders;

lack of a prior trading market for our ordinary shares;

our holding company structure; and

the costs of being a public company, including Sarbanes-Oxley Act compliance.

We caution you that the above list of cautionary statements is not exhaustive and should be considered with the risks described under "Risk Factors" and elsewhere in this prospectus. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual outcomes may vary materially from those indicated. We disclaim any intentions or obligations to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.



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**USE OF PROCEEDS**

We estimate that the net proceeds we receive from this offering, after deducting underwriting discounts and estimated offering expenses of \$28.5 million payable by us in connection with the offering, will be approximately \$353.8 million, or approximately \$408.2 million if the underwriters exercise in full their right to purchase additional ordinary shares from us, assuming an initial public offering price of \$13.00 per share, which represents the midpoint of the price range set forth on the cover page of this prospectus. A \$1.00 increase (decrease) in the assumed initial public offering price of \$13.00 per share would increase (decrease) the net proceeds to us from this offering by approximately \$27.9 million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same.

We intend to use approximately \$134.0 million of the net proceeds from this offering to redeem 10% of the aggregate principal amount of our senior secured notes at 103% of the principal amount, plus accrued and unpaid interest, if any, a portion of the net proceeds, together with cash then on hand, to repay borrowings under our existing senior secured revolving credit facility of \$225.0 million and the remaining net proceeds, if any, for general corporate purposes. The senior secured notes bear interest at an annual rate of 9.25%, with semi-annual interest payments due on April 15 and October 15, and mature on October 15, 2020.

As of October 31, 2013, we had \$15.0 million of borrowings outstanding under our existing senior secured revolving credit facility and \$53.4 million of letters of credit were issued and outstanding under such credit facility. Subsequent to October 31, 2013, the borrowings under our existing senior secured revolving credit facility increased from \$15.0 million by \$210.0 million to \$225.0 million as of the date of this prospectus. This indebtedness had a weighted average interest rate of 7.25% as of October 31, 2013. Our existing senior secured revolving credit facility matures in 2015. We intend to enter into a new senior secured revolving credit facility concurrently with the consummation of this offering. See Description of Indebtedness.

Affiliates of certain of the underwriters hold a portion of our indebtedness being repaid and as a result, may receive a portion of the proceeds from this offering. See Underwriting (Conflicts of Interest).

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**DIVIDEND POLICY**

We currently intend to retain earnings, if any, to finance the development and growth of our business and do not anticipate paying cash dividends on our ordinary shares in the future. Because we are a holding company and have no direct operations, we will only be able to pay dividends from our available cash on hand and any funds we receive from our subsidiaries. See Risk Factors Risks Related to this Offering and Ownership of Our Ordinary Shares We are a holding company and, accordingly, are dependent upon distributions from our subsidiaries to generate the funds necessary to meet our financial obligations and pay dividends. Our payment of any future dividends is restricted by certain of our existing debt instruments. The declaration and payment of dividends also is subject to the discretion of our board of directors and depends on various factors, including our net income, financial condition, cash requirements, future prospects and other factors deemed relevant by our board of directors.

In addition, under the Companies Law (as revised) of the Cayman Islands, our board of directors may declare dividends only out of our profits (subject to the factors set out above), out of share premium, provided that in respect of share premium immediately following the date on which the dividend is to be paid out of share premium we can pay our debts as they fall due in the ordinary course of business, or (subject to the same solvency test as applies to payments out of share premium) out of any distributable capital reserve resulting from contributed surplus paid in to us on that basis.

**Table of Contents****CAPITALIZATION**

The following table sets forth our cash, cash equivalents and marketable securities as of October 31, 2013:

on an actual basis; and

on an as adjusted basis giving effect to (1) the share capital restructuring transactions and (2) this offering and the application of the proceeds therefrom as described in Use of Proceeds.

You should read this table in conjunction with the sections entitled Use of Proceeds, Management's Discussion and Analysis of Financial Condition and Results of Operations, Description of Indebtedness and Description of Share Capital and our consolidated financial statements and related notes included elsewhere in this prospectus.

	<b>October 31, 2013</b>	
	<b>Actual</b>	<b>As Adjusted</b>
	<b>(in thousands, except share and per share data)</b>	
Cash and cash equivalents(i)	\$ 84,189	\$ 79,117
Indebtedness:		
Senior secured revolving credit facility(i)	\$ 15,000	
Senior secured notes(ii)	1,300,000	1,170,000
Senior unsecured notes(iii)	300,000	300,000
Other long-term obligations	62,378	62,378
Total indebtedness(i)	1,677,378	1,532,378
Shareholders' equity:		
Ordinary shares, \$0.0001 par value per share; 1,500,000,000 shares to be authorized, 46,519,484 shares to be issued and outstanding, actual; 75,931,484 shares to be issued and outstanding, on an as adjusted basis	5	8
Preferred Shares, \$0.0001 par value per share; 500,000,000 shares authorized, no shares issued and outstanding, actual; 500,000,000 shares authorized, no shares issued and outstanding, on an as adjusted basis		
Contributed surplus	1,696,295	2,050,120
Accumulated other comprehensive loss	(106,964)	(106,964)
Deficit(iv)	(1,181,876)	(1,189,644)
Total shareholder's equity(v)	407,460	753,520
Total capitalization	\$ 2,084,838	\$ 2,285,898

- (i) As of October 31, 2013, we had \$15 million of borrowings outstanding under our existing senior secured revolving credit facility and \$53.4 million of letters of credit were issued and outstanding under such credit facility. Subsequent to October 31, 2013, the borrowings under our existing senior secured revolving credit facility increased by \$210 million from \$15 million to \$225 million as of the date of this prospectus. As of December 31, 2013, after giving effect to the increase in borrowings under our existing senior secured revolving credit facility as of such date, our total indebtedness had increased by approximately \$245 million from \$1,677 million to \$1,922 million.

Subsequent to October 31, 2013, our cash and cash equivalents also increased by approximately \$182 million from \$84 million to \$266 million as of December 31, 2013.

The \$79 million of cash and cash equivalents in the as adjusted column above gives effect to the use of net proceeds from this offering, together with cash on hand, for the repayment of \$225 million of outstanding borrowings under our existing senior secured revolving credit facility (including the \$210 million drawn subsequent to October 31, 2013), but does not give effect to the increase of \$182 million in our cash and cash equivalents as of December 31, 2013.

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- (ii) Represents the aggregate principal amount of the senior secured notes issued and outstanding.
- (iii) Represents the aggregate principal amount of the senior unsecured notes issued and outstanding.
- (iv) The deficit is adjusted for the loss on extinguishment of \$7.8 million related to the redemption of \$130.0 million of senior secured notes. The loss on extinguishment is comprised of the redemption premium, the unamortized deferred financing costs and the original issuance discount and premium.
- (v) To the extent we change the number of ordinary shares sold by us in this offering from the shares we expect to sell, or we change the initial public offering price from the \$13.00 per share assumed initial public offering price, which represents the midpoint of the price range set forth on the cover page of this prospectus, or any combination of these events occurs, the net proceeds to us from this offering and each of total shareholders' equity and total capitalization may increase or decrease. A \$1.00 increase (decrease) in the assumed initial public offering price per share of the ordinary shares, assuming no change in the number of ordinary shares to be sold, would increase (decrease) the net proceeds that we receive in this offering and each of total shareholder's equity and total capitalization by approximately \$27.9 million. An increase (or decrease) of 1,000,000 ordinary shares in the expected number of shares to be sold in the offering, assuming no change in the assumed initial public offering price per share, would increase (or decrease) our net proceeds from this offering and our total shareholder's equity and total capitalization by approximately \$12.3 million. If the underwriters' option to purchase additional ordinary shares is exercised in full, the as adjusted amount of each of cash and cash equivalents, additional paid-in capital, total shareholder's equity and total capitalization would increase by approximately \$54.3 million, after deducting underwriting discounts and estimated expenses, and we would have 80,343,284 ordinary shares issued and outstanding, as adjusted.

**Table of Contents****DILUTION**

If you invest in our ordinary shares, your interest will be diluted to the extent of the difference between the initial public offering price per share of our ordinary shares and the as adjusted net tangible book value per share of our ordinary shares immediately after the completion of this offering.

The as adjusted net tangible book value of our ordinary shares as of October 31, 2013 was approximately \$(216.2) million, or \$(4.65) per share. Adjusted net tangible book value per share represents our total tangible assets less our total tangible liabilities, divided by the number of outstanding ordinary shares.

After giving effect to the share capital restructuring transactions and receipt of the net proceeds from our sale of ordinary shares at an assumed initial public offering price of the ordinary shares of \$13.00 per share, which represents the midpoint of the price range set forth on the cover page of this prospectus, after deducting the underwriting discounts and estimated expenses payable by us, and the application of the net proceeds from this offering to repay certain of our outstanding indebtedness, as described under Use of Proceeds, our as adjusted net tangible book value as of October 31, 2013 would have been approximately \$129.9 million, or \$1.71 per share. This represents an immediate increase in pro forma as adjusted net tangible book value of \$6.36 per share to our existing shareholders and an immediate dilution of \$11.29 per share to investors purchasing ordinary shares in this offering.

The following table illustrates this dilution per share of our ordinary shares to new investors:

Assumed initial public offering price per share	\$ 13.00
Historical net tangible book value per share as of October 31, 2013	(4.65)
Increase in pro forma net tangible book value per share attributable to new investors purchasing shares in this offering	6.36
As adjusted net tangible book value per share after giving effect to this offering and the use of proceeds therefrom	1.71
Dilution in pro forma net tangible book value per share to new investors in this offering	\$ 11.29

Each \$1.00 increase (decrease) in the assumed initial public offering price of \$13.00 per share would increase (decrease) the as adjusted net tangible book value, as adjusted to give effect to this offering, by \$0.37 per share and the dilution to new investors by \$0.63 per share, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and no exercise of the underwriters' option to purchase additional shares. Similarly, each increase (decrease) of 1,000,000 shares in the number of shares of ordinary shares offered by us would increase (decrease) the as adjusted net tangible book value, as adjusted to give effect to this offering, by approximately \$0.14 per share and the dilution to new investors by \$0.14 per share, assuming the assumed initial public offering price remains the same after deducting the underwriting discounts and estimated expenses and no exercise of the underwriters' option to purchase additional ordinary shares.

If the underwriters' option to purchase additional shares is exercised in full, the following will occur:

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the number of ordinary shares purchased by investors in this offering will increase to 33,823,800 ordinary shares, or approximately 42.1% of the total number of ordinary shares outstanding;

the immediate dilution experienced by investors in this offering will be \$10.71 per share and the as adjusted net tangible book value per share will be \$2.29 per share; and

a \$1.00 increase (decrease) in the initial offering price of \$13.00 per share would increase (decrease) the dilution experienced by investors in this offering by \$0.61 per share.

A \$1.00 increase (decrease) in the assumed initial public offering price of \$13.00 per share would increase (decrease) the total consideration paid by the investors in this offering by \$27.9 million, increase (decrease) the

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percent of total consideration paid by the investors by approximately 8% and increase (decrease) the average price per share by \$1.00 assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and no exercise of the underwriters' option to purchase additional ordinary shares.

To the extent that any outstanding options are exercised, new options are issued under our stock-based compensation plans or we issue additional shares of ordinary shares in the future, there will be further dilution to investors participating in this offering. We have no outstanding options under our 2013 Incentive Plan as of January 6, 2014. See Executive Compensation Proposed Compensation IPO Date Equity-Based Awards and Executive Compensation Proposed Compensation Conversion of Existing Long-Term Incentives in 6922767 Holding (Cayman) Inc.



**Table of Contents****SELECTED CONSOLIDATED FINANCIAL AND OTHER DATA**

The following table shows our selected consolidated financial data of the Successor and Predecessor for the periods and as of the dates indicated. See Basis of Presentation. The consolidated statement of operations and cash flow data for the years ended April 30, 2011, 2012 and 2013 and the balance sheet data as of April 30, 2012 and 2013 are derived from our audited annual consolidated financial statements and related notes for the respective periods included elsewhere in this prospectus. The consolidated balance sheet data as of April 30, 2011 are derived from our unaudited consolidated financial statements not included in this prospectus. The consolidated statement of operations and cash flow data for the years ended April 30, 2009 and 2010 and the balance sheet data as of April 30, 2009 and 2010 are derived from our unaudited consolidated financial statements not included in this prospectus.

The summary statement of operations and cash flow data for the six months ended October 31, 2012 and 2013 and balance sheet data as of October 31, 2013 are derived from our unaudited interim consolidated financial statements and related notes for the respective periods included elsewhere in this prospectus. The balance sheet data as of October 31, 2012 are derived from our unaudited interim consolidated financial statements for the period not included in this prospectus. The October 31, 2012 unaudited interim consolidated balance sheet has not been reviewed by our independent registered accounting firm. In the opinion of management, our unaudited interim consolidated financial data reflects all adjustments (consisting of normal and recurring adjustments) considered necessary to fairly present our financial position for the periods presented. The results of operations for the six month periods are not necessarily indicative of the results that may be expected for the full year.

The selected consolidated financial data presented below is qualified in its entirety by reference to, and should be read in conjunction with the sections entitled Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and related notes included elsewhere in this prospectus.

	<b>Predecessor</b>		<b>Successor</b>				<b>As at and for the</b>	
	<b>For the period from May 1, 2008 to September 15, 2008</b>	<b>2009</b>	<b>As at and for the year ended April 30,</b>				<b>ended October</b>	<b>2013</b>
			<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>
<b>Operating data:</b>								
Total revenue	\$ 510,090	\$ 761,895	\$ 1,313,566	\$ 1,445,460	\$ 1,692,539	\$ 1,743,847	\$ 862,855	\$ 858,303
Direct costs(i)	(446,823)	(612,428)	(1,029,882)	(1,212,360)	(1,382,425)	(1,391,837)	(697,484)	(714,900)
Earnings from equity accounted investees	311	1,118	1,436	2,159	2,844	4,718	1,837	3,918
General and administration costs	(12,479)	(48,687)	(69,983)	(64,867)	(70,108)	(74,113)	(37,570)	(38,657)
Depreciation	(46,816)	(51,978)	(77,738)	(99,625)	(112,967)	(131,926)	(55,945)	(70,751)
Restructuring costs	(15)	(5,568)	(4,855)	(4,751)	(22,511)	(10,976)	(3,727)	
Asset impairments(ii)	(51,600)	(49,800)	(129,994)	(29,403)	(17,651)	(29,981)	(16,405)	(23,014)
Gain (loss) on disposal of assets	545	1,346	(2,686)	7,193	8,169	(15,483)	(4,617)	(4,421)
		(639,187)						

Goodwill impairment  
charge

<b>Operating income</b>								
(loss)	(46,787)	(643,289)	(136)	43,806	97,890	94,249	48,944	10,478
Financing charges(iii)	(14,027)	(91,797)	(74,332)	(140,565)	(129,778)	(157,311)	(68,290)	(86,642)
<b>Loss from</b>								
<b>continuing</b>								
<b>operations before</b>								
<b>income tax</b>	(60,814)	(735,086)	(74,468)	(96,759)	(31,888)	(63,062)	(19,346)	(76,164)
Income tax recovery								
(expense)	3,521	9,200	(9,299)	32,833	(48,225)	(54,452)	(6,303)	(10,800)
<b>Loss from</b>								
<b>continuing</b>								
<b>operations</b>	(57,293)	(725,886)	(83,767)	(63,926)	(80,113)	(117,514)	(25,649)	(86,964)
Earnings (loss) from								
discontinued								
operations, net of tax	114	(380)	(1,436)	(3,202)	(16,107)	1,025	812	
Net loss	\$ (57,179)	\$ (726,266)	\$ (85,203)	\$ (67,128)	\$ (96,220)	\$ (116,489)	\$ (24,837)	\$ (86,964)

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	<b>Predecessor</b>		<b>Successor</b>				<b>As at and for the</b>	
	<b>For the period from May 1, 2008 to September 15, 2008</b>		<b>As at and for the year ended April 30,</b>				<b>six months ended October 31,</b>	
	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	
	<b>(in thousands of U.S. dollars)</b>							
Net earnings (loss) attributable to controlling interest	\$ (57,179)	\$ (712,978)	\$ (79,308)	\$ (72,197)	\$ (108,642)	\$ (119,436)	\$ (26,185)	\$ (89,320)
Net earnings (loss) attributable to non-controlling interest		(13,288)	(5,895)	5,069	12,422	2,947	1,348	2,350
<b>Net loss</b>	<b>\$ (57,179)</b>	<b>\$ (726,266)</b>	<b>\$ (85,203)</b>	<b>\$ (67,128)</b>	<b>\$ (96,220)</b>	<b>\$ (116,489)</b>	<b>\$ (24,837)</b>	<b>\$ (86,966)</b>
<b>Net loss per ordinary share attributable to controlling interest basic and diluted:</b>								
Continuing operations		(21.47)	(1.77)	(1.57)	(2.05)	(2.59)	(0.58)	(1.90)
Discontinued operations		(0.01)	(0.03)	(0.07)	(0.35)	0.02	0.02	
<b>Net loss per ordinary share weighted average number of ordinary stock outstanding basic and diluted</b>		<b>(21.48)</b>	<b>(1.80)</b>	<b>(1.64)</b>	<b>(2.40)</b>	<b>(2.57)</b>	<b>(0.56)</b>	<b>(1.90)</b>
<b>Pro forma net loss per ordinary share attributable to controlling interest basic and diluted:</b>								
Continuing operations								
Discontinued operations								
<b>Pro forma net loss per ordinary share weighted average number of</b>						\$ (1.42)	\$ (1.10)	
<b>Pro forma weighted average number of</b>						75,931,484	75,931,484	

inary stock tstanding sic and diluted )								
<b>Balance sheet</b>								
<b>ta:</b>								
sh and cash quivalents	200,198	175,203	69,020	55,639	123,801	68,935	84,180	
<b>Total assets</b>	<b>\$ 2,585,113</b>	<b>\$ 2,591,587</b>	<b>\$ 2,790,236</b>	<b>\$ 2,717,143</b>	<b>\$ 2,893,768</b>	<b>\$ 2,810,210</b>	<b>\$ 2,890,030</b>	
total long-term bt and capital se ligations(iv)	983,662	1,071,159	1,291,486	1,287,080	1,477,225	1,415,543	1,665,270	
<b>Total liabilities</b>	<b>\$ 1,833,360</b>	<b>\$ 1,920,768</b>	<b>\$ 2,041,535</b>	<b>\$ 2,054,558</b>	<b>\$ 2,388,349</b>	<b>\$ 2,180,778</b>	<b>\$ 2,489,740</b>	
Capital stock areholders quity	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	
	\$ 751,753	\$ 695,846	\$ 745,614	\$ 660,910	\$ 513,681	\$ 624,923	\$ 407,460	

- (i) Direct costs includes helicopter lease and associated costs as these costs are combined in the consolidated statement of operations, which is included in the unaudited interim consolidated financial statements and the audited annual consolidated financial statements included elsewhere in this prospectus.
- (ii) Asset impairments includes impairment of assets held for sale, impairment of assets held for use, impairment of receivables and residual value guarantees and impairment of intangible assets, if any.
- (iii) Financing charges includes interest on long-term debt, foreign exchange gain (loss) and other financing charges (income). Other financing charges includes amortization of deferred financing costs, net gain (loss) on the fair value of derivative financial instruments, interest income and expense and the other items set forth in Note 10 to our unaudited interim consolidated financial statements for the six months ended October 31, 2012 and 2013 and Note 16 to our audited annual consolidated financial statements for the years ended April 30, 2011, 2012 and 2013, each of which are included elsewhere in this prospectus.
- (iv) Total long-term debt and capital lease obligations is presented net of the discount and includes the premium on our senior notes and excludes a facility secured by accounts receivables. As of October 31, 2013, the facility secured by accounts receivables had a balance of \$43.4 million. See Note 2(a)(ii) to our unaudited interim consolidated financial statements for the six months ended October 31, 2012 and 2013 and Note 4(a)(ii) to our audited annual consolidated financial statements, each of which are included elsewhere in this prospectus.
- (v) Pro forma net loss per ordinary share gives effect to the application of the net proceeds of this offering to redeem 10% of the aggregate principal amount of our senior secured notes at 103% of the principal amount totaling \$134.0 million, plus accrued and unpaid interest, if any, as if this transaction occurred on May 1, 2012 and has reduced the interest expense by \$11.3 million and \$6.1 million for the fiscal year and interim periods, respectively.
- (vi) Pro forma weighted average number of ordinary stock outstanding gives effect to the issuance of 29,412,000 ordinary shares in this offering attributable to the redemption of 10% of the aggregate principal amount of our senior secured notes at 103% of the principal amount totaling \$134.0 million, plus accrued and unpaid interest, if any, and to repay borrowings of \$225.0 million under our existing senior secured revolving credit facility as if the offering and these transactions had occurred on May 1, 2012 for the fiscal year and interim periods, respectively (excluding the additional 4,411,800 ordinary shares that may be issued by us in this offering pursuant to the underwriters' option to purchase additional ordinary shares).

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

*This discussion and analysis of our financial condition and results of operations is intended to provide an understanding of our results of operations, financial condition and where appropriate, factors that may affect future performance. The following discussion of our results of operations and financial condition should be read in conjunction with the Selected Historical Consolidated Financial Data and our audited and unaudited interim consolidated financial statements and the notes thereto included elsewhere in this prospectus. Our fiscal year ends on April 30, and we refer to fiscal years based on the end of such period (the fiscal year ended April 30, 2013 is referred to as fiscal 2013). In the discussion that follows, the term current year period and prior year period refers to the six months ended October 31, 2013 and 2012, respectively. See Cautionary Note on Forward-Looking Statements.*

**Overview**

We are the world's largest commercial operator of helicopters based on revenue of \$1.7 billion in fiscal 2013. We are also the world's largest commercial operator of heavy and medium helicopters based on our fleet of 238 heavy and medium helicopters as of October 31, 2013. With bases on six continents, we are one of only two global commercial helicopter service providers to the offshore oil and gas industry. Our mission is to provide the highest level of service in the industry, which we believe will enable our customers to go further, do more and come home safely. Through our 60 years of experience providing helicopter services, we believe our brand and reputation have become associated with safe and reliable transportation and mission-critical logistics solutions. Our fleet of heavy and medium helicopters, global capabilities and reputation for safety position us to capitalize on anticipated increases in ultra-deepwater and deepwater drilling and production spending by our major, national and independent oil and gas company customers.

Our helicopters are primarily used to facilitate large, long-distance crew changes on offshore production facilities and drilling rigs. We also provide SAR and EMS to government agencies. We maintain a presence in most major offshore oil and gas markets through a network of approximately 70 bases with operations in approximately 30 countries, more than any other commercial helicopter service provider in the world. We cover this expansive and diverse geography with a technologically advanced fleet of 238 helicopters and the expertise to serve customers in ultra-deepwater and deepwater locations. To secure and maintain operating certificates in the many jurisdictions in which we provide helicopter services, we must meet stringent and diverse regulatory standards across multiple jurisdictions, and have an established track record in obtaining and maintaining certificates as well as working with regulators and local partners.

We generate the majority of our oil and gas customer Helicopter Services revenue from contracts tied to our customers offshore production operations, which have long-term transportation requirements. A substantial portion of our remaining oil and gas customer Helicopter Services revenue comes from transporting personnel to and from offshore drilling rigs, and we believe this capability allows us to take advantage of expansion in the global ultra-deepwater rig fleet. Approximately 71% to 75% of the flying revenue in our Helicopter Services segment was attributable to fixed monthly charges for the fiscal years ended April 30, 2011, 2012 and 2013.

We also provide MRO services through our Heli-One business to both our own Helicopter Services segment and to third-party customers. Our MRO capabilities enable us to perform heavy structural repairs, and maintain, overhaul and test helicopters and helicopter components globally across various helicopter types. We believe our in-house MRO operations through our Heli-One business enable us to manage our supply chain and maintain our fleet more efficiently, thereby increasing the availability of our helicopters and reducing our overall cost of maintenance. In addition, we are the largest provider of these services (excluding OEMs), which allows us to provide our Heli-One

customers with comprehensive MRO services across multiple helicopter types and families. Our MRO services include complete maintenance outsourcing solutions, parts sales and distribution, engineering services, design services and logistics support.

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### **Segments**

We report under two operating segments and have a Corporate Segment comprised primarily of general and administration costs.

Our two operating segments are as follows:

#### ***Helicopter Services:***

Our Helicopter Services segment consists of flying operations in the Eastern North Sea, the Western North Sea, the Americas, the Asia Pacific region and the Africa-Euro Asia region, primarily serving our offshore oil and gas customers and providing SAR and EMS to government agencies. The Eastern North Sea is comprised mainly of Norway while the Western North Sea includes the United Kingdom, Ireland, and the Netherlands. The Americas is comprised of Brazil, North American countries and other South American countries. The Asia Pacific region includes Australia and Southeast Asian countries and the Africa-Euro Asia region includes Nigeria, Kazakhstan, Mozambique, Azerbaijan, Tanzania and other African and European countries.

Helicopter Services generated approximately 86% to 89% of its revenue for the three years ended April 30, 2013 from oil and gas customers, and of this amount, the majority is tied to our customers' offshore production operations, which have long-term transportation requirements.

Helicopter Services also provides SAR and EMS to government agencies and to our oil and gas customers. SAR and EMS revenue to non-oil and gas customers has historically contributed approximately 10% of Helicopter Services revenue.

#### ***Heli-One:***

Our Heli-One segment, includes helicopter maintenance, repair and overhaul facilities in Norway, Poland, Canada and the United States, providing helicopter maintenance, repair and overhaul services for our fleet and for a growing external customer base in Europe, Asia and North America. Although intersegment revenues are eliminated from the presentation of our financial information, operationally, Heli-One's largest customer is our Helicopter Services segment.

We have historically generated the majority of our third-party Heli-One revenue by providing maintenance, repair and overhaul services to other helicopter operators. Approximately 28% and 34% of our third-party Heli-One revenue in the 2012 and 2013 fiscal years, respectively, was derived from power by the hour contracts, where the customer pays a ratable monthly charge, typically based on the number of hours flown, for all scheduled and un-scheduled maintenance.

### **Key Financial and Operating Metrics**

We use a number of key financial and operating metrics to measure the performance of our business, including Adjusted EBITDAR, Adjusted EBITDAR margin, Adjusted net loss and our HE Rate. None of Adjusted EBITDAR, Adjusted net loss, Adjusted EBITDAR margin or the HE Rate are required by, or presented in accordance with GAAP. These non-GAAP measures are not performance measures under GAAP and should not be considered as alternatives to net earnings (loss) or any other performance or liquidity measures derived in accordance with GAAP. In addition, these measures may not be comparable to similarly titled measures of other companies.



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The following charts show our revenue generated by segment, our HE Rate, our Adjusted EBITDAR, our Adjusted EBITDAR margin, operating income and operating margin, for each of the fiscal years ended April 30, 2011, 2012 and 2013:

- (1) HE Rate is the third-party operating revenue from our Helicopter Services segment excluding reimbursable revenue divided by a weighted average factor corresponding to the number of heavy and medium helicopters in our fleet. Our heavy and medium helicopters, including owned and leased, are weighted at 100% and 50%, respectively, to arrive at a single HE count, excluding helicopters expected to be retired from our fleet.
- (2) Adjusted EBITDAR margin is calculated as Adjusted EBITDAR divided by total revenue less reimbursable revenue. Cost reimbursements from customers are recorded as reimbursable revenue with the related reimbursement expense in direct costs.
- (3) Operating margin is calculated as operating income divided by total revenue.

Adjusted EBITDAR, Adjusted EBITDAR margin and HE Rate are non-GAAP financial measures. We have chosen to include Adjusted EBITDAR as we consider this measure to be a significant indicator of our financial performance and use this measure to assist us in allocating available capital resources. Adjusted EBITDAR, which is defined as earnings (loss) before interest, taxes, depreciation, amortization and helicopter lease and associated costs or total revenue plus earnings from equity accounted investees, less direct costs excluding helicopter lease and associated costs less general and administration costs. Adjusted EBITDAR also excludes restructuring costs, asset impairments, gain (loss) on disposal of assets and goodwill impairment, if any. These items are significant components to understanding and assessing financial performance and liquidity. For additional information about our segment revenue and Adjusted EBITDAR, including a reconciliation of these measures to our operating income, see Note 19 of the unaudited interim consolidated financial statements for the six months ended October 31, 2012 and 2013 and Note 27 of the audited consolidated financial statements for the fiscal years ended April 30, 2011, 2012 and 2013 included elsewhere in this prospectus.

We have chosen to include the HE Rate, which is the third-party operating revenue from the Helicopter Services segment excluding reimbursable revenue divided by a weighted average factor corresponding to the number of heavy and medium helicopters in our fleet. Our heavy and medium helicopters, including owned and leased, are weighted at 100% and 50% (respectively) to arrive at a single HE count, excluding helicopters expected

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to be retired from the fleet. We believe this measure is useful as it provides a standardized measure of our operating revenue per helicopter taking into account the different revenue productivity and related costs of operating our fleet mix of heavy and medium helicopters. For an explanation of how we calculate Adjusted EBITDAR and a reconciliation to net income (loss), see Prospectus Summary Summary Historical Consolidated Financial Data.

We have chosen to include Adjusted net loss as it provides us with an understanding of the results from the primary activities of our business by excluding items such as asset dispositions, asset impairments, the revaluation of our derivatives and foreign exchange gain (loss), which is primarily driven by the translation of US dollar balances in entities with a non-US dollar functional currency. We believe that this measure is a useful supplemental measure as net loss includes these items, and the inclusion of these items are not meaningful indicators of our ongoing performance. For additional information about our adjusted net loss, including a reconciliation to our consolidated financial statements, see the Prospectus Summary Summary Historical Consolidated Financial Data.

## **Key Drivers Affecting our Results of Operations**

Our results of operations and financial condition are affected by numerous factors, including those described above in Risk Factors, elsewhere in this prospectus and those described below:

*General level of offshore production and drilling activity.* Demand for our services depends primarily upon ongoing offshore hydrocarbon production and the capital spending of oil and gas companies and the level of offshore drilling activity. Higher activity levels can lead to greater utilization of our helicopters by our customers. Because a large portion of our costs are fixed, our Adjusted EBITDAR margins typically improve when more of our helicopters are deployed.

*Impact of fleet mix.* Generally, contracts for our helicopter services requiring heavier and newer helicopters provide an opportunity to generate greater profit than lighter and older helicopters. Consequently, our revenue and profit opportunity improves as we upgrade our fleet and enter into new contracts.

*Timing of new contracts and our commencement of service under new contracts.* Our results of operations in a particular period can be impacted by the timing of the execution of new contracts and our ability to provide under new contracts.

## **Market Outlook**

We generate the majority of our Helicopter Services revenue from contracts tied to our oil and gas customers' offshore production operations, which have long-term transportation requirements. A substantial portion of our remaining oil and gas customer Helicopter Services revenue comes from transporting personnel to and from offshore drilling rigs, and we believe this capability allows us to take advantage of expansion in the global ultra-deepwater rig fleet. Approximately 71% to 75% of the flying revenue in our Helicopter Services segment was attributable to fixed monthly charges for the fiscal years ended April 30, 2011, 2012 and 2013. The production business is typically less cyclical than the exploration and development business because production platforms remain in place over the long-term and are relatively unaffected by economic cycles, as the marginal cost of lifting a barrel of oil once a platform is in position is low. Our customers typically base their capital expenditure budgets on their long-term commodity price expectations.

Our MRO services, operated through our Heli-One business, are dependent on helicopter maintenance demand. This is generally highest during periods of high helicopter service demand where high flying hours result in more frequent maintenance, most of which is required by regulation.

We have seen an increase in ultra-deepwater and deepwater spending by our customers, which has led to improvement in many metrics reflected in our fiscal 2012 and fiscal 2013 financial performance. We are optimistic that growth will continue for fiscal 2014. We are continuing to see growth in offshore production as

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the industry moves offshore to find hydrocarbons. New technology has allowed oil and gas companies to continue exploration and drilling farther offshore. To remain competitive and to service existing and new contracts in this industry, we are augmenting our fleet by adding technologically advanced helicopters to meet customers' changing demands. The industry is constrained by the pace at which it renews its fleet due to the limited supply of new technology helicopters produced annually by the OEMs. To address this constraint, we have leveraged our relationship with the OEMs to secure commitments to obtain new technology helicopters to support our future growth.

Norway and the United Kingdom continue to be our core operating areas, while Brazil, Australia and certain countries in the Africa-Euro Asia region, including Nigeria, are expected to contribute increasingly to our revenue in future periods due to an increase in ultra-deepwater and deepwater oil and gas activity.

In December 2013, we obtained our own helicopter operating license in Tanzania and our joint venture partner in Nigeria, Atlantic Aviation, informed us that it has gained approval from the government of Nigeria to import AW139 helicopters, which we expect to eventually use to compete for flying contracts in that country. Also in December, 2013 we completed a two-year extension, through fiscal 2017, of an agreement with Statoil to provide services from bases in Bergen and Florø in Norway. The contract requires a dedicated fleet of 10 heavy aircraft. We have also made continued wins for the year to date with new contracts in the U.K., Norway, Malaysia, Kazakhstan, Ireland, Brazil, Australia and Equatorial Guinea.

Heli-One continues to develop its third-party business, with recent contract wins in the United Kingdom, Europe, Brazil and the U.S. To further support the growth of our Heli-One business and expand our global footprint, we opened an additional facility in Poland in fiscal 2013. We are also expanding our online capabilities to provide customers with portal access to our available parts and exchanges through our portal known as EPIC (Exchange Parts Inventory Channel). We continue to review and improve our global inventory management processes through a number of lean process techniques to support efficiencies in our workshops and our supply chain for our business operations. These include improving and expanding our channel partner network, establishing higher standards for performance and accountability and a robust internal and external communication plan to expand awareness of partner performance.

Our broad transformation program continues to provide significant value to our operations. The transformation program looks at all major aspects of our operations and includes a number of work streams, each including many initiatives. The program includes transformative thinking and technology to achieve cost efficiencies through global standardization and organizational efficiency to allow us to continue to enhance our earnings and cash flows. We previously announced the opening of the centralized Integrated Operations Center in Irving, Texas. The centralization process has been expanded in the current period to additional regional areas. We are continuing to implement our long-term crew planning and scheduling program to further improve customer service levels. We believe these transformative actions will allow us to maximize our value proposition to our customers.

We conduct our business in various foreign jurisdictions, and as such, our cash flows and earnings are subject to fluctuations and related risks from changes in foreign currency exchange rates. Throughout the six months ended October 31, 2013, our primary foreign currency exposures were related to the Norwegian Kroner, the Euro, the British pound sterling, the Canadian dollar and the Australian dollar. For details on this exposure and the related impact on our results of operations, see [Quantitative and Qualitative Disclosures About Market Risk](#) included elsewhere in this prospectus.

**Table of Contents****Fleet**

The table below provides a detailed summary of our fleet as of October 31, 2013:

<b>Helicopter Type</b>	<b>Total</b>	<b>Cruise Speed (kts)</b>	<b>Approximate Range (nmi)</b>	<b>Passenger Capacity</b>	<b>Maximum Weight (lbs)</b>
<b>Heavy:</b>					
Sikorsky S92A	37	145	400	19	26,500
Eurocopter EC225	31	145	400	19	24,250
Eurocopter (AS332 L, LI, and L2)	40	130-140	250-350	17-19	18,000-20,500
Sikorsky S61N	5	N/A <sup>(1)</sup>	N/A <sup>(1)</sup>	N/A <sup>(1)</sup>	N/A <sup>(1)</sup>
<b>Total Heavy</b>	<b>113</b>				
<b>Medium:</b>					
AgustaAW139	39	145	280	12-15	15,000
Sikorsky S76C++	23	145	220	12	11,700
Sikorsky S76C+	22	145	175	12	11,700
Sikorsky S76A/B/C	16	135	110-130	12	10,800-11,700
Bell 412	11	125	135	13	11,900
Eurocopter AS365 Series	9	120-145	80	11	9,500
Eurocopter EC135/145/155	5	N/A <sup>(2)</sup>	N/A <sup>(2)</sup>	N/A <sup>(2)</sup>	N/A <sup>(2)</sup>
<b>Total Medium</b>	<b>125</b>				
<b>Total Helicopters</b>	<b>238</b>				

(1) SAR only

(2) EMS only

As of October 31, 2013, we have committed to purchase \$71.9 million of helicopter parts by October 31, 2015 and 36 new heavy and medium helicopters from multiple OEMs for a total commitment of \$953.9 million. These helicopters are expected to be delivered in fiscal 2014 (\$253.7 million), 2015 (\$315.5 million) and 2016 to 2017 (\$384.7 million) and will be deployed in our Helicopter Services segment. In addition, we have committed to purchase \$100.0 million of heavy helicopters from Eurocopter prior to December 31, 2016. These helicopters will be purchased outright or financed through leases. In addition, at October 31, 2013, we had the option to purchase 26 heavy and medium helicopters which, if exercised, would represent a total purchase commitment of 62 helicopters, excluding the committed dollar amount with Eurocopter. We have a pipeline of opportunities identified that we believe will create long-term contracts for these new helicopters.

The following table shows the expected delivery dates of the helicopter purchase commitments and options referred above:

	<b>Number of helicopters</b>	
	<b>Purchase commitments(i)</b>	<b>Options</b>
2014	10	
2015	13	3
2016	10	8
2017 and beyond	3	15
	36	26

- (i) Does not include helicopters related to our commitment to purchase \$100.0 million of heavy helicopters from Eurocopter or our intention to lease five helicopters from an independent lessor with two planned deliveries in 2014 and three in 2015.

Table of Contents**SUMMARY RESULTS OF OPERATIONS**

(in thousands of U.S. dollars)

	For the year ended			For the six months ended	
	2011	April 30, 2012	2013	October 31, 2012	2013
Operating revenue	\$ 1,321,036	\$ 1,525,795	\$ 1,578,309	\$ 779,790	\$ 776,276
Reimbursable revenue	124,424	166,744	165,538	83,065	82,027
<b>Total revenue</b>	<b>1,445,460</b>	<b>1,692,539</b>	<b>1,743,847</b>	<b>862,855</b>	<b>858,303</b>
Operating expenses					
Direct costs(i)	(1,047,532)	(1,205,740)	(1,190,101)	(600,257)	(604,455)
Earnings from equity accounted investees	2,159	2,844	4,718	1,837	3,918
General and administration costs	(64,867)	(70,108)	(74,113)	(37,570)	(38,657)
<b>Adjusted EBITDAR(ii)</b>	<b>335,220</b>	<b>419,535</b>	<b>484,351</b>	<b>226,865</b>	<b>219,109</b>
Helicopter lease and associated costs(i)	(164,828)	(176,685)	(201,736)	(97,227)	(110,445)
Depreciation	(99,625)	(112,967)	(131,926)	(55,945)	(70,751)
Restructuring costs	(4,751)	(22,511)	(10,976)	(3,727)	
Asset impairments	(29,403)	(17,651)	(29,981)	(16,405)	(23,014)
Gain (loss) on disposal of assets	7,193	8,169	(15,483)	(4,617)	(4,421)
Operating income	43,806	97,890	94,249	48,944	10,478
Interest on long term debt	(91,462)	(116,578)	(127,199)	(59,958)	(77,854)
Foreign exchange gain (loss)	17,891	1,819	(11,383)	3,251	(12,903)
Other financing income (charges)	(66,994)	(15,019)	(18,729)	(11,583)	4,115
Loss from continuing operations, before income tax	(96,759)	(31,888)	(63,062)	(19,346)	(76,164)
Income tax recovery (expense)	32,833	(48,225)	(54,452)	(6,303)	(10,800)
Loss from continuing operations	(63,926)	(80,113)	(117,514)	(25,649)	(86,964)
Earnings (loss) from discontinued operations, net of tax	(3,202)	(16,107)	1,025	812	
Net loss	\$ (67,128)	\$ (96,220)	\$ (116,489)	\$ (24,837)	\$ (86,964)
Net earnings (loss) attributable to:					
Controlling interest	\$ (72,197)	\$ (108,642)	\$ (119,436)	\$ (26,185)	\$ (89,321)
Non-controlling interest	5,069	12,422	2,947	1,348	2,357
Net loss	\$ (67,128)	\$ (96,220)	\$ (116,489)	\$ (24,837)	\$ (86,964)

**Non-GAAP financial measures:**

Adjusted net loss(iii)	\$	(53,459)	\$	(83,177)	\$	(59,237)	\$	(4,102)	\$	(56,966)
Adjusted EBITDAR margin(ii)		25%		27%		31%		29%		28%
HE Rate(iv)	\$	6,842	\$	8,034	\$	8,730	\$	4,413	\$	4,292

- (i) Direct costs in the information above excludes helicopter lease and associated costs. These costs are combined in the consolidated statement of operations, which are included in the unaudited interim consolidated financial statements and the audited annual consolidated financial statements included elsewhere in this prospectus.
- (ii) See Key Financial and Operating Metrics for the definition and discussion of these non-GAAP measures. Additional information about our Adjusted EBITDAR, including a reconciliation of this measure to our operating income is also provided in Note 19 of our unaudited interim consolidated financial statements for the six months ended October 31, 2012 and 2013 and Note 27 of our audited annual consolidated financial statements for the years ended April 30, 2011, 2012 and 2013, each of which are



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included elsewhere in this prospectus. See below for our calculation of Adjusted EBITDAR margin, which we have included because we consider this measure to be a significant indicator of our financial performance and management uses it to assist us in allocating available capital resources.

	For the year ended April 30,			For the six months ended October 31,	
	2011	2012	2013	2012	2013
Adjusted EBITDAR	\$ 335,220	\$ 419,535	\$ 484,351	\$ 226,865	\$ 219,109
Total revenues less reimbursable revenue	\$ 1,321,036	\$ 1,525,795	\$ 1,578,309	\$ 779,790	\$ 776,276
Adjusted EBITDAR Margin	25%	27%	31%	29%	28%

(iii) Adjusted net loss is a non-GAAP measure that has not been prepared in accordance with GAAP and has not been audited or reviewed by our independent auditors. This financial measure is therefore considered a non-GAAP financial measure. We have chosen to include adjusted net loss as it provides us with an understanding of the results from the primary activities of our business by excluding items such as asset dispositions, asset impairments, the revaluation of our derivatives and foreign exchange gain (loss), which is primarily driven by the translation of U.S. dollar balances in entities with a non-U.S. dollar functional currency. We believe that this measure is a useful supplemental measure as net loss includes these items, and these items are not meaningful indicators of our ongoing performance. A description of the adjustments to, and reconciliations of, this non-GAAP financial measure to the most comparable GAAP financial measure is as follows:

	For the year ended April 30,			For the six months ended October 31,	
	2011	2012	2013	2012	2013
<b>Adjusted net loss</b>	\$ (53,459)	\$ (83,177)	\$ (59,237)	\$ (4,102)	\$ (56,966)
Asset impairments	(29,403)	(17,651)	(29,981)	(16,405)	(23,014)
Gain (loss) on disposal of assets	7,193	8,169	(15,483)	(4,617)	(4,421)
Foreign exchange gain (loss)	17,891	1,819	(11,383)	3,251	(12,903)
Unrealized gain (loss) on derivatives	(9,350)	(5,380)	(405)	(2,964)	10,340
<b>Net loss</b>	\$ (67,128)	\$ (96,220)	\$ (116,489)	\$ (24,837)	\$ (86,964)

(iv) The HE Rate is calculated as the third-party operating revenue from the Helicopter Services Segment excluding reimbursable revenue divided by a weighted average factor corresponding to the number of heavy and medium helicopters in our fleet. Our heavy and medium helicopters, including owned and leased, are weighted at 100% and 50%, respectively, to arrive at a single HE count, excluding helicopters expected to be retired from our fleet. See Key Financial and Operating Metrics for discussion of this non-GAAP financial measure. See below for the reconciliation of HE Rate.

	For the year ended April 30,			For the six months ended October 31,	
	2011	2012	2013	2012	2013
Helicopter Services total external revenue	\$ 1,316,238	\$ 1,526,060	\$ 1,603,403	\$ 795,821	\$ 795,365
Less: Reimbursable revenues	(124,424)	(166,744)	(165,538)	(83,065)	(82,027)
Helicopter Services operating revenue	\$ 1,191,814	\$ 1,359,316	\$ 1,437,865	\$ 712,756	\$ 713,338
HE count	174.2	169.2	164.7	161.5	166.2
HE Rate	\$ 6,842	\$ 8,034	\$ 8,730	\$ 4,413	\$ 4,292

**Table of Contents****Consolidated Results Summary****For the six months ended October 31,****(In thousands of U.S. dollars)**

	<b>2012</b>	<b>2013</b>	<b>Favorable (Unfavorable)</b>	
			<b>\$ Change</b>	<b>% Change</b>
Helicopter Services(i)	\$ 795,821	\$ 795,365	\$ (456)	(0.1)%
Heli-One	67,034	62,938	(4,096)	(6.1)%
<b>Total revenue</b>	<b>862,855</b>	<b>858,303</b>	<b>(4,552)</b>	<b>(0.5)%</b>
Direct costs(ii)	(600,257)	(604,455)	(4,198)	(0.7)%
Helicopter lease and associated costs	(97,227)	(110,445)	(13,218)	(13.6)%
<b>Total direct costs</b>	<b>\$ (697,484)</b>	<b>\$ (714,900)</b>	<b>\$ (17,416)</b>	<b>(2.5)%</b>
Flying hours	85,763	77,924	(7,839)	(9.1)%
# of helicopters	245	238	(7)	(2.9)%
HE Count	161.5	166.2	4.7	2.9%
HE Rate	\$ 4,413	\$ 4,292	\$ (121)	(2.7)%

(i) Includes revenue from customer reimbursement of fuel costs of \$52.2 million for the six months ended October 31, 2012 and \$47.6 million for the six months ended October 31, 2013.

(ii) Includes \$53.0 million in fuel costs for the six months ended October 31, 2012 and \$47.9 million for the six months ended October 31, 2013.

**Consolidated Results of Operations***Revenue***Helicopter Services****For the six months ended October 31,****(in thousands of U.S. dollars)**

	<b>2012</b>	<b>2013</b>	<b>Favorable (Unfavorable)</b>	
			<b>\$ Change</b>	<b>% Change</b>
Eastern North Sea	\$ 177,455	\$ 191,606	\$ 14,151	8.0%
Western North Sea	206,572	203,774	(2,798)	(1.4)%
Americas	156,772	131,274	(25,498)	(16.3)%
Asia Pacific	163,857	172,296	8,439	5.2%

Africa Euro Asia	87,078	94,596	7,518	8.6%
Other	4,087	1,819	(2,268)	(55.5)%
Total	\$ 795,821	\$ 795,365	\$ (456)	(0.1)%

The total external revenue for Helicopter Services was relatively flat compared to the prior year period, with the results for the overall period influenced by the continued suspension of the EC225 helicopters. The key variances by region were as follows:

*Eastern North Sea.* Revenues in the Eastern North Sea increased by \$14.2 million compared to the prior year period, primarily due to new contract wins in the oil and gas sector in Norway resulting in a \$19.0 million increase in revenues. The increase was offset in part due to lost revenue as a result of the EC225 suspension of \$4.9 million.

*Western North Sea.* Revenues in the Western North Sea decreased by \$2.8 million compared to the prior year period, primarily due to the expiration of a UK SAR contract which reduced revenue by \$8.8 million, the expiry of a contract in Denmark of \$7.3 million and decreased ad-hoc work due to the

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EC225 suspension of \$5.5 million. This decrease in revenue was offset by revenue gains with existing customers in Scotland, primarily for additional helicopters with oil and gas customers of \$9.1 million, in Ireland with \$5.3 million of additional revenue earned as a result of the transition of an existing customer to more technologically advanced helicopters, and primarily by short term contract work in England for \$4.2 million.

*Americas.* Revenues in the Americas decreased by \$25.5 million compared to the prior year period, primarily due to decreased revenue activity in Brazil of \$20.3 million as a result of the EC225 suspension. In addition the expiration of customer contracts in the Falkland Islands and Canada decreased revenue by \$12.9 million. These decreases were offset in part by a \$7.3 million increase in revenue from a contract win in Nicaragua.

*Asia Pacific.* Asia Pacific revenues increased by \$8.4 million compared to the prior year period, primarily as a result of new contract wins and contract modifications in Australia and Malaysia approximating \$20.5 million. These increases were offset in part by the end of certain customer contracts and reductions in revenues earned with existing customers in Australia approximating \$11.8 million, and by lost revenue of \$1.7 million from the EC225 suspension.

*Africa-Euro Asia.* Africa-Euro Asia revenues increased by \$7.5 million compared to the prior year period, primarily as a result of contract wins of \$7.4 million, increased flying activity in Tanzania and Mozambique of \$4.2 million and higher activity in Kazakhstan approximating \$2.3 million. Offsetting these increases were contract expirations in Kenya, Namibia and Liberia approximating \$6.4 million.

**Heli-One**

Heli-One's external revenue decreased by \$4.1 million compared to the prior year period. This was due primarily to a decrease in non-PBH project sales, including airframe, engine and component work, attributable to fewer airframe maintenance and modification projects completed during the current year period.

*Direct Costs***For the six months ended October 31,**

(In thousands of U.S. dollars)

	2012	2013	Favorable (Unfavorable)	
			\$ Change	% Change
Crew costs	\$ (209,973)	\$ (217,427)	\$ (7,454)	(3.5)%
Base and operations and other costs	(185,257)	(176,338)	8,919	4.8%
Maintenance	(125,084)	(122,368)	2,716	2.2%
Support costs	(79,943)	(88,322)	(8,379)	(10.5)%
	\$ (600,257)	\$ (604,455)	\$ (4,198)	(0.7)%

Direct costs increased by \$4.2 million to \$604.5 million compared to the prior year period. The increase in direct costs was due primarily to an increase in crew and support costs in the current year period, offset by a reduction in maintenance and base and operations and other costs.

Crew costs, including salary, benefits, training and recruitment, increased by \$7.5 million to \$217.4 million compared to the prior year period. Crew costs have increased primarily due to changes in contract activity levels within our Helicopter Services business which have led to the hiring of additional crew. The increase in costs compared to the prior year period were experienced as a result of new contract work primarily in the East North Sea of \$3.9 million, in Australia for \$4.2 million, and Nigeria for \$2.1 million due to our renewed presence in that country. These increases were offset by a reduction in crew costs in other regions, including the Falkland Islands, for \$2.1 million. Crew costs were incurred only by our Helicopter Services segment.

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Base and operations and other costs, which include our base operations, reimbursable costs, insurance costs and other external expenses, decreased by \$8.9 million to \$176.3 million compared to the prior year period. The majority of base and operations and other costs related to our Helicopter Services segment, with \$15.6 million related to our Heli-One segment, which have decreased by \$3.4 million over the prior year period. The decrease for both segments was due primarily to a change in our insurance costs over the prior year period as a result of the receipt of insurance recoveries, offset by higher reimbursable costs which are invoiced to customers.

Maintenance costs decreased by \$2.7 million to \$122.4 million compared to the prior year period. Maintenance costs were primarily related to our Helicopter Services segment but are incurred by Heli-One, which conducts maintenance work for Helicopter Services and also for external customers. Approximately two thirds of these costs are related to Helicopter Services. Maintenance costs declined in part because we received cash and immediately available credits, in light of the EC225 suspension, which were booked as reductions to maintenance costs as they related to short-term performance issues. This was offset by \$10.1 million of additional costs incurred in the current period in preparing the Eurocopter EC225 helicopters for return to service. Furthermore, maintenance costs increased over the prior year period as a result of continued additional spend on rotatable parts maintenance in our MRO business, where the costs incurred for the maintenance work on rotatable parts are expensed as incurred, and due to higher maintenance activity on helicopters used as replacements during the EC225 suspension. We do not expect any adjustments in future periods for short-term performance issues for the EC225 suspension and we expect our maintenance costs to increase to a level comparative to normal activity. We did not receive any such adjustments in the three months ended October 31, 2013. Our maintenance costs were \$74.3 million in the three months ended October 31, 2013.

Support costs increased \$8.4 million to \$88.3 million compared to the prior year period due primarily to \$1.5 million of higher year over year costs as a result of our new centralized flying operations center, \$2.3 million of additional support costs being incurred for the start up of our Nigeria operations, \$1.9 million of higher salaries and benefits costs in our head office location, which were offset by lower salaries and benefit and consulting costs within our Heli-One business of \$1.7 million. The balance of the change in support costs related to variations in the levels of contract activity. The majority of support costs are incurred by Helicopter Services, with \$13.6 million related to our Heli-One segment, which have decreased by \$1.7 million over the prior year period.

*Depreciation*

Depreciation increased by \$14.8 million to \$70.8 million compared to the prior year period. The increase is primarily due to a depreciation review conducted in our Helicopter Services segment during the third quarter of fiscal 2013. We plan to exit certain helicopter types after the helicopters complete existing customer contracts over the period from 2014 to 2018. When we conducted our depreciation review, we reduced the useful lives and residual values of 18 helicopters that will be exited and the current year period reflects a higher rate of depreciation as a result. In our Heli-One segment depreciation increased primarily due to an increase in rotatable parts which can be repaired and re-used for several years to service the new technologically advanced helicopters. Of the prior year period depreciation expense, \$37.1 million was related to Heli-One, \$17.9 million was related to Helicopter Services and \$1.0 million was related to the Corporate Segment. Of the current year period depreciation expense, \$43.0 million was related to Heli-One and \$27.8 million was related to Helicopter Services.

*Restructuring Costs*

Restructuring costs decreased by \$3.7 million to \$0 million compared to the prior year period due to a completion of the implementation of new systems and processes allowing for global standardization in the Heli-One and Corporate segments. Of the prior year period restructuring costs, \$2.4 million was related to the Corporate segment and \$1.3 million was related to Heli-One.





**Table of Contents***Asset impairment*

Asset impairment increased by \$6.6 million to \$23.0 million compared to the prior year period. The increase was due primarily to the impairment of assets held for sale in the Helicopter Services segment increasing due to changes in market conditions. Of the prior year period asset impairment, \$16.3 million was related to Helicopter Services and \$0.1 million was related to the Corporate Segment. Of the current year period asset impairment expense, \$21.9 million was related to Helicopter Services and \$1.1 million was related to the Corporate Segment.

*Interest on Long-Term Debt*

Interest on long-term debt increased by \$17.9 million to \$77.9 million compared to the prior year period due primarily to the interest accrued on the additional \$200.0 million in senior secured notes issued on October 5, 2012 and the \$300.0 million of senior unsecured notes issued on May 13, 2013. This was offset in part by a decrease in interest on our revolving credit facility of \$3.4 million, due to repayments of this facility.

*Foreign Exchange Loss*

Foreign exchange loss increased by \$16.2 million to a loss of \$12.9 million compared to the prior year period, primarily due to the strengthening of the U.S. dollar denominated net liability positions in entities with Norwegian Kroner and Australian dollar functional currencies.

*Other Financing Income (Charges)*

Other financing income increased by \$15.7 million to \$4.1 million compared to the prior year period primarily from a \$10.0 million fee settlement and by a net gain on the valuation of derivatives and embedded derivatives of \$12.5 million. This was offset by higher net interest cost on bank accounts of \$3.0 million and \$2.4 million of higher amortization of deferred financing fees.

*Income Tax Expense*

Income tax expense increased by \$4.5 million to \$10.8 million compared to the prior year period. The effective tax rate for the current year period is (14.2)% compared to (32.6)% in the prior year period. The below table provides a breakdown of the items which caused the change in income tax expense between the current year period and the prior year period:

In millions of U.S. dollars	Increase/(decrease) in tax expense	Effective tax rate
<b>Income tax expense at October 31, 2012</b>	6.3	(32.6)%
Rate differences in various jurisdictions	(15.6)	
Non-deductible items	14.8	
Functional currency adjustments	0.9	
Valuation allowance	9.7	
Others	(5.3)	
<b>Income tax expense at October 31, 2013</b>	<b>10.8</b>	<b>(14.2)%</b>

The increase in the income tax expense as compared to the prior year period was due to an increase in non-deductible items and a higher valuation allowance offset by a change in rate differences in the various jurisdictions. The increase in non-deductible items of \$14.8 million was related primarily to a higher level of non-deductible interest due to tax legislative changes which have occurred in Norway and in the Netherlands.

The increase in valuation allowance was due to a change in our assessment of the realizability of certain tax assets in future years compared to the prior year period. This resulted in a net increase in the valuation allowance

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of \$9.7 million, primarily in relation to deferred tax assets in Australia, the United States, Netherlands, Barbados and Norway. Other items include the impact of higher levels of non-taxable income in foreign jurisdictions, which decreased the tax expense by \$4.3 million compared to the prior year period.

The effective tax rate is the ratio of income tax recovery (expense) to loss from continuing operations before income tax. In addition to the impact on income tax expense described in the preceding table, the reduction in the negative effective tax rate from (32.6)% to (14.2)% resulted from an increase in the net loss from continuing operations before income tax compared to the prior year period.

Our future effective income tax rate depends on various factors, such as the amount of income (loss) in each tax jurisdiction, tax regulations governing each jurisdiction, non-tax deductible expenses incurred as a percentage of pre-tax income, valuation allowances taken on losses in certain jurisdictions and the effectiveness of our tax planning strategies. We expect our tax expense for the remainder of the fiscal year to increase at rates similar to what has occurred in the first six months of the year; however certain expenses may be reduced. Movements in our loss from continuing operations including the impact of this reduction in certain expenses may occur in jurisdictions where we are not recognizing the benefit of deferred tax assets, which could result in no corresponding movement in our income tax recovery (expense). In addition, a significant component of income tax expense for the current period and the prior period is represented by income taxes in certain jurisdictions, such as withholding taxes, which are not directly correlated to movements in the net loss from continuing operations before income tax. We therefore expect our negative effective tax rate to increase for the remainder of fiscal 2014 compared to the first six months of fiscal 2014.

*Non-Controlling Interest*

Net earnings allocated to non-controlling interest increased by \$1.0 million to \$2.4 million, due to net earnings in EEA Helicopters Operations B.V. ( EHOB ). See Note 2 of our interim unaudited consolidated financial statements for a further discussion on EHOB.

**Table of Contents****Segmented Results of Operations****Helicopter Services**

For the six months ended October 31, (In thousands of U.S. dollars)

	2012	2013	Favorable (Unfavorable)	
			\$ Change	% Change
Operating revenue	\$ 712,756	\$ 713,338	\$ 582	0.1%
Reimbursable revenue	83,065	82,027	(1,038)	(1.2)%
Total third-party revenue	795,821	795,365	(456)	(0.1)%
Internal revenue	2,137	1,778	(359)	(16.8)%
<b>Total revenue</b>	<b>797,958</b>	<b>797,143</b>	<b>(815)</b>	<b>(0.1)%</b>
Direct costs(i)	(577,106)	(559,494)	17,612	3.1%
Earnings from equity accounted investees	1,837	3,918	2,081	113.3%
<b>Adjusted EBITDAR</b>	<b>\$ 222,689</b>	<b>\$ 241,567</b>	<b>\$ 18,878</b>	<b>8.5%</b>
Adjusted EBITDAR margin(ii)	31.1%	33.8%	2.7%	8.7%
Flight Hours	85,763	77,924	(7,839)	(9.1)%
# of Helicopters	245	238	(7)	(2.9)%
Helicopter lease and associated costs	\$ (97,227)	\$ (110,445)	\$ (13,218)	(13.6)%
HE count(iii)	161.5	166.2	4.7	2.9%
HE Rate(iii)	\$ 4,413	\$ 4,292	\$ (121)	(2.7)%

- (i) In the prior year period, direct costs were comprised of crew costs of \$210.0 million, base and operations and other costs of \$174.0 million and maintenance and support costs of \$193.1 million. In the current year period, direct costs were comprised of crew costs of \$217.4 million, base and operations and other costs of \$167.9 million and maintenance and support costs of \$174.2 million.
- (ii) Adjusted EBITDAR margin is calculated as Adjusted EBITDAR divided by total revenue less reimbursable revenue. Cost reimbursements from customers are recorded as reimbursable revenue with the related reimbursement expense in direct costs.
- (iii) HE Rate is the third-party operating revenue from the Helicopter Services segment excluding reimbursable revenue divided by a weighted average factor corresponding to the number of heavy and medium helicopters in our fleet. Our heavy and medium helicopters, including owned and leased, are weighted at 100% and 50% respectively to arrive at a single HE count, excluding helicopters expected to be retired from our fleet. Quarterly figures are an average of two quarters.

Helicopter Services Adjusted EBITDAR increased by \$18.9 million to \$241.6 million compared to the prior year period. Adjusted EBITDAR improved in the North Sea, Africa-Euro Asia and in our Asia Pacific regions, and was flat in the Americas. Adjusted EBITDAR margin improved by 2.7% compared to the prior year period. The primary changes in Adjusted EBITDAR at the regional level were due to:

*Eastern North Sea.* The Eastern North Sea's Adjusted EBITDAR increased by \$2.7 million over the prior year period and Adjusted EBITDAR margin decreased by 0.6%. This was principally due to the impact of contract wins and other higher short-term and ad-hoc contract work in the period compared to the prior year period. This was offset as a result of lower revenues in the period as a result of the EC225 suspension.

*Asia Pacific.* Asia Pacific's Adjusted EBITDAR increased by \$9.8 million and Adjusted EBITDAR margin increased by 5.2%, primarily due to margins from new contracts in Australia combined with an increase in oil and gas activities in Southeast Asia, including East Timor.

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*Africa-Euro Asia.* Adjusted EBITDAR increased by \$3.7 million and Adjusted EBITDAR margin increased by 0.2%. This was due to new contract wins in the region and higher activity in Turkey, Mozambique, Kazakhstan and other African countries of \$10.0 million, offset by lower activity in Equatorial Guinea and Azerbaijan, which decreased Adjusted EBITDAR by \$1.3 million. In addition, higher costs of \$4.6 million were incurred in Nigeria compared to the prior year period, where we incurred additional crew, base and other costs due to the set up of operations within Nigeria.

The balance of the change in Adjusted EBITDAR relates to changes in the results of operations in our other regions and fleet operations, from centralized costs and earnings from equity accounted investees compared to the prior year period. In the current year period, earnings from equity accounted investees have increased by \$2.1 million.

Helicopter leasing costs increased by \$13.2 million to \$110.4 million, due primarily to an increase in technologically advanced helicopter operating leases entered into during the current year period, which have a higher lease cost. We are acquiring technologically advanced helicopters to meet customers' needs as they continue exploration and development into deeper waters. We anticipate that we will continue to finance helicopters through operating leases and may make strategic decisions as required to purchase certain helicopters outright. The purchase of helicopters allows for greater jurisdictional flexibility as some lease agreements restrict the movement of helicopters to certain countries.

**Heli-One**

**For the six months ended October 31, (In thousands of U.S. dollars)**

			<b>Favorable (Unfavorable)</b>	
			\$	
	<b>2012</b>	<b>2013</b>	<b>Change</b>	<b>% Change</b>
Third-party revenue	\$ 67,034	\$ 62,938	\$ (4,096)	(6.1)%
Internal revenue	146,983	138,467	(8,516)	(5.8)%
<b>Total revenue</b>	<b>214,017</b>	<b>201,405</b>	<b>(12,612)</b>	<b>(5.9)%</b>
Direct costs(i)	(171,103)	(183,818)	(12,715)	(7.4)%
<b>Adjusted EBITDAR</b>	<b>\$ 42,914</b>	<b>\$ 17,587</b>	<b>\$ (25,327)</b>	<b>(59.0)%</b>
Adjusted EBITDAR Margin(ii)	20.1%	8.7%	(11.4)%	(56.7)%

(i) In the prior year period, direct costs were comprised of maintenance costs of \$136.7 million and other costs of \$34.4 million. In the current year period, direct costs were comprised of maintenance costs of \$154.7 million and other costs of \$29.1 million. Other costs include base and operations and other costs and support costs which for Heli-One include freight costs, consulting, insurance and other items.

(ii) Adjusted EBITDAR margin is calculated as Adjusted EBITDAR divided by total revenue less reimbursable revenue, of which there was none in the Heli-One segment in the current and prior year periods.

Heli-One generates the majority of its revenue by supporting internal flying operations. Adjusted EBITDAR decreased by \$25.3 million to \$17.6 million and Adjusted EBITDAR margin decreased by 11.4% compared to the prior year period. The primary changes compared to the prior year period were as follows:

Increased costs are related to the EC225 return to service, the maintenance of rotables parts to improve helicopter availability and higher maintenance activity on helicopters used as replacements during the EC225 stand-down. This had an unfavorable impact on Adjusted EBITDAR of \$17.5 million, which impacted Adjusted EBITDAR margin by 7.8%;

Lower internal and external revenue from flight hours reduced PBH revenue which had an unfavorable impact on Adjusted EBITDAR of \$7.0 million, which impacted Adjusted EBITDAR margin by 3.1%; and

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There was a decrease in non-PBH revenues due to the timing of completion of airframes, components and engines work in the current year period which resulted in an unfavorable Adjusted EBITDAR impact of \$1.0 million, which impacted Adjusted EBITDAR margin by 0.5%.

**The Fiscal Year Ended April 30, 2013 Compared to the Fiscal Year Ended April 30, 2012****Consolidated Results Summary For the fiscal year ended April 30, (In thousands of U.S. dollars)**

	2012	2013	Favorable (Unfavorable)	
			\$Change	% Change
Helicopter Services(i)	\$ 1,526,060	\$ 1,603,403	\$ 77,343	5.1%
Heli-One	166,479	140,444	(26,035)	(15.6)%
<b>Total revenue</b>	<b>\$ 1,692,539</b>	<b>\$ 1,743,847</b>	<b>\$ 51,308</b>	<b>3.0%</b>
Direct costs(ii)	(1,205,740)	(1,190,101)	15,639	1.3%
Helicopter lease and associated costs	(176,685)	(201,736)	(25,051)	(14.2)%
<b>Total direct costs</b>	<b>\$ (1,382,425)</b>	<b>\$ (1,391,837)</b>	<b>\$ (9,412)</b>	<b>(0.7)%</b>
Flying hours	172,145	163,442	(8,703)	(5.1)%
# of helicopters	252	247	(5)	(2.0)%
HE count	169.2	164.7	(4.5)	(2.7)%
HE Rate(iii)	\$ 8,034	\$ 8,730	\$ 696	8.7%

- (i) Includes revenue from the customer reimbursement of fuel costs of \$98.0 million for the fiscal year ended April 30, 2012 and \$100.3 million for the fiscal year ended April 30, 2013.
- (ii) Includes \$101.2 million in fuel costs for the fiscal year ended April 30, 2012 and \$103.8 million for the fiscal year ended April 30, 2013.
- (iii) HE Rate is the third-party operating revenue from the Helicopter Services segment excluding reimbursable revenue divided by a weighted average factor corresponding to the number of heavy and medium helicopters in our fleet. Our heavy and medium helicopters, including owned and leased, are weighted as 100% and 50%, respectively, to arrive at a single HE count, excluding helicopters expected to be retired from our fleet.

**Consolidated Results of Operations***Revenue*

Revenue increased by \$51.3 million to \$1,743.8 million compared to fiscal 2012.

**Helicopter Services**

**For the fiscal year ended April 30,**

**(in thousands of U.S. dollars)**



	<b>2012</b>	<b>2013</b>	<b>Favorable (Unfavorable)</b>	
			<b>Change</b>	<b>% Change</b>
Eastern North Sea	\$ 382,295	\$ 365,350	\$ (16,945)	(4.4)%
Western North Sea	383,782	395,173	11,391	3.0%
Americas	242,485	302,089	59,604	24.6%
Asia Pacific	305,533	346,737	41,204	13.5%
Africa Euro Asia	204,793	185,566	(19,227)	(9.4)%
Other	7,172	8,488	1,316	18.3%
<b>Total</b>	<b>\$ 1,526,060</b>	<b>\$ 1,603,403</b>	<b>\$ 77,343</b>	<b>5.1%</b>

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Helicopter Services revenue increased by \$77.3 million, due primarily to new flying contracts with increased flying hours in the Americas, Asia Pacific and the Western North Sea in fiscal 2013. These revenue increases were offset by decreases in the Eastern North Sea and the Africa-Euro Asia region.

*North Sea.* The Western North Sea contributed additional revenues of \$11.4 million, due primarily to new contracts generated from an increase in oil and gas activity in Scotland, England and Ireland. The increase in the Western North Sea's revenue was partially offset by a \$24.9 million impact from a lost contract in Denmark. The Eastern North Sea's revenue decreased by \$16.9 million due to a contract expiry in Norway, which resulted in an \$18.7 million decrease in revenue that was partially offset by new contracts from an increase in oil and gas activity in the region.

*The Americas.* The Americas contributed an additional \$59.6 million in revenues, due primarily to \$72.1 million of revenue from new contracts for heavy helicopters in Brazil combined with the deployment of all helicopters under contracts entered into in Brazil in late fiscal 2012. These increases in Brazil were partially offset by the expiry of some short-term contracts and by decreases in North America from expired contracts.

*Asia Pacific.* Asia Pacific contributed an additional \$41.2 million due primarily to new contracts entered into at the end of fiscal 2012, where all helicopters under such contracts were deployed in fiscal 2013. New contract wins in Australia and East Timor increased revenue by \$45.0 million over the prior year. The revenue increases in Australia and East Timor were partially offset by a net decrease of \$7.8 million in Southeast Asia from expired contracts.

*Africa-Euro Asia.* Revenue decreased by \$19.2 million, due primarily to the sale of the fixed wing aircraft in Chad at the end of fiscal 2012 and our exit from our relationship with our previous partner in Nigeria. We are in the process of transitioning to new partners. In October 2012, we received our Nigerian AOC for a single helicopter type and are in the process of setting up our interim base. These decreases in revenue were partially offset by revenue increases in Kazakhstan, Mozambique and Tanzania as increased oil and gas activities in these areas generated new contracts.

**Heli-One**

Heli-One revenue decreased by \$26.0 million due primarily to a decrease in non-PBH project sales, including airframe, engine and component work. The decrease in airframe, engine and component work was primarily attributable to fewer airframe maintenance and modification projects completed during fiscal 2013.

*Direct Costs*

**For the fiscal year ended April 30, (in thousands of U.S. dollars)**

	<b>2012</b>	<b>2013</b>	<b>Favorable (Unfavorable)</b>	
			<b>\$Change</b>	<b>% Change</b>
Crew costs	\$ (413,024)	\$ (429,230)	\$ (16,206)	(3.9)%
Base operations and other costs	(374,512)	(366,018)	8,494	2.3%
Maintenance	(260,210)	(232,486)	27,724	10.7%
Support costs	(157,994)	(162,367)	(4,373)	(2.8)%
	\$ (1,205,740)	\$ (1,190,101)	\$ 15,639	1.3%

Direct costs decreased by \$15.6 million to \$1,190.1 million compared to fiscal 2012. The decrease in direct costs was due primarily to decreases in base operations and other costs and maintenance costs partially offset by an increase in crew and support costs.

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Crew costs increased by \$16.2 million to \$429.2 million compared to fiscal 2012. The increase was due primarily to additional crew costs for new and existing contracts in Brazil, Australia, the United Kingdom, Mozambique, Kazakhstan and Tanzania. These increases were offset by decreases in crew from expired contracts and reduced flying hours in Denmark, Norway and Nigeria. Chad also had a decrease in crew costs as we sold our fixed wing aircraft at the end of fiscal 2012. Crew costs were incurred only by our Helicopter Services segment.

Base operations and other costs decreased by \$8.5 million to \$366.0 million compared to fiscal 2012. Base operations and other costs also included fuel costs re-chargeable to our customers, insurance and travel. The majority of base and operations and other costs related to our Helicopter Services segment, with \$29.9 million related to our Heli-One segment, which have decreased by \$17.7 million compared with fiscal 2012. The decrease for Heli-One is due primarily to other costs, where we had a sale of parts to a customer in fiscal 2012 that did not reoccur in fiscal 2013. The decrease in base and other costs was partially offset by new contracts in Brazil, Australia and the North Sea, which increased the base set-up costs.

Maintenance costs decreased by \$27.7 million to \$232.5 million compared to fiscal 2012 due primarily to lower lease return costs being recorded in fiscal 2013, which are recorded when they are probable and can be estimated, usually near the end of the helicopter lease term, the expiry of certain customer contracts reducing activity and cost and the decrease in third-party non-PBH sales. Maintenance costs were primarily related to our Helicopter Services segment but are incurred by Heli-One, which conducts maintenance work for Helicopter Services and also for external customers. Approximately two thirds of these costs related to Helicopter Services.

Support costs increased by \$4.4 million to \$162.4 million compared to fiscal 2012 to support the centralized flying operations center in our Helicopter Services segment and related consulting costs. The majority of support costs are incurred by Helicopter Services, with \$28.4 million related to our Heli-One segment, which have decreased by \$5.4 million compared with fiscal 2012 due to lower consulting costs in this segment.

### *Helicopter Lease and Associated Costs*

Helicopter leasing costs increased by \$25.1 million to \$201.7 million, due primarily to an increase in new technologically advanced helicopter additions. We are continuing to acquire new technologically advanced helicopters to meet our customers' needs as they continue production, exploration and development into deeper waters. We anticipate we will continue to finance helicopters through operating leases and may make strategic decisions as required to purchase certain helicopters outright. The purchase of helicopters allows for greater jurisdictional flexibility as some lease agreements restrict the movement of helicopters to certain countries.

### *General and Administration Costs*

General and administration costs included in the results of the Corporate Segment increased by \$4.0 million to \$74.1 million compared to fiscal 2012. The increase is due primarily to \$2 million in additional information technology costs, \$9.8 million of additional personnel support costs, consulting and trainings costs partially offset by a \$7.2 million decrease in insurance costs as there were fewer reported claims in fiscal 2013. Information technology costs increased as we incurred more training and consulting costs to support the go-live of the new Heli-One integrated IT system in November 2012 and to support other new global systems that are being implemented as part of the broad transformation initiative. Personnel support costs have increased due primarily to compensation costs where vacant roles have been filled.

### *Depreciation*

Depreciation expense increased by \$19.0 million to \$131.9 million compared to fiscal 2012, due primarily to an increase in the Heli-One segment of rotatable parts which can be repaired and re-used for several years to service the new technologically advanced helicopters and an increase in helicopter depreciation expense in the Helicopter Services segment. During fiscal 2013 we identified two older helicopter types that would be exited.

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As part of this exit, we performed an annual review of the useful lives of helicopters and reduced the useful lives of these helicopters. This change in estimate resulted in an increase to depreciation of \$11.3 million in fiscal 2013. Of the fiscal 2012 depreciation expense, \$66.4 million related to Heli-One, \$44.4 million related to Helicopter Services and the remainder related to the Corporate Segment. Of the fiscal 2013 depreciation expense, \$78.8 million related to Heli-One, \$52.3 million related to Helicopter Services and the remainder related to the Corporate Segment.

*Restructuring Costs*

Restructuring costs decreased by \$11.5 million to \$11.0 million compared to fiscal 2012, due primarily to a decrease in initial costs associated with the implementation of new systems and processes allowing for global standardization in the Helicopter Services, Heli-One and Corporate Segments. Of our restructuring costs in fiscal 2012, \$17.8 million related to the Corporate Segment, \$4.5 million related to the Helicopter Services segment and \$0.2 million related to the Heli-One segment. Of our restructuring costs in fiscal 2013, \$6.8 million related to the Corporate Segment, \$2.6 million related to the Helicopter Services segment, and \$1.6 million related to the Heli-One segment.

*Asset impairments*

<b>(In thousands of U.S. dollars)</b>	<b>For the year ended April 30,</b>		<b>Favorable (Unfavorable) \$Change</b>
	<b>2012</b>	<b>2013</b>	
Recovery (impairment) of receivables and funded residual value guarantees	\$ 36	\$ (1,671)	\$ (1,707)
Impairment of assets held for sale	(13,469)	(12,164)	1,305
Impairment of assets held for use		(8,421)	(8,421)
Impairment of intangible assets	(4,218)	(7,725)	(3,507)
<b>Total impairment</b>	<b>\$ (17,651)</b>	<b>\$ (29,981)</b>	<b>\$ (12,330)</b>

Asset impairments increased by \$12.3 million to \$30.0 million compared to fiscal 2012. Asset impairments include the impairment of receivables and funded residual value guarantees, assets held for sale, assets held for use and intangible assets. The increase in asset impairments related to the Helicopter Services segment is due primarily to an increase of \$8.4 million in impairment of assets held for use and an increase of \$3.5 million in intangible assets. The impairment of assets held for sale increased compared to fiscal 2012 as there are two helicopter types we will be exiting once all the helicopters have completed their flying obligations. The impairment of intangible assets increased compared to fiscal 2012 as the impairment of embedded equity recognized on leased helicopters was higher for our older technology helicopters due to a decline in helicopter values. Of the fiscal 2012 asset impairments, \$17.4 million related to the Helicopter Services segment and \$0.3 million related to the Corporate Segment. Of the fiscal 2013 asset impairments, \$29.9 million related to the Helicopter Services segment and \$0.1 million related to the Corporate Segment.

*Loss on Disposal of Fixed Assets*

Loss on disposal of fixed assets increased by \$23.7 million to \$15.5 million compared to fiscal 2012 due primarily to an increase in the losses from the sale and leaseback of helicopters in the Helicopter Services segment. Of the fiscal 2012 gain on disposal of fixed assets, \$7.7 million related to the Helicopter Services segment and \$1.7 million related to the Corporate Segment, which were partially offset by a loss of \$(1.2) million related to the Heli-One segment. Of

the fiscal 2013 loss on disposal of fixed assets, \$14.5 million related to the Helicopter Services segment and \$1.1 million related to the Heli-One segment, which were partially offset by a gain of \$0.1 million related to the Corporate Segment.

**Table of Contents***Interest on Long-Term Debt*

Interest on long-term debt increased by \$10.6 million to \$127.2 million compared to fiscal 2012 due primarily to an increase in the interest expense on the issuance of the \$200.0 million in senior secured notes on October 5, 2012 partially offset by a decrease in capital lease interest expense as certain capital leases were refinanced at the end of fiscal 2012 as operating leases.

*Foreign Exchange Gains (Losses)*

Foreign exchange gains decreased by \$13.2 million to a foreign exchange loss of \$11.4 million compared to fiscal 2012 from the revaluation of net liability positions denominated in U.S. dollars in entities with Norwegian Kroner and Euro functional currencies as the U.S. dollar strengthened in fiscal 2013 relative to those currencies as compared to the prior period.

*Income Tax Expense*

Income tax expense increased by \$6.2 million to \$54.5 million compared to fiscal 2012. The effective tax rate for fiscal 2013 is (86.3)% compared to (151.2)% in fiscal 2012. The below table provides a breakdown of the items which caused the change in tax expense between fiscal 2013 and 2012:

<b>In millions of U.S. dollars</b>	<b>Increase (decrease) in tax expense</b>	<b>Effective tax rate</b>
<b>Income tax expense at April 30, 2012</b>	\$ 48.2	(151.2)%
Non-deductible items	4.9	
Functional currency adjustments	4.6	
Valuation allowance	2.9	
Rate differences in various jurisdictions and other	(6.1)	
<b>Income tax expense at April 30, 2013</b>	<b>\$ 54.5</b>	<b>(86.3)%</b>

The increase in income tax expense as compared to fiscal 2012 is due primarily to an increase in non-deductible items, functional currency adjustments and an increase in the valuation allowance taken against deferred tax assets in certain jurisdictions in the amounts indicated in the above table. Other items resulting in a net decrease to tax expense of \$6.1 million include rate differences in various jurisdictions and an increase in non taxable income. The increase in non-taxable income was as a result of restructuring certain intercompany debt. The non-deductible items increased by \$4.9 million due to an increase in the non-deductible interest expense incurred in certain jurisdictions. Income tax expense increased by \$4.6 million due to functional currency adjustments from foreign currency gains related to tax balances denominated in Norwegian Kroner, Euro and Canadian dollars in entities with a U.S. dollar functional currency as the U.S. dollar weakened in fiscal 2013 relative to those currencies compared to the prior period. The increase in the valuation allowance of \$2.9 million compared to the prior year was due to a change in our assessment of the future realization of certain tax assets in fiscal 2013. This change in assessment resulted in a change in the valuation allowance of \$58.8 million. Of this amount, \$34.2 million was primarily in relation to deferred tax assets in the U.S., Australia, Netherlands and Norway EHOB.



The effective tax rate is the ratio of income tax recovery (expense) to loss from continuing operations before income tax. In addition to the impact on income tax expense described in the preceding table, the reduction in the negative effective tax rate from (151.2)% to (86.3)% resulted from an increase in the net loss from continuing operations before income tax compared to the prior year period without a corresponding change in income tax recovery (expense) due to valuation allowances recorded against deferred income tax assets in many jurisdictions. In addition, a significant component of income tax expense for the 2013 fiscal year and the prior period is represented by income taxes in certain jurisdictions, such as withholding taxes, which are not directly correlated to movements in the net loss from continuing operations before income tax. Furthermore, movements in our loss from continuing operations may occur in jurisdictions where we are not recognizing the benefit of deferred tax assets, which could result in no corresponding movement in our income tax recovery (expense).

**Table of Contents***Non-Controlling Interest*

Net earnings allocated to non-controlling interest decreased by \$9.5 million to \$2.9 million, due primarily to a decrease in net earnings in EHOB from higher income tax expense and the loss on the mark to market of derivatives which relate to embedded foreign currency derivatives in some of our helicopter services contracts. See Note 2 of our interim unaudited consolidated financial statements for the six months ended October 31, 2012 and 2013 and note 4 of our audited annual consolidated financial statements for the years ended April 30, 2011, 2012 and 2013 included elsewhere in this prospectus for a further discussion on EHOB.

*Segmented Results of Operations**Helicopter Services*

(in thousands of U.S. dollars)	For the fiscal year ended April 30,		Favorable (Unfavorable)	
	2012	2013	\$Change	% Change
Operating revenue	\$ 1,359,316	\$ 1,437,865	\$ 78,549	5.8%
Reimbursable revenue	166,744	165,538	(1,206)	(0.7)%
Total third-party revenue	1,526,060	1,603,403	77,343	5.1%
Internal revenue	7,568	5,575	(1,993)	(26.3)%
<b>Total revenue</b>	<b>\$ 1,533,628</b>	<b>\$ 1,608,978</b>	<b>\$ 75,350</b>	<b>4.9%</b>
Direct costs(i)	(1,135,743)	(1,144,045)	(8,302)	(0.7)%
Earnings from equity accounted investees	2,844	4,718	1,874	65.9%
<b>Adjusted EBITDAR</b>	<b>\$ 400,729</b>	<b>\$ 469,651</b>	<b>\$ 68,922</b>	<b>17.2%</b>
Adjusted EBITDAR margin(ii)	29.5%	32.7%	3.2%	10.8%
Flight hours	172,145	163,442	(8,703)	(5.1)%
# of Helicopters	252	247	(5)	(2.0)%
Helicopter lease and associated costs	\$ (176,685)	\$ (201,736)	\$ (25,051)	(14.2)%
HE count(iii)	169.2	164.7	(4.5)	(2.7)%
HE Rate(iii)	\$ 8,034	\$ 8,730	\$ 696	8.7%

- (i) In fiscal 2012, direct costs were comprised of crew costs of \$417.3 million, base and operations and other costs of \$338.9 million and maintenance and support costs of \$379.5 million. In fiscal 2013, direct costs were comprised of crew costs of \$429.2 million, base and operations and other costs of \$353.7 million and maintenance and support costs of \$361.1 million.
- (ii) Adjusted EBITDAR margin is calculated as Adjusted EBITDAR divided by total revenue less reimbursable revenue. Cost reimbursements from customers are recorded as reimbursable revenue with the related reimbursement expense in direct costs.

(iii) HE Rate is the third-party operating revenue from the Helicopter Services segment excluding reimbursable revenue divided by a weighted average factor corresponding to the number of heavy and medium helicopters in our fleet. Our heavy and medium helicopters, including owned and leased, are weighted at 100% and 50%, respectively, to arrive at a single HE count, excluding helicopters expected to be retired from our fleet. Helicopter Services Adjusted EBITDAR increased by \$68.9 million to \$469.7 million compared to fiscal 2012. The increase in Adjusted EBITDAR is due primarily to the Americas, Asia Pacific, and the North Sea offset by Africa-Euro Asia.

*North Sea.* The Western North Sea contributed an additional \$9.5 million in Adjusted EBITDAR due primarily to margins from new contracts in Scotland, England and Ireland, which partially offset the margins from lost and expired contracts. The Eastern North Sea contributed an additional \$8.0 million in Adjusted

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EBITDAR despite a net decrease in revenues due to lower compensation costs in the region. The net improvement in the North Sea Adjusted EBITDAR margin was 1.3% over the prior year.

*The Americas.* The Americas Adjusted EBITDAR increased by \$24.3 million due primarily to a \$32.6 million increase in Brazil, where increased margins on new heavy helicopter contracts combined with the deployment of additional helicopters under contracts that began in April 2012. Brazil also had an improvement in crew and helicopter availability that led to an increase in Adjusted EBITDAR. This increased the Adjusted EBITDAR margin by 0.8% over the prior year. These increases in the Americas Adjusted EBITDAR were partially offset by a \$10.6 million decrease in North America Adjusted EBITDAR from expired contracts which had a negative impact of 0.5% on Adjusted EBITDAR margin.

*Asia Pacific.* Asia Pacific's increase in Adjusted EBITDAR of \$23.3 million is due primarily to the margins from new contracts being partially offset by higher crew costs.

*Africa-Euro Asia.* The Africa-Euro Asia region had a net decrease in Adjusted EBITDAR of \$2.8 million, due primarily to a \$10.3 million decrease in Chad and Nigeria, offset by a \$14.1 million increase in Mozambique and Tanzania from an increase in oil and gas activities that generated new contracts. Adjusted EBITDAR has decreased in Chad as we sold our fixed wing aircraft at the end of fiscal 2012 and we are continuing to incur costs while we transition our Nigerian operations to our new partners. In October 2012, we received our Nigerian AOC for a single helicopter type and are in the process of setting up our interim base. The Adjusted EBITDAR margin increased by 0.2% as a result of these changes.

Helicopter leasing costs for fiscal 2013 increased by \$25.1 million to \$201.7 million compared to fiscal 2012, due primarily to an increase in technologically advanced helicopters additions that have higher lease costs partially offset by a number of helicopters that were converted to capital leases during fiscal 2012. We are continuing to acquire technologically advanced helicopters to meet our customers' needs as they continue exploration and development and production into deeper waters. We anticipate we will continue to finance helicopters through operating leases and may make strategic decisions as required to purchase certain helicopters outright. The purchase of helicopters allows for greater jurisdictional flexibility as some lease agreements restrict the movement of helicopters to certain countries.

**Heli-One**

(in thousands of U.S. dollars)	For the fiscal year ended April 30,		Favorable (Unfavorable)	
	2012	2013	\$Change	% Change
Third-party revenue	\$ 166,479	\$ 140,444	\$ (26,035)	(15.6)%
Internal revenue	283,026	286,709	3,683	1.3%
<b>Total revenue</b>	<b>\$ 449,505</b>	<b>\$ 427,153</b>	<b>\$ (22,352)</b>	<b>(5.0)%</b>
Direct costs(i)	(353,485)	(335,453)	18,032	5.1%
<b>Adjusted EBITDAR</b>	<b>\$ 96,020</b>	<b>\$ 91,700</b>	<b>\$ (4,320)</b>	<b>(4.5)%</b>
Adjusted EBITDAR Margin(ii)	21.4%	21.5%	0.1%	0.5%

- (i) In fiscal 2012, direct costs were comprised of maintenance costs of \$272.1 million and other costs of \$81.4 million. In fiscal 2013, direct costs were comprised of maintenance costs of \$277.2 million and other costs of \$58.3 million. Other costs include base and operations and other costs and support costs which for Heli-One include freight costs, consulting, insurance and other items.
- (ii) Adjusted EBITDAR margin is calculated as Adjusted EBITDAR divided by total revenue less reimbursable revenue, of which there was none in the Heli-One segment in fiscal 2012 and 2013.

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Heli-One generates the majority of its revenue by supporting our Helicopter Services Segment. Services to third parties represent 32.9% of its total revenues. Adjusted EBITDAR decreased by \$4.3 million to \$91.7 million compared to fiscal 2012 due primarily to a decrease in non-PBH revenues partially offset by an increase in margins from internal PBH revenues and lower support costs. Adjusted EBITDAR decreased by \$17.5 million from lower non-PBH project sales as compared to fiscal 2012. Despite the decreases from non-PBH sales, Adjusted EBITDAR margin was marginally affected by a decrease of 0.4% due to our cost savings from operational improvements compared to fiscal 2012. Adjusted EBITDAR increased by \$7.8 million compared to fiscal 2012 due to additional margins from higher internal PBH revenues combined with lower maintenance costs due to the timing of maintenance events with a favorable margin impact of 0.2%. Adjusted EBITDAR increased by \$5.4 million as compared to fiscal 2012 due to a decrease in support costs from lower consulting costs resulting in a positive impact to the Adjusted EBITDAR margin of 0.1%. Our Heli-One business is expected to continue to expand its sales pipeline for non-PBH services and reduce costs and inventory levels through the implementation of lean process techniques to drive greater efficiencies in the workshops as part of our broad transformation program.

**The Fiscal Year Ended April 30, 2012 Compared to the Fiscal Year Ended April 30, 2011****Consolidated Results Summary**

**For the fiscal year ended April 30,**

**(in thousands of U.S. dollars)**

	<b>2011</b>	<b>2012</b>	<b>Favorable (Unfavorable)</b>	
			<b>\$Change</b>	<b>% Change</b>
Helicopter Services(i)	\$ 1,316,238	\$ 1,526,060	\$ 209,822	15.9%
Heli-One	129,222	166,479	37,257	28.8%
<b>Total revenue</b>	<b>\$ 1,445,460</b>	<b>\$ 1,692,539</b>	<b>\$ 247,079</b>	<b>17.1%</b>
Direct costs(ii)	(1,047,532)	(1,205,740)	(158,208)	(15.1)%
Helicopter lease and associated costs	(164,828)	(176,685)	(11,857)	(7.2)%
<b>Total direct costs</b>	<b>\$ (1,212,360)</b>	<b>\$ (1,382,425)</b>	<b>\$ (170,065)</b>	<b>(14.0)%</b>
Flying hours	163,884	172,145	8,261	5.0%
# of helicopters	263	252	(11)	(4.2)%
HE count	174.2	169.2	(5.0)	(2.9)%
HE Rate(iii)	\$ 6,842	\$ 8,034	\$ 1,192	17.4%

(i) Includes revenue from the customer reimbursement of fuel costs of \$66.7 million for the year ended April 30, 2011 and \$98.0 million for the year ended April 30, 2012.

(ii) Includes \$67.3 million in fuel costs for the year ended April 30, 2011 and \$101.2 million for the year ended April 30, 2012.

(iii)

HE Rate is the third-party operating revenue from the Helicopter Services segment excluding reimbursable revenue divided by a weighted average factor corresponding to the number of heavy and medium helicopters in our fleet. Our heavy and medium helicopters, including owned and leased, are weighted at 100% and 50%, respectively, to arrive at a single HE count, excluding helicopters expected to be retired from our fleet.

**Table of Contents*****Consolidated Results of Operations******Revenue*****Helicopter Services****For the fiscal year ended April 30,****(in thousands of U.S. dollars)**

	2011	2012	Favorable (Unfavorable)	
			\$Change	% Change
Eastern North Sea	\$ 347,488	\$ 382,295	\$ 34,807	10.0%
Western North Sea	349,583	383,782	34,199	9.8%
Americas	177,289	242,485	65,196	36.8%
Asia Pacific	245,823	305,533	59,710	24.3%
Africa Euro Asia	191,585	204,793	13,208	6.9%
Other	4,470	7,172	2,702	60.4%
<b>Total</b>	<b>\$ 1,316,238</b>	<b>\$ 1,526,060</b>	<b>\$ 209,822</b>	<b>15.9%</b>

Revenue increased by \$247.1 million to \$1,692.5 million compared to fiscal 2011. Helicopter Services revenue increased by \$209.8 million, due primarily to new flying contracts with increased flying hours in the Americas and Asia Pacific and a significant increase in ad hoc flying hours in the Eastern and Western North Sea. Africa-Euro Asia revenues also increased due to new flying contracts in fiscal 2012.

*North Sea.* The Western North Sea contributed additional revenues of \$34.2 million as compared to fiscal 2011, due primarily to an increase in oil and gas activity in Scotland, England and the Netherlands that allowed helicopters from lost contracts to be redeployed to ad hoc flying contracts resulting in a significant increase in flying hours in fiscal 2012. The Eastern North Sea contributed an additional \$34.8 million of revenue, due primarily to an increase in oil and gas activity in Norway resulting in higher ad hoc flying hours. This increase was offset in part by the release of an off-market contract credit in fiscal 2011 for \$13.5 million when the customer advised they would not be exercising a renewal option. The off-market credits were recognized on the date of acquisition and were originally valued under the assumption that the customer would exercise all optional contract renewals.

*The Americas.* The Americas contributed an additional \$65.2 million in revenues as compared to fiscal 2011, due primarily to new contracts for two new heavy helicopters in Brazil, partially offset by the expiry of some short-term contracts. In addition, there was a new short-term contract for two heavy helicopters that began flying in the Falkland Islands in July 2011 which generated \$13.9 million of revenue in the year.

*Asia Pacific.* Asia Pacific contributed an additional \$59.7 million as compared to fiscal 2011 due primarily to a new contract that began in April 2011 in Australia, as all helicopters were deployed under the contract, combined with an increase in the flight hours under this contract. As this contract also earns revenues based on the number of hours flown, the increase in flying hours generated greater revenues in fiscal 2012. The revenue increases in Australia were partially offset by a \$20.7 million decrease in Southeast Asia from lost contracts and reduced flying hours.



*Africa-Euro Asia.* Revenue in the Africa-Euro Asia region increased by \$13.2 million, due primarily to Kazakhstan, Mozambique and Tanzania, as increased oil and gas activities in these areas generated new contracts with existing customers partially offset by a \$29.8 million decrease in Nigeria. Nigeria's revenue decreased as we exited our relationship with our previous partners, resulting in a decrease to flying hours and the redeployment of helicopters to other regions.

**Table of Contents*****Heli-One***

Heli-One revenue increased by \$37.3 million compared to fiscal 2011, due primarily to an increase in non-PBH revenues, which included an increase in airframes, engine and component work. The increase in airframe, engine and component work was primarily attributable to several large airframe maintenance and modification projects that were completed during fiscal 2012.

***Direct Costs***

**For the fiscal year ended April 30,**

**(in thousands of U.S. dollars)**

	<b>2011</b>	<b>2012</b>	<b>Favorable (Unfavorable)</b>	
			<b>\$Change</b>	<b>% Change</b>
Crew costs	\$ (360,359)	\$ (413,024)	\$ (52,665)	(14.6)%
Base operations and other costs	(292,012)	(374,512)	(82,500)	(28.3)%
Maintenance	(240,584)	(260,210)	(19,626)	(8.2)%
Support costs	(154,577)	(157,994)	(3,417)	(2.2)%
	\$ (1,047,532)	\$ (1,205,740)	\$ (158,208)	(15.1)%

Direct costs increased by \$158.2 million to \$1,205.7 million compared to fiscal 2011. The increase in direct costs was due primarily to an increase in crew, base operations and other costs and maintenance costs to support the growth in the flying operations and Heli-One.

Crew costs increased by \$52.7 million to \$413.0 million compared to fiscal 2011. The increase was due to the hiring of additional crew for new and existing contracts in Australia, Brazil and the Falkland Islands of \$39.8 million along with \$8.1 million in associated training costs. In Brazil, there was an increase of \$4.7 million in salary costs for existing employees from wage increases awarded as the result of tight labor markets. Crew costs were incurred only by our Helicopter Services segment.

Base operations and other costs increased by \$82.5 million to \$374.5 million compared to fiscal 2011. Base operations and other costs also included fuel costs re-chargeable to our customers, insurance and travel. New contracts and an increase in ad hoc flying hours in Brazil, Australia, Mozambique, Tanzania, and the North Sea resulted in a cost increase of \$27.3 million due to the set up costs for new bases, increased fuel costs from new helicopters and higher flying hours, accommodation costs for additional base and crew employees, and training for new base employees. Existing contracts increased base operations and other costs by \$44.6 million as higher flying hours generated higher fuel costs, landing costs and base costs. In fiscal 2011, the base operations and other costs included a \$10.2 million write-off of bid costs previously capitalized and the legal and consulting fees incurred in connection with the planned procurement of the UK SARH contract. The majority of base and operations and other costs related to our Helicopter Services segment, with \$47.6 million related to our Heli-One segment, which have increased by \$12.1 million compared with fiscal 2011. The primary reason for the increase in Heli-One costs is due to higher freight costs as a result of higher revenue activity compared to fiscal 2011.

Maintenance costs increased by \$19.6 million to \$260.2 million compared to fiscal 2011. Maintenance costs were primarily related to our Helicopter Services segment but are incurred by Heli-One, which conducts maintenance work for Helicopter Services and also for external customers. Approximately two thirds of these costs related to Helicopter Services. Heli-One expenses increased due primarily to higher third-party activity from airframe maintenance, engine and component work. Heli-One expenses also increased to support the Helicopter services segment compared to fiscal 2011 due to an increase in flying hours from new and existing contracts.

**Table of Contents***Helicopter Lease and Associated Costs*

Helicopter leasing costs increased by \$11.9 million to \$176.7 million, compared to fiscal 2011, due primarily to technologically advanced helicopters that have higher lease costs partially offset by a number of helicopters that were converted to capital leases during fiscal 2012. We are continuing to acquire technologically advanced helicopters to meet our customers' needs as they continue to move into deeper waters. We anticipate we will continue to finance helicopters through operating leases and may make strategic decisions as required to purchase certain helicopters outright. The purchase of helicopters allows for greater jurisdictional flexibility as some lease agreements restrict the movement of helicopters to certain countries.

*General and Administration Costs*

General and administration costs included in the results of the Corporate Segment increased by \$5.2 million to \$70.1 million compared to fiscal 2011. The increase was due primarily to information technology costs, personnel support costs and insurance costs, partially offset by a decrease in consulting and legal costs. Information technology costs increased, due primarily to costs incurred to support the new global systems implemented in connection with our broad transformation initiatives. Personnel support costs are higher than fiscal 2011 as vacant positions in the senior leadership team were filled and there was an increase in short term incentive compensation due to improved performance during the year. Insurance expense increased due to higher reported claims for self-insured benefits in fiscal 2011. This was partially offset by a decrease in consulting and legal fees, as we incurred costs in fiscal 2011 for strategic projects and activities that we did not incur in fiscal 2012.

*Depreciation*

Depreciation expense increased by \$13.3 million to \$113.0 million compared to fiscal 2011, due primarily to an increase in the Heli-One segment of rotatable parts which can be repaired and re-used for several years to service the technologically advanced helicopters. Of the fiscal 2011 depreciation expense, \$56.2 million related to Heli-One, \$42.3 million related to Helicopter Services and the remainder related to the Corporate Segment. Of the fiscal 2012 depreciation expense, \$66.4 million related to Heli-One, \$44.4 million related to Helicopter Services and the remainder related to the Corporate Segment.

*Restructuring Expense*

Restructuring costs increased by \$17.8 million to \$22.5 million compared to fiscal 2011, due primarily to severance costs and other costs incurred as part of the transformation program to achieve long-term cost efficiencies through the implementation of new systems and processes allowing for global standardization in the Corporate Segment. Of the fiscal 2011 restructuring costs, \$3.3 million related to the Helicopter Services segment and \$1.4 million related to the Heli-One segment. Of the fiscal 2012 restructuring costs, \$17.8 million related to the Corporate Segment, \$4.5 million related to the Helicopter Services segment, and \$0.2 million related to the Heli-One segment.

*Asset impairments*

(In thousands of U.S. dollars)	For the year ended		Favorable (Unfavorable) \$Change
	2011	April 30, 2012	
	\$ (3,556)	\$ 36	\$ 3,592

Recovery (impairment) of receivables and funded residual value guarantees			
Impairment of assets held for sale	(5,239)	(13,469)	(8,230)
Impairment of intangible assets	(20,608)	(4,218)	16,390
	\$ (29,403)	\$ (17,651)	\$ 11,752

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Asset impairments decreased by \$11.8 million to \$17.7 million compared to fiscal 2011. Asset impairments includes the impairment of receivables and funded residual value guarantees, assets held for sale, of assets held for use and intangible assets. The decrease in asset impairments related primarily to the Helicopter Services segment, which was due primarily to the impairment of embedded equity offset by an increase in the impairment on assets held for sale. The decrease in impairment of intangible assets of \$16.4 million was due primarily to embedded equity related to the annual impairment testing conducted for older technology helicopters that did not reoccur in fiscal 2012. The increase in impairment of the assets held for sale of \$8.2 million was due primarily to older technology helicopters that were being sold to increase the mix of new technologically advanced helicopters and a building classified as held for sale. In addition, more helicopters were impaired and held for sale in fiscal 2012 compared to fiscal 2011. Of the fiscal 2011 asset impairments, \$27.3 million related to Helicopter Services, \$0.5 million related to Heli-One and \$1.6 million related to the Corporate Segment. Of the fiscal 2012 asset impairments, \$17.4 million related to Helicopter Services and \$0.3 million related to the Corporate Segment.

*Interest on Long-Term Debt*

Interest on long-term debt increased by \$25.1 million to \$116.6 million compared to fiscal 2011 due primarily to the recognition of a full year of interest on the senior secured notes and an increase in capital lease interest expense from the refinancing of operating leases.

*Foreign Exchange Gains*

Foreign exchange gains decreased by \$16.1 million to \$1.8 million compared to fiscal 2011 from the revaluation of net liability positions denominated in U.S. dollars in entities with Norwegian Kroner and Euro functional currencies.

*Other Financing Charges*

Other financing charges decreased by \$52.0 million to \$15.0 million compared to fiscal 2011. The decrease in the financing charges resulted from costs incurred in fiscal 2011 related to long-term debt refinancing totaling \$62.4 million that did not reoccur in fiscal 2012, partially offset by an increase in the net loss on derivative financial instruments of \$10.9 million. As part of the refinancing of our long-term debt, we wrote-off the unamortized transaction costs related to the previous credit facility, settled a related interest rate swap and incurred fees related to the short-term amendment of the previous credit facility. Net loss on derivative financial instruments increased due to unfavorable movements in foreign exchange rates as compared to fiscal 2011.

*Income Tax Recovery (Expense)*

Income tax expense increased by \$81.0 million to an income tax expense of \$48.2 million compared to fiscal 2011. The effective tax rate for fiscal 2012 was (151.2%) compared to 33.9% in fiscal 2011. The below table provides a breakdown of the items which caused the change in tax recovery between the current year and the prior year:

<b>In millions of U.S. dollars</b>	<b>Increase (decrease) in tax expense</b>	<b>Effective tax rate</b>
<b>Income tax recovery at April 30, 2011</b>	\$ (32.8)	33.9%
Rate differences in various jurisdictions	46.2	
Non-deductible items	(26.3)	
Functional currency adjustments	24.1	

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Valuation allowance	36.3
Other	0.7
<b>Income tax expense at April 30, 2012</b>	<b>\$ 48.2 (151.2)%</b>

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The increase in the income tax expense as compared to fiscal 2011 was due primarily to an increase in the valuation allowance taken against deferred tax assets in certain jurisdictions, an increase in income tax expense from rate differences in various jurisdictions and functional currency adjustments offset by a decrease in tax expense from the impact of non-deductible items.

During the year, an adjustment was made to the opening balance of certain deferred tax assets due to a change in judgment about the realizability of these tax assets in future years that contributed to a valuation allowance of \$56.0 million. This was primarily in relation to deferred tax assets in Canada, Norway and the United Kingdom, offset by the reversal of certain valuation allowances in Brazil and Luxembourg. Brazil contributed to the decrease in the valuation allowance as an agreement was reached with the tax authorities that permitted interest and penalties related to certain non-income tax related liabilities to be settled using income tax losses of \$20.0 million. A full valuation allowance was previously recognized against these income tax losses. In addition, we were able to reverse valuation allowances of \$2.6 million representing \$8.8 million of tax loss carry forwards as a result of a tax planning initiative related to Luxembourg. Also offsetting the increase was the impact of the capitalization of intercompany interest explained further below, for a net increase to the valuation allowance of \$36.3 million.

Rate differences in various jurisdictions increased tax expense by \$46.2 million as a lower proportion of our taxable profits were earned in low tax rate jurisdictions in fiscal 2012 as compared to the prior year. Rate differences in various jurisdictions were affected by an interest bearing inter-company loan that was capitalized towards the end of fiscal 2011 resulting in a reduction of interest expense in Luxembourg and interest income in Switzerland. As income in Switzerland is taxed at a comparatively low tax rate, this contributed to the decrease in rate differences in various jurisdictions. The capitalization of the loan also reduced the amount of deductible and non-deductible interest in Luxembourg and reduced the overall tax losses in this jurisdiction. As a valuation allowance was taken against deferred tax assets related to income tax losses in Luxembourg this transaction also contributed to a reduction in the valuation allowances that were taken when compared to the prior year. The capitalization of the inter-company loan also contributed to the \$26.3 million decrease in non-deductible items. The income tax expense increased by \$24.1 million due to foreign currency losses related to tax balances denominated in Norwegian Kroner, Euro and Canadian dollars in entities with a U.S. dollar functional currency.

The effective tax rate is the ratio of income tax recovery (expense) to loss from continuing operations before income tax. In addition to the impact on income tax expense described in the preceding table, the change in the effective tax rate from 33.9% to (151.2)% resulted from a decrease in the net loss from continuing operations before income tax compared to the prior year period. A significant component of income tax expense for the 2012 fiscal year and the prior period is represented by income taxes in certain jurisdictions, such as withholding taxes, which are not directly correlated to movements in the net loss from continuing operations before income tax. Furthermore, movements in our loss from continuing operations may occur in jurisdictions where we are not recognizing the benefit of deferred tax assets, which could result in no corresponding movement in our income tax recovery (expense).

*Non-Controlling Interest*

Net earnings allocated to non-controlling interest increased by \$7.4 million to \$12.4 million compared to fiscal 2011, due primarily to an increase in net earnings in EHOB. See Note 2 of our interim unaudited consolidated financial statements for the six months ended October 31, 2012 and 2013 and note 4 of our audited annual consolidated financial statements for the years ended April 30, 2011, 2012 and 2013 included elsewhere in this prospectus for a further discussion on EHOB.





**Table of Contents****Segmented Results of Operations***Helicopter Services*

(in thousands of U.S. dollars)	For the fiscal year ended April 30,		Favorable (Unfavorable)	
	2011	2012	\$Change	% Change
Third-party revenue	\$ 1,191,814	\$ 1,359,316	\$ 167,502	14.1%
Reimbursable revenue	124,424	166,744	42,320	34.0%
<b>Total third-party revenue</b>	<b>1,316,238</b>	<b>1,526,060</b>	<b>209,822</b>	<b>15.9%</b>
Internal revenue	8,125	7,568	(557)	(6.9)%
<b>Total revenue</b>	<b>\$ 1,324,363</b>	<b>\$ 1,533,628</b>	<b>\$ 209,265</b>	<b>15.8%</b>
Direct costs(i)	(969,997)	(1,135,743)	(165,746)	(17.1)%
Earnings from equity accounted investees	2,159	2,844	685	31.7%
<b>Adjusted EBITDAR</b>	<b>\$ 356,525</b>	<b>\$ 400,729</b>	<b>\$ 44,204</b>	<b>12.4%</b>
Adjusted EBITDAR margin(ii)	29.9%	29.5%	(0.4)%	(1.3)%
Flight hours	163,884	172,145	8,261	5.0%
# of Helicopters	263	252	(11)	(4.2)%
Helicopter lease and associated costs	\$ (164,828)	\$ (176,685)	\$ (11,857)	(7.2)%
HE count(iii)	174.2	169.2	(5.0)	(2.9)%
HE Rate(iii)	\$ 6,842	\$ 8,034	\$ 1,192	17.4%

- (i) In fiscal 2011, direct costs were comprised of crew costs of \$360.4 million, base and operations and other costs of \$277.4 million and maintenance and support costs of \$332.2 million. In fiscal 2012, direct costs were comprised of crew costs of \$417.3 million, base and operations and other costs of \$338.9 million and maintenance and support costs of \$379.5 million.
- (ii) Adjusted EBITDAR margin is calculated as Adjusted EBITDAR divided by total revenue less reimbursable revenue. Cost reimbursements from customers are recorded as reimbursable revenue with the related reimbursement expense in direct costs.
- (iii) HE Rate is the third-party operating revenue from the Helicopter Services segment excluding reimbursable revenue divided by a weighted average factor corresponding to the number of heavy and medium helicopters in our fleet. Our heavy and medium helicopters, including owned and leased, are weighted at 100% and 50%, respectively, to arrive at a single HE count, excluding helicopters expected to be retired from our fleet.
- Helicopter Services Adjusted EBITDAR increased \$44.2 million to \$400.7 million compared to fiscal 2011. The increase in Adjusted EBITDAR was due primarily to increases from the Western and Eastern North Sea, Asia Pacific, and the Americas partially offset by the Africa-Euro Asia regions.

*North Sea.* The North Sea contributed an additional \$28.2 million due primarily to an increase in oil and gas activities in Scotland, England and Norway, where the availability of helicopters resulted in a significant increase in ad hoc flying hours.

*Asia Pacific.* Asia Pacific increase in Adjusted EBITDAR of \$13.3 million was due primarily to the margins from a new contract that began in April 2011, in Australia as all helicopters have been deployed in the current year combined with an increase in flying hours during the current year and other contract wins. In the prior year, Australia's Adjusted EBITDAR was lower as costs continued to be incurred on a lost customer contract. The Adjusted EBITDAR increase in Australia is offset by Southeast Asia, where costs continued to be incurred on existing contracts with a reduction in flying hours and lost contracts.

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*The Americas.* The Americas Adjusted EBITDAR increased by \$5.7 million due primarily to new contracts in Brazil and margins from a new short-term contract in the Falkland Islands. The additional revenue earned in Brazil was offset by higher crew, base and support staff costs from a tight labor market, and helicopter availability issues from the supply of parts. We reviewed our parts management and supply chain processes to support the growth in the region.

*Africa-Euro Asia.* The Africa-Euro Asia region had a net decrease in Adjusted EBITDAR of \$2.5 million, due primarily to Nigeria, offset by an increase in Mozambique, Kazakhstan, Tanzania, and Romania. Adjusted EBITDAR increased in Mozambique, Kazakhstan, Tanzania, and Romania as there was an increase in oil and gas activities that generated new contracts. Adjusted EBITDAR has decreased in Nigeria as we exited our relationship with our previous partners thereby resulting in a decrease in flying hours and the redeployment of helicopters to other regions. We engaged during fiscal 2012 in discussions with a potential new partner in order to recommence our flying operations in Nigeria.

Helicopter leasing costs for fiscal 2012 increased by \$11.9 million to \$176.7 million compared to fiscal 2011, due primarily to technologically advanced helicopters additions that have higher lease costs partially offset by a number of helicopters that were converted to capital leases during fiscal 2012. We are continuing to acquire technologically advanced helicopters to meet our customers' needs as they continue exploration and development and production into deeper waters. We anticipate we will continue to finance helicopters through operating leases and may make strategic decisions as required to purchase certain helicopters outright. The purchase of helicopters allows for greater jurisdictional flexibility as some lease agreements restrict the movement of helicopters to certain countries.

*Heli-One*

(in thousands of U.S. dollars)	For the fiscal year ended		Favorable (Unfavorable)	
	2011	2012	\$ Change	% Change
Third-party revenue	\$ 129,222	\$ 166,479	\$ 37,257	28.8%
Internal revenue	239,321	283,026	43,705	18.3%
<b>Total revenue</b>	<b>\$ 368,543</b>	<b>\$ 449,505</b>	<b>\$ 80,962</b>	<b>22.0%</b>
Direct costs(i)	(324,057)	(353,485)	(29,428)	(9.1)%
<b>Adjusted EBITDAR</b>	<b>\$ 44,486</b>	<b>\$ 96,020</b>	<b>\$ 51,534</b>	<b>115.8%</b>
Adjusted EBITDAR Margin(ii)	12.1%	21.4%	9.3%	76.9%

(i) In fiscal 2011, direct costs were comprised of maintenance costs of \$258.0 million and other costs of \$66.1 million. In fiscal 2012, direct costs were comprised of maintenance costs of \$272.1 million and other costs of \$81.4 million. Other costs include base and operations and other costs and support costs which for Heli-One include freight costs, consulting, insurance and other items.

(ii) Adjusted EBITDAR margin is calculated as Adjusted EBITDAR divided by total revenue less reimbursable revenue, of which there was none in the Heli-One segment in fiscal 2011 and 2012.

Heli-One generated the majority of its revenue by supporting our Helicopter Services Segment and continued to expand its services to third parties, which represented 37.0% of the total revenues during fiscal 2012. Adjusted

EBITDAR increased by \$51.5 million to \$96.0 million compared to fiscal 2011. In fiscal 2011, a decrease in internal revenues from lower flying hours combined with an increase in labor and materials to service a higher level of unscheduled maintenance events on our own fleet resulted in a decrease to Adjusted EBITDAR, which did not reoccur in fiscal 2012. In fiscal 2012, there was an increase in internal revenues to support growth in Helicopter Services and a decrease in the level of unscheduled maintenance events on our own fleet. The higher revenues in fiscal 2012 contributed approximately \$23.0 million in additional Adjusted EBITDAR as

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compared to fiscal 2011. Higher margins earned on these revenues resulted in a positive impact on Adjusted EBITDAR margin of 4.2%. Lower costs in fiscal 2012 combined with the termination of a third-party PBH contract in April 2011 that earned negative margins from a high level of unscheduled maintenance events contributed an additional \$22.0 million in Adjusted EBITDAR with a positive impact on Adjusted EBITDAR margin of 4.0%. Adjusted EBITDAR also increased by \$4.0 million with a positive impact on Adjusted EBITDAR margin of 0.7% as costs incurred in fiscal 2011 related to inventory write-offs and consulting costs for strategic projects did not reoccur in fiscal 2012. In fiscal 2012, cost savings from the implementation of supply chain sourcing initiatives as part of our broad transformation program and jobs that remained vacant for a large portion of the year contributed an additional \$2.5 million to Adjusted EBITDAR. These cost savings resulted in a positive impact on Adjusted EBITDAR margin of 0.4%.

**FINANCIAL CONDITION AND SOURCES OF LIQUIDITY***Analysis of Historical Cash Flows*

(in thousands of U.S. dollars)	For the fiscal year ended April 30,			For the six months ended October 31,	
	2011	2012	2013	2012	2013
Cash provided by (used in) operating activities	\$ 42,292	\$ 15,594	\$ (846)	\$ (23,693)	\$ (21,738)
Cash provided by (used in) financing activities	(3,151)	207,215	221,001	125,529	145,062
Cash used in investing activities	(160,755)	(217,673)	(149,917)	(84,396)	(150,944)
Effect of exchange rate changes on cash and cash equivalents	15,431	(18,517)	(2,076)	(4,144)	(11,992)
Change in cash and cash equivalents during the period/year	\$ (106,183)	\$ (13,381)	\$ 68,162	\$ 13,296	\$ (39,612)

*For the Six Months Ended October 31, 2012 and October 31, 2013**Cash Flows Used In Operating Activities*

Cash flows used in operating activities decreased by \$2.0 million compared to the prior year period primarily due to higher results from operations in the prior year period, adjusted for non-cash items and working capital movements of \$8.8 million offset by higher pension contributions of \$5.5 million and higher cash payments for deferred lease financing costs of \$1.4 million. Our operating cash flows during the six months ended October 31, 2013 and 2012 were negative due to losses incurred in these periods. We can provide no assurance that our operating cash flows will not continue to be negative in future periods.

Pension contributions and benefits paid increased primarily due to the timing of funding compared with the prior year period and increased pension contributions in Norway. Favorable changes in operating capital were driven by a decrease in receivables of \$61.9 million as the result of collections, \$21.3 million of higher deferred revenue related to contract activity offset by a \$30.4 million decrease in accounts payable, due to the timing of supplier payments. Cash financing charges increased due to the issuance of the additional \$200.0 million aggregate principal amount of senior

secured notes issued on October 5, 2012 and the \$300.0 million aggregate principal amount of senior unsecured notes issued on May 13, 2013 and the change in realized foreign exchange cash flows compared to the prior year period.

One of our continued areas of focus is the improvement of our cash flows through operational growth. We have implemented a number of initiatives, but have not consistently decreased our use of cash in operations. No assurance can be given that our efforts to reduce operational cash requirements, including continued efforts to achieve greater cost efficiencies through our broad transformation program, will be effective. The business may not generate sufficient net cash from operating activities and future borrowings may not be available in amounts sufficient to enable us to service our debt or to fund our other liquidity needs. It is currently expected that the net cash from operating activities will, together with our ability to access financing through our existing senior secured

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revolving credit facilities, other financing markets, new operating leases and proceeds from the sale of helicopters and other assets, be sufficient to meet our on-going cash flow requirements. If we are unable to meet our debt obligations or fund other liquidity needs, alternative financing plans may need to be undertaken, such as refinancing or restructuring debt, selling assets, reducing or delaying capital investments or raising additional capital.

*Cash Flows Provided By Financing Activities*

Cash flows provided by financing activities increased by \$19.5 million to \$145.1 million compared to the prior year period primarily due to proceeds from the issuance of \$300.0 million aggregate principal amount of senior unsecured notes on May 13, 2013. In the prior year period, \$202.0 million of senior secured notes were issued. This was offset by deferred financing costs of \$8.1 million incurred in the current year period, primarily related to the issuance of senior unsecured notes on May 13, 2013. The net increase over the prior year period was also offset by a decrease in draws on the revolving credit facility net of repayments of \$29.8 million, a decrease in the securitization of accounts receivables of \$19.3 million, due to timing in the funding of receivables, and a related party loan repayment to companies under common control of our parent of \$25.1 million.

*Cash Flows Used in Investing Activities*

Cash flows used in investing activities increased by \$66.5 million to \$150.9 million compared to the prior year period due primarily to an increase in property and equipment additions of \$85.3 million. This was due to a higher level of lease buyout activity and helicopter purchases compared to the prior year period. In addition, there was an increase of \$51.8 million in helicopter deposits in the current year period compared to the prior year period. The increase in investing activity was offset by higher proceeds from disposals of property and equipment, which includes proceeds from sale and leaseback transactions. The proceeds from disposal increased by \$75.8 million compared to the prior year period.

Distributions of \$1.7 million from our equity accounted investments were received in the current year period. No distributions were received in the prior year period.

***For the Fiscal Years Ended April 30, 2012 and April 30, 2013****Cash Flows Provided By Operating Activities*

Cash flows provided by (used in) operating activities decreased by \$16.4 million to a \$0.8 million use of cash compared to fiscal 2012 as operational improvements of \$46.6 million were more than offset by an unfavorable movement in operating assets and liabilities of \$47.5 million, an increase in interest expense of \$10.6 million and pension contributions of \$2.2 million. The unfavorable movement in operating assets and liabilities was due primarily to an increase in accounts receivable of \$55.3 million and inventory of \$18.2 million. Accounts receivable have increased due to an increase in the time to collect receivables compared to fiscal 2012, while inventory increased in fiscal 2013 to allow for larger purchase discounts and to support our improved helicopter availability. These increases in the use of cash were offset by our accounts payable and accruals, which increased by \$21.7 million compared to fiscal 2012 due to the timing of supplier payments at the end of fiscal 2013 and deferred revenue by \$5.4 million. Interest expense increased by \$10.6 million due primarily to the additional interest paid in fiscal 2013 on our \$200.0 million in senior secured notes issued in October 2012 offset in part by a decrease in interest paid on capital lease obligations due to lease refinancings. Cash pension contributions increased due primarily to the funding of our Norwegian pension plan.



We have experienced declining cash flow from operating activities, and no assurance can be given that efforts to stem this decline, including efforts to achieve greater cost efficiencies through our broad transformation program, will be effective. The business may not generate sufficient net cash from operating activities and future borrowings may not be available in amounts sufficient to enable us to service our debt or to fund other liquidity needs. It is currently expected that the net cash from operating activities will, together with our ability to access

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financing through our existing senior secured revolving credit facility, other financing markets, new operating leases and proceeds from the sale of helicopters and other assets, be sufficient to meet our on-going cash flow requirements, if we are unable to meet our debt obligations or fund other liquidity needs, alternative financing plans may need to be undertaken, such as refinancing or restructuring debt, selling assets, reducing or delaying capital investments or raising additional capital. See Risk Factors Risks Related to Our Net Losses and Our Indebtedness Our level of indebtedness could affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in our business or our industry and place us at a competitive disadvantage and Liquidity and Sources of Liquidity below. On May 13, 2013, our indirect subsidiary CHC Helicopter S.A. issued \$300.0 million of senior unsecured notes which increased our overall liquidity. The senior unsecured notes are guaranteed by CHC Helicopter Holding S.à r.l., and by its direct parent entity, 6922767 Holding S.à r.l., and by each of its direct and indirect restricted subsidiaries in the Security Jurisdictions (as defined below) existing on the issuance date. No guarantee or security is required from subsidiaries incorporated in any jurisdiction other than the United Kingdom, the Netherlands, Sweden, Norway, Luxembourg, Canada, Australia, the United States, Ireland or Barbados, or the Security Jurisdictions. The aggregate principal amount of \$300.0 million in senior unsecured notes were issued at par value, bear interest at an annual rate of 9.375% with semi-annual interest payments due on June 1 and December 1 and mature on June 1, 2021. The net proceeds from the senior unsecured notes were used to repay borrowings under our existing senior secured revolving credit facility and to fund general working capital requirements.

*Cash Flows Provided By Financing Activities*

Cash flows provided by financing activities increased by \$13.8 million to \$221.0 million compared to fiscal 2012, due primarily to the net proceeds from the issuance of \$200.0 million in additional senior secured notes which was partially offset by a decrease in proceeds from the issuance of capital stock in fiscal 2012 of \$100.0 million that did not reoccur in fiscal 2013, an increase in net debt payments from increased borrowings under our existing senior secured revolving credit facility and a decrease in the securitization accounts receivable from the timing of funding. We also received a related party loan of \$25.0 million during fiscal 2013.

On October 5, 2012, our indirect subsidiary, CHC Helicopter S.A. issued an additional \$200.0 million of senior secured notes, which increased our overall liquidity. The gross proceeds from the senior secured notes of \$202.0 million were used to repay a portion of the outstanding borrowings under our existing senior secured revolving credit facility. We also incurred financing fees of \$4.0 million, which are being amortized over the term of the senior secured notes. These senior secured notes were issued as additional notes under the same indenture that governs the \$1.1 billion of senior secured notes which were previously issued by CHC Helicopter S.A. in October 2010. The senior secured notes are guaranteed by CHC Helicopter Holding S.à r.l., and by its direct parent entity, 6922767 Holding S.à r.l., and by each of its direct and indirect restricted subsidiaries in the Security Jurisdictions existing on the date of issuance. The additional senior secured notes have an aggregate principal amount of \$200.0 million, were issued at 101.0%, bear interest at an annual rate of 9.25% with semi-annual interest payments due on April 15 and October 15 and mature on October 15, 2020.

*Cash Flows Used In Investing Activities*

Cash flows used in investing activities decreased by \$67.8 million to \$149.9 million compared to fiscal 2012, due primarily to an increase in proceeds on disposal of property and equipment of \$135.1 million offset by an increase in property and equipment additions of \$51.3 million and an increase in helicopter deposits, net of lease inceptions of \$24.4 million. The increase in the proceeds from the disposal of property and equipment was due primarily to an increase in the number of helicopters that were the subject of sale and lease back transactions from 12 in fiscal 2012 to 22 in fiscal 2013. Helicopter deposits increased due to our advance deposits for the purchase of the technologically advanced helicopters.



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**Table of Contents*****For the Fiscal Years Ended April 30, 2011 and April 30, 2012******Cash Flows Provided By Operating Activities***

Cash flows provided by operating activities decreased by \$26.7 million to \$15.6 million compared to fiscal 2011, despite improvements in the operational results of Helicopter Services and Heli-One. The improvements in operational results provided an additional \$45.1 million in operating cash flows, which was more than offset by an increase in cash interest of \$23.4 million, an increase in pension contributions of \$14.4 million, an increase in fees paid to finance leased helicopters of \$4.4 million and unfavorable movements in working capital of \$21.6 million as compared to fiscal 2011. Cash interest in fiscal 2012 increased due primarily to a higher interest rate on the senior secured notes as compared to the previously existing credit facilities. The increase in pension contributions in fiscal 2012 was due primarily to a pension asset redemption of \$7.5 million that occurred in fiscal 2011 and an increase in pension contributions. The Norwegian plan contributions increased \$3.3 million in fiscal 2012 due to the timing of the funding and increase in the pension obligation while the United Kingdom plan funded an additional \$1.5 million in contributions in fiscal 2012. The unfavorable working capital movements in fiscal 2012 were due to an increase in current receivables that were invoiced, but were not due based on the customers' payment terms. The increase in accounts receivable in fiscal 2012 was partially offset by an increase in accounts payable due to the timing of supplier payments at quarter end as part of cash management and liquidity initiatives. There was an increase in receivables aged less than 30 days, due primarily to operational improvements in Helicopter Services and the Heli-One business, where increased oil and gas activities and new sales teams increased accounts receivable balances with existing and new customers in fiscal 2012. During fiscal 2012, we were focused on reducing the cash used in operations through initiatives in our transformation program, including a reduction of overhead costs. These initiatives were designed to create greater profitability from operations, decrease the cash conversion cycle and reduce the overhead costs required to support current and future operations.

***Cash Flows Provided By Financing Activities***

Cash flows provided by financing activities increased by \$210.4 million to \$207.2 million compared to fiscal 2011, due primarily to an increase in the proceeds from an issuance of share capital of \$100.0 million and a securitization of accounts receivables of \$52.5 million from the inclusion of three additional entities in the program and a \$32.1 million increase in our existing senior secured revolving credit facility net of repayments of long-term debt and capital leases. In addition, cash flows provided by financing activities increased as there were costs incurred in fiscal 2011 related to the refinancing of our senior credit facilities of \$25.6 million that did not reoccur in fiscal 2012. The refinancing costs included the write-off of unamortized transaction costs of \$41.7 million and an increase in transaction fees for our senior secured notes of \$45.7 million offset by the net proceeds from a long-term debt refinancing of \$61.8 million.

***Cash Flows Used In Investing Activities***

Cash flows used in investing activities increased by \$56.9 million to \$217.7 million compared to fiscal 2011, due primarily to an increase in property and equipment additions of \$147.8 million, an increase in helicopter deposits net of lease inception refunds of \$19.1 million and an increase in restricted cash of \$17.9 million, offset by an increase in the proceeds from the disposal of property and equipment of \$126.7 million. The increase in property and equipment resulted from an acquisition of technologically advanced helicopters of \$130.0 million combined with an increase in rotatables of \$14.1 million to support the technologically advanced helicopters. Included in the helicopter additions was \$95.7 million related to the buy-out of helicopters under operating leases as agreed pursuant to a lease covenant reset during fiscal 2011. During these negotiations in fiscal 2011, there were three lessors who took the opportunity as part of the covenant reset to exit the helicopter leasing market, requiring us to purchase these helicopters off lease in fiscal 2012. Management's strategy was to primarily finance helicopters through leases and make strategic decisions to

continue to own certain of these helicopters outright for jurisdictional flexibility. Helicopter deposits increased due to our advance deposits for the purchase of the technologically advanced helicopters. Restricted cash increased as there was a delay in the payment for sold accounts receivable as part of the accounts receivable

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securitization program. Proceeds on the disposal of helicopters increased due primarily to an increase in helicopters that were refinanced under sale and leaseback transactions as part of the refinancing of those leases.

**Liquidity and Sources of Liquidity**

At October 31, 2013, our liquidity totaled \$429.5 million, which was comprised of cash and cash equivalents of \$84.2 million, unused capacity under our existing senior secured revolving credit facility of \$306.6 million, net of letters of credit of \$53.4 million plus undrawn overdraft facilities of \$38.7 million. Our cash requirements include our normal operations as well as our debt and other contractual obligations as discussed under the caption *Future Cash Requirements* below. On May 13, 2013, our wholly owned subsidiary, CHC Helicopter S.A. issued \$300.0 million of senior unsecured notes which increased our overall liquidity. The aggregate principal value of \$300.0 million in senior unsecured notes was issued at par, bear interest at an annual rate of 9.375% with semi-annual interest payments on June 1 and December 1 and mature on June 1, 2021. The net proceeds from the senior unsecured notes were used to repay the borrowings under our existing senior secured revolving credit facility and to fund general working capital requirements. Annual cash requirements have increased by approximately \$28.1 million due to the additional interest payment obligations.

The ability to satisfy long-term debt obligations, including repayment of principal and interest will depend on future performance, which is subject to general economic conditions and other factors, some of which are beyond our control. Our earnings and cash flow may vary significantly from year to year. As a result, the amount of debt that can be managed in some periods may not be appropriate in other periods. In addition, future cash flows may be insufficient to meet debt obligations and commitments, including our senior notes, and our existing senior secured revolving credit facility. Any insufficiency could negatively impact the business. In addition, each of the indentures governing our senior unsecured notes and senior secured notes allows us to incur additional indebtedness. The incurrence of additional indebtedness could negatively affect the repayment of principal and interest on the debt, including the senior unsecured notes and senior secured notes. We may face delays in obtaining cash from our subsidiaries in certain jurisdictions to fund future cash requirements due to central banking legislation or other regulations in these jurisdictions. These restrictions have not and are not expected to have an impact on our ability to meet our obligations. We believe that our existing and future cash flows, as well as our ability to access financing through our existing senior secured revolving credit facility, other financing markets, new operating leases and proceeds from the sale of helicopters and other assets are sufficient to meet our on-going cash flow requirements. Similarly, we expect that our transformation program will generate new initiatives to create greater liquidity. However, our earnings have been insufficient to cover our fixed charges since 2008. If cash flow from operations is insufficient to satisfy our debt obligations, alternative financing plans may need to be undertaken, such as refinancing or restructuring the debt, selling assets, reducing or delaying capital investments or raising additional capital or indebtedness. Any alternative financing plans that may be undertaken by us, if necessary, may not be sufficient to meet our debt obligations. Our inability to generate sufficient cash flow to satisfy our debt obligations, including obligations under the senior notes, or to obtain alternative financing could materially and adversely affect our business, financial condition, results of operations and prospects. See *Risk Factors Risks Related to Our Net Losses and Our Indebtedness* Our level of indebtedness could affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in our business or our industry and place us at a competitive disadvantage elsewhere in this prospectus.

***Sources of Liquidity***

CHC Helicopter S.A. issued an additional \$200.0 million aggregate principal amount of senior secured notes. The additional senior secured notes were issued under the same indenture that governs the \$1.1 billion of senior secured notes that were previously issued in October 2010. The additional senior secured notes in an aggregate principal

amount of \$200.0 million were issued at 101.0% of par value, bear interest at an annual rate of 9.25% with semi-annual interest payments due on April 15 and October 15 of each year and mature on October 15, 2020. The net proceeds from the senior secured notes of \$202.0 million were used to repay a portion of the outstanding borrowings under our existing senior secured revolving credit facility. We also incurred financing fees of \$3.8 million, which are being amortized over the term of the senior secured notes.

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On May 13, 2013, our wholly owned subsidiary, CHC Helicopter S.A. issued \$300.0 million aggregate principal amount of senior unsecured notes which increased our overall liquidity. The aggregate principal amount of \$300.0 million of senior unsecured notes were issued at par value, bear interest at an annual rate of 9.375% with semi-annual interest payments due on June 1 and December 1 of each year and mature on June 1, 2021. The net proceeds from the senior unsecured notes were used to repay borrowings under our existing senior secured revolving credit facility. We also incurred financing fees of approximately \$6.0 million, which will be amortized over the term of the senior unsecured notes.

The existing senior secured revolving credit facility for \$375.0 million is held by a syndicate of financial institutions, had an original term of five years and bears interest at the alternate base rate, LIBOR, Canadian Prime Rate or EURIBOR, plus an applicable margin that ranges from 2.75% to 4.50%. The existing senior secured revolving credit facility is secured on a super senior first priority basis and ranks equally with the senior secured note holders except for payments upon enforcement and insolvency, where the existing senior secured revolving credit facility will rank before the senior secured note holders. The senior secured notes and existing senior secured revolving credit facility are guaranteed on a first-priority lien basis by most of our subsidiaries on a joint and several basis.

To assist with future growth opportunities, a key initiative of our transformation program is to create greater liquidity through the implementation of new cost control measures such as optimizing the procurement of capital expenditures and inventory, working capital improvements and optimization of customer contracts and improved profit growth. A more detailed review of other sources of liquidity such as asset securitizations, additional lease financing and alternate market financing is currently underway.

**Future Cash Requirements*****Contractual Obligations and Off-Balance Sheet Arrangements***

The following table summarizes the contractual obligations and other commercial commitments on an undiscounted basis as of April 30, 2013 and the period that each contractual obligation or commitment is expected to be settled in cash.

(in thousands of U.S. dollars)	Total	Less than 1 year	1-3 years	4-5 years	More than 5 years
Payables and accruals	\$ 420,406	\$ 420,406	\$	\$	\$
Current facility secured by accounts receivable	53,512	53,512			
Long-term debt and capital lease obligations(i)	1,489,922	2,846	146,464(v)	9,286	1,331,326
Interest on long-term debt(ii)	950,417	128,622	254,105	244,977	322,713
Operating leases(iii)	1,421,787	239,123	427,918	339,663	415,083
Pension obligations(iv)	84,279	37,659	18,648	18,648	9,324
New helicopter commitments	651,800	285,800	197,000	169,000	
Other derivative financial instruments	20,516	6,948	12,275	964	329
<b>Total contractual obligations</b>	<b>\$ 5,092,639</b>	<b>\$ 1,174,916</b>	<b>\$ 1,056,410</b>	<b>\$ 782,538</b>	<b>\$ 2,078,775</b>



- (i) Excludes the unamortized discount on the senior secured notes.
- (ii) Interest on variable rate debt was estimated based on applicable forward rates as of April 30, 2013.
- (iii) See Operating Lease Commitments for a discussion of our efforts to obtain a long-term covenant reset and the size of our remaining operating lease portfolio.
- (iv) Pension obligations represent estimated contributions of \$37.7 million to our defined benefit pension plans in the U.K., Netherlands and Norway during fiscal 2014 and a contractual obligation with the U.K. pension plan to contribute £6 million per annum from fiscal 2015 until fiscal 2019. Due to the potential impact of future plan investment performance, changes in interest rates, wage rates, changes in other economic and demographic assumptions and changes in legislation in foreign jurisdictions, we are not able to reasonably

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estimate the timing and amount of contributions that may be required to fund our Norway and Netherlands defined benefit pension plans for periods beyond fiscal 2014.

- (v) Includes \$125.0 million outstanding on our existing senior secured revolving credit facility, which was repaid subsequent to April 30, 2013.

***Operating Lease Commitments***

We are party to helicopter operating leases with 19 lessors in respect of 165 helicopters included in our fleet as of October 31, 2013. As of October 31, 2013, these leases had expiry dates ranging from fiscal 2014 to 2024. We have the option to purchase the majority of our leased helicopters for agreed amounts that do not constitute bargain purchase options, but have no commitment to do so. With respect to such leased helicopters, substantially all of the costs of major inspections of airframes and the costs to perform inspections, major repairs and overhauls of major components are at our expense. We will either perform this work internally through our own Heli-One business or have the work performed by an external repair and overhaul service provider.

At October 31, 2013, we have commitments with respect to operating leases for helicopters, buildings, land and equipment. The net present value of our operating lease commitments at October 31, 2013 was \$1,057.1 million. We have calculated the net present value based on our minimum lease payments, excluding any contingent rentals, using a 9% discount rate. See Note 17 to our unaudited interim consolidated financial statements for the six months ended October 31, 2013 elsewhere in this prospectus for further details on our minimum lease payments. For helicopter leases expiring in the next twelve months, we have the option to refinance these leases, purchase the helicopters or return the helicopters under the agreement terms.

The terms of certain of our helicopter lease agreements impose operating and financial limitations on us. Such agreements limit the extent to which we may, among other things, incur indebtedness and fixed charges relative to our level of consolidated adjusted earnings before interest, taxes, depreciation and amortization.

Generally, in the event of a covenant breach by us under our leases, the lessor has the option to terminate the lease and require the return of the helicopter that is the subject of the lease, with the repayment of any arrears of related lease payments plus the present value of all future related lease payments and certain other amounts, which could be material to our financial position. The helicopter would then be sold and the surplus, if any, returned to us. Alternatively, we could exercise our option to purchase the helicopter.

***Other Commitments***

As at October 31, 2013, we have committed to purchase 36 new heavy and medium helicopters and the total required additional expenditures for these helicopters is \$953.9 million. These helicopters are expected to be delivered in fiscal 2014 (\$253.7 million), 2015 (\$315.5 million) and 2016 to 2017 (\$384.7 million) and will be deployed in our Helicopter Services segment. We intend to enter into leases for these helicopters or purchase them outright upon delivery from the manufacturer. We have also committed to purchase \$71.9 million of helicopter parts by October 31, 2015 and \$100.0 million of heavy helicopters from Eurocopter prior to December 31, 2016. Furthermore, as at October 31, 2013, we had the option to purchase 26 heavy and medium helicopters.

***Variable Interest Entities***

We have a variable interest in certain entities that are not consolidated, as we are not the primary beneficiary, which provide operating lease financing to us and an entity that provides flying services to third-party customers. At October 31, 2013, we had operating leases for 63 helicopters with variable interest entities, or VIEs, that were not consolidated. See Note 2 of the unaudited interim consolidated financial statements as of October 31, 2013 included

elsewhere in this prospectus.

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**Table of Contents*****Guarantees***

Some of our subsidiaries have provided limited guarantees to third parties under operating leases relating to a portion of the residual helicopter values at the termination of the leases. The leases have terms expiring between fiscal 2014 and 2024. At October 31, 2013, our exposure under the asset value guarantees including guarantees in the form of funded and unfunded residual value guarantees, rebateable advance rentals and deferred payments is approximately \$249.4 million.

***Contingencies***

We have exposure for certain legal matters as disclosed in Note 18 to the unaudited interim consolidated financial statements for the six months ended October 31, 2013 included elsewhere in this prospectus. There have been no material changes in our exposure to contingencies since October 31, 2013.

***Covenants and Contractual Adjusted EBITDA***

Our senior notes, existing senior secured revolving credit facility, other long-term debt obligations and certain helicopter lease agreements impose operating and financial limitations on us through financial covenants, which, among other things, limit the ability to incur additional indebtedness, create liens, sell or sublease assets, engage in mergers or acquisitions and make dividend and other payments.

Contractual Adjusted EBITDA is a non-GAAP financial measure calculated by adding to or subtracting from the consolidated net earnings (loss) of our subsidiary 6922767 Holding S.à.r.l. certain of the adjustment items permitted in calculating covenant compliance under the applicable indenture governing our senior secured notes, our senior unsecured notes and our existing senior secured revolving credit facility. We describe these adjustments to net earnings (loss) in the table below. Contractual Adjusted EBITDA is a supplemental measure of our ability to service indebtedness that is not required by, or presented in accordance with, GAAP. Contractual Adjusted EBITDA is not a measurement of our financial performance under GAAP and should not be considered as an alternative to net earnings (loss) or other performance measures derived in accordance with GAAP, or as an alternative to cash flow from operating activities as a measure of our liquidity. In addition, Contractual Adjusted EBITDA as presented herein may not be comparable to similarly titled measures of other companies. We use Contractual Adjusted EBITDA as a measure to calculate certain financial covenants related to our existing senior secured revolving credit facility, our senior secured notes indenture and our senior unsecured notes indenture. Under our existing senior secured revolving credit facility we must maintain a ratio of 2.5 to 1.0 or less of first priority net debt as defined in our existing senior secured revolving credit facility agreement to Contractual Adjusted EBITDA. If this financial covenant is not maintained, repayment of our existing senior secured revolving credit facility can be accelerated by the lenders thereunder. Under our existing senior secured revolving credit facility and each of the applicable notes indentures, we must meet certain Contractual Adjusted EBITDA ratios to incur additional indebtedness above the permitted indebtedness as defined in our existing senior secured revolving credit facility agreement and each of the applicable the senior notes indentures. To incur additional indebtedness which is not otherwise permitted, we must have a Contractual Adjusted EBITDA to fixed charges ratio as defined in our existing senior secured revolving credit facility agreement and each of the applicable notes indentures that is equal to or greater than 2.0 to 1.0. However, if the indebtedness is secured by a lien which is not otherwise permitted then we must also have a total secured indebtedness, net of cash, to Contractual Adjusted EBITDA ratio as defined in our existing senior secured revolving credit facility agreement and the senior secured notes indenture that is less than or equal to 5.0 to 1.0.

Contractual Adjusted EBITDA has limitations as an analytical tool, and you should not consider such measure either in isolation or as a substitute for net earnings (loss), cash flow or other methods of analyzing our results as reported

under U.S. GAAP. Some of these limitations are:

Contractual Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;

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Contractual Adjusted EBITDA does not reflect the cash requirements necessary to service principal payments on our indebtedness;

Contractual Adjusted EBITDA does not reflect the cash requirements to pay our taxes;

Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and Contractual Adjusted EBITDA does not reflect any cash requirements for such replacements; and

Contractual Adjusted EBITDA is not adjusted for all cash and non-cash income or expense items that are reflected in our statements of cash flow.

Because of these limitations, Contractual Adjusted EBITDA should not be considered as discretionary cash available to us to reinvest in the growth of our business or as a measure of cash that will be available to us to meet our obligations.

Set forth below is a reconciliation of net loss to Contractual Adjusted EBITDA derived from the consolidated financial statements of our subsidiary 6922767 Holding S.à.r.l. for the fiscal years ended April 30, 2011, 2012 and 2013 and the last twelve months ended October 31, 2013. As of October 31, 2013, we were in compliance with all financial covenants contained in the agreements governing our outstanding indebtedness.

(In thousands of U.S. dollars)	For the year ended April 30,			For the
	2011	2012	2013	twelve months ended October 31, 2013
Net loss	(\$ 65,269)	(\$ 95,000)	(\$ 116,132)	(\$ 175,637)
Discontinued operations	3,202	16,107	(1,025)	(213)
Earnings from equity accounted investees, net of cash distributions received	(2,159)	(1,710)	(2,669)	(3,073)
Fixed charges(a)	105,174	112,192	129,688	140,443
Other financing charges	35,408	17,653	27,646	35,052
Income tax expense (recovery)	(32,916)	48,217	54,441	58,937
Amortization	99,625	112,967	131,926	146,732
Asset impairment charge(b)	27,766	17,415	29,923	35,475
Loss (gain) on disposal of assets	(7,193)	(8,169)	15,483	15,287
Restructuring costs	13,026	12,269	11,443	9,063
Business optimization costs	9,596	19,315	6,816	4,378
Stock-based compensation expense	1,655	735	446	451
Amortization of deferred charges(c)	2,301	2,715	3,527	3,590
Amortization of advanced helicopter rental payments	2,947	4,999	4,517	3,689
Unusual/non-recurring costs(d)	235			24,242
Investment/acquisition/permitted disposal(e)	20,914	139		

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Pension adjustment(f)	2,140	(1,118)	(9,357)	(13,099)
Pro-forma capital lease adjustment(g)	9,545			
Contractual Adjusted EBITDA(h)	\$ 225,997	\$ 258,726	\$ 286,674	\$ 285,317

- (a) Fixed charges include interest expense, the interest component of payments associated with capital lease obligations, net of interest income, and pro-forma adjustments as per the applicable indenture governing the senior secured notes and the senior unsecured notes. The amortization of debt issuance costs and financing fees are excluded from fixed charges.
- (b) Asset impairment charge includes impairment (recovery) of funded residual value guarantees, impairment of assets held for sale, impairment of assets held for use and impairment of intangible assets.

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- (c) Amortization of initial costs on leased helicopters.
- (d) Unusual or non-recurring costs that include professional fees.
- (e) Costs incurred related to potential investment, acquisitions and divestures.
- (f) This is an adjustment to arrive at the current service cost of the pension.
- (g) This is a pro-forma adjustment resulting from the capitalization of certain operating leases.
- (h) Contractual Adjusted EBITDA for the periods presented does not include the pro forma effect of helicopter acquisitions or disposals except for April 30, 2011. However, our existing senior secured revolving credit facility and the indentures governing our senior notes permit us to calculate Contractual Adjusted EBITDA for purposes of the applicable covenants contained therein, giving pro forma effect to helicopter acquisitions, net of disposals.

**Critical Accounting Policies and Estimates**

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Areas where significant estimates and assumptions have been made include: classification of helicopter operating leases, consolidation of variable interest entities, property and equipment, goodwill, intangible and other long-lived asset impairment, pension benefits, contingent liabilities, income taxes and stock based compensation.

***Classification of Helicopter Operating Leases***

In assessing the lease classification of a helicopter operating lease, management makes significant judgments and assumptions in determining the discount rate, fair value of the helicopter, estimated useful life and residual value. Changes in any of these assumptions at the lease inception or modification date could change the initial classification of the lease.

***Consolidation of Variable Interest Entities***

We are required to consolidate a VIE if we are determined to be its primary beneficiary. Significant judgments are made in assessing whether we are the primary beneficiary, including determination of the activities that most significantly impact the VIE's economic performance. This significant judgment is discussed further in Note 2 of the unaudited interim consolidated financial statements for the six months ended October 31, 2013 and Note 4 of our audited annual consolidated financial statements for the year ended April 30, 2013 included elsewhere in this prospectus.

***Property and Equipment***

Flying assets are amortized to their estimated residual value over their estimated service lives using the straight-line method. The estimated service lives and associated residual values are based on management estimates including an analysis of future values of the helicopter and our experience. The estimated service lives and associated residual values of helicopters are reviewed when there are indicators that a change in estimate may be necessary. During the year ended April 30, 2013 a review was performed of the estimated service lives of helicopters and the estimated service life of certain helicopters that we will be exiting was reduced. The change in estimate increased depreciation and decreased property and equipment by \$11.3 million in the year ended and as of April 30, 2013, respectively.

In addition, we review the carrying amounts of the property and equipment either on an annual basis or earlier when the asset is classified as held for sale or when events or circumstances indicate that the carrying amount of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition.





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Long-lived assets that have been classified as held for sale are measured at the lower of their carrying amount or fair value less costs to sell and are not amortized once they are classified as held for sale. An impairment loss is recognized as the excess of the carrying amount over the fair value less costs to sell.

In the years ended April 30, 2011, April 30, 2012 and April 30, 2013, and the six months ended October 31, 2013, we have recognized impairment charges of \$5.2 million, \$13.5 million, \$12.2 million and \$18.5 million, respectively, on assets classified as held for sale.

Where events or circumstances indicate that the carrying amount of held for use assets may not be recoverable, the carrying value of the assets or asset groups is compared to the future projected undiscounted cash flows. We estimate the future projected undiscounted cash flows for helicopters at the helicopter type level as this is the lowest level which earns independent cash flows. The cash flows are based on management's expectation of future revenues and expenses including costs to maintain the assets over their respective service lives. Revenues are derived from the contracts for each helicopter. Costs are based on the budgeted amounts for crew, helicopter lease costs, insurance, PBH, consignment inventory and any other cost directly related to the operation of the helicopter. An impairment loss is recognized as the excess of the carrying value over the fair value when an asset or asset group is not recoverable. Fair value is based on third-party appraisals. Significant estimates and judgments are applied in determining these cash flows and fair values.

No impairment for long-lived assets held for use was recognized for the year ended April 30, 2011, as the future projected undiscounted cash flows of our older technology helicopters exceeded their carrying amounts by \$366.9 million. For the year ended April 30, 2012, no impairment testing was performed as there were no indicators of impairment identified. For the year ended April 30, 2013 and the six months ended October 31, 2013, \$8.4 million and \$2.5 million, respectively, of impairment on assets held for use was recognized, as their carrying values were not deemed to be recoverable because a strategic decision was made to exit certain helicopter types upon completion of their flying obligations.

## **Goodwill and Intangible Asset Impairment**

### ***Embedded Equity***

Embedded equity in helicopter lease contracts was recognized on the acquisition of CHC Helicopter Corporation, or the Predecessor, and represents the excess of the market price of the helicopters on the date of acquisition over the fixed lease buyout prices contained in certain helicopter operating leases.

We review the carrying amounts of the embedded equity in helicopter leases (intangible asset) on an ongoing basis to determine if the carrying amount is recoverable.

In testing the recoverability of embedded equity, the costs to buyout the lease is compared to the fair value of the helicopter. An impairment loss is recognized as the excess of the costs to buy out the lease over the fair value and is applied first to the embedded equity and then to the funded residual value guarantee. Fair value is based on third-party appraisals.

In the years ended April 30, 2011, April 30, 2012 and April 30, 2013 and the six months ended October 31, 2013, we have recognized impairment losses of \$20.6 million, \$4.2 million, \$7.7 million and \$0.9 million, respectively. The impairments are due to the fair value of the helicopter declining from when the embedded equity was first recognized at the time of the acquisition of the Predecessor.

*Goodwill, Trademarks and Trade Names*

The recoverability of goodwill and indefinite life intangible assets is assessed on an annual basis or more frequently if events or circumstances indicate that the carrying value may not be recoverable. Goodwill is assessed for impairment at the reporting unit level by comparing the carrying value of the reporting units with their fair value.

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The fair value of our reporting units is determined based on the present value of estimated future cash flows, discounted at a risk-adjusted rate. Management's forecasts of future cash flows which incorporate anticipated future revenue growth and related expenses to support the growth and maintain its assets are used to calculate fair value. The discount rates used represent management's estimate of the weighted average cost of capital for the reporting units considering the risks and uncertainty inherent in the cash flows of the reporting units and in our internally developed forecasts.

During the year ended April 30, 2012, we changed the testing date from April 30 to February 1. We adopted this change in timing in order to ensure that the annual impairment test would be completed by the required filing date of our annual financial statements. At April 30, 2011, February 1, 2012 and February 1, 2013, we performed our annual impairment test of goodwill. All of our goodwill is contained in the Helicopter Services reporting unit. No impairment has been recognized in the years ended April 30, 2011, April 30, 2012 and April 30, 2013 as the fair value of this reporting unit exceeded its carrying amount by \$77.2 million, \$400.4 million and \$504.4 million respectively. In the event that the carrying value exceeded the fair value, we would have performed the second step in the two step impairment test to determine the amount of the impairment loss.

The fair value of our reporting units is most significantly affected by the discount rate used, the expected future cash flows and the long-term growth rate. We operate in a competitive environment and derive a significant portion of revenue from the offshore oil and gas industry. The ability to win new contracts, retain existing customers as well as the continued demand for flying services in the oil and gas market will affect our future cash flows and future growth. Relatively minor changes in future cash flows, growth rates and discount rates could significantly affect the estimate of reporting unit fair value and the amount of impairment loss recognized, if any.

If the discount rates used in our goodwill impairment test were to increase by 0.5% the fair value of the goodwill would have exceeded the carrying value by \$48.4 million, \$265.0 million and \$365.5 million as of April 30, 2011, February 1, 2012 and February 1, 2013, respectively.

The fair value of trademarks and trade names is determined based on the present value of estimated future cash flows, discounted at a risk-adjusted rate. No impairment has been recognized in the years ended April 30, 2011, April 30, 2012 and April 30, 2013 for trademarks and trade names as the discount rate for the carrying value to exceed the fair value of the trademarks of Helicopter Services would be 22.5%, 25.3% and 28.7%, respectively, and Heli-One would be 47.0%, 47.0% and 46.0%, respectively, for such respective fiscal years.

***Pension Benefits***

We maintain both funded and unfunded defined benefit employee pension plans. Approximately 28% of our active employees are covered by defined benefit pension plans. As of April 30, 2012 and 2013, we had an unfunded deficit of \$88.3 million and \$87.7 million, respectively. The pension expense for fiscal 2012 and 2013 was \$15.6 million and \$7.4 million, respectively. The overall asset mix was 31% equities, 50% fixed income and 19% money market as of April 30, 2013. This asset mix varies by each plan.

Measuring our obligations under the plans and related periodic pension expense involves significant estimates. Our pension benefit costs are accrued based on our review of annual analyses performed by our actuaries. These factors include assumptions about the rate at which the pension obligation is discounted, the expected long-term rate of return on plan assets, the rate of future compensation increases and mortality rates. Both the discount rate and expected rate of return on plan assets require estimates and projections by management and can fluctuate from period to period. We have determined the discount rate using market based data in consultation with our actuaries. The overall expected long-term rates of return on plan assets have been determined in part by assessing current and expected asset

allocations as well as historical and expected returns on various categories of the assets. Such expected rates of return ignore short-term fluctuations. We believe these assumptions are appropriate based upon the mix of the investments and the long-term nature of the plans' investments.

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The weighted average discount rate of the various pension plans used to determine the pension benefit obligation was 4.40% as of April 30, 2012 and 4.06% as of April 30, 2013. The weighted average discount rate used to determine the pension expense was 4.98% as of April 30, 2012 and 4.06% at April 30, 2013.

The calculation of the estimate of the expected long-term rate of return on assets and additional discussion regarding pension and other postretirement plans is described in Note 20 Employee pension plans to our audited consolidated financial statements included elsewhere in this prospectus. The weighted average expected long-term rate of return on assets associated with our pension benefits was 5.60% at April 30, 2012 and 6.72% at April 30, 2013. The expected return on assets is a long-term assumption whose accuracy can only be measured over a long period based on past experience.

The actuarial assumptions used to determine pension benefits may differ from actual results due to changing market and economic conditions, higher or lower withdrawal rates or longer or shorter life spans of participants. Differing estimates may have a material impact on the amount of pension expense recorded and on the carrying value of prepaid pension costs and accrued pension obligations.

## ***Contingent Liabilities***

We are subject to a variety of claims, lawsuits and investigations in the ordinary course of business as discussed in Note 18 of the unaudited interim consolidated financial statements for the six months ended October 31, 2013 and Note 26 to our audited annual consolidated financial statements for the year ended April 30, 2013 included elsewhere in this prospectus. We determine whether an estimated loss from a contingency should be accrued by assessing whether a loss is deemed probable and can be reasonably estimated. Estimating liabilities and costs associated with these matters requires judgment and assessment based upon professional knowledge, experience of management and our internal and external legal counsel.

## ***Income Taxes***

We are subject to taxes in numerous foreign jurisdictions. Income and other tax risks recognized in the Consolidated Financial Statements reflect management's best estimate of the outcome based on the facts known at the balance sheet date in each individual country. These facts may include, but are not limited to, change in tax laws and interpretation thereof in the various jurisdictions where we operate. They may have an impact on the income tax as well as the resulting assets and liabilities. Any differences between tax estimates and final tax assessments are charged to the statement of operations in the period in which they are incurred.

In addition, our business and operations are complex and include a number of significant financings, acquisitions and dispositions. The determination of earnings, payroll and other taxes involves many factors including the interpretation of tax legislation in multiple jurisdictions in which we are subject to ongoing tax assessments. When applicable, we adjust the previously recorded income tax expense, direct costs, interest and the associated assets and liabilities to reflect its change in estimates or assessments. These adjustments could materially change our results of operations.

We have assessed the realization of the deferred income tax asset (net of allowance) related to income tax losses as more likely than not that the asset will be realized. Judgment is required in determining whether the deferred tax assets will be realized in full or in part. At April 30, 2013, we had a valuation allowance of \$275.9 million. The realization of the deferred tax asset was based on assumptions regarding the reversal of existing future tax liabilities and future earnings levels in the subsidiaries with accumulated losses, and an ability to implement tax planning measures. If, in the future, it is determined that it is more likely than not that all or part of the future tax asset will not be realized, a charge will be made to earnings in the period when such determination is made.



**Table of Contents*****Stock Based Compensation***

On December 30, 2011, we adopted a new equity compensation plan which permits the grant of time and performance options, performance options and restricted share units to eligible employees, directors or consultants of the Parent and its affiliates. The terms of the options are described in Note 19 of our annual audited consolidated financial statements for the fiscal year ended April 30, 2013 included elsewhere in this prospectus.

We estimate the grant date fair value of stock options using a Monte-Carlo simulation model. The key factors that will create value in these awards include: (1) the year of an Exit Event (either an initial public offering or subsequent public offering of our equity or the merger, consolidation, sale of interests or sale of our assets), (2) the probability that an Exit Event will occur in a particular year, which is based on management's assessment of when this is likely to occur, (3) the risk free interest rate, which is based on the U.S. Treasury yield curve in effect at the time of grant with maturities equal to the grant's expected life and (4) the ultimate exit value of the Company, which is estimated using historical volatility and implied volatility data of ten peer companies' stock price. If any of the assumptions used in the Monte Carlo simulation model changes significantly, stock-based compensation for future awards may differ materially compared with the awards granted previously.

We have determined that not being able to exercise the options until an Exit Event has occurred that results in the investors recovering their initial investment meets the definition of a performance condition. As of October 31, 2013, we have determined that it is not probable that the performance condition will occur and therefore, no stock compensation expense has been recognized to date.

**Recent Accounting Pronouncements**

See Note 1 in the unaudited interim consolidated financial statements for the six months ended October 31, 2013 and Note 2 in the audited consolidated financial statements for the year ended April 30, 2013 contained elsewhere in this prospectus for a discussion of recent accounting pronouncements.

**Quantitative and Qualitative Disclosures About Market Risk*****Interest Rate Risk***

As of April 30, 2013 we had \$1,451.1 million of debt outstanding excluding capital leases, \$126.6 million of which carries a variable rate of interest. The fair value of our fixed rate long-term debt fluctuates with changes in interest rates and has been estimated based on quoted market prices.

The following table provides information about our interest rate sensitive financial instruments by expected maturity date as of April 30, 2013.

<b>(in thousands of U.S. dollars)</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>Thereafter</b>	<b>Fair Value</b>
<b>Long-term debt</b>							
Fixed rate	\$ 708	\$ 759	\$ 3,052	\$ 864	\$ 934	\$ 1,318,629	\$ 1,428,643
Average interest rate	6.93%	6.93%	3.68%	6.93%	6.93%	9.20%	
Variable rate	\$ 1,077	\$ 539	\$ 125,000				\$ 126,616
Average interest rate	2.14%	2.03%	5.05%				

***Foreign Currency Risk***



We are exposed to foreign exchange risk primarily from our subsidiaries which incur revenue and operating expenses in currencies other than U.S. dollars, with the most significant being British Pounds Sterling, Norwegian Kroner, Canadian dollars, Australian dollars and Euros. We monitor these exposures through our rigorous cash forecasting process and regularly enter into foreign exchange forward contracts to manage our exposure to fluctuations in expected future cash flows from foreign operations and anticipated transactions in

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currencies other than the functional currency. In particular, we have entered into forward foreign exchange contracts to manage our exposure to anticipated payroll transaction costs incurred in Canadian dollars and helicopter purchase commitments incurred in Euros. In addition, we manage our exposure to foreign operations by attempting to match the contract currency for our helicopter services contracts with currency of the underlying costs of providing the services whenever possible.

The following tables provide information about our foreign exchange sensitive financial instruments, all of which are recorded in entities with U.S. dollar functional currency, by expected maturity as of April 30, 2013:

(in thousands of U.S. dollars)	2014	2015	2016	2017	2018	Thereafter	Fair Value
<b>Long-term debt denominated in foreign currencies:</b>							
Variable rate (CAD)	\$ 1,077	\$ 539	\$	\$	\$	\$	\$ 1,616
Average interest rate	2.14%	2.03%					
Fixed rate (CAD)	708	759	814	864	934	31,326	35,405
Average interest rate	6.93%	6.93%	6.93%	6.93%	6.93%	6.93%	
<b>Forward contracts to sell U.S. dollars and buy foreign currencies:</b>							
Notional amount	CAD 104,922	CAD 92,000	CAD 35,000				\$ 383
Average contract rate	1.01	1.02	1.03				
Notional amount	EUR 55,251	EUR 14,017					5,451
Average contract rate	1.24	1.24					
<b>Forward contracts to sell Pounds Sterling and buy foreign currencies:</b>							
Notional amount	EUR 26,000	EUR 22,000	EUR 13,000				(1,270)
Average contract rate	0.86	0.86	0.86				

The following tables provide information about our foreign exchange sensitive financial instruments, all of which are recorded in entities with British Pounds Sterling functional currency, by expected maturity as of April 30, 2013:

(in thousands of U.S. dollars)	2014	2015	2016	2017	2018	Thereafter	Fair Value
<b>Long-term debt denominated in foreign currencies:</b>							
Fixed rate (EUR)			\$ 2,238				\$ 2,238
Average interest rate			2.50%				

Firmly committed sales contracts, forecasted payroll transactions and helicopter purchase commitments denominated in foreign currencies are not included in the above table. Trade accounts payable and receivable have been excluded because their carrying amounts approximate fair value.

**Credit Risk**

We are exposed to credit risk on our financial investments which depend on counterparties' abilities to fulfill their obligations to us. We manage credit risk by entering into arrangements with established counterparties and through the establishment of credit policies and limits, which are applied in the selection of counterparties.

Credit risk on financial instruments arises from the potential for counterparties to default on their contractual obligations and is limited to those contracts where we would incur a loss in replacing the instrument. We limit our credit risk by dealing only with counterparties that possess investment grade credit ratings and monitor our concentration risk with counterparties on an ongoing basis. The carrying amount of financial assets represents the maximum credit exposure for financial assets.

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Credit risk arises on our trade account receivable from the unexpected loss in cash and earnings when a customer cannot meet its obligation to us or the value of security provided declines. To mitigate trade credit risk, we have developed credit policies which include the review, approval and monitoring of new customers, annual credit evaluations and credit limits.

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**OUR INDUSTRY**

**Overview**

Helicopters are used to transport people and equipment for a variety of industries, including the oil and gas industry, as well as for governments providing SAR and EMS services. The commercial helicopter industry is highly regulated and government-issued licenses and air operator certificates must be obtained in order to operate helicopters within specific countries.

There are four primary original equipment manufacturers that serve the civilian market: Eurocopter Group, Sikorsky Aircraft Corporation, AgustaWestland, and Bell Helicopter Textron. According to PFC Energy, these four manufacturers together supply approximately 95% of helicopters used to provide oil and gas crew transport. Helicopters are generally classified as light (3 to 7 passengers), medium (8 to 15 passengers) and heavy (16 to 26 passengers). Of the four primary OEMs, there are three main manufacturers of large helicopters (Sikorsky, AgustaWestland, and Eurocopter). We have experienced long lead times for new heavy and medium helicopters, with orders placed years in advance of expected date of delivery.

The secondary market for the helicopter types that we operate has historically been liquid. Secondary market values are widely published with several independent firms providing valuations and performing annual appraisals. Unlike fixed wing aircraft and light helicopters, heavy and medium helicopters typically maintain their value, or depreciate only modestly over the long-term. This is because the regulatory requirements to periodically replace, overhaul and upgrade major components, such as engines, gear boxes, transmissions and other rotatable parts, preserve the helicopters in near-new condition throughout the repair and overhaul cycle. The resale market includes customers in many non-hydrocarbon industries, including SAR, EMS, construction, forestry, mining, firefighting, law enforcement, military, tourism, traffic and weather reporting and recreation.

**Helicopter Usage in the Offshore Oil and Gas Industry**

Within the oil and gas industry, helicopters are used in all major offshore oil and gas markets across the globe to transport people, equipment, and supplies to offshore production facilities and drilling rigs. Helicopters provide a mission critical service to the offshore oil and gas industry, as helicopters are the primary source of offshore transportation and are typically the only source of practical transportation for distances greater than 30 miles from shore. In many ultra-deepwater and deepwater basins, helicopters are often the only viable method of transportation to facilitate required rotations of crew members. Heavy and medium helicopters are primarily used for crew change transportation and other logistical services on oil and gas production facilities and drilling rigs because they can fly in a wide variety of operating conditions, support ultra-deepwater and deepwater drilling, development and production activities, offer enhanced technology, cover longer distances at faster speeds, and carry larger payloads than light helicopters. Using larger helicopters reduces the number of trips, costs, and time required to transport people and equipment. For these reasons, larger helicopters typically earn higher rates and margins compared to smaller helicopters. Major national and independent oil and gas companies rely on global helicopter operators to provide complex offshore logistics services ancillary to the basic point A to point B transportation service to facilitate continuous rotation of crew members required by governmental and collective arrangements. Based on our experience we believe that the majority of oil and gas helicopter operations are tied to production related activity, with the remainder related to exploration and development activity.

**Offshore Oil and Gas Production**

Offshore oil and gas wells are generally drilled from mobile offshore drilling rigs and to a lesser extent from stationary platforms. Both rigs and platforms typically feature helipads and living quarters for crews. During the exploration phase, a drilling rig is moved onto a prospective site and drills a test well. If initial tests are encouraging, appraisal and development wells are later drilled. Offshore production facilities are later installed in order to produce the hydrocarbons.

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Offshore production facilities vary with water depth and conditions. Fixed platform and compliant tower platforms are more suited for shallow water operations, while ultra-deepwater and deepwater operations require more flexible, floating production systems. According to International Maritime Associates, as of March 2013, 160 floating production systems are expected to be ordered from 2013 to 2018, representing a significant growth driver for helicopter services. Given the high upfront costs, once installed or on site, production platforms typically remain in operation for decades and are relatively unaffected by economic cycles and short term commodity price swings, as the marginal cost of lifting a barrel of oil once the platform is in position is low.

Mobile offshore drilling rigs and production facilities require people, supplies, and equipment to be transported back and forth between the mainland at frequently scheduled intervals. Helicopters continue to be the primary means of transportation for offshore crews. Crews working offshore typically work on a seven to 14 day basis with crew changes generally occurring at regularly scheduled times as required by law and collective labor agreements, according to PFC Energy. Typically, there are two crews working onsite on and off at any given time, with one crew being changed out each week. Because a single helicopter does not have the passenger capacity to transport an entire crew in one trip, multiple round trips or multiple helicopters are required for each crew change operation. This is increasingly the case as crew quarters on production facilities and rigs have grown larger in recent years.

**Trends**

We believe that the following trends will positively affect the worldwide offshore oil and gas industry and the helicopter services industry in which we operate over the coming years:

***Increasing global demand for crude oil and natural gas has spurred increases in energy development spending.*** According to the U.S. Energy Information Administration, the oil and gas industry benefits from increased consumption of hydrocarbons, caused in part by the industrialization of China, India and other developing countries. According to statistics published by Spears, annual global spending on drilling and development activities increased from approximately \$236 billion in 2009 to approximately \$302 billion by the end of 2012 (excluding Russia, China and Central Asia), and is projected to increase to approximately \$447 billion in 2019, representing a compound annual growth rate of approximately 7% from 2009 to 2019.

***Significant new well development is required to replace naturally declining production.*** Despite elevated exploration and development activity in recent years, according to a report by IEA, oil supply has only experienced modest gains, highlighting the difficulty in overcoming the natural decline rates of large legacy fields. IEA estimates that in order to overcome the decline in production from existing fields, and to keep pace with projected demand increases, new production of approximately 40 million barrels of oil per day (an amount equal to nearly 60% of 2011 global oil production) must be added by 2035.

***Increasing offshore and ultra-deepwater and deepwater drilling and development activity.*** According to the IEA, approximately 55% of remaining recoverable conventional oil outside of the Organization of Petroleum Exporting Countries or OPEC is offshore. According to PFC Energy, offshore exploration and production spending will nearly double from approximately \$153 billion in 2012 to approximately \$279 billion in 2018 at a compound annual growth rate of approximately 11%. Based on our experience operating in the industry, worldwide offshore rig counts continue to increase as crude oil supply and demand fundamentals encourage new drilling. According to RigLogix, as of November 2013, there were 98 floating

rigs on order worldwide, 59 of which were under contract and 61 of which were scheduled for delivery before the end of 2015. Moreover, many of these new rigs are designed to drill deeper to previously unrecoverable reserves located further offshore. Offshore discoveries are expected to play an important role in the future, particularly deeper water discoveries at depths greater than 1,000 feet. While exploration expenditures tied to these new rigs are more temporary in nature, the floating rigs on order are under long-term firm contracts to drill for extended periods of time. As the industry moves into deeper waters and further offshore, rigs and production facilities have grown more



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complex. To support these facilities, PFC Energy estimates that the number of crews greater than 50 is expected to grow from 341 in 2012 to 384 in 2017. The increased number of personnel translates into additional trips for crews and more revenue opportunities for heavy and medium helicopter operators. We believe that the increase in offshore exploration will lead to an increase in offshore production and producing wells going forward.

According to PFC Energy, worldwide offshore exploration and production spending is expected to grow at approximately an 11% CAGR from 2012 through 2018, driven by increasing global demand for oil and gas, new oil and gas drilling needed to replace naturally declining production, and increasing ultra-deepwater and deepwater drilling and development activities.

Source: PFC Energy, July 2013.

According to PFC Energy, from 2013 to 2018, the offshore platform count in ultra-deepwater and deepwater markets with a helideck is expected to increase from 198 to 245. In many ultra-deepwater and deepwater basins, helicopter service is the most efficient and often only viable form of transportation due to the distance from shore of the platforms and environmental conditions. We expect this growth to continue to drive demand for offshore helicopter services by our major, national and independent oil and gas customers.

Source: PFC Energy, May 2013

Over the last two decades, the distance from shore to offshore infrastructure has grown as oil and gas companies have explored and developed discoveries in increasingly deeper waters, according to PFC Energy.

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Production facilities in ultra-deepwater and deepwater markets require complex transportation and logistics services to facilitate required crew changes. Heavy and medium helicopters are the primary methods of transportation used for rotations of crew members for ultra-deepwater and deepwater rigs because they can fly in a wide variety of operating conditions, offer enhanced technology, cover longer distances at higher speeds and carry larger payloads than light helicopters.

Source: PFC Energy, May 2013

***Increasing demand for offshore oil and gas helicopter services.*** According to Spears, increased offshore oil and gas development and spending have generally led to an increase in industry helicopter services revenue, partly as a result of the need for heavy and medium helicopters that can carry more people longer distances under a variety of flight conditions. According to Spears, the petroleum aviation market grew at an annual rate of 7% from 2007 to 2012. In 2013, the market is projected to grow an additional 7% according to Spears. We believe the new fleet of ultra-deepwater capable rigs currently being built will be used to develop a new set of offshore reserves that will become the next generation of multi-decade production facilities. Generally, given the increasing distance from shore, the primary method of transportation for crews is expected to continue to be heavy and medium helicopters. We expect the helicopter operators that establish themselves as the incumbents for these new fields will have an inherent advantage in remaining the preferred service providers.

***Helicopter demand exceeds supply.*** According to PFC Energy, the four major manufacturers of helicopters, Eurocopter Group, Sikorsky Aircraft Corporation, AgustaWestland and Bell Helicopter Textron, together supply approximately 95% of helicopters operating in oil and gas transport. Lead times for delivery of new heavy and medium helicopters are long (currently at least 18 to 24 months) and annual production of new heavy and medium helicopters is limited. We believe long lead times for the delivery of heavy and medium helicopters, together with trends toward increasing ultra-deepwater and deepwater oil and gas activities could create attractive market conditions for us because we currently operate the largest fleet of heavy and medium helicopters in the world.

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**BUSINESS**

**Overview**

We are the world's largest commercial operator of helicopters based on revenue of \$1.7 billion in fiscal 2013. We are also the world's largest commercial operator of heavy and medium helicopters based on our fleet of 238 heavy and medium helicopters as of October 31, 2013. With bases on six continents, we are one of only two global commercial helicopter service providers to the offshore oil and gas industry. Our mission is to provide the highest level of service in the industry, which we believe will enable our customers to go further, do more and come home safely. Through our 60 years of experience providing helicopter services, we believe our brand and reputation have become associated with safe and reliable transportation and mission-critical logistics solutions. Our fleet of heavy and medium helicopters, global capabilities and reputation for safety position us to capitalize on anticipated increases in ultra-deepwater and deepwater drilling and production spending by our major, national and independent oil and gas company customers.

Our helicopters are primarily used to facilitate large, long-distance crew changes on offshore production facilities and drilling rigs. We also provide SAR and EMS to government agencies. We maintain a presence in most major offshore oil and gas markets through a network of approximately 70 bases with operations in approximately 30 countries, more than any other commercial helicopter service provider in the world. We cover this expansive and diverse geography with a technologically advanced fleet of 238 helicopters and the expertise to serve customers in ultra-deepwater and deepwater locations. To secure and maintain operating certificates in the many jurisdictions in which we provide helicopter services, we must meet stringent and diverse regulatory standards across multiple jurisdictions, and have an established track record in obtaining and maintaining certificates as well as working with regulators and local partners.

We generate the majority of our oil and gas customer Helicopter Services revenue from contracts tied to our customers offshore production operations, which have long-term transportation requirements. A substantial portion of our remaining oil and gas customer Helicopter Services revenue comes from transporting personnel to and from offshore drilling rigs, and we believe this capability allows us to take advantage of expansion in the global ultra-deepwater rig fleet. Approximately 71% to 75% of the flying revenue in our Helicopter Services segment was attributable to fixed monthly charges for the fiscal years ended April 30, 2011, 2012 and 2013.

We also provide MRO services through our Heli-One business to both our own Helicopter Services segment and to third-party customers. Our MRO capabilities enable us to perform heavy structural repairs, and maintain, overhaul and test helicopters and helicopter components globally across various helicopter types. We believe our in-house MRO operations through our Heli-One business enable us to manage our supply chain and maintain our fleet more efficiently, thereby increasing the availability of our helicopters and reducing our overall cost of maintenance. In addition, we are the largest provider of these services (excluding OEMs), which allows us to provide our Heli-One customers with comprehensive MRO services across multiple helicopter types and families. Our MRO services include complete maintenance outsourcing solutions, parts sales and distribution, engineering services, design services and logistics support.

We conduct our business through two operating segments: Helicopter Services for flying operations and Heli-One for MRO services.

**Our Market Opportunity**

We believe trends in the offshore oil and gas industry will positively affect the market and demand for our helicopter services. As the major, national and independent oil and gas companies seek to replace reserves and grow production,

we believe they will continue to explore for, develop and produce oil and gas from deeper waters and at locations that are further offshore, which requires more complex transportation and logistics services. According to PFC Energy, the number of oil and gas platforms that are accessible by helicopter in ultra-deepwater and deepwater locations has more than doubled in the past ten years, and the distance from shore

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has been increasing. Oil and gas companies are also adopting increasingly complex offshore oilfield services and solutions that require more personnel to operate. Additionally, regulatory bodies are increasing their own oversight functions, and crews are being rotated on and off at periodic intervals. We believe these factors will drive an increase in the number of personnel needing to be transported to and from offshore facilities. Helicopter service is the most efficient and often the only viable or permitted form of transportation in many of these jurisdictions due to the distance from shore of the platforms and environmental conditions offshore, particularly in the North Sea, where a sea-faring vessel may take a substantially longer time to cover the same distance and in significantly less comfortable conditions, with greater logistical risks of transporting workers from vessel to platform.

We believe that the adoption of more complex services on ultra-deepwater and deepwater installations, increased regulatory oversight of these installations and more frequent rotation of increasingly larger crews at regular intervals will further drive customer demand for heavy and medium helicopters, which comprise all of our fleet. Based on our experience, heavy and medium helicopters are favored by customers with ultra-deepwater and deepwater transportation needs due to their greater range, passenger capacity, comfort, enhanced passenger safety systems and ability to fly under a variety of conditions. In recent years, in our experience, the demand for new commercial medium and heavy helicopters has outpaced their supply, a trend we believe will continue. As a result, we expect the market dynamics for our helicopter services to remain strong. Furthermore, we believe that our size and scale afford us greater operational and commercial flexibility when purchasing new helicopters and helicopter parts, allowing us to continue to grow our business in response to market opportunities.

Based on our experience operating in the industry, the market for MRO services is highly fragmented. We believe we are the only independent non-OEM provider of MRO services with a global footprint. Moreover, we believe our status as the largest commercial operator that purchases heavy and medium helicopters has positioned us to obtain licenses from all of the major manufacturers to conduct a full range of MRO services across a wide array of models of helicopters used in our industry. We believe that our geographic reach, combined with the related licenses, offers us a significant opportunity to grow our Heli-One business with our third-party customers. As demand for helicopter services grows in conjunction with growth in ultra-deepwater and deepwater drilling and production, we expect that a corresponding increase in flying hours should lead to greater demand for MRO services.

## **Our Operations**

We conduct operations in approximately 30 countries through a network of approximately 70 bases on six continents, including a new global operations center located in Irving, Texas. We believe our global operations center is the first of its kind in our industry, allowing us to centrally coordinate flight schedules, pilot rostering, training, fleet management and maintenance from a single location. Representatives from helicopter manufacturers work on-site at our global operations center alongside our own employees to resolve maintenance issues and return helicopters to service. Our global operations center leverages new information technology systems to promulgate best-in-class practices and procedures throughout our company.

We assist our customers with logistics solutions to manage rotation of their crews, as many of our offshore oil and gas customers are required by law and collective labor agreements to change crews every seven to 14 days. For the 12 months ended October 31, 2013, we operated approximately 86,000 flights worldwide, carrying in excess of one million passengers. As offshore operators have moved further from shore and become more remote, crews have grown larger and taken on functions that previously relied on shore based support. To accommodate the change out of larger crews, a helicopter would have to make multiple trips or several helicopters would have to be used. Computerized logistics systems in our global operations center help us provide seamless coordination between our regional bases and our customers, matching customer needs with helicopters, engineer and pilot availability which enables efficient crew changes, while maintaining compliance with relevant regulations. In addition, we have advanced systems in

place to monitor and maintain equipment. In the event a helicopter requires unforeseen repairs or replacement of parts, we have the ability to provide

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immediate support to ground personnel to make a repair as well as a dedicated team available to identify the most efficient manner to source any replacement parts. Since October 2012, this infrastructure, and these processes, have enabled us to save approximately 24 AOG days per month, for a savings of approximately \$300,000 per month. We believe that our global operations center, combined with our expertise in crew logistics and equipment availability as well as our robust compliance programs, allow us to offer superior and differentiated service to our customers.

Our MRO operations are conducted through our Heli-One business, which provides quality and cost control for maintenance, repair, and overhaul of our own fleet as well as comprehensive outsourced MRO services to third-party customers. We maintain four principal Heli-One centers for our global MRO operations, including Delta, British Columbia (Canada), Fort Collins, Colorado (USA), Rzeszow (Poland) and Stavanger (Norway). We maintain a strategic inventory of spare parts, providing us the ability to respond quickly and efficiently to unplanned maintenance events. We believe our focus on speed and efficiency allows us to provide better service at lower cost. Approximately 28% and 34% of our third-party Heli-One revenue in the 2012 and 2013 fiscal years, respectively, was derived from power by the hour contracts, where the customer pays a ratable monthly charge, typically based on the number of hours flown, for all scheduled and un-scheduled maintenance.

## **Safety and Regulatory Compliance**

We strive to exceed the stringent safety and performance audit standards set by aviation regulatory bodies and our customers. We have established an in-house flight safety group that is responsible for our compliance with safety standards within our organization, standardizing base operating procedures, compliance with government regulations and customer requirements, and educating and training our flight crews. Over the five year period ended November 1, 2013, according to our safety records we had a rolling average of 0.37 accidents per 100,000 flight hours, a much lower than average rate reported for civilian twin engine helicopters and an even smaller fraction of the rate reported for offshore helicopter operations generally, per industry reports. We also host a highly regarded annual international safety summit, attended by our customers, manufacturers, competitors and regulators, which is a manifestation of our commitment to safe operations.

A key to maintaining our strong safety record is having a highly qualified and experienced workforce. Our pilots average in excess of 3,000 flight hours of experience, and many of them carry endorsements to operate more than one type of helicopter. Our mechanics are highly experienced and receive ongoing training from helicopter manufacturers.

In addition to safety regulations, most of the countries in which we conduct flying operations have laws, with typically complex requirements, that require commercial operators to hold either or both an operating license and an air operator certificate, or AOC. We believe our track record of safety and experience working with regulators will enhance our ability to obtain needed licenses/certificates as we continue to grow.

## **Our Fleet**

Helicopters are generally classified as light (3 to 7 passengers), medium (8 to 15 passengers) and heavy (16 to 26 passengers). We believe heavy and medium helicopters are favored by our customers and are best suited for crew change transportation services on oil and gas production facilities and drilling rigs due to their greater range, higher passenger capacity, enhanced passenger safety systems and ability to fly under a broader variety of conditions than light helicopters. In addition, heavy and medium helicopters have twin engines and typically two pilots, making them safer for longer flights. As a result, larger helicopters generally command higher pricing and earn higher margins compared to smaller helicopters.

We operate the largest fleet of heavy and medium commercial helicopters serving the offshore oil and gas industry, with 238 helicopters as of October 31, 2013. Our fleet is comprised purely of heavy and medium helicopters, which we believe optimally positions us to respond to opportunities in the high growth ultra-deepwater and



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deepwater market. Over the last eight years, we have modernized and expanded our fleet significantly, and we continue to invest to meet customer demand for newer heavy and medium helicopters. We have strong longstanding operating relationships with the four major OEMs, Eurocopter, Sikorsky, AgustaWestland and Bell, and have helicopters manufactured by each of them in our fleet. This diversity ensures that we are not overly reliant on any one model or manufacturer, while still giving our fleet critical mass across various helicopter types, resulting in fleet management, maintenance and training efficiencies.

The model life cycle for helicopters spans multiple decades. Individual components, which represent a large majority of a helicopter's value, are frequently replaced to meet regulatory requirements or safety standards. In addition, there is an active secondary market for helicopters supported by independent appraisers and valuation experts.

As of October 31, 2013, our fleet was valued at approximately \$2.95 billion, based on the average of 2013 third-party appraisals of fair market value by Ascend Worldwide Group Holdings Limited and HeliValue\$, Inc., consisting of approximately \$2.03 billion of value attributable to heavy helicopters and approximately \$920 million of value attributable to medium helicopters. As of October 31, 2013, the average age of our fleet was 11 years. The Eurocopter EC225, Sikorsky S92A, AgustaWestland AW139 and Sikorsky S76C++, which have been the core part of our capital investment program in recent years, represent approximately 76% of our total fleet value as of October 31, 2013.

The table below provides a detailed summary of our fleet as of October 31, 2013:

<b>Helicopter Type</b>	<b>Total</b>	<b>Cruise Speed (kts)</b>	<b>Approximate Range (nmi)</b>	<b>Passenger Capacity</b>	<b>Maximum Weight (lbs)</b>
<b>Heavy:</b>					
Sikorsky S92A	37	145	400	19	26,500
Eurocopter EC225	31	145	400	19	24,250
Eurocopter (AS332 L, L1, and L2)	40	130-140	250-350	17-19	18,000-20,500
Sikorsky S61N	5	N/A <sup>(1)</sup>	N/A <sup>(1)</sup>	N/A <sup>(1)</sup>	N/A <sup>(1)</sup>
<b>Total Heavy</b>	<b>113</b>				
<b>Medium:</b>					
Agusta AW139	39	145	280	12-15	15,000
Sikorsky S76C++	23	145	220	12	11,700
Sikorsky S76C+	22	145	175	12	11,700
Sikorsky S76A/B/C	16	135	110-130	12	10,800-11,700
Bell 412	11	125	135	13	11,900
Eurocopter AS365 Series	9	120-145	80	11	9,500
Eurocopter EC135/145/155	5	N/A <sup>(2)</sup>	N/A <sup>(2)</sup>	N/A <sup>(2)</sup>	N/A <sup>(2)</sup>
<b>Total Medium</b>	<b>125</b>				
<b>Total Helicopters</b>	<b>238</b>				

<sup>(1)</sup> SAR only

(2) EMS only

As of October 31, 2013, we have committed to purchase \$71.9 million of helicopter parts by October 31, 2015 and 36 new heavy and medium helicopters from multiple OEMs for a total commitment of \$953.9 million. These helicopters are expected to be delivered in fiscal 2014 (\$253.7 million), 2015 (\$315.5 million) and 2016 to 2017 (\$384.7 million) and will be deployed in our Helicopter Services segment. In addition, we have committed to purchase \$100.0 million of heavy helicopters from Eurocopter prior to December 31, 2016. These helicopters will be purchased outright or financed through leases. In addition, at October 31, 2013, we had the option to purchase 26 heavy and medium helicopters which, if exercised, would represent a total purchase commitment of 62 helicopters, excluding the committed dollar amount with Eurocopter.

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The table below shows new deliveries of helicopters under contract with OEMs and lessors as of October 31, 2013 in fiscal years ending April 30, 2014, 2015, 2016, 2017 and beyond.

Note: Does not include helicopters related to our commitment to purchase \$100.0 million of heavy helicopters from Eurocopter.

The following map illustrates the geographic distribution of our helicopters as of October 31, 2013 and countries in which we operated over the prior 12 months:

Note: Fleet count as of October 31, 2013. Worldwide fleet includes 23 helicopters held for fleet retirement, on dry lease, and in post-delivery modification.

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### **Helicopter Services**

Our Helicopter Services segment consists of flying operations in the North Sea, the Americas, the Asia Pacific region and the Africa-Euro Asia region primarily serving our offshore oil and gas customers, and providing SAR and EMS to government agencies. We are one of only two commercial helicopter service providers to the offshore oil and gas industry with global operations. We provide logistics solutions and helicopter transportation to and from production facilities and drilling rigs.

The majority of our revenue from oil & gas customers is from contracts tied to our customers' offshore production operations. A substantial portion comes from transporting personnel to and from offshore drilling rigs.

Our helicopter services business in the oil and gas industry is largely characterized by medium to long-term contracts (i.e., four to five years and normally carry extension options of one to five years).

The majority of our customers are major, national and independent oil and gas companies.

We believe our services are critical to our customers as helicopter transportation is a cost-effective, viable means to transport people, from land to offshore oil and gas production facilities and drilling rigs.

Maintaining a strong safety record is a primary concern for us and our customers, and as of November 1, 2013, our five-year rolling average was 0.37 accidents per 100,000 flight hours. The accident rate is calculated using the number of accidents, as defined by the International Civil Aviation Organization, divided by the number of hours flown in the same period and then multiplied by 100,000.

Our transformation initiatives, such as our newly launched global operations center in Irving, Texas and our IT initiatives provide strategic oversight and integrated maintenance and support to our operation bases around the world.

We particularly target opportunities for long-term contracts that require heavy and medium helicopters, operated by highly trained personnel who place an emphasis on safety. We are a market leader in most of the regions we serve, with a well-established reputation for safety, customer service and helicopter reliability. For the fiscal years ended April 30, 2012 and April 30, 2013, and the six months ended October 31, 2013, revenues generated by helicopter transportation services for the oil and gas industry accounted for approximately 79%, 81% and 84% of our consolidated total revenues, respectively.

We believe providing helicopter services to oil and gas production customers generally provides our company with a more stable revenue stream, since the production business is typically less cyclical in nature than the exploration and development business. Offshore production platforms generally run at full capacity, irrespective of commodity prices, until the economic end-life of the respective field. These production platforms generally have expected lives of 20 years or more, depending upon the size and characteristics of the field.

We are also one of the world's leading commercial providers of SAR and EMS services through our Helicopter Services segment. We have long-term contracts with government agencies and commercial operators in the United Kingdom, Ireland and Australia. Our SAR and EMS contracts average eight years in duration. Contracts are generally entered into directly with state and federal governments.

*North Sea*

Our helicopter services in the North Sea primarily consist of flying operations in the Eastern North Sea and Western North Sea regions. The Eastern North Sea is comprised mainly of Norway while the Western North Sea includes the United Kingdom, Ireland and the Netherlands. We are one of the largest helicopter services providers in the North Sea, one of the world's largest oil producing regions, with approximately 90 helicopters in operation. Our operations in the North Sea are managed through our network of bases located in key regions. Our main operation bases in the North Sea are in Aberdeen, Scotland, Stavanger, Norway, and Den Helder,

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Netherlands, although we also operate numerous other bases around the North Sea. In addition, we have long-term contracts with government agencies and commercial operators in the United Kingdom and Ireland to provide SAR and EMS helicopter services.

### ***Americas***

Our Helicopter Services segment in the Americas operates in both North and South America, including in Brazil and Nicaragua. As of October 31, 2013, 90% of our helicopters in the Americas region operate in Brazil, where we operate a large fleet of heavy helicopters to service our customers in the regional oil and gas sector, a market that is shifting to heavy helicopter technology as pre-salt fields in ultra-deepwater environments have been further developed. We expect Brazil to be one of the fastest growing markets for offshore helicopter transportation services and are exploring expansion into military transportation services in the region.

### ***Asia Pacific***

The Asia Pacific region includes Australia and Southeast Asian countries, where we provide helicopter services to the offshore oil and gas industry in Australia, Thailand, Malaysia, the Philippines and East Timor. We have approximately 20 bases located in Australia, including two in the Northwest Shelf and two in Browse, and five smaller bases scattered throughout Southeast Asia. We also have long-term contracts with commercial operators and local government to provide SAR and EMS in Australia.

### ***Africa-Euro Asia***

We operate in the Africa-Euro Asia region to provide helicopter services in Nigeria, Kazakhstan, Mozambique, Tanzania and other African and European countries. We operate from approximately ten bases in the region. In October 2012, we received our Nigerian AOC for a single helicopter type and are in the process of setting up our interim base.

### **Maintenance, Repair and Overhaul**

Our Heli-One segment is a world-leading independent commercial provider of helicopter support and MRO services. Our comprehensive range of capabilities and broad geographic footprint allow us to offer a full suite of aftermarket services including engine, airframe and component MRO, logistics support, parts sales and distribution, engineering services, design services and logistics support. We provide these services individually or as part of multi-year complete maintenance outsourcing. We provide sophisticated avionics integration services to the armed forces of European nations, and we partner with helicopter manufacturers around the world to provide MRO services to their direct customers.

We believe our Heli-One segment enhances our business model in several respects:

Our in-house repair and overhaul capabilities provide operational control and flexibility over the maintenance of our fleet, lowering our operating costs and providing a competitive advantage.

Third-party demand for MRO services by each of the government, military and the civil sectors provide us with a diverse stream of revenue.

Air worthiness regulations, which are established by civil aviation authorities and manufacturers, require that every dynamic component of a helicopter be replaced or overhauled on a regularly scheduled basis, resulting in steady demand for our MRO services.

All helicopter airframes, engines and components are required by manufacturer and government regulations to be serviced and overhauled based on flight hours, cycles or the actual condition of parts. The repair and overhaul process includes disassembling, cleaning, inspecting, repairing and reassembling engines, components and

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accessories, and testing complete engines and components. Helicopter operators typically consider the complexity and cost of tasks when choosing whether to perform them in-house or outsource the work to a third-party. MRO companies are required to obtain licenses from government regulatory bodies and, in many cases, from helicopter manufacturers to provide MRO services. Companies active in this industry include manufacturers of helicopters, components and accessories; manufacturer-authorized repair and overhaul operators; and small workshops typically not authorized by the manufacturers. The low cost of transporting components relative to the total cost of repair and overhaul services has resulted in development of a worldwide MRO market.

Our Heli-One segment specializes in heavy structural repair, maintenance, overhaul and testing of helicopters and helicopter components in North America and Europe. Our comprehensive capabilities span helicopters including Sikorsky S61N, S76 series and S92A; Bell 212 and 412; Agusta AW139; Eurocopter AS332, EC225, AS350, and AS365. Our engine expertise spans models including Pratt & Whitney PT6; Turbomeca Arriel 1 and 2; Makila; and GE CT58 and T58. In addition, we have extensive expertise in all areas of engineering and design for conversion upgrades and refurbishments, including avionics.

Heli-One's main MRO competitors are helicopter manufacturers, which are also our main parts suppliers. Factors that affect competition within the repair and overhaul market include price, quality, safety record and customer service. To minimize issues related to availability and pricing of the parts we need to perform MRO work, Heli-One generally has long-term supply arrangements with the helicopter manufacturers and works closely with them on items such as modifications and approvals of parts and components. Furthermore, we believe that our position as one of the largest purchasers of new helicopters affords us greater commercial flexibility when purchasing helicopter parts.

We also provide customers with integrated logistics support, including 24-hour service for all scheduled and unscheduled MRO for engines, dynamic components, repairable components and consumable parts. We also support special mission equipment. Heli-One offers next-day delivery in most locations on a wide range of helicopter parts from all major manufacturers through a global distribution network that includes a global warehouse in the Netherlands. We believe our global buying power gives us competitive pricing on all major components. We believe we provide quality, competitively priced support services to civilian and military helicopter operators worldwide.

## **Customers and Contracts**

Our current oil and gas customer base is comprised of major, national and independent oil and gas companies. These customers generally enter into multi-year contracts for our services. The majority of our customer contracts provide for revenues based on fixed-monthly charges and hourly flight rates. In addition, our contracts generally require the customer to either provide or to be charged for fuel, which significantly limits our operational exposure to volatility in fuel costs.

Our contracts with offshore oil and gas customers are typically for periods of four to five years, and normally carry extension options of one to five years. Our contracts with government agencies for SAR and EMS services are typically for periods of eight to ten years, and we believe government agencies will increasingly look to outsource this function. Based on our experience, we believe that contracts are awarded based on a number of factors, including technical capability, operational effectiveness, price, strength of relationships, availability of fleet types and other technical mission requirements, quality of customer service and the safety record of the helicopter service provider. We believe that maintaining a strong safety record is imperative for our customers, and that our safety record and safety culture at all levels of our organization are key to maintaining and growing our business.

Longer-term contracts are ordinarily awarded through competitive bidding processes. An incumbent operator commonly has a competitive advantage when pursuing future business with that customer because of its relationship



with the customer, knowledge of operating site characteristics, pre-existing investment in support infrastructure and demonstrated ability to meet defined service-level requirements. Also, customers often prefer

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to avoid start-up costs associated with switching to another operator. Over the past 12 months, we have retained approximately 92% of offshore oil and gas customer contracts that were up for renewal or extension.

Our key customers include many leading oil and gas companies around the world. The following table sets out our top ten customers based on revenue for our fiscal year ended April 30, 2013 and geographic regions served. Our top two customers for the year ended April 30, 2013 were Statoil and Petrobras, accounting for 14% of our revenues each. No other single customer accounted for more than 10% of our revenues during this period.

Company	Credit rating (Moody's / S&P)	Geographic regions served by CHC				
		North Sea	Brazil	Australia	SE Asia	Africa Euro Asia
	A2 / A					
	Aa1 / AA					
	A1 / A					
	A3 / A-					
	N/A					
	A3 / BBB					
	Aa1 / AA					
	Aa2 / AA-					
	Aa1 / AA-					
	Baa1/BBB+					

For our fiscal year ended April 30, 2013, the customers in the table above constituted approximately 60% of our total revenues.

The largest customer of our Heli-One segment is our Helicopter Services segment. Our Heli-One contracts with third parties include military, coast guard, parapublic and other governmental organizations, and other helicopter operators. Revenues can be earned for services provided individually or, in many cases, as part of multi-year, complete maintenance outsourcing agreements.

**Competitive Strengths**

We believe that we possess the following competitive strengths, which will enable us to continue to grow our business globally:

***The world's largest new generation fleet of heavy and medium helicopters.*** We are the world's largest commercial operator of helicopters based on revenue of \$1.7 billion in fiscal 2013. We are also the world's largest commercial operator of heavy and medium helicopters based on our fleet of 238 heavy and medium helicopters as of October 31, 2013. Our premium fleet has enabled us to establish a prominent position as a helicopter services provider to the fast-growing ultra-deepwater and deepwater markets. Our fleet includes some of the newest and most advanced civilian helicopters, including the Eurocopter EC225, Sikorsky S92A, AgustaWestland AW139 and Sikorsky S76C++, which together represent approximately 76% of our

total fleet value and which we believe helps us attract and retain highly experienced pilots and maintenance engineers. We have modernized and expanded our fleet significantly over the last eight years, and we continue to invest to meet customer demand. As of October 31, 2013, we have plans to acquire 36 new

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heavy and medium helicopters from multiple OEMs, and \$100.0 million of heavy helicopters from Eurocopter, with delivery dates between fiscal 2014 and 2017, and options to acquire an additional 26 heavy and medium helicopters. The size of our fleet and diversity across multiple helicopter types enables us to meet the varied operational requirements of our customers.

***Largest global footprint servicing the offshore oil and gas market.*** We are the most globally diverse participant in our industry, with operations in approximately 30 countries. Our broad geographic coverage and experience entering new markets enables us to respond quickly and efficiently to new business opportunities, by leveraging our knowledge of, and experience with, international safety standards, local market regulations and customs. Additionally, our multi-national footprint and scale allow us to secure contracts and global framework agreements where our largest customers are seeking helicopter operators that can provide one standard of service in many locations around the world.

***Strong long-term relationships with leading oil and gas producers.*** We believe we have strong relationships with our top ten customers, which include Statoil, Petrobras, BP, Shell, Total, ENI and other oil and gas producers, many of which we have continuously served for over a decade. We establish relationships with our customers at both the regional and global level, which positions us to grow our business as our customers grow. We believe this enables us to better understand our customers' growth objectives and positions us to participate in contract tenders. Our strong customer relationships and track record of performance have allowed us to achieve a 92% retention rate on contract renewals and extensions and a 65% win rate on all contract tenders over the 12 month period through October 2013.

***Safety record and reputation.*** We have implemented a single safety management system worldwide and continue to meet or exceed the stringent safety and performance audits conducted by our customers. Over the five year period ended November 1, 2013, according to our safety records, we had a rolling average of 0.37 accidents per 100,000 flight hours, a much lower than average rate reported for civilian twin engine helicopters and an even smaller fraction of the rate reported for offshore helicopter operations generally, per industry reports. Our pilots average in excess of 3,000 hours of flight experience, and many of them carry endorsements to operate more than one type of helicopter. Our mechanics are highly experienced and receive ongoing training from helicopter manufacturers. We also host a highly regarded annual international safety summit attended by our customers, manufacturers, competitors and regulators, which is a manifestation of our commitment to safe operations.

***Our innovative transformation initiatives are driving standardization, efficiencies and cost savings.*** For the past three years, we have implemented a comprehensive review of our operations and organizational structure through our transformation initiatives, with the goal of consolidating, strengthening and standardizing our capabilities, tools, processes and systems globally, while lowering overhead costs. We recently designed and launched our global operations center and implemented new IT systems across our operations to drive highly integrated processes, including fleet management, flight scheduling, maintenance and supply chain, which we believe allow us to offer superior and differentiated services to our customers and our personnel in the field.

***Only global commercial helicopter operator with in-house MRO operations through Heli-One.*** Our Heli-One division is the market leader in helicopter MRO services by a non-OEM. Our Heli-One segment enhances the quality control and cost competitiveness of our maintenance processes, and improves the flight availability of our fleet. We have the capability to service and support multiple models from all the major OEMs including Eurocopter, Sikorsky, AgustaWestland and Bell, which allows us to offer a comprehensive outsourced maintenance solution to other helicopter operators, and to diversify our revenue stream.

***Experienced management team.*** Our chief executive officer and senior executives have extensive experience at CHC managing our helicopter services business and Heli-One business and with managing major, international public corporations focused on technology, IT services and operational excellence. We believe our management's breadth of experience, equity ownership and incentive plans align their objectives with those of our shareholders.

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### **Our Business Strategy**

Our goal is to enhance our leadership position and create value for our shareholders by consistently and efficiently providing safe, reliable value-added services to our customers while maximizing our return on assets, earnings and cash flow. To achieve this goal, we intend to focus on the following key strategies:

***Achieve the highest levels of safety and performance.*** Our overall strategy is deeply rooted in a foundation of safety. We will continue to build on our highly safety-conscious culture where the safety of our passengers and employees is embedded in everything we do. We will invest in technology, processes, training and talent to continuously improve our capabilities to enable us to achieve the highest level of safety performance and standards.

***Continue to apply a disciplined, returns-based approach to evaluating growth opportunities.*** We have implemented a rigorous, financial returns-based approach throughout our organization that is fundamental to how we evaluate growth opportunities. Our centralized decision-making framework is critical to ensuring that our clearly defined return thresholds are applied in all key investment-making decisions, such as setting contract terms, pursuing expansion into new regions and acquiring new helicopters. This disciplined and coordinated methodology of pursuing the highest risk-adjusted growth opportunities will continue to drive our expansion strategy and enable us to make rational capital investment decisions and maximize our returns as we continue to grow.

***Continue to invest in our fleet of heavy and medium helicopters to meet customer demand and maximize our long-term financial returns.*** We will continue to upgrade our fleet and optimize our fleet size and mix to reflect the latest technologies and larger helicopters demanded by our customers, while selectively divesting older helicopters. We will continue to manage our fleet to provide optimum service to the growing ultra-deepwater and deepwater markets, where larger helicopters are preferred by our customers for their reliability, comfort and efficiency. The demand for helicopter services combined with continued constraints on new helicopter supply will allow us to focus our investments in our fleet on opportunities with the highest strategic and financial value. We believe our global fleet management strategy allows us to deploy our assets to our most attractive opportunities worldwide.

***Expand our operations in high growth markets.*** We have existing operations in what we believe are some of the highest growth markets for helicopter services, such as Brazil and Australia. We intend to continue to grow in these regions as we believe the demand for our services continues to grow. We will also continuously evaluate entry into new markets with high projected growth rates which are often characterized by isolated locations and greater operating distances from shore. We have a track record of successfully entering new markets, which requires experienced pilots and expertise in assessing risks, obtaining permits, partnering with local businesses, working with regulators and establishing new flight bases. We believe our customers recognize the importance of our track record as well as our standardized and globally-integrated operational support, maintenance and IT systems, and our ability to realize operational efficiencies across numerous and often remote jurisdictions. We believe that owning the world's largest fleet of heavy and medium helicopters positions us to continue to grow our business in high growth ultra-deepwater and deepwater markets.

***Leverage the differentiated attributes of our Heli-One segment to expand the depth and global reach of our Heli-One platform.*** We believe we are the largest non-OEM MRO vendor servicing the industry today and we believe that our Heli-One segment provides us with a competitive and differentiating advantage. The breadth of services we provide and our operational scale has enabled us to establish unique supply chain management expertise that we will leverage to provide superior service levels to our customers. We will capitalize upon our access to key OEM licenses to bolster our strategic inventories and to improve the level of integration with our own internal operations, as well as to expand our third-party revenues. We will seek to grow our third-party Heli-One business, as we believe it offers an opportunity to generate attractive returns on limited incremental capital investment. Given the fragmented nature of the global MRO market, we will also pursue targeted strategic acquisitions to enhance our position in key regions or markets and to capture new, unique service offerings for our customers.

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**Utilize knowledge and enterprise management systems to hone our customer service.** We seek to build a customer-centric culture responsive to our customers' unique requirements. As part of our operational transformation efforts and investment in IT systems, we have expanded our capabilities to measure and report key performance metrics that are most critical to our customers. Our commercial and customer support teams maintain a regular dialogue across multiple disciplines within our customers' organizations to share these performance metrics as well as to discuss our customers' future plans. This enables us to better understand our customers' needs and how well we are addressing them. We believe that developing and maintaining such a deep understanding of our customers' requirements enables us to provide superior customer-centric services and ideally positions us to grow with our customers as they expand their operations.

**Continue to implement innovative transformation initiatives to pursue industry leading operating efficiency and superior returns.** We believe innovation is core to our culture. We believe we are the first in the industry to establish a global, in-house MRO capability through Heli-One and a global operations center, and to implement innovative IT platforms to standardize global processes. We have established leadership in innovative transformation as a firmwide mindset with the goal of continuously improving operating efficiency, identifying cost savings and enhancing returns.

**Revenue by End Market**

(in thousands of U.S. dollars)	For the year ended April 30,					For the six months ended October 31,				
	2011	2012	2013	2012	2013	2012	2013	2012	2013	
<b>Industry Sector</b>										
Oil and Gas	\$ 1,129,749	78%	\$ 1,330,163	79%	\$ 1,417,546	81%	\$ 704,510	82%	\$ 719,109	84%
MRO	129,222	9%	166,479	10%	140,444	8%	67,034	8%	62,938	7%
EMS/SAR	151,101	10%	158,505	9%	171,053	10%	83,558	9%	74,361	9%
Other	35,388	3%	37,392	2%	14,804	1%	7,753	1%	1,895	%
Total	\$ 1,445,460	100%	\$ 1,692,539	100%	\$ 1,743,847	100%	\$ 862,855	100%	\$ 858,303	100%

**Revenue by Geography**

(in thousands of U.S. dollars)	For the year ended April 30,					For the six months ended October 31,				
	2011	2012	2013	2012	2013	2012	2013	2012	2013	
<b>Geography</b>										
Canada	\$ 12,671	1%	\$ 13,914	1%	\$ 2,841	%	\$ 3,935	%	\$ 103	%
United Kingdom	243,921	17%	262,592	16%	306,893	18%	161,006	19%	157,880	18%
Norway	452,578	31%	531,452	31%	491,938	28%	239,902	28%	250,263	29%
Africa	56,361	4%	60,503	4%	67,752	4%	30,121	3%	37,453	4%
Australia	137,639	10%	213,970	13%	261,424	15%	119,869	14%	123,425	14%



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Denmark	29,108	2%	29,538	2%	195	%	80	%	109	%
The Netherlands	95,835	7%	94,663	6%	82,576	5%	43,514	5%	40,326	5%
Brazil	163,928	11%	210,347	12%	282,469	16%	143,484	17%	123,959	14%
Asia	107,305	7%	93,782	6%	86,949	5%	44,477	5%	47,462	6%
Other European Countries	112,188	8%	139,955	8%	125,196	7%	57,289	7%	64,415	8%
Other Countries	33,926	2%	41,823	1%	35,614	2%	19,178	2%	12,908	2%
Consolidated total	\$ 1,445,460	100%	\$ 1,692,539	100%	\$ 1,743,847	100%	\$ 862,855	100%	\$ 858,303	100%

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### **Competition**

We are one of two global helicopter service providers to the offshore oil and gas industry; other competitors are smaller, regional operators. We have a significant market position in all global offshore oil and gas markets, with the exception of the Gulf of Mexico. Oil and gas companies operating in the Gulf of Mexico have historically used primarily light and medium helicopters under short term contracts and, as a result, the current economics of providing services in the Gulf of Mexico would be less profitable for us than those in other regions of the world. As oil and gas companies seek to expand drilling and production to deeper waters offshore in the Gulf of Mexico we may re-examine our participation in this market.

We believe we are well positioned to capitalize on future growth opportunities. As oil and gas wells are depleted, oil companies are developing ultra-deepwater and deepwater reserves further offshore. Our global presence, long-term customer relationships and modern fleet of helicopters positions us to participate in new oil and gas developments in most offshore oil and gas regions.

### **Lease Obligations**

We had entered into helicopter operating leases for 165 helicopters included in our fleet as of October 31, 2013. At October 31, 2013, the total minimum lease payments under helicopter operating leases with expiry dates ranging from fiscal 2014 to fiscal 2024 totaled \$1,377.0 million. At our option, we have the right to purchase the majority of helicopters at agreed amounts that are not considered bargain purchase options. Substantially all of the costs to perform inspections, major repairs and overhauls of major components on such leased helicopters are at our expense. We may perform this work through Heli-One or have the work performed by an external MRO service provider. We have also provided guarantees to certain lessors in connection with these helicopter leases.

In addition to payment under helicopter operating leases, we had operating lease commitments as of October 31, 2013 for buildings, land and other equipment with minimum lease payments of \$104.5 million and expiry dates ranging from fiscal 2014 to fiscal 2079.

For additional details see Future Cash Requirements Contractual Obligations and Off-Balance Sheet Arrangements and Notes 17 and 18 to the unaudited interim consolidated financial statements for the six months ended October 31, 2013 and Notes 25, 26 and 28 to the audited annual consolidated financial statements for the year ended April 30, 2013 included elsewhere in this prospectus.

### **Commitments to Acquire New Helicopters**

At October 31, 2013, we have committed to purchase \$71.9 million of helicopter parts by October 31, 2015 and 36 new heavy and medium helicopters from multiple OEMs. The total required additional expenditures related to these purchase commitments are approximately \$953.9 million. These helicopters are expected to be delivered in fiscal 2014 (\$253.7 million), 2015 (\$315.5 million) and 2016 to 2017 (\$384.7 million) and will be deployed in our Helicopter Services segment. In addition, we have committed to purchase \$100.0 million of heavy helicopters from Eurocopter prior to December 31, 2016. These helicopters will be purchased outright or financed through leases. In addition, at October 31, 2013, we had the option to purchase 26 heavy and medium helicopters, which if exercised, would represent a total purchase commitment of 62 helicopters, excluding the amount committed with Eurocopter.

### **Insurance**

Operation of helicopters involves some degree of risk. Hazards, such as helicopter accidents, collisions and fire, are inherent in providing helicopter services. We maintain a flight safety organization that is responsible for ensuring compliance with safety standards within our organization and the requisite proficiency among flight crews. Our safety organization is responsible for training flight crews, conducting regular safety audits and

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seminars for all flight personnel, and generally ensuring safe operating techniques and standards consistent with government regulations and customer requirements. In addition, aviation regulatory bodies and customers conduct safety audits to ensure that our standards meet their requirements.

We maintain comprehensive aviation hull and liability insurance coverage in amounts and on terms that reflect prudent helicopter operations. This includes engine and spare-parts coverage. The hull policies insure against the physical loss of or damage to our helicopters. In addition we purchase hull war coverage for losses due to terrorism, hijacking, war, expropriation, confiscation and nationalization. We retain the risk of the loss of use or loss of profit from our operations, which is mitigated by the possible use of other helicopters given our fleet size.

In addition, we procure property all risks insurance, automobile liability and general liability insurance and the customary corporate insurances.

**Facilities**

We currently operate in approximately 30 countries worldwide, using facilities that include hangars, supply and service centers, engineering support facilities and offices. In Norway, the United Kingdom, the Netherlands and Australia, we generally own the hangars we use in our helicopter operations, which are located primarily on leased airport land. We typically lease supply and service centers, engineering support facilities and offices from third parties.

The principal properties from which we now conduct our operations are:

Location	Operations	Buildings (Sq. Feet)	Owned or Leased	
			Land	Buildings
Richmond, British Columbia, Canada	Headquarters of Heli-One Canada Inc.	80,000	Leased	Owned
Delta, British Columbia, Canada	Headquarters for Heli-One Segment	240,000	Leased	Leased
Aberdeen, Scotland	Headquarters for the Western North Sea region	42,000	Leased	Leased
	Terminal Building	25,000	Leased	Owned
Stavanger, Norway	Headquarters for the Eastern North Sea region	199,000	Leased	Owned
	Heli-One Norway Headquarters;	179,000	Leased	Owned
Fort Collins, Colorado	Heli-One American Support, LLC	80,000	Leased	Leased
Hoofddorp, The Netherlands	Headquarters for the Africa-Euro Asia region	39,000	Leased	Leased
Bergen, Norway	Eastern North Sea; Hanger	66,000	Leased	Owned
Den Helder, The Netherlands	Western North Sea; Hanger	56,000	Owned	Owned
Perth, Australia	Headquarters for the Asia Pacific region	7,400	Leased	Leased
Irving, Texas	CHC Operations Center	26,926	Leased	Leased

Rzeszow, Poland	Heli-One (Poland)	8,974	Leased	Leased
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### Aviation Regulations

Most of the countries in which we conduct flying operations have laws that require us to hold either or both of an operating license and an air operator certificate. Most of these countries also have materiality requirements for issuance of operating licenses and/or air operator certificates that require the holder of such license or certificate to be a qualified national of such country. Companies holding such licenses and certificates must typically be both majority owned and effectively controlled, or controlled in fact, by citizens of the issuing state.

#### *The European Union and the European Economic Area*

We operate in the EU and the EEA through our 49.9% ownership in EHOB. EHOB's five wholly-owned operating subsidiaries operate in four member states of the EU (the United Kingdom, the Netherlands, Denmark and Ireland) and Norway, a member state of the EEA. Each of Norway and the member states of the EU must

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comply with EU Directive 1008/2008 and common rules for the operation of aircraft. Among other things, this directive restricts the issuance of operating licenses to carry passengers for remuneration to those companies that are majority owned and effectively controlled by nationals of a member state of the EU or the EEA. We believe that EHOB, and therefore each of EHOB's wholly-owned subsidiaries, are both majority owned and effectively controlled by nationals of a member state of the EU.

### *Canada*

Our helicopter operations in Canada are conducted through CHC Helicopters Canada Inc., a company wherein we hold a minority interest. That company's flying operations are regulated by Transport Canada and are conducted under that company's air operator's certificate (AOC). Our ability to conduct our helicopter operating business in Canada is dependent on our ability to maintain our relationship with CHC Helicopters Canada Inc. Our helicopter operations in certain other countries are conducted pursuant to an AOC issued by the Minister of Transport (Canada) under the provisions of the Aeronautics Act (Canada) for approximately 20 helicopters, which our wholly owned subsidiary holds pursuant to an exemption until 2015. If we are unable to extend the ministerial exemption pursuant to which this certificate is issued, we will need to obtain licenses and certificates issued by the countries in which we conduct such operations or reach an agreement with CHC Helicopters Canada Inc. and/or customers in such countries to transfer the operations there to CHC Helicopters Canada Inc. We cannot give any assurance that we will be able to either extend the ministerial exemption, obtain local licenses and certificates or transfer such operations to CHC Helicopters Canada Inc., either at all or on acceptable terms.

### *Australia*

Civil aviation in Australia is governed by the Civil Aviation Act, 1988, and regulations made thereunder. To operate an aircraft in Australia, it must be registered with the Australian Civil Aviation Safety Authority and a Certificate of Airworthiness must be obtained, be valid and in effect. The operation of an aircraft for a commercial purpose into, out of, or within Australian territory can only be undertaken as authorized by an Air Operators' Certificate. Our ability to offer our helicopter transportation services in Australia is dependent on maintaining this certificate. Australia does not have a requirement for ownership or control by Australian nationals.

### *Brazil*

We operate in Brazil through a subsidiary of BHH, a Brazilian Company 60% owned by us. To operate helicopters in Brazil, an operator must be licensed by the applicable national Civil Aviation Authority. Under applicable Brazilian law, in order to maintain its license, an operator must be controlled by nationals of Brazil and its officers must be Brazilian as well. By control, Brazilian aviation legislation refers to a holding of at least 80% of the operator's voting shares. We believe that the majority holder of voting shares in BHH is a Brazilian national and therefore this subsidiary is currently controlled within the meaning of Brazil licensing requirements. Any change in the national status of the majority shareholder in BHH and/or in the nationality of the officers of this subsidiary could affect its Brazilian licenses. Our helicopter operations in Brazil are conducted through BHS - Brazilian Helicopter Services Táxi Aéreo S.A., the above-mentioned subsidiary of BHH. Our flying operations are regulated by the National Agency for Civil Aviation and are conducted under that company's AOC. Our ability to conduct our helicopter operating business in Brazil is dependent on our ability to maintain this AOC. If we are unable to maintain this AOC, or obtain an alternative AOC, we will be prevented from flying helicopters in Brazil.

### *Other Countries and Regulations*

Our operations in other foreign jurisdictions are regulated to various degrees by the governments of such jurisdictions and must be conducted in compliance with those regulations and, where applicable, in accordance with our air service licenses and air operator certificates. These regulations may require us to obtain a license to operate in that country, may favor local companies or require operating permits that can only be obtained by locally registered companies and may impose other nationality requirements. In such cases, we partner with local

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persons, but there is no assurance regarding which foreign governmental regulations may be applicable in the future to our helicopter operations and whether we would be able to comply with them.

The revocation of any of the licenses discussed above or the termination of any of the relationships with local parties discussed above could have a material adverse effect on our business, financial condition and results of operations.

We are also subject to regulations imposed by the FCPA, which generally prohibits us and our intermediaries from making improper payments to foreign officials for the purpose of obtaining or maintaining business. We have established an Ethics & Compliance Policy and a Compliance Committee, and provide compliance training to our employees to help prevent violations of the FCPA. As a condition of employment, our employees are required to abide by this policy. Our policy also requires thorough due diligence of all third-party intermediaries as well as screening and certification through TRACE International. Approved intermediaries are required to renew their TRACE certifications annually. Further, we require our vendors and contractors to be contractually bound to abide by our Ethics & Compliance Policy. Our Internal Audit team includes Ethics & Compliance Policy compliance as part of their audits.

## **Environmental Matters**

We are subject to extensive laws, rules, regulations and ordinances in the various jurisdictions in which we operate relating to pollution and protection of the environment and to human health and safety, including those related to noise, emissions to the air, releases or discharges to soil or water, the use, storage and disposal of petroleum and other regulated materials, and the remediation of contaminated sites. Our operations, including helicopter maintenance and helicopter fueling, involve the use, handling, storage and disposal of materials that may be classified as hazardous to human health and safety and to the environment. Non-compliance with these regulations may result in significant fines or penalties or limitations on our operations. Many of the countries in which we operate have laws that may impose liability for the investigation and cleanup of releases of regulated materials and the remediation of related environmental damage without regard to negligence or fault. These laws may also expose us to liability for the conduct of, or conditions caused by, others, such as historic spills of regulated materials at our facilities, for acts that were in compliance with all applicable environmental laws at the time such acts were performed, and for contamination at third-party sites where substances were sent for off-site treatment or disposal. Additionally, any failure by us to comply with applicable environmental, health and safety or planning laws and regulations may result in governmental authorities or other third parties taking action against our business that could adversely impact our operations and financial condition. We believe we are in substantial compliance with applicable environmental laws and that ensuring compliance has not, to date, had a material adverse effect upon our financial position. We cannot, however, predict the likelihood of change to these laws or in their enforcement nor the impact that any such change, or any discovery of previously unknown conditions, may have on our costs and financial position. Please see Risk Factors Risks Related to Our Business and Industry We are subject to extensive environmental, health and safety laws, rules, regulations and ordinances that could have an adverse impact on our business.

## **Legal Proceedings**

One or more of our subsidiaries are, from time to time, named as defendants in lawsuits arising in the ordinary course of our business. Such disputes may involve, for example, breach of contract, employment, wrongful termination and tort claims. We maintain adequate insurance coverage to respond to most claims. We cannot predict the outcome of any such lawsuits with certainty, but our management team does not expect the outcome of pending or threatened legal matters to have a material adverse impact on our financial condition.



In addition, from time to time, we or our subsidiaries are involved in tax and other disputes with various government agencies. The following summarizes such presently pending disputes:

In 2006, we voluntarily disclosed to OFAC that several of our subsidiaries formerly operating as Schreiner Airways may have violated applicable U.S. laws and regulations by re-exporting to Iran, Sudan, and Libya certain

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helicopters, related parts, map data, operation and maintenance manuals, and aircraft parts for third-party customers. OFAC's investigation is ongoing and we continue to fully cooperate. Should the U.S. government determine that these activities violated applicable laws and regulations, we or our subsidiaries may be subject to civil or criminal penalties, including fines and/or suspension of the privilege to engage in trading activities involving goods, software and technology subject to the U.S. jurisdiction. At this time, it is not possible to determine the outcome of this matter, or the significance, if any, to our business, financial condition and result of operations.

Brazilian customs authorities seized one of our helicopters (customs valued at \$10.0 million) as a result of allegations that we violated Brazilian customs law by failing to ensure its customs agent and the customs agent's third-party shipping company followed approved routing of the helicopter during transport. We secured release of the helicopter and are disputing through administrative court action any claim for penalties associated with the seizure and the alleged violation. We have preserved our rights by filing a civil action against its customs agent for any losses that may result. At this time, it is not possible to determine the outcome of this matter or the significance, if any, to our business, financial condition and result of operations.

Our Brazilian subsidiary is disputing claims from the Brazilian tax authorities that it was not entitled to certain credits in 2004 and 2007. The tax authorities are seeking up to \$4.8 million in additional taxes plus interest and penalties. We believe that based on our interpretation of tax legislation and well established aviation industry practice we are in compliance with all applicable tax legislation and plan to defend this claim vigorously. At this time, it is not possible to determine the outcome of this matter or the significance, if any, to our business, financial condition and result of operations.

Our Brazilian subsidiary is also disputing assessments from the municipal governments in Macae and Cabo Frio related to cross-border flights and invoicing. The municipalities are seeking up to \$5 million in taxes and penalties. We do not believe the Company is liable for these amounts and will continue to dispute these assessments through administrative and judicial processes. At this time, it is not possible to determine the outcome of this matter or the significance, if any, to our business, financial condition and result of operations.

In the United Kingdom, the Ministry for Transport is investigating potential wrongdoing involving two ex-employees in conjunction with the SAR-H bid award processes. This arose from our self-reporting potential improprieties by these individuals upon their discovery in 2010. The SAR-H bid process was subsequently cancelled. At this time it is impossible to determine whether the government may take any action against us. We will continue to cooperate in all aspects of the investigation. At this time, it is not possible to determine the outcome of this matter or the significance, if any, to our business, financial condition and result of operations.

## **Employees**

As of October 31, 2013, we had approximately 4,500 employees. We hire independent contractors on an as needed basis. We believe that our employee relationships are satisfactory.

Certain of our employees in the United Kingdom, Ireland, the Netherlands, Norway, Brazil, Canada and Australia (collectively, approximately 73% of our employees as of October 31, 2013) are represented under collective bargaining or union agreements. Any disputes over the terms of these agreements or our potential inability to negotiate acceptable contracts with the unions that represent our employees could result in strikes, work stoppages or other slowdowns by the affected workers. Periodically, certain groups of our employees who are not covered under a collective bargaining agreement consider entering into such an agreement.

If our unionized workers engage in a strike, work stoppage or other slowdown, other employees elect to become unionized, existing labor agreements are renegotiated, or future labor agreements contain terms that are unfavorable to us, we could experience a disruption of our operations or higher ongoing labor costs, which could adversely affect our business, financial condition and results of operations.

**Table of Contents****MANAGEMENT****Directors and Officers**

The following table sets forth the names, ages and positions of our directors and officers as of the date of this prospectus:

<b>Name</b>	<b>Age</b>	<b>Position</b>
William J. Amelio	56	President, Chief Executive Officer and Director
Francis S. Kalman	66	Director
Jonathan Lewis	52	Director
William E. Macaulay	68	Chairman
John Mogford	60	Director
Jeffrey K. Quake	40	Director
Dod E. Wales	37	Director
Peter Bartolotta	54	Chief Operating Officer and President of Helicopter Services
Joan S. Hooper	56	Senior Vice President and Chief Financial Officer
Michael J. O'Neill	57	Senior Vice President and Chief Legal Officer
Michael Summers	58	Senior Vice President, Human Resources

We have entered into agreements with our indirect subsidiaries, Heli-One Canada Inc. and Heli-One American Support LLC, to provide certain management services subject to the authority limits as determined by our board of directors and set out in such agreements. Information about our executives is set forth below.

*William J. Amelio* joined us on August 10, 2010 and has extensive international experience with several major corporations. From 2005 to 2009, Mr. Amelio was President and CEO of the Lenovo Group, the global personal computer maker, where he managed the integration of the IBM personal computer business, implemented a business transformation program and globalized the Lenovo computer brand. During his career Mr. Amelio has also led businesses in leading companies such as Dell, NCR and AlliedSignal. Mr. Amelio holds a Master's degree in Management from Stanford University and a Bachelor of Science degree in Chemical Engineering from Lehigh University. Through the Amelio Foundation, Mr. Amelio and his wife founded Caring for Cambodia, a non-profit organization that aims to educate the children of Cambodia through building schools, training teachers and providing for basic human needs.

*Francis S. Kalman* is a senior advisor to a private investment subsidiary of Tudor, Pickering, Holt & Co., LLC, which specializes in direct investments in upstream, oilfield service and midstream companies. Since May 2011, he has served on the board of directors of Ensco plc and Kraton Performance Polymers, Inc. Since June 2013, he has served on the board of directors of Weatherford International Ltd. From August 2005 to May 2011, Mr. Kalman served on the board of directors of Pride International, Inc. From February 2002 until his retirement in February 2008 and from February 2002 until April 2007, Mr. Kalman served as Executive Vice President and as Chief Financial Officer of McDermott International, Inc., respectively. Mr. Kalman holds a B.S. degree in Accounting from Long Island University.

*Jonathan Lewis* is senior vice president, Europe Sub-Saharan Africa Region of Halliburton, which he joined in 1996. Prior to joining Halliburton, Dr. Lewis taught graduate students and managed commercially funded research groups through academic positions at Imperial College in London, England, and Heriot Watt University in Edinburgh, Scotland. Dr. Lewis has been Chairman of the board of directors of the Petrotechnical Open Standards Consortium

and a member of the board of directors of ASF Portal. Dr. Lewis holds a Bachelor of Science degree in Geology from Kingston University, a Ph.D. in Geology/Sedimentology from the University of Reading, and is a graduate of the Stanford Executive Program of the Stanford University Graduate School of Business.

*William E. Macaulay*, Chairman and Chief Executive Officer of First Reserve, has been with the firm since its founding in 1983. He is responsible for supervision of all aspects of the firm's investment program and strategy, as well as overall management of the firm. Prior to participating in the acquisition of First Reserve in

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1983, Mr. Macaulay was a co-founder of Meridien Capital Company, a private equity buyout firm. From 1972 to 1982, Mr. Macaulay was with Oppenheimer & Co., Inc., where he served as Director of Corporate Finance with responsibility for investing Oppenheimer's capital in private equity transactions. At Oppenheimer, he also served as a General Partner and member of the Management Committee of Oppenheimer & Co., as well as President of Oppenheimer Energy Corporation. He was the founder and largest stockholder of Peppermill Oil Company. Mr. Macaulay holds a B.B.A. degree in Economics from City College of New York and a Master of Business Administration from the Wharton School of the University of Pennsylvania, where he also has served as a member of the Executive Board. Mr. Macaulay has served on the board of directors of Dresser-Rand Group, Inc. since October 2004, Glencore Xstrata since April 2011 and Weatherford International Ltd. since May 1998.

*John Mogford* is a Managing Director of First Reserve, which he joined in 2009. Mr. Mogford's responsibilities at First Reserve include providing direct operational support and guidance to First Reserve's portfolio company executives as well as strategic advice to First Reserve investment teams. Prior to joining First Reserve, Mr. Mogford spent 32 years at BP in various roles, including Executive Vice President for Refining, Head of Refining at BP plc, and Chief Operating Officer of Refining sub-segment of BP plc. Mr. Mogford served as a Member of the BP Executive Management Team, and was also one of ten members of BP's Executive Committee. Mr. Mogford has been a Non-Executive Director of The Weir Group PLC since June 2008 and Midstates Petroleum Company, Inc. since March 2011. Mr. Mogford holds a Bachelor of Engineering from Sheffield University and is a Fellow of the Institute of Mechanical Engineers. He has also received business qualifications from INSEAD and Stanford Universities.

*Jeffrey K. Quake* is a Managing Director of First Reserve, which he joined in 2005. His responsibilities at First Reserve include investment origination, structuring, execution, monitoring and exit strategy, with particular emphasis on the global equipment manufacturing and services sector. Prior to joining First Reserve, Mr. Quake was a member of the investment team at J.P. Morgan's private equity fund for five years. Prior to J.P. Morgan, he was a member of the Corporate Finance team at Lehman Brothers, Inc. Mr. Quake currently serves on the board of directors for AFGlobal Corporation, Brand Energy and Infrastructure Services and Utility Services Associates, LLC. Mr. Quake holds a Bachelor of Arts from Williams College and a Master of Business Administration from Harvard Business School.

*Dod E. Wales* is a Director of First Reserve, which he joined in 2004. His responsibilities at First Reserve range from investment origination, structuring, execution, monitoring and exit strategy, with particular focus on the global equipment, manufacturing and services sector. Prior to joining First Reserve, Mr. Wales spent three years as a member of the investment banking team at Credit Suisse First Boston in the Distressed Finance and Restructuring Group. Mr. Wales holds a Bachelor of Arts in History from Stanford University.

*Peter Bartolotta* joined CHC Helicopter in July 2012. Prior to joining us, Mr. Bartolotta worked for Lenovo Corporation, where he most recently served as Senior Vice President of Lenovo Global Services. Prior to Lenovo, Mr. Bartolotta led NCR Corporation's Global Retail Product Management function; was Vice President, Operations and Six Sigma, for AlliedSignal's Turbocharging Systems business; led operations for AlliedSignal's Honeywell avionics business; and held positions at IBM Corporation including director and site manager of operations for IBM's personal-computer manufacturing facility. Mr. Bartolotta holds a Master of Business Administration from the University of Texas at Austin and a Bachelor of Science in Chemistry from the State University of New York at Binghamton.

*Joan S. Hooper* was appointed Senior Vice President and Chief Financial Officer in October 2011. Previously she led finance organizations for Dell's Global Public and Americas business units, and also oversaw corporate finance and was the chief accounting officer for the Company. Before Dell, Ms. Hooper was executive vice president and CFO of FreeMarkets, a provider of procurement tools and services, which she helped take public in 1999. At AT&T, she held

a variety of senior finance positions, including Vice President, Finance, for the Business Services and Consumer Products business units. A finance graduate from Creighton University, Ms. Hooper holds a Master of Business Administration from Northwestern University's Kellogg Graduate School of Management. She has earned public and management accounting certifications.

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*Michael J. O Neill* was appointed Chief Legal Officer on February 15, 2011. Previously, Mr. O Neill served as Senior Vice President and General Counsel for the Lenovo Group, the global personal computer maker, where he was responsible for all legal, contracts, government affairs and security. In addition to his work with the Lenovo Group, Mr. O Neill was the General Counsel for international practices for Howrey Simon Arnold & White, LLP, where he was responsible for the legal and administrative matters of the firm outside of the United States. Mr. O Neill earned his Juris Doctor and Master of Business Administration (Finance) from the University of Baltimore after completing his Bachelor of Arts in Business Administration/Economics from Belmont Abbey College. Mr. O Neill also completed George Washington University's Postgraduate Master's Program in Government and Technology Contracting and Duke University's Postgraduate Corporate Counsels Program.

*Michael Summers* joined us in 2010 after spending the past 29 years as both a Senior Human Resources executive and consultant in Human Resources functions. Mr. Summers has 15 years of experience in Senior Human Resources positions with Fortune 500 corporations and as a member of the senior executive teams, worked as an active contributor to the business performance by providing effective organizational design, leadership acquisition and development, and human resource strategies well integrated with business objectives. During his time working with clients such as Celanese, Dell Computer, Allied Signal, Nabisco Brands, Quaker Oats and Newport News Shipbuilding, Mr. Summers provided insight to business leadership on executive development, assessment and organization design, and talent management strategies, while influencing successful organizational change efforts resulting in significant business improvements in the areas of productivity, operating expense reduction, customer focus and market strategy, and lower labor costs. Mr. Summers received his Bachelor of Science in Industrial Psychology from Fairmont State College and completed his Master of Science in Industrial Relations from West Virginia University.

## **Composition of the Board of Directors after this Offering**

Our memorandum and articles of association provide that our board of directors will consist of such number of directors as may from time to time be fixed by our board of directors, but may not be more than or fewer than the minimum number permitted by Cayman Islands law, which is one. So long as First Reserve continues to beneficially own at least 5% of the total voting power of the shares eligible to vote in the election of our board of directors, we will agree to nominate individuals designated by our financial sponsor for election as our directors as specified in our shareholders' agreement and our financial sponsor must consent to any change to the number of our directors. Each director will serve until our next annual meeting and until his or her successor is duly elected and qualifies or until the director's earlier death, resignation or removal. For a description of our board of directors and our financial sponsor's right to require us to nominate its designees, see Description of Share Capital and Certain Relationships and Related Person Transactions Shareholders' Agreement.

## **Background and Experience of Directors**

When considering whether directors and nominees have the experience, qualifications, attributes or skills, taken as a whole, to enable our board of directors to satisfy its oversight responsibilities effectively in light of our business and structure, the board of directors focused primarily on each person's background and experience as reflected in the information discussed in each of the directors' individual biographies set forth above. We believe that our directors provide an appropriate mix of experience and skills relevant to the size and nature of our business. In particular, the members of our board of directors considered the following important characteristics, among others:



Mr. Amelio our board of directors considered Mr. Amelio s extensive familiarity with our business and the breadth of knowledge and management experience obtained while working with several leading corporations.

Mr. Kalman our board of directors considered Mr. Kalman s extensive experience in accounting, auditing and financial reporting for global enterprises, including serving as chairman of public company audit committees, executive leadership experience and experience in strategic planning for

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international businesses, each of which provides depth to our audit committee and to our board as a whole. Mr. Kalman has also served on multiple public and private company boards of directors, providing valuable expertise in matters of corporate governance.

Mr. Lewis our board of directors considered Mr. Lewis s extensive experience resulting from his tenure as a senior vice president of Halliburton, his directorship experience and his knowledge of the oil and gas services industries.

Mr. Macaulay our board of directors considered Mr. Macaulay s extensive international business and private equity experience, particularly in the manufacturing, equipment and services sectors, as well as in view of his familiarity with and control over First Reserve, one of our controlling shareholders.

Mr. Quake our board of directors considered Mr. Quake s depth and breadth of success serving as a Managing Director of First Reserve, as well as his extensive private equity and investment banking background resulting from his experience with J.P. Morgan and Lehman Brothers, Inc.

Mr. Mogford our board of directors considered Mr. Mogford s experience advising portfolio company executives while serving as a Managing Director of First Reserve, his 32 years of executive experience with BP, as well as his role as Non-Executive Director of The Weir Group PLC.

Mr. Wales our board of directors considered Mr. Wales s tenure as Director of First Reserve, his expertise in finance, experience investing in the energy industry and experience in the manufacturing, equipment and services sectors.

## **Controlled Company Exception**

After the completion of this offering, funds affiliated with First Reserve who are party to the shareholders agreement will continue to beneficially own ordinary shares representing more than 50% of the voting power of our ordinary shares eligible to vote in the election of our directors. As a result, we will be a controlled company within the meaning of the corporate governance standards of the NYSE. Under the NYSE corporate governance standards, a company of which more than 50% of the voting power in the election of directors is held by an individual, group or another company is a controlled company and may elect not to comply with certain NYSE corporate governance requirements, including the requirements that, within one year of the date of the listing of our ordinary shares (1) that a majority of our board of directors consist of independent directors, (2) that our board of directors have a compensation committee that is comprised entirely of independent directors with a written charter addressing the committee s purpose and responsibilities and (3) that our board of directors have a nominating and corporate governance committee that is comprised entirely of independent directors with a written charter addressing the committee s purpose and responsibilities. For at least some period following this offering, we intend to utilize these exemptions. As a result, following this offering, the majority of our directors will not be independent and we will not have an audit committee, a nominating and corporate governance committee or a compensation committee that is comprised entirely of independent directors. Accordingly, you will not have the same protections afforded to shareholders of companies that are subject to all of the NYSE corporate governance requirements. In the event that we cease to be a controlled company and our shares continue to be listed on the NYSE, we will be required to comply

with these provisions within the transition periods specified in the NYSE corporate governance rules.

**Committees of the Board of Directors**

Prior to the completion of this offering, our board of directors will establish an Audit Committee, a Compensation Committee, a Nominating and Corporate Governance Committee and a Safety and Compliance Committee.

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### ***Audit Committee***

Upon the completion of this offering, we expect to have an Audit Committee, consisting of Messrs. Kalman, Lewis and Wales, with Mr. Kalman serving as chair. Our board of directors determined that Messrs. Kalman and Lewis qualify as independent directors under NYSE corporate governance standards and the independence requirements of Rule 10A-3 of the Exchange Act. Our board of directors also determined that, despite Mr. Kalman's service on the audit committees of three other public companies, such simultaneous service will not impair Mr. Kalman to serve on our Audit Committee. The purpose of the Audit Committee will be to assist our board of directors in overseeing and monitoring (1) the quality and integrity of our financial statements, (2) our compliance with legal and regulatory requirements, (3) the selection of our independent registered public accounting firm, (4) the independent registered public accounting firm's qualifications and independence and (5) the performance of the independent registered public accounting firm. The Audit Committee will also be responsible for preparing the Audit Committee report that is included in our annual proxy statement.

### ***Compensation Committee***

Upon the completion of this offering, we expect to have a Compensation Committee, consisting of Messrs. Kalman, Lewis, Mogford and Quake, with Mr. Mogford serving as chair. The Compensation Committee will be responsible for approving, administering and interpreting our compensation and benefit policies, including our executive officer incentive programs. It will review and make recommendations to our board of directors to ensure that our compensation and benefit policies are consistent with our compensation philosophy and corporate governance guidelines. The Compensation Committee will also be responsible for establishing the compensation of our executive officers.

We do not anticipate any interlocking relationships between any member of our compensation committee and any of our executive officers that would require disclosure under the applicable rules promulgated under federal securities laws.

### ***Nominating and Corporate Governance Committee***

Upon the completion of this offering, we expect to have a Nominating and Corporate Governance Committee, consisting of Messrs. Kalman, Quake, Lewis and Macaulay, with Mr. Macaulay serving as chair. The purpose of the Nominating and Corporate Governance Committee will be to oversee our governance policies, nominate directors (other than Sponsor Directors (as defined herein)) for election by shareholders, recommend committee chairpersons and, in consultation with the committee chairpersons, recommend directors for membership on the committees of the board. In addition, the Nominating and Corporate Governance Committee will assist our board of directors with the development of our Corporate Governance Guidelines.

### ***Safety and Compliance Committee***

Upon the completion of this offering, we expect to have a Safety and Compliance Committee, consisting of Messrs. Lewis, Amelio and Mogford, with Mr. Lewis serving as chair. The purpose of the Safety and Compliance Committee will be to provide global oversight and support of the implementation and effectiveness of our safety and compliance risk-management procedures, policies, programs and initiatives.

### **Board Compensation**

With the exception of Messrs. Kalman and Lewis, the members of our board of directors do not receive compensation in their capacity as directors or members of the board of managers. In their capacities as outside members of our board of directors, Messrs. Kalman and Lewis are entitled to an annual retainer of \$90,000 payable in arrears; an annual restricted stock unit grant with a value of \$125,000, vesting in full after one year of service and additional committee chair and committee membership fees, as applicable. For his service on the

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board for two years since February 2012, Mr. Lewis will be entitled to receive \$40,000 per year as retainer (such retainer to be pro-rated for the second year of service through the date of payment) and meeting fees equal to \$2,500 per meeting, to a maximum of \$10,000 per year. For such service, Mr. Lewis will also be entitled to receive two restricted stock unit, or RSU, grants, each with respect to 153,846.15 RSUs. Each RSU will vest in equal annual installments over a three year period, the first of which began on February 2, 2013, and the second of which will begin on February 2, 2014. Such RSUs will be settled on the earlier to occur of (i) June 18, 2017 (with respect to the first grant) and February 2, 2018 (with respect to the second grant) and (ii) the date of a Change in Control (as defined in the 2011 MEP).

Our chief executive officer and other executive officers will regularly report to the non-executive directors and the audit, the compensation and the nominating and corporate governance committees to ensure effective and efficient oversight of our activities and to assist in proper risk management and the ongoing evaluation of management controls. The vice president of internal audit will report functionally and administratively to our chief financial officer and directly to the audit committee. We believe that the board of directors leadership structure provides appropriate risk oversight of our activities.

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**EXECUTIVE COMPENSATION**

**Compensation Discussion and Analysis**

The following discussion and analysis of the compensation arrangements of our named executive officers should be read together with the compensation tables and related disclosures regarding our current plans, considerations, expectations and determinations regarding future compensation programs. Our future compensation programs could differ materially from those summarized in this discussion and analysis.

**Compensation Philosophy**

The primary objectives of our executive compensation program are to attract and retain talented executives to effectively manage and lead our company and create value for our shareholders. The compensation packages for our named executive officers generally include a base salary, performance-based annual cash awards, equity-based awards and other benefits.

The discussion below includes a review of our compensation decisions with respect to our 2013 fiscal year, which ended on April 30, 2013. Our named executive officers for fiscal 2013 were:

William Amelio, President and Chief Executive Officer;

Peter Bartolotta, President and Chief Operating Officer, Helicopter Services;

Joan S. Hooper, Senior Vice President and Chief Financial Officer;

Michael O Neill, Senior Vice President, Chief Legal Officer; and

Michael Summers, Senior Vice President, Human Resources.

**Compensation Determination Process**

Our current compensation program for our named executive officers has been designed based on our view that the various components of executive compensation should be set at levels that are necessary, within reasonable parameters, to successfully attract and retain skilled executives and that are fair and equitable in light of market practices. In setting an individual named executive officer's initial compensation package and the relative allocation among different elements of compensation, we consider the nature of the position being filled, the scope of associated responsibilities, the individual's prior experience and skills and the individual's compensation expectations, as well as the compensation of existing executive officers at our company and our general impressions of prevailing conditions in the market for executive talent.

During fiscal 2013, our compensation programs were overseen by the board of directors of CHC Cayman, the Compensation Committee. Following its establishment in September 2011, the Compensation Committee has overseen our executive compensation programs and our overall compensation philosophy, including program design

principles, budgeting and executive benchmarking. The Compensation Committee has established an annual review process for reviewing executive compensation levels, benchmarks and budgets. Base salaries are typically reviewed in April and adjustments are effective in May of each year. Financial goals under our annual Short Term Incentive Plan, or the Bonus Plan, are reviewed and established in April of each year for the following fiscal year. The determination of payouts under our Bonus Plan typically happens in June each year following the end of the fiscal year with payouts generally occurring in July. The Compensation Committee will utilize external compensation consultants periodically to review both the external and internal position of our executives and all aspects of their compensation. In addition, from time to time, various members of management and other employees as well as outside advisors or consultants may be invited by the Compensation Committee to make presentations, provide financial or other background information or advice or otherwise participate in Compensation Committee meetings. The Chief Executive Officer may not participate in or be present during any deliberations or final determinations of the Compensation Committee regarding his compensation. During fiscal



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2013, the Compensation Committee reviewed and approved the expansion of the short term performance based incentive plan to include all managers effective for fiscal 2014.

**Elements of Compensation*****Base Salaries***

Base salaries are intended to provide a fixed level of compensation sufficient to attract and retain an effective management team when considered in combination with other components of our executive compensation program. We believe that the base salary element is required to provide our named executive officers with a stable income stream that is commensurate with their responsibilities and competitive market conditions. Annual base salaries are established on the basis of market conditions at the time we hire an executive officer. Any subsequent modifications to annual base salaries are influenced by the performance of the executive and by significant changes in market conditions. The Compensation Committee will review base salary modification recommendations made by the Chief Executive Officer with respect to all named executive officers other than himself on an annual basis.

The annual base salaries for our named executive officers during fiscal 2013 were as follows:

<b>Named Executive Officer</b>	<b>Fiscal 2013 Annual Base Salary(1) (US \$)</b>
William J. Amelio	\$ 764,475
Joan S. Hooper	\$ 485,800
Peter Bartolotta	\$ 475,000
Michael J. O Neill	\$ 460,800
Michael Summers	\$ 460,800

(1) Effective January 1, 2013, other than Mr. Amelio whose base salary had already included a car allowance, the base salaries for our named executive officers also include any car allowances. The table above shows base salaries inclusive of any car allowances as if such allowances have been included as of May 1, 2012.

**Performance-Based Annual Cash Awards**

Our named executive officers (and other employees), other than Mr. Amelio, are generally eligible for performance-based annual cash awards under our Bonus Plan. The Bonus Plan is intended to provide a measure of management performance against annual targets, the results of which form the basis for the calculation of the Bonus Plan incentive awards. The Bonus Plan's guiding objectives and principles are as follows:

provide focus and clarify business objectives, specific priorities and financial targets;

link the behavior and actions of senior management to the interests of shareholders by providing incentive awards for performance to and beyond our financial targets;

provide a certain amount of discretion to the employee's manager to differentiate incentive compensation based on an individual's performance; and

remain competitive with executive compensation practices so as to attract and retain competent and professional management.

The purposes of the Bonus Plan are (1) focusing employees on our key annual financial goals, (2) encouraging top performance at all levels (corporate, business unit and individual levels) and (3) providing competitive rewards when performance is strong.

Our Bonus Plan has been designed such that it is composed of a target bonus which is based on our annual financial performance and other strategic objectives, including safety performance. In this respect, each named

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executive officer is provided a target award based on a percentage of annual base salary. The actual amounts paid under the Bonus Plan are linked to our performance in relation to both corporate financial and individual performance factors. Actual bonus awards under our Bonus Plan may range from zero to a maximum payout of three times such target bonus award, based upon achievement of specified performance metrics; provided that our EBITDAR (as defined below) for fiscal 2013 must be at least 85% of the established EBITDAR target for any bonus awards to be paid. The key annual financial goals set forth in the 2013 Bonus Plan were based on measures of (a) earnings before interest, taxes, depreciation, amortization, and rent (leases), or EBITDAR, (b) cash flow excluding EBITDAR (and certain other exclusions), or Free Cash Flow, (c) a safety component and (d) individual modifiers.

Under our Bonus Plan that was in effect for fiscal 2013 and that is in effect for fiscal 2014, our named executive officers are eligible for a target Bonus Plan award reflected in the table below based on our achievement of annual EBITDAR targets, performance objectives with safety, Free Cash Flow and permanent investment of cash by First Reserve for our use ( First Reserve Equity ), applicable for fiscal 2013 only, metrics considered and individual objectives also considered. The target bonus amount for a named executive officer under the 2013 Bonus Plan is calculated as a percentage of such named executive officer's annual base salary. The plan is a modifier plan whereby each metric has an assigned modifier scale linked to achievement against that metric's target. The financial goal based on EBITDAR is subject to a threshold achievement of 85% of the target goal (90% achievement for 2014), and the payout ranges from 0.20x to 2.0x (and from 0.50x to 2.0x for 2014) depending on actual achievement; the Safety metric caps at 1.0x, and for 2013 the additional executive corporate financial factors are a combined modifier, with each weighted 50% (Free Cash Flow and First Reserve Equity) (for 2014, there is no First Reserve Equity modifier, but free cash flow remains a modifier with a range of 0.9x to 1.2x). The individual performance modifier ranges from 0x to 1.25x. For fiscal 2013, the corresponding payout amount as determined by the level of EBITDAR, free cash flow, First Reserve Equity, and safety modifiers at fiscal year-end was then multiplied by the named executive officer's individual performance modifier set out in the below table to calculate the actual performance-based annual cash awards earned under the Bonus Plan. The actual bonus paid for fiscal 2013 may be more or less than the target bonus amount; however, any bonus payment will be subject to the maximum limit provided by the 2013 Bonus Plan, which is three hundred percent (300%) of the target bonus amount.

<b>Named Executive Officer</b>	<b>Target Percentage of fiscal 2013 base salary</b>	<b>Individual Performance Modifier for Fiscal 2013</b>
William J. Amelio(1)	100%	2.0
Joan S. Hooper	85%	1.25
Peter Bartolotta	85%	1.09
Michael J. O'Neill	85%	1.25
Michael Summers	85%	1.25

- (1) The fiscal 2013 performance-based bonus for Mr. Amelio generally follows the same corporate financial goals and terms as the other named executive officers to be paid under the 2013 Bonus Plan except subject to additional review and metrics as set forth by the board of directors of CHC Cayman (maximum remains up to 300% of target).

For fiscal 2013, our EBITDAR target based on the consolidated results of our subsidiary, 6922767 Holding S.à r.l. was approximately \$486 million and the actual operating performance of 6922767 Holding S.à r.l. was approximately \$484.7 million and after review by the board of directors of CHC Cayman of this result and the closeness to budget,

an adjusted corresponding EBITDAR payout percentage of 100% was granted. The safety metric was held at 1.0x with no reduction. The additional 2013 Bonus Plan metrics achieved are as follows: the cash flow target for fiscal 2013 was approximately \$(637.0) million and our actual performance was approximately \$(628.1) million, and the First Reserve equity (permanent) metric target for fiscal 2013 was \$30.0 million, and our actual performance was \$0 million. These achievements resulted in a corresponding 2013 Bonus Plan payout percentage of 111%. This payout percentage was achieved as follows: EBITDAR was

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determined to have been satisfied at target (or 100%); this was then multiplied by a factor 1.0x for the safety metric; and the result was again multiplied by the sum of the cash flow achievement and the First Reserve Equity achievement (each multiplied by 50%), resulting in an achievement percentage based on corporate goals of 111%. This result was then multiplied by the individual performance multiplier as provided in the table above and again by each executive's eligible earnings to achieve the actual bonus award for each individual listed. Based on our actual performance for fiscal 2013, the named executive officers received a performance-based annual cash award under our Bonus Plan in the amount shown in the table below.

<b>Named Executive Officer</b>	<b>Total Fiscal 2013 Performance- Based Bonus Award</b>
William J. Amelio	\$ 1,654,857
Joan S. Hooper	\$ 563,045
Peter Bartolotta	\$ 413,714
Michael J. O'Neill	\$ 533,630
Michael Summers	\$ 533,630

***Long-Term Incentive Compensation***

To date we have issued long-term incentive compensation to our named executive officers under the CHC Cayman 2011 Management Equity Plan, or the 2011 MEP. The board of directors of CHC Cayman adopted the 2011 MEP to be effective as of November 21, 2011. See Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards in Fiscal 2013 Table Equity Plans 2011 Management Equity Plan for a description of the material terms of this plan. In the future, we expect to issue long-term incentive compensation pursuant to our 2013 Omnibus Incentive Plan. See Proposed Compensation 2013 Incentive Plan.

***Other Compensation***

We also provide various other benefits to our named executive officers that are intended to be part of a competitive compensation program. These benefits include the following:

We provide matching contributions under our 401(k) plan of up to 4% of eligible base salary, subject to Internal Revenue Service limitations, to all eligible executives. This plan is a tax-qualified retirement plan and is extended to all eligible U.S. employees.

We have a Canadian defined contribution pension plan, pursuant to which we make matching contributions of up to 6% of employee contributions, subject to Canadian tax legislation limitations.

Annual automobile allowances were paid to eligible Canadian and U.S. employees prior to January 1, 2013. Subsequently, automobile allowances have been included in the base salaries of employees.

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Tax return preparation services are provided by Deloitte Canada to certain executives, if they chose to utilize this service. Tax returns are processed in the U.S. and Canada as required by legislation in each country.

Tax equalization payments are made for certain executives as a result of their employment in Canada. Returns are filed in the U.S. and Canada with respective tax liabilities resulting from employment in Canada. We pay the executive's Canadian taxes, and the executive is responsible for paying his or her U.S. taxes.

We reimburse our employees for certain expenses, such as relocation costs and certain business expenses. We believe that these benefits are comparable to those offered by other companies that compete with us for executive talent.

**Table of Contents*****Payments Upon Termination or Change in Control***

We currently have an employment agreement with each of our named executive officers. Pursuant to the terms of these employment agreements, each of our named executive officers is entitled to receive certain payments and benefits in connection with certain terminations of his or her employment with us, the terms of which are described below under Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards in Fiscal 2013 Table Employment Agreements and Potential Payments Upon Termination or Change in Control. We believe that these benefits are valuable as they address the valid concern that it may be difficult for these named executive officers to find comparable employment in a short period of time in the event of termination.

***Fiscal 2014 compensation decisions***

As described under Performance-Based Annual Cash Awards above, our Bonus Plan was revised for fiscal 2014 to (i) remove the First Reserve Equity modifier, (ii) increase the EBITDAR threshold from 85% to 90%, and (iii) reduce the percentage of target EBITDAR necessary to achieve maximum payout from 140% to 120% of target.

***Executive compensation***

The following tables provide information on compensation for the services of the named executive officers for fiscal 2013.

**Summary Compensation Table Fiscal Year 2013**

The following table provides summary information concerning compensation paid or accrued by us to or on behalf of our named executive officers, for services rendered to us during the fiscal year ended on April 30, 2011, 2012 and 2013. The amounts in the table for Mr. Amelio were converted from Canadian dollars based on the exchange rate in effect on April 30, 2013 of one Canadian dollar being equivalent to \$0.9929 U.S. dollars.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Non-Equity Incentive Plan Compensation	All Other Compensation	Total
				(\$)(2)	(\$)(3)	(\$)(2)
William J. Amelio, President and Chief Executive Officer	2013	764,298		1,654,857	47,171	2,466,326
	2012	765,491		2,250,000	795,293	3,810,784
	2011	562,500	540,000(4)		272,130	1,374,630
Joan S. Hooper, Senior Vice President and Chief Financial Officer	2013	478,739		563,045	50,254	1,092,038
	2012	255,769	150,000(1)	265,819	34,094	705,682
Peter Bartolotta, President and Chief Operating Officer, Helicopter Services	2013	401,923	500,000(1)	413,714		1,315,637
Michael J. O Neill,	2013	453,739		533,630	18,964	1,006,333
	2012	450,000		547,453	49,197	1,046,650

Senior Vice President, Chief  
Legal Officer

2011	112,500			6,825	119,325
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Michael Summers, Senior Vice President, Human Resources	2013	453,739		533,630	31,074	1,018,443
	2012	460,346		547,453	77,899	1,085,698
	2011	262,500	223,125(4)		34,760	520,385

(1) This amount represents a signing bonus paid pursuant to the terms of the named executive officer's employment agreement.



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- (2) This amount represents fiscal 2013 performance-based bonuses paid under the Bonus Plan for Ms. Hooper and Messrs. Amelio, Bartolotta, Summers and O Neill. Further details on the fiscal 2013 performance-based bonuses paid under the Bonus Plan are described in Performance-Based Annual Cash Awards above and the Grants of Plan-Based Awards-Fiscal Year 2013 table below.
- (3) The amount for fiscal 2013 consists of the following (note that certain of the amounts set forth in the table below have been converted from Canadian dollars based on the exchange rate in effect on April 30, 2013 of one Canadian dollar being equivalent to \$0.9929 U.S. dollars):

Named Executive Officer	Car allowance (a)	Company contributions to the Canada Pension Plan	Tax equalization payments	Tax preparation fees	Employer matching contributions to 401(k) plan
William J. Amelio	\$	\$ 23,318		\$ 23,853	
Joan S. Hooper	\$ 7,061		\$ 29,098	\$ 3,962	\$ 10,133
Peter Bartolotta					
Michael J. O Neill	\$ 7,061		\$ 7,511	\$ 2,196	\$ 2,196
Michael Summers	\$ 7,061		\$ 14,440	\$ 2,402	\$ 7,171

(a) On January 1, 2013, other than Mr. Amelio whose base salary had already included a car allowance, the car allowances were included as part of the gross salaries.

- (4) These amounts represent guaranteed bonus payments pursuant to the terms of employment agreements.

**Grants of Plan-Based Awards Fiscal Year 2013**

The following table provides supplemental information relating to grants of plan-based awards to help explain information provided above in our Summary Compensation Table. The amounts in the table for Mr. Amelio were converted from Canadian dollars based on the exchange rate in effect on April 30, 2013 of one Canadian dollar being equivalent to \$0.9929 U.S. dollars.

Name	Grant Date	Date of Compensation Committee Approval	Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (\$)	Maximum (\$)	All Other Stock Awards: Number of	All Other Option Awards: Number of Securities	Exercise or Base Price of Option Stock	Grant Date Fair Value of Stock

					Shares of Stock or Units (#)(6)	Underlying Options (#)	Awards and (\$/Sh) Option Awards (\$)(5)
William Amelio,  President and Chief Executive Officer			152,895	764,475	2,293,425		
Joan S. Hooper,  Senior Vice President  and Chief Financial Officer			82,586	412,930	1,238,790		
Peter Bartolotta, President and Chief Operating Officer, Helicopter Services	11/15/12	11/15/12				2,742,200(2)	0.6515
	11/15/12	11/15/12				4,113,200(3)	0.6515
	11/15/12	11/15/12				2,860,473(4)	0.6515
	12/18/12	11/15/12	67,292	336,458	1,009,375	132,040	
Michael O Neill,  Senior Vice President, Legal			78,336	391,680	1,175,040		
Michael Summers,  Senior Vice President,  Human Resources			78,336	391,680	1,175,040		

(1) Each named executive officer was eligible to earn a fiscal 2013 performance-based bonus pursuant to his or her employment agreement and, in the case of Ms. Hooper and Messrs. Bartolotta, Summers and O Neill, as

implemented under the Bonus Plan as discussed in Performance-Based Annual Cash Awards and Employment Agreements. The performance bonus for each named executive

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officer was based on attaining a fiscal 2013 EBITDAR target of approximately \$486 million, a target fiscal 2013 cash flow target of approximately \$(637) million and individual performance objectives. The named executive officers were eligible to earn a performance bonus upon the attainment of 85% of the fiscal 2013 Adjusted EBITDAR target goal and could earn up to a maximum amount of 2 times his or her respective target, in the case of Ms. Hooper and Messrs. Bartolotta, Summers and O'Neill. Mr. Bartolotta's performance bonus was subject to pro-ration, based on his days of service during the fiscal year. These threshold and maximum limits mirrored our approach for our non-executive annual bonus plan. Our actual EBITDAR with certain board approved adjustments was approximately \$486 million and actual cash flow was approximately \$(628) million and therefore the bonus amounts were accrued and are reported above in the Performance-Based Annual Cash Awards and Summary Compensation Table-Fiscal Year 2013.

- (2) These options are referred to as time and performance options and vest in four equal annual installments of twenty-five percent (25%) beginning on the first anniversary of the grant date, subject to the named executive officer's continued service with us and an Exit Event occurring, and include acceleration of vesting, that is generally as described above under Long-Term Incentive Compensation.
- (3) These options are referred to as Type I performance options and vest in up to three tranches, each equal to one-third of the total award of the option, upon the achievement of an Exit Event or Final Exit Event which results in an Exit Value, at the time of the applicable Exit Event or Final Exit Event, equal to or in excess of: (1) the Equity Investment; (2) 2.0 times the Adjusted Equity Investment; and (3) 2.5 times the Adjusted Equity Investment (as such terms are defined in the 2011 MEP).
- (4) These options are referred to as Type II performance options were granted on November 15, 2012 and vest in up to two tranches, each equal to one-half of the total award of the Performance Option, upon the achievement of an Exit Event or Final Exit Event which results in an Exit Value equal to or in excess of: (i) 2.0 times the Adjusted Equity Investment; and (ii) 2.5 times the Adjusted Equity Investment.
- (5) In accordance with applicable SEC rules, this column shows the aggregate grant date fair value of the stock options and restricted stock units granted to the named executive officers during fiscal 2013 and are further described in the Outstanding Equity Awards at 2013 Fiscal Year-End table and 2011 Management Equity Plan Equity Plans below. The incremental grant date fair value for these options represented above is zero as we have determined it is not probable that the performance condition(s) of the performance and time and performance options will be met. The grant date value for the restricted stock units is also zero because, as referenced in footnote (6) below, the named executive officers provided cash consideration such that there is no compensation expense for these restricted stock units. For additional information on the valuation assumptions, refer to Note 19, Stock Based Compensation, to our consolidated financial statements for the fiscal year ended April 30, 2013, in this prospectus.
- (6) These restricted stock units were awarded to the named executive officers in recognition of the premium paid for the ordinary shares and are further described in the Outstanding Equity Awards at 2013 Fiscal Year-End table and 2011 Management Equity Plan-Equity Plans below.

**Narrative Disclosure to Summary Compensation Table and Grants of****Plan-Based Awards in Fiscal 2013 Table****Employment Agreements*****William J. Amelio***

Heli-One Canada entered into an employment agreement with Mr. Amelio, dated as of July 15, 2010, whereby Mr. Amelio serves as the President and Chief Executive Officer of CHC Helicopter S.à r.l. and its direct and indirect subsidiaries, the CHC Group. Mr. Amelio's employment agreement has an indefinite term which commenced on August 10, 2010, subject to the right of Heli-One Canada or Mr. Amelio to terminate the employment agreement in

accordance with its terms. Pursuant to the terms of his employment agreement, Mr. Amelio's annual base salary was originally set at \$750,000, which Heli-One Canada will review at the end of each fiscal year and will maintain or increase such annual base salary as the Board of Managers of CHC Helicopter S.à r.l. may determine in its discretion. Additionally, Mr. Amelio is eligible to participate in the Bonus Plan, pursuant to which he is entitled to earn an annual incentive bonus of up to 100% of his base salary if he meets, or up to 300% of his base salary if he exceeds, certain quantitative and qualitative performance targets as set by the Board of Managers of CHC Helicopter S.à r.l. If Mr. Amelio is an employee of Heli-One Canada at the end of a fiscal year, he will be eligible to collect any annual incentive bonus with respect to such fiscal year even if he ceases to be an employee prior to the date on which the annual incentive bonus is paid. Under the agreement, Mr. Amelio is also eligible to receive relocation cash payments and reimbursements upon his relocation to Metro Vancouver or a proximate area in the State of Washington.

Pursuant to the terms of the employment agreement, Mr. Amelio is also entitled to participate in Heli-One Canada's defined contribution plan and all employee insurance and other benefit plans as may be provided by Heli-One Canada to its executive employees. In addition, for each calendar year during which Mr. Amelio is subject to Canadian tax as a result of income arising out of his employment agreement, Heli-One Canada will pay

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for the services of a tax professional to prepare Mr. Amelio's U.S. and Canadian tax returns and to manage any audit with respect to such returns. For each calendar year during which Mr. Amelio is subject to Canadian or other non-U.S. tax as a result of income arising under his employment agreement, Heli-One Canada will pay the costs of tax equalization. The agreement also required Mr. Amelio to purchase \$2,000,000 of ordinary shares of 6622767 Holding (Cayman) Inc. no later than August 10, 2010 (which Mr. Amelio satisfied). Heli-One Canada advanced \$500,000 to Mr. Amelio as a loan to assist him with the purchase of these shares, with a term of two years and interest at the Canadian Prescribed rate as determined by the Income Tax Act (Canada) payable annually. \$250,000 of the principal balance of this loan has now been repaid by Mr. Amelio and the remaining \$250,000 of the principal balance of this loan was forgiven by Heli-One and is included under the column "All Other Compensation" in the Summary Compensation Table above for fiscal year 2012.

If Mr. Amelio's employment is terminated: (1) by Heli-One Canada other than for Cause; (2) by him for Good Reason; (3) upon Mr. Amelio's death or Permanent Disability (as defined in Mr. Amelio's employment agreement); or (4) if during the 180-day period following a Change of Control (as these terms are defined in Mr. Amelio's employment agreement), (i) Mr. Amelio's employment is terminated by Heli-One Canada other than for Cause or (ii) Mr. Amelio is required to perform his principal duties at a location that is more than 150 kilometers from the location at which he performed his duties immediately before the Change of Control (a "CIC Constructive Termination"), subject to signing a general release of claims (except in the event of his Permanent Disability or death), he will be entitled to, in addition to certain accrued amounts:

a lump sum payment in an amount equal to 12 months of his base salary (18 months, in the event that Mr. Amelio's employment is terminated by Heli-One Canada other than for Cause, Permanent Disability or death within two years of Mr. Amelio relocating to the Metro Vancouver area or a proximate area in Washington State);

subject to the terms and conditions of the applicable benefit plan(s), continuation of his medical and insurance benefits for 12 months, except that Heli-One Canada shall not be required to provide Mr. Amelio and his eligible dependents with medical insurance coverage as long as they are receiving comparable medical insurance coverage from another employer; and

a pro-rated annual cash bonus based on the average of the bonuses earned in each of the previous two years. The employment agreement provides for Mr. Amelio to be indemnified under certain circumstances, however, if Mr. Amelio's employment has been terminated by Heli-One Canada for Cause, Heli-One Canada will have no obligation to indemnify Mr. Amelio for any claim arising out of the matter for which his employment was terminated.

In the event it is determined that any payment or distribution by Heli-One Canada or its affiliates to or for the benefit of Mr. Amelio would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended, or any interest or penalties are incurred by Mr. Amelio with respect to such excise tax, then Mr. Amelio would be entitled to receive a gross-up payment that fully reimburses him for such excise taxes. Mr. Amelio has agreed to prospectively waive the right to tax gross-up payments contingent upon the completion of, and from and after, this offering.

Pursuant to the terms of his employment agreement, Mr. Amelio is subject to the following covenants: (1) a covenant not to disclose confidential information while employed and at all times thereafter; (2) a covenant not to compete for a

period of twelve months following his termination of employment for any reason; and (3) a covenant not to solicit employees or customers for a period of twelve months following his termination of employment for any reason. In the event Mr. Amelio breaches any of the foregoing restrictive covenants, Heli-One Canada will have no obligation to make the termination payments described above and where such payments have already been made, Mr. Amelio agrees to reimburse Heli-One Canada for the amount paid.

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*Joan S. Hooper*

Heli-One American Support, LLC, or Heli-One, entered into an employment agreement with Ms. Hooper, dated as of September 26, 2011, whereby Ms. Hooper serves as the Senior Vice President, Chief Financial Officer for the CHC Group. Ms. Hooper's employment agreement has an indefinite term which commenced on October 3, 2011, subject to the right of Heli-One or Ms. Hooper to terminate the employment agreement in accordance with its terms.

Ms. Hooper's annual base salary under the employment agreement was originally set at \$475,000, which Heli-One will review from time to time and may, in its sole discretion, consider it for increase (but not decrease, other than a decrease generally applicable to other similarly situated executives). Additionally, Ms. Hooper is eligible to participate in the SIP and the Bonus Plan, pursuant to which she is eligible to earn a target annual incentive bonus of 85% of her base salary subject to the attainment of certain performance thresholds. Under the agreement, Ms. Hooper was also eligible to receive a five percent (5%) management promotion (which are options and restricted share grants) under the 2011 MEP. Until January 1, 2013, Heli-One provided Ms. Hooper with an automobile allowance of \$10,800 per year and paid all reasonable operating costs for the use of the vehicle. Pursuant to the terms of the employment agreement, Ms. Hooper is entitled to participate in Heli-One's defined contribution plan and all employee insurance and other benefit plans as is provided from time to time by Heli-One to other similarly-situated executive employees. Ms. Hooper received a sign-on bonus of \$150,000 upon the commencement of her employment. Ms. Hooper will be entitled to the benefits of Heli-One's Tax Equalization Policy as it exists from time to time.

If Ms. Hooper's employment is terminated: (1) by Heli-One other than for Cause, death, or Total Disability or (2) by her for Good Reason (as these terms are defined in Ms. Hooper's employment agreement), subject to signing a general release of claims, she is entitled to, in addition to certain accrued amounts:

a lump sum payment in an amount equal to 12 months of her base salary;

payment on Ms. Hooper's behalf of the applicable premium for health care continuation coverage pursuant to COBRA for a period of 12 months or until she ceases to be eligible for COBRA continuation coverage, if earlier; and

a pro-rated annual cash bonus based on the average of the bonuses earned in each of the previous two years under the Bonus Plan (except if she is employed for less than two years, such bonus will be the previous year's bonus or if she is employed for less than one year, such bonus will be the target bonus).

The employment agreement provides for Ms. Hooper to be indemnified under certain circumstances.

Pursuant to the terms of her employment agreement, Ms. Hooper is subject to the following covenants: (1) a covenant not to disclose confidential information while employed and at all times thereafter; (2) a covenant not to compete for a period of 12 months following her termination of employment for any reason; and (3) a covenant not to solicit employees or customers for a period of 12 months following her termination of employment for any reason. In the event Ms. Hooper breaches any of the foregoing restrictive covenants, Heli-One will have no obligation to make the termination payments described above and where such payments have already been made, Ms. Hooper agrees to reimburse Heli-One for the amount paid.

*Peter Bartolotta*



Heli-One entered into an employment agreement with Mr. Bartolotta, dated as of June 24, 2012, whereby Mr. Bartolotta serves as our President and Chief Operating Officer of Helicopter Services. Mr. Bartolotta's employment agreement has an indefinite term which commenced on July 1, 2012, subject to the right of Heli-One or Mr. Bartolotta to terminate the employment agreement in accordance with its terms. Mr. Bartolotta's annual base salary under the employment agreement was originally set at \$475,000, which Heli-One will review at the end of each fiscal year and will maintain or increase such annual base salary for the following year to such amount as the President and Chief Executive Officer in consultation with the Compensation Committee may determine in its discretion (during the first year of Mr. Bartolotta's employment, such review will occur in connection with the mid-year review process), and he is eligible to participate in the Bonus Plan and the 2011

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MEP. Mr. Bartolotta received a sign-on bonus of \$500,000 upon commencement of his employment. Pursuant to the terms of the employment agreement, Mr. Bartolotta is entitled to participate in Heli-One's defined contribution plan and all employee insurance and other benefit plans as is provided by Heli-One to its executive employees.

If Mr. Bartolotta's employment is terminated: (1) by Heli-One other than for Cause, or (2) by him for Good Reason (as these terms are defined in Mr. Bartolotta's employment agreement), subject to signing a general release of claims, he is entitled to, in addition to certain accrued amounts:

a lump sum payment in an amount equal to 12 months of his base salary;

subject to the terms and conditions of the applicable benefit plan(s), continuation of his medical and insurance benefits for 12 months, except that Heli-One will not be required to provide Mr. Bartolotta and his eligible dependents with medical insurance coverage as long as they are receiving comparable medical insurance coverage from another employer; and

a pro-rated annual cash bonus based on the average of the bonuses earned in each of the previous two years under the Bonus Plan (except if he is employed for less than two years, such bonus will be the previous year's bonus or if he is employed for less than one year, such bonus will be the target bonus).

The employment agreement provides for Mr. Bartolotta to be indemnified under certain circumstances.

Pursuant to the terms of his employment agreement, Mr. Bartolotta is subject to the following covenants: (1) a covenant not to disclose confidential information while employed and at all times thereafter; (2) a covenant not to compete for a period of 12 months following his termination of employment for any reason; and (3) a covenant not to solicit employees or customers for a period of 12 months following his termination of employment for any reason. In the event Mr. Bartolotta breaches any of the foregoing restrictive covenants, Heli-One will have no obligation to make the termination payments described above and where such payments have already been made, Mr. Bartolotta agrees to reimburse Heli-One for the amount paid.

*Michael J. O'Neill*

Heli-One entered into an employment agreement with Mr. O'Neill, dated as of February 2, 2011, whereby Mr. O'Neill serves as the Senior Vice President, Chief Legal Officer of the CHC Group. Mr. O'Neill's employment agreement has an indefinite term which commenced on February 2, 2011, subject to the right of Heli-One or Mr. O'Neill to terminate the employment agreement in accordance with its terms. Mr. O'Neill's annual base salary under the employment agreement was originally set at \$450,000, which Heli-One will review at the end of each fiscal year and will maintain or increase such annual base salary for the following year to such amount as the President and Chief Executive Officer in consultation with the Compensation Committee may determine in its discretion, and he is eligible to participate in the Bonus Plan and the SIP. Until January 1, 2013, Heli-One provided Mr. O'Neill with an automobile allowance of \$900 per month and paid all reasonable operating costs for the use of the vehicle. Pursuant to the terms of the employment agreement, Mr. O'Neill is entitled to participate in Heli-One's defined contribution plan and all employee insurance and other benefit plans as is provided by Heli-One to its executive employees.

If Mr. O'Neill's employment is terminated: (1) by Heli-One other than for Cause, (2) by him for Good Reason, or (3) upon his death or permanent disability (as these terms are defined in Mr. O'Neill's employment agreement), subject

to signing a general release of claims, he is entitled to, in addition to certain accrued amounts:

a lump sum payment in an amount equal to 12 months of his base salary;

subject to the terms and conditions of the applicable benefit plan(s), continuation of his medical and insurance benefits for 12 months, except that Heli-One will not be required to provide Mr. O Neill and his eligible dependents with medical insurance coverage as long as they are receiving comparable medical insurance coverage from another employer; and

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a pro-rated annual cash bonus based on the average of the bonuses earned in each of the previous two years under the Bonus Plan (except if he is employed for less than two years, such bonus will be the previous year's bonus or if he is employed for less than one year, such bonus will be the target bonus).

The employment agreement provides for Mr. O'Neill to be indemnified under certain circumstances, however, if Mr. O'Neill's employment has been terminated by Heli-One for Cause, Heli-One will have no obligation to indemnify Mr. O'Neill for any claim arising out of the matter for which his employment was terminated.

Pursuant to the terms of his employment agreement, Mr. O'Neill is subject to the following covenants: (1) a covenant not to disclose confidential information while employed and at all times thereafter; (2) a covenant not to compete for a period of 12 months following his termination of employment for any reason; and (3) a covenant not to solicit employees or customers for a period of 12 months following his termination of employment for any reason. In the event Mr. O'Neill breaches any of the foregoing restrictive covenants, Heli-One will have no obligation to make the termination payments described above and where such payments have already been made, Mr. O'Neill agrees to reimburse Heli-One for the amount paid.

*Michael Summers*

Heli-One entered into an employment agreement with Mr. Summers, dated as of October 4, 2010, which was amended and restated as of January 5, 2012, whereby Mr. Summers serves as the Senior Vice President, Human Resources of the CHC Group. The employment agreement is also supplemented by an employment offer letter from Heli-One to Mr. Summers, dated October 26, 2010. Mr. Summers's employment agreement has an indefinite term which commenced on October 4, 2010, subject to the right of Heli-One or Mr. Summers to terminate the employment agreement in accordance with its terms. Mr. Summers's annual base salary under the employment agreement is \$450,000, which Heli-One will review at the end of each fiscal year and will maintain or increase such annual base salary for the following year to such amount as the President and Chief Executive Officer in consultation with the Compensation Committee may determine in its discretion. Additionally, Mr. Summers is eligible to participate in the SIP, the 2011 MEP and the Bonus Plan, pursuant to which he is eligible to earn an annual target performance bonus of 85% of his base salary if certain corporate performance targets are attained. Until January 1, 2013, Heli-One provided Mr. Summers with an automobile allowance of \$900 per month and paid all reasonable operating costs for the use of the vehicle. Pursuant to the terms of the employment agreement, Mr. Summers is entitled to participate in Heli-One's defined contribution plan, supplemental pension plan, and all employee insurance and other benefit plans as is provided by Heli-One to its executive employees. Further, Mr. Summers is entitled to be provided tax preparation assistance and tax equalization payments in accordance with Heli-One's Tax Equalization Policy.

If Mr. Summers's employment is terminated: (1) by Heli-One other than for Cause, (2) by him for Good Reason, or (3) upon his death or permanent disability (as these terms are defined in Mr. Summers's employment agreement), subject to signing a general release of claims, he is entitled to, in addition to certain accrued amounts:

a lump sum payment in an amount equal to 12 months of his base salary;

subject to the terms and conditions of the applicable benefit plan(s), continuation of his medical and insurance benefits for 12 months, except that Heli-One will not be required to provide Mr. Summers and his eligible dependents with medical insurance coverage as long as they are receiving comparable medical insurance coverage from another employer; and

a pro-rated annual cash bonus based on the average of the bonuses earned in each of the previous two years under the Bonus Plan (except if he is employed for less than two years, such bonus will be the previous year's bonus or if he is employed for less than one year, such bonus will be the target bonus).

The employment agreement provides for Mr. Summers to be indemnified under certain circumstances, however, if Mr. Summers's employment has been terminated by CHC for Cause, CHC will have no obligation to indemnify Mr. Summers for any claim arising out of the matter for which his employment was terminated.

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Pursuant to the terms of his employment agreement, Mr. Summers is subject to the following covenants: (1) a covenant not to disclose confidential information while employed and at all times thereafter; (2) a covenant not to compete for a period of 12 months following his termination of employment for any reason; and (3) a covenant not to solicit employees or customers for a period of 12 months following his termination of employment for any reason. In the event Mr. Summers breaches any of the foregoing restrictive covenants, Heli-One will have no obligation to make the termination payments described above and where such payments have already been made, Mr. Summers agrees to reimburse Heli-One for the amount paid.

**Proposed Compensation***Compensation Study and Proposal*

Our Compensation Committee retained Frederic W. Cook & Co., Inc., an independent compensation consulting firm, or FW Cook, to advise on executive compensation in connection with this offering. In connection with its representation, FW Cook made recommendations to the Compensation Committee with respect to executive compensation to be effective upon and following the initial public offering.

*Peer Companies and Benchmarking*

FW Cook used benchmarking of executive compensation as a way of gauging whether compensation levels would be competitive with other similar companies to ours with which we compete for personnel. Additionally, benchmarking provides guideposts, which our Board uses to determine the size, mix and components of executive compensation.

FW Cook developed a group of comparable publicly-traded companies based on such factors as revenue, EBITDA, number of employees, enterprise value and market capitalization and, to the extent possible, industry similarity, that we believe provides a meaningful cross-section from which to benchmark executive compensation. FW Cook also, to the extent possible, included companies in the peer group with which the Company believes that it may compete for personnel.

The companies identified for benchmark comparison for purposes of determining compensation of our named executive officers upon and following our initial public offering were:

**Peer Group**

Air Methods	Oceanering Int.
Atwood Oceanics	Oil States International
Bristow Group	PHI
Diamond Offshore Drilling	Rowan Companies
Ensco	Seacor Hld
Helix Energy Sol.	Superior Energy Svcs.
Noble Energy	Tidewater

In connection with and effective upon the closing of this offering, we intend to enter into new employment agreements with each of our named executive officers, including our President and Chief Executive Officer, in order to provide for consistency among the executive team and to bring certain elements of compensation more in line with those of our peer public companies.

*Revised Employment Agreement for Mr. Amelio*

In the case of our President and Chief Executive Officer, Mr. Amelio's revised agreement provides for an increase in annual base salary to \$875,000 and annual bonus levels consistent with Mr. Amelio's prior agreement, as well as for continuation of existing levels of benefits and perquisites.

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In the event of his termination of employment within 24 months immediately following a change in control by us without cause (other than due to death or disability) or by him for good reason, and subject to Mr. Amelio's execution, delivery and non-revocation of a release of claims (as well as his continued compliance with certain restrictive covenants), Mr. Amelio will become eligible to receive:

severance benefits in a lump sum equivalent to 2.5 times the sum of his annual base salary plus his annual target bonus;

continued medical, dental and vision coverage for up to 18 months for himself and any covered dependents; and

treatment of outstanding equity awards that generally provides for full vesting of time-based awards (including performance-based awards that converted to time-based awards at the time of the change in control).

In the event that benefits received by Mr. Amelio in connection a change in control would otherwise exceed the limit of Section 280G of the Internal Revenue Code with respect to the deductibility of compensation, and become subject to the related excise tax on such amounts under Section 4999 of the Internal Revenue Code, Mr. Amelio will be eligible to receive the total amount of such benefits, or such lesser amount as results in a higher net after-tax position for him, as determined by the independent accounting firm engaged to perform audit services for the company immediately preceding the change in control.

In the case of a termination of Mr. Amelio's employment by us without cause (other than due to death or disability), Mr. Amelio will be eligible to receive, subject to Mr. Amelio's execution, delivery and non-revocation of a release of claims (as well as his continued compliance with certain restrictive covenants):

18-months of base salary, payable in installments;

a pro-rata annual bonus for the fiscal year in which his termination occurs based on his period of service and actual Company performance;

continued medical, dental and vision coverage for up to 18 months for himself and any covered dependents; and

continued vesting of the time-based restricted stock unit awards granted to him in connection with our initial public offering.

In order to provide for an orderly succession and transition plan for senior management, in the case of a voluntary termination by Mr. Amelio more than one year after our initial public offering, but before the second anniversary of our initial public offering, and in consideration of his agreement to provide transition support to his successor for a period of time (or a transition termination), Mr. Amelio will be eligible to receive, subject to Mr. Amelio's execution,



delivery and non-revocation of a release of claims (as well as his continued compliance with certain restrictive covenants):

six months of base salary, payable in installments;

continued medical, dental and vision coverage for up to 12 months for himself and his eligible dependents;

a pro-rated annual bonus for the fiscal year in which his termination occurs based on his period of service and actual Company performance; and

treatment of outstanding equity awards that generally provides for continued vesting of time-based awards, pro-rata vesting of performance-based awards subject to a relative total shareholder return metric, and up to ten years from the date of the initial public offering to achieve price hurdles under performance-based awards with such hurdles.

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In the case of Mr. Amelio's death or total disability prior to any other termination event, we will arrange for the provision of additional insurance coverage that will provide benefits or payments in amounts that he would have received in the event of a termination without cause. In addition, Mr. Amelio's equity will be treated the same as if he terminated employment under circumstances that qualified as a transition termination.

*Revised Employment Agreements for Ms. Hooper, Messrs. Barlotta, O'Neill and Summers*

We have entered into new employment agreements with each of Ms. Hooper and Messrs. Barlotta, O'Neill and Summers in connection with and effective upon our initial public offering. Under these agreements, these executives will continue to receive the same levels of base pay and annual bonus targets and maximums, consistent with their existing arrangements, as well as continued benefits and perquisites at existing levels.

In the case of each such executive, in the event of his or her termination of employment within 24 months following a change in our control not for cause, or for good reason, and subject to execution, delivery and non-revocation of a release of claims (including restrictive covenants), each will become eligible to receive:

severance benefits in a lump sum equivalent to two times the sum of annual base salary plus annual target bonus;

continued medical, dental and vision coverage for up to 18 months for himself or herself and any covered dependents; and

treatment of outstanding equity awards that generally provides for full vesting of time-based awards (including performance-based awards subject to a relative total shareholder return metric that converted to time-based awards at the time of the change in control).

In the event that benefits received by any of these executives in connection a change in control would otherwise exceed the limit of Section 280G with respect to the deductibility of compensation, and become subject to the related excise tax on such amounts under Section 4999 of the Code, the executive will be eligible to receive the total amount of such benefits, or such lesser amount as results in a higher net after-tax position for him or her, as determined by the independent accounting firm engaged to perform audit services for the company immediately preceding the change in control.

In the case of a not for Cause termination of Ms. Hooper, or Messrs. Barlotta, O'Neill or Summers by the Company, subject to the execution, delivery and non-revocation of a release of claims (as well as continued compliance with certain restrictive covenants) each will be eligible to receive:

12-months of base salary, payable in installments;

a pro-rata bonus based on service during that fiscal year and actual Company performance;

up to 18 months of continued medical, dental and vision coverage for him or herself and any covered dependents; and

continued vesting of the time-based restricted stock unit awards granted in connection with our initial public offering.

In order to provide for an orderly succession and transition plan for senior management, in the case of a voluntary termination of any of the named executive officers no less than six months after a transition termination by Mr. Amelio, and in consideration for an agreement to provide transition support to his or her successor for a period of time, each such named executive officer will be eligible to receive subject to the execution, delivery and non-revocation of a release of claims (as well as continued compliance with certain restrictive covenants):

six months of base salary, payable in installments;

continued medical, dental and vision coverage for up to 12 months for him or herself and any eligible dependents;

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a pro-rated annual bonus for the fiscal year in which the termination occurs based on his period of service and actual Company performance; and

treatment of outstanding equity awards that generally provides for continued vesting of time-based awards, pro-rata vesting of performance-based awards subject to a relative total shareholder return metric, and up to ten years from the date of the initial public offering to achieve price hurdles under performance-based awards with such hurdles.

In the case of the named executive officer's death or total disability prior to any other termination event, we will arrange for the provision of additional insurance coverage that will provide benefits or payments in amounts that he would have received in the event of termination without cause. In addition, outstanding equity will be treated the same as if the executive terminated employment under circumstances that qualified as a transition termination.

*IPO Date Equity-Based Awards*

At the time of this offering, a select group of our management team (as determined by our Compensation Committee after taking into account the recommendations of our Chief Executive Officer) will receive long-term equity incentives, or Founders' Grants, to be issued under the 2013 Incentive Plan. The members of our management team who will receive such grants will include most of our executive officers and others. Two-thirds of the value of each Founders' Grant will be comprised of time-based stock options, and the remaining one-third will be comprised of time-based restricted share units, or RSUs. Subject to the recipient's continued service with the Company through each applicable vesting date, one-third of each of the Founders' Grant stock options and the Founders' Grant RSUs will vest on each one-year anniversary following our initial public offering. Founders' Grant stock options and Founders' Grant RSUs will be subject to vesting acceleration if, within 24 months following a change in control in which the stock options and RSUs are assumed, continued or substituted for by the acquiring or surviving entity, the recipient's employment is terminated by us without cause or by the recipient for good reason. Each of the Founders' Grant stock options and Founders' Grant RSUs will continue to vest on the originally scheduled vesting dates (subject to continued compliance with post-employment restrictive covenants through each originally scheduled vesting date) in the event of the recipient's termination of employment by the recipient due to retirement, death, disability and a Transition Termination (defined above). Founders' Grant RSUs will continue to vest on the originally scheduled vesting dates (subject to continued compliance with post-employment restrictive covenants through each originally scheduled vesting date) in the event of the recipient's termination by us without cause. Vested Founders' Grant stock options will continue to be exercisable for an extended period of time in the event of the recipient's death or disability, the recipient's retirement or Transition Termination, the recipient's termination by us without cause, or the recipient's resignation for good reason within 24 months following a change in control. In the event of a change in control in which the Founders' Grants stock options and RSUs are not assumed, continued or substituted for by the acquiring or surviving entity, then such equity-based awards will vest in full. The Founders' Grant RSUs will be entitled to dividend equivalent rights, with such rights held in reserve and reinvested in restricted share units until payout.

In addition to Founders' Grants, all vice presidents and more senior officers and certain director-level employees selected based on the recommendations of our management team will also receive annual equity awards under the 2013 Incentive Plan. The first of such annual awards, or First Annual Awards, will be granted at the time of this offering, with others to be granted in subsequent fiscal years. All First Annual Awards granted to director-level recipients will be comprised of time-based RSUs. First Annual Awards granted to all other employee recipients will consist of the following: (1) one third of the value of each First Annual Award will be comprised of time-based stock options; (2) another third of the value will be comprised of time-based RSUs; and (3) the remaining third of the value will be comprised of performance-based RSUs. The terms of the First Annual Award stock options and the First Annual Award time-based RSUs will be the same as those of the Founders' Grant stock options and the Founders'

Grant RSUs, except that the First Annual Award time-based RSUs will be

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forfeited in the event of the recipient's termination by us without cause. Subject to the recipient's continued service with the Company through such date, the vesting of the First Annual Award performance-based RSUs will be determined following the third anniversary following their grant date based on a percentage of the performance target achieved as of the conclusion of the performance period. The performance target will be determined based on relative total shareholder return in comparison with companies comprising the S&P 500 Energy Index. Depending on the percentage of the performance target achieved, actual shares underlying the First Annual Award performance-based RSUs may range from 0% to 200% of the target award. The vesting of such RSUs will be accelerated if (1) such RSUs are not assumed, continued or substituted for by the acquiring or surviving entity or (2) the recipient's employment is terminated by us without cause or by the recipient for good reason within 24 months of the change in control. In the event of the recipient's termination of employment due to death or disability, the vesting of each of the First Annual Award performance-based RSUs will be in a pro-rata amount of the target award based on the time elapsed as of the termination and the remaining performance-based RSUs will be forfeited. In the event of the recipient's termination of employment by the recipient due to retirement, the First Annual Award performance-based RSUs will remain outstanding through the end of the performance period (or, in the event of a change in control before the end of the performance period, through the third anniversary of the grant date) and a pro-rata portion of the performance-based RSUs shall vest based on the time elapsed as of the date of termination (subject to continued compliance with post-employment restrictive covenants during such remaining period) and based on actual performance during the performance period. Upon a change in control, the First Annual Award performance-based RSUs will be converted into time-based RSUs. In the event of a change in control prior to the date that is eighteen (18) months following the commencement of the performance period, in lieu of the performance vesting a number of RSUs equal to the target number of RSUs will vest, subject to the recipient's continued employment, on the third anniversary of the grant date. In the event of a change in control on or after the date that is eighteen (18) months following the commencement of the performance period, then in lieu of the performance vesting, a number of RSUs equal to the number that would have vested based on actual performance between the date the RSUs were granted to the recipient through and including the date of the change in control will vest, subject to the recipient's continued employment, on the third anniversary of the grant date.

The following table illustrates the dollar values of Founders' Grants and First Annual Awards for each of our named executive officers, which will be translated into a number of Founders' Grant stock options and Founders' Grant RSUs, on the one hand, and a number of First Annual Award stock options and First Annual Award RSUs, on the other hand, (in the proportions set forth above) by taking such dollar amount and dividing it by the per share fair value that will be used for reporting the compensation expense associated with the grant under applicable accounting guidance, which fair value will be based in part on the per share price to public in this offering on the cover page of this prospectus:

<b>Name</b>	<b>Founders Grant Dollar Value</b>	<b>First Annual Award Dollar Value</b>
William Amelio	\$ 3,594,720	\$ 3,750,000
Peter Bartolotta	\$ 1,026,230	\$ 1,000,000
Joan Hooper	165,475	\$ 1,000,000
Michael O'Neill	\$ 733,891	\$ 700,000
Michael Summers	\$ 733,891	\$ 700,000

*Conversion of Existing Long-Term Incentives in CHC Cayman*

***Executives subject to U.S. Income Taxes.*** In connection with our initial public offering, our named executive officers who are subject to U.S. income taxes have been provided the opportunity to (i) exchange their time and performance options in CHC Cayman, or T&P Options, for time-based restricted shares in CHC Group Ltd., or Time-Based RSAs, and (ii) exchange their Type I performance options and Type II performance options,

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to the extent applicable (the Performance Options ) for performance-based restricted shares in CHC Group Ltd., or Performance-Based RSAs. This right will be effected in two separate steps: first, exchanging the options (whether T&P Options, Type I performance options or Type II performance options) for restricted shares in CHC Cayman ( CaymanCo Restricted Shares ); and second, exchanging their CaymanCo restricted shares for restricted shares in CHC Group Ltd.

Each holder of T&P Options that participates in both exchanges will receive 0.0087125 time-based restricted shares in CHC Group Ltd. for each T&P Option held. The number of Performance-Based RSAs will vary by tranche based on the future in-the-money value that would have been derived upon attaining the specified return hurdles for the Performance Options (at approximately \$40.00, \$53.62 and \$67.02 per share).

Subject to the executive s continued employment through each applicable vesting date, Time-Based RSAs will vest as follows: 1/3 of the Time-Based RSAs will vest on the date that is 6 months following the date of grant; an additional 1/3 of the Time-Based RSAs will vest on the date that is 18 months following the date of grant and the remaining 1/3 of the Time-Based RSAs will vest on the date that is 30 months following the date of grant.

Subject to the executive s continued employment through each applicable vesting date, Performance-Based RSAs will be divided into three (3) tranches as described above, each of which will vest based on the achievement of a stock price hurdle (based on a 20 day trading average) that ties to a current return hurdle in the outstanding Performance Options being cancelled (approximately \$40.00, \$53.62 and \$67.02). Notwithstanding the foregoing, subject to the executive s continued employment through the applicable vesting date, if the stock price (based on a 20 day trading average) reaches \$60.00, one-half of the Performance-Based RSAs that would have vested upon our stock achieving a \$60.00 per share value will vest. However, for each of our named executive officers, if, in connection with a change in control, the per ordinary share consideration to be received in such transaction falls between one of the price hurdles described above, a portion of the restricted shares held by the executive that would have vested at \$53.62, \$60.00 and/or \$67.02, as applicable, shall vest at the percentage derived from a fraction, the numerator of which is the per ordinary share consideration minus \$40.00 and the denominator of which is \$53.62, \$60.00 and \$67.02, as applicable, minus \$40.00.

Once Time-Based RSAs (or time-based CaymanCo Restricted Shares, as applicable) have vested, there will be no transfer restrictions on such shares (other than as described below). Once Performance-Based RSAs (or performance-based CaymanCo Restricted Shares, as applicable) have vested, such shares will remain subject to transfer restrictions and will only be transferable on a pro-rata basis as and when CaymanCo sells CHC Group Ltd. ordinary shares and distributes the proceeds to funds affiliated with First Reserve.

In connection with the vesting of both the Time-Based RSAs (or time-based CaymanCo Restricted Shares, as applicable), and the Performance-Based RSAs (or performance-based CaymanCo Restricted Shares, as applicable) executives will need to satisfy their related tax withholding obligations. In order to satisfy such obligations, among other things, executives will (i) be permitted to use a net settlement mechanism to satisfy the full amount of their tax withholding obligations or (ii) be permitted to deliver ordinary shares of CHC Group Ltd. (or Ordinary B shares of CaymanCo, as applicable) held by the executive (which are fully vested and not subject to any pledge or other security interest).

Upon a termination of employment for any reason, unvested restricted shares (or CaymanCo Restricted Shares, as applicable) will be cancelled as of the date of termination; provided, however, that if the executive s employment is terminated (x) by us without Cause (as defined in the 2011 MEP) or (y) due to death or disability, in each case, any Time-Based RSAs (or time-based CaymanCo Restricted Shares, as applicable) that remain outstanding and unvested will vest, but once vested, such shares will remain subject to transfer restrictions and will only be transferable on the



dates that such shares would have otherwise vested had the executive remained employed through each applicable vesting date (other than as needed to satisfy the executive's related tax withholding obligations).

The CaymanCo Restricted Shares will be subject to the terms and conditions of the 2011 MEP and the Time-Based RSAs and Performance-Based RSAs will be subject to the terms and conditions of our 2013 Incentive Plan.

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The board of directors of our parent, CHC Cayman, adopted the 2011 MEP in November 2011, and subsequently amended and restated the 2011 MEP on December 16, 2013. The following description of the 2011 MEP is not complete and is qualified by reference to the full text of the plan which is attached as Exhibit 10.7. The 2011 MEP is designed to provide eligible employees a proprietary interest in us and thereby encourage such employees to perform the duties of their employment to the best of their abilities and to devote their business time and efforts to increase the value of CHC Helicopter S.A., or CHC S.A., and to facilitate a successful public offering or other disposition of the shares or other economic interests in CHC S.A. The 2011 MEP is also intended to assist CHC Cayman and its affiliates in attracting and retaining individuals with superior experience and ability.

The 2011 MEP authorizes the Designated Committee to grant time- and performance-based stock options to purchase ordinary shares, the Time and Performance Options, performance-based stock options to purchase ordinary shares, the Performance Options and, together with the Time and Performance Options, the Options, and RSUs to employees, directors or consultants of CHC Cayman and its affiliates.

**Options.** Unless otherwise provided in an award agreement, the Time and Performance Options vest in four equal annual installments of 25% beginning on the first anniversary of the effective date of the stock option agreement. Notwithstanding the foregoing, all unvested Time and Performance Options will vest immediately in the event of the funds and the investors receiving aggregate distributions from us in an amount equal to the Equity Investment, or immediately prior to a Change in Control (as such terms are defined in the 2011 MEP). However, these options will only be exercisable in the event of an Exit Event or Final Exit Event, as the case may be, which results in an Exit Value equal to or in excess of the Equity Investment, as at the time of the applicable event (as such terms are defined in the 2011 MEP). The Type I Performance Options vest in up to three tranches, each equal to one-third of the total award of Performance Options, upon the achievement of an Exit Event or Final Exit Event which results in an Exit Value, at the time of the applicable Exit Event or Final Exit Event, equal to or in excess of: (1) the Equity Investment; (2) 2.0 times the Adjusted Equity Investment; and (3) 2.5 times the Adjusted Equity Investment (as such terms are defined in the 2011 MEP). The Type II Performance Options vest in up to two tranches each equal to one-half of the total award of Type II Performance Options, upon the achievement of an Exit Event or Final Exit Event which results in an Exit Value at the time of the applicable Exit Event or Final Exit Event, equal to or in excess of (1) 2.0 times the Adjusted Equity Investment and (2) 2.5 times the Adjusted Equity Investment. The exercise price for each ordinary share issuable under any Option will be determined by the Designated Committee, but in any event, will be no less than the fair value per ordinary share on the date of grant. The terms addressing the exercise period and the consequences of a termination of an option holder's employment of the Options are generally the same as the terms provided under the SIP.

**Restricted Stock Units.** The Designated Committee may from time to time grant RSUs to participants in such number and on such terms and conditions consistent with the 2011 MEP, as the Designated Committee determines. Unless otherwise provided in an award agreement, RSUs will be vested on the date of grant and will generally be settled on the earlier to occur of (1) the fifth anniversary of the date of grant and (2) the date of a 409A Change of Control (as such term is defined in the 2011 MEP), the Settlement Date. If a participant's employment terminates for any reason (other than by us for Cause or due to death) prior to the Settlement Date, the participant's RSUs will continue to be eligible for settlement. In the event that an RSU holder dies prior to the Settlement Date, any RSUs credited to such participant's account on the date of death will be settled and we will deliver the requisite number of ordinary shares issued from treasury to the participant's personal representative as soon as practical following the Participant's death. In the event that an RSU holder's employment is terminated by us for Cause, all RSUs credited to his or her account will

be forfeited and cancelled, and the participant will receive no compensation for such forfeiture and cancellation.

**Buy-In Program.** In order to participate in the 2011 MEP, the named executive officers were required to purchase ordinary shares of CHC Cayman at a premium. The named executive officers (other than Mr. Bartolotta)

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purchased such shares pursuant to a Subscription Agreement dated December 30, 2011 between the named executive officer and CHC Cayman at a subscription price of \$0.83 per share. At a later date, Mr. Bartolotta purchased his shares pursuant to a Subscription Agreement between himself and CHC Cayman at a subscription price of \$0.83 per share. In recognition of the premium paid by such named executive officers, they each were awarded, pursuant to the 2011 MEP, RSUs. Each such named executive officer received an award of RSUs redeemable on settlement for a number of ordinary shares equal to 27.39% of the ordinary shares purchased by him or her above, rounded down to the nearest whole number.

**Outstanding Equity Awards at 2013 Fiscal Year-End**

The following table provides information regarding outstanding equity awards in CHC Cayman held by our named executive officers as of April 30, 2013. The number of securities underlying unexercised options and the option exercise prices listed below do not take into account certain adjustments to our capital structure that will take place immediately prior to our initial public offering that will have the effect of a 1-for-40 reverse stock split, which we refer to as the Effective Reverse Stock Split. After adjusting for the Effective Reverse Stock Split, the option exercise prices listed below would effectively be increased from \$0.6515 to \$26.06 and the numbers of securities underlying those options listed below would effectively be divided by 40, assuming in each case that these options had been converted into options for CHC Group Ltd. ordinary shares. However, it is expected that these options will be exchanged for restricted shares in CHC Group Ltd. immediately prior to the effectiveness of the registration statement of which this prospectus forms a part. See Executive Compensation Proposed Compensation Conversion of Existing Long-Term Incentives in CHC Cayman.

Name	Option Awards				Stock Awards			
	Number of Securities Underlying Unexercised Options (#)	Number of Securities Underlying Exercisable Options (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Exercise Price (\$)	Option Expiration Date	Market Awards: Value of Shares or Units of Stock That Have Not Vested (#)	Value of Unearned Shares, Shares, or Other Rights That Have Not Vested (\$)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Shares, or Other Rights That Have Not Vested (\$)
William J. Amelio, President and Chief Executive Officer	11,130,466	16,452,900	6,992,500	0.6515	12/30/21(1)			
Joan S. Hooper,								

Senior Vice President and Chief Financial Officer	2,782,610 4,113,200	0.6515 0.6515	12/30/21(1) 12/30/21(2)
Peter Bartolotta, President and Chief Operating Officer, Helicopter Services	2,742,200 4,113,200 2,860,473	0.6515 0.6515 0.6515	6/24/22(1) 6/24/22(2) 6/24/22(3)
Michael J. O Neill, Senior Vice President, Legal	2,782,610 4,113,200	0.6515 0.6515	12/30/21(1) 12/30/21(2)
Michael Summers, Senior Vice President, Human Resources	2,782,610 4,113,200	0.6515 0.6515	12/30/21(1) 12/30/21(2)

(1) These Time and Performance Options vest in four equal annual installments of twenty-five percent (25%) beginning on the first anniversary of the grant date and expire 10 years following the grant date. In addition, these options may become fully vested in the event of the funds and the investors receiving aggregate distributions from us in an amount equal to the Equity Investment, or immediately prior to a Change in Control.

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- (2) These Type I Performance Options vest in up to three tranches, each equal to one-third of the total award of the Performance Option, upon the achievement of an Exit Event or Final Exit Event which results in an Exit Value, at the time of the applicable Exit Event or Final Exit Event, equal to or in excess of: (1) the Equity Investment; (2) 2.0 times the Adjusted Equity Investment; and (3) 2.5 times the Adjusted Equity Investment. These options expire 10 years following the grant date.
- (3) These Type II Performance Options vest in up to two tranches, each equal to one-half of the total award of the Performance Option, upon the achievement of an Exit Event or Final Exit Event which results in an Exit Value equal to or in excess of: (i) 2.0 times the Adjusted Equity Investment; and (ii) 2.5 times the Adjusted Equity Investment. These options expire 10 years following the grant date.

**Option Exercises and Stock Vested Fiscal Year 2013**

None of our named executive officers had options that were exercised or stock that vested during the 2013 fiscal year.

**Pension Benefits Fiscal Year 2013**

None of our named executive officers received any pension benefits in the 2013 fiscal year.

**Non-Qualified Deferred Compensation Fiscal Year 2013**

The following table provides information regarding contributions, earnings and balances for our named executive officers relating to vested restricted share units that provide for the deferred issuance of our Ordinary B shares underlying restricted share units, or RSUs:

Name	Executive Contributions in Last FY (\$)(1) (a)	Registrant Contributions in Last FY (\$) (c)	Aggregate Earnings in Last FY \$(2) (d)	Aggregate Withdrawals/Distributions (\$) (e)	Aggregate Balance at Last FYE \$(3) (f)
<b>Peter Bartolotta</b>					
Vested but Undelivered RSUs	\$ 86,024		\$ 6,404		\$ 92,428
<b>Joan S. Hooper</b>					
Vested but Undelivered RSUs					\$ 23,107
<b>Michael J. O Neill</b>					
Vested but Undelivered RSUs					\$ 23,107
<b>Michael Summers</b>					
Vested but Undelivered RSUs					\$ 46,214

- (1) This column represents restricted share units that were fully vested at grant. These RSUs were granted on December 18, 2012 and were fully vested at grant but will not be settled until the earlier of: (i) the fifth anniversary of the date of grant; and (ii) the date of a 409A Change of Control as described under 2011 Management Equity Plan Equity Plans. Because there is no public market for our equity securities, the market value of the RSUs is not readily determinable. However, purely for purposes of completing the above table, the fair market value of an Ordinary B share as December 18, 2012 (the date on which the restricted share units were granted) is \$0.6515.

- (2) The amount reported for Mr. Bartolotta reflects the increase in fair market value between December 18, 2012 with respect to his 132,040 vested RSUs reported in column (b). Because there is no public market for our equity securities, the market value of the RSUs is not readily determinable. However, purely for purposes of completing the above table, the increase in the fair market value of an Ordinary B share from December 18, 2012 and April 30, 2013 is \$0.0485.

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- (3) The amount reported for Ms. Hooper in column (f) reflects the value of 33,010 vested and undelivered RSUs all of which vested on December 30, 2011, the date of grant. The amount reported for Mr. Bartolotta in column (f) reflects the value of 132,040 vested and undelivered RSUs all of which vested on December 18, 2012, the date of grant. The amount reported for Mr. O'Neill in column (f) reflects the value of 66,020 vested and undelivered RSUs all of which vested on December 30, 2011, the date of grant. The amount reported for Mr. Summers in column (f) reflects the value of 33,010 vested and undelivered RSUs all of which vested on December 30, 2011, the date of grant. For each of Ms. Hooper and Messrs. Bartolotta, O'Neill and Summers the RSUs were fully vested at grant but will not be settled until the earlier of: (i) the fifth anniversary of the date of grant; and (ii) the date of a 409A Change of Control as described under 2011 Management Equity Plan Equity Plans. Because there is no public market for our equity securities, the market value of the RSUs is not readily determinable. However, purely for purposes of completing the above table, the fair market value of an Ordinary B share as of April 30, 2013 is \$0.70.

**Hypothetical Potential Payments Upon Termination or Change in Control**

Each of our named executive officers is party to an employment agreement as described above under Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards in Fiscal 2013 Table Employment Agreements. Pursuant to these agreements, our named executive officers are entitled to certain severance payments and benefits and are subject to certain confidentiality, non-competition and non-solicitation provisions.

The following tables below provide estimates for compensation payable to each named executive officer under hypothetical termination of employment and change in control scenarios under our compensatory arrangements other than nondiscriminatory arrangements generally available to salaried employees. The amounts shown in the tables are estimates and assume the hypothetical involuntary termination or change in control occurred on April 30, 2013, the last day of fiscal 2013, applying the provisions of the agreements that were in effect as of such date. Due to the number of factors and assumptions that can affect the nature and amount of any benefits provided upon the events discussed below, any amounts paid or distributed upon an actual event may differ.

For purposes of the hypothetical payment estimates shown in the below table, some of the important assumptions were:

Executive's rate of base salary as of April 30, 2013;

Cash severance as provided under the executive's employment agreement in effect as of April 30, 2013;

A change in control occurring on April 30, 2013;

Termination of executive's employment occurring on April 30, 2013;

April 30, 2013 share price of \$0.70 per share;



Exchange rate in effect on April 30, 2013 of one Canadian dollar being equivalent to \$0.9929 U.S. dollars;  
and

The executives' employment agreements that were in effect as of April 30, 2013 were utilized. Each of the columns in the table below show the total hypothetical payment estimate upon a specified event and the amounts in the columns should not be aggregated across the table.

**Table of Contents****Mr. Amelio**

	<b>Change in Control</b>	<b>Involuntary Termination (without cause); Death or Permanent Disability</b>
Base Salary Continuation		\$ 764,298(1)
Bonus		\$ 1,952,429(2)
Continuation of Health Insurance Benefits		\$ 12,063(3)
Tax Gross-up		\$ (4)
Equity Acceleration	\$ 539,828(5)	
Total	\$ 539,828	\$ 2,728,790

- (1) This amount represents a lump sum payment in an amount equal to 12 months of Mr. Amelio's base salary. The lump sum payment would be equal to 18 months salary in the event that Mr. Amelio's employment is terminated by Heli-One Canada other than for cause, permanent disability or death within two years of Mr. Amelio relocating to the Metro Vancouver area or a proximate area in Washington State.
- (2) This amount represents the average bonus earned in the two years preceding the year of termination.
- (3) This amount represents the value of continuation of medical and insurance benefits for 12 months.
- (4) In the event it is determined that any payment or distribution by Heli-One Canada or its affiliates to or for the benefit of Mr. Amelio would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended, or any interest or penalties are incurred by Mr. Amelio with respect to such excise tax, then Mr. Amelio would be entitled to receive a gross-up payment that fully reimburses him for such excise taxes. Mr. Amelio has agreed to prospectively waive the right to tax gross-up payments contingent upon the completion of, and from and after, this offering.
- (5) This amount represents the value of partial accelerated vesting of Type I Performance Options on a change in control event, with the option acceleration value based on the assumed spread value.

**Ms. Hooper**

	<b>Change in Control</b>	<b>Involuntary Termination (without cause or resignation by executive for good reason)</b>
Base Salary Continuation		\$ 485,800(1)
Bonus		\$ 414,432(2)
Continuation of Health Insurance Benefits		\$ 21,000(3)
Equity Acceleration	\$ 134,957(4)	

Total	\$ 134,957	\$	921,232
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- (1) This amount represents a lump sum payment in an amount equal to 12 months of Ms. Hooper's base salary.
- (2) This amount represents the average bonus earned in the two years preceding the year of termination.
- (3) This amount represents the value of continuation of medical and insurance benefits for 12 months.
- (4) This amount represents the value of accelerated vesting of Type I Performance Options on a change in control event with the option acceleration value based on the assumed spread value.

**Table of Contents****Mr. Bartolotta**

	<b>Change in Control</b>	<b>Involuntary Termination (without cause or resignation by executive for good reason)</b>
Base Salary Continuation		\$ 475,000(1)
Bonus		\$ 206,857(2)
Continuation of Health Insurance Benefits		\$ 25,000(3)
Equity Acceleration	\$ 132,997(4)	
<b>Total</b>	<b>\$ 132,997</b>	<b>\$ 706,857</b>

- (1) This amount represents a lump sum payment in an amount equal to 12 months of Mr. Bartolotta's base salary.
- (2) This amount represents the average bonus earned in the two years preceding the year of termination.
- (3) This amount represents the value of continuation of medical and insurance benefits for 12 months.
- (4) This amount represents the value of accelerated vesting of Type I Performance Options on a change in control event with the option acceleration value based on the assumed spread value.

**Mr. O'Neill**

	<b>Change in Control</b>	<b>Involuntary Termination (without cause or resignation by executive for good reason); Death or Permanent Disability</b>
Base Salary Continuation		\$ 460,800(1)
Bonus		\$ 540,542(2)
Continuation of Health Insurance Benefits		\$ 14,000(3)
Equity Acceleration	\$ 134,957(4)	
<b>Total</b>	<b>\$ 134,957</b>	<b>\$ 1,015,342</b>

- (1) This amount represents a lump sum payment in an amount equal to 12 months of Mr. O'Neill's base salary.
- (2) This amount represents the average bonus in the two years preceding the year of termination.
- (3) This amount represents the value of continuation of his medical and insurance benefits for 12 months.
- (4)

This amount represents the value of accelerated vesting of Type I Performance Options on a change in control event with the option acceleration value based on the assumed spread value.

**Mr. Summers**

	<b>Change in Control</b>	<b>Involuntary Termination (without cause or resignation by executive for good reason); Death or Permanent Disability</b>
Base Salary Continuation		\$ 460,800(1)
Bonus		\$ 540,542(2)
Continuation of Health Insurance Benefits		\$ 2,000(3)
Equity Acceleration	\$ 134,957(4)	
<b>Total</b>	<b>\$ 134,957</b>	<b>\$ 1,003,342</b>

- (1) This amount represents a lump sum payment in an amount equal to 12 months of Mr. Summers's base salary.  
 (2) This amount represents the average bonus earned in the two years preceding the year of termination.

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- (3) This amount represents the value of continuation of his medical and insurance benefits for 12 months.
- (4) This amount represents the value of accelerated vesting of Type I Performance Options on a change in control event with the option acceleration value based on the assumed spread value.

***2013 Incentive Plan***

Our Compensation Committee retained FW Cook to advise on executive compensation in connection with this offering. In connection with this offering, our Board of Directors expects to adopt, and our shareholders expect to approve, the 2013 Incentive Plan prior to the completion of the offering. The following description of the 2013 Incentive Plan is not complete and is qualified by reference to the full text of the 2013 Incentive Plan, which will be filed as an exhibit to the registration statement of which this prospectus forms a part.

*Purpose.* The purpose of the 2013 Incentive Plan is to provide a means through which to attract and retain key personnel and to provide a means whereby our directors, officers, employees, consultants and advisors (and prospective directors, officers, employees, consultants and advisors) can acquire and maintain an equity interest in us, or be paid incentive compensation, including incentive compensation measured by reference to the value of our ordinary shares, thereby strengthening their commitment to our welfare and aligning their interests with those of our shareholders.

*Administration.* The 2013 Incentive Plan will be administered by the compensation committee of our Board of Directors or such other committee of our Board of Directors to which it has delegated power, or if no such committee or subcommittee thereof exists, the Board of Directors, as applicable, the Committee. The Committee has the sole and plenary authority to establish the terms and conditions of any award consistent with the provisions of the 2013 Incentive Plan. The Committee is authorized to interpret, administer, reconcile any inconsistency in, correct any defect in and/or supply any omission in the 2013 Incentive Plan and any instrument or agreement relating to, or any award granted under, the 2013 Incentive Plan; establish, amend, suspend, or waive any rules and regulations and appoint such agents as the Committee deems appropriate for the proper administration of the 2013 Incentive Plan; and to make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the 2013 Incentive Plan. Except to the extent prohibited by applicable law or the applicable rules and regulations of any securities exchange or inter-dealer quotation system on which the securities of the Company are listed or traded, the Committee may allocate all or any portion of its responsibilities and powers to any one or more of its members and may delegate all or any part of its responsibilities and powers to any person or persons selected by it in accordance with the terms of the 2013 Incentive Plan. Any such allocation or delegation may be revoked by the Committee at any time. Unless otherwise expressly provided in the 2013 Incentive Plan, all designations, determinations, interpretations, and other decisions under or with respect to the 2013 Incentive Plan or any award or any documents evidencing awards granted pursuant to the 2013 Incentive Plan are within the sole discretion of the Committee, may be made at any time and are final, conclusive and binding upon all persons or entities, including, without limitation, us, any holder or beneficiary of any award, and any of our shareholders.

*Shares Subject to the 2013 Incentive Plan.* The 2013 Incentive Plan provides that the total number of ordinary shares that may be issued under the 2013 Incentive Plan is 7,500,000. Of this amount, the maximum number of shares for which incentive stock options may be granted is 7,500,000; the maximum number of shares for which options or stock appreciation right may be granted to any individual participant during any single fiscal year is 1,000,000; the maximum number of shares for which performance compensation awards denominated in shares may be granted to any individual participant in respect of a single fiscal year is 500,000 (or if any such awards are settled in cash, the maximum amount may not exceed the fair market value of such shares on the last day of the performance period to which such award relates); the maximum number of ordinary shares granted during a single fiscal year to any non-employee director, taken together with any cash fees paid to such non-employee director during the fiscal year, will not exceed \$600,000 in total value; and the maximum amount that may be paid to any individual for a single

fiscal year under a performance compensation award denominated in cash is \$5,000,000. Except for substitute awards (as described below), in the event any award terminates, lapses,

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or is settled without the payment of the full number of shares subject to such award, including as a result of net settlement of the award or as a result of the award being settled in cash, the undelivered shares may be granted again under the 2013 Incentive Plan, unless the shares are surrendered after the termination of the 2013 Incentive Plan, and only if shareholder approval is not required under the then-applicable rules of the exchange on which the ordinary shares are listed. Awards may, in the sole discretion of the Committee, be granted in assumption of, or in substitution for, outstanding awards previously granted by an entity directly or indirectly acquired by us or with which we combine (referred to as substitute awards), and such substitute awards will not be counted against the total number of shares that may be issued under the 2013 Incentive Plan, except that substitute awards intended to qualify as incentive stock options will count against the limit on incentive stock options described above. No award may be granted under the 2013 Incentive Plan after the tenth anniversary of the effective date (as defined therein), but awards theretofore granted may extend beyond that date.

*Options.* The Committee may grant non-qualified stock options and incentive stock options, under the 2013 Incentive Plan, with terms and conditions determined by the Committee that are not inconsistent with the 2013 Incentive Plan; *provided*, that all stock options granted under the 2013 Incentive Plan are required to have a per share exercise price that is not less than 100% of the fair market value of our ordinary shares underlying such stock options on the date an option is granted which in all cases will be equal to or in excess of the par or nominal value of such shares (other than in the case of options that are substitute awards, incentive stock options granted to certain individuals, and options granted to participants not subject to U.S. taxation), and all stock options that are intended to qualify as incentive stock options must be granted pursuant to an award agreement expressly stating that the option is intended to qualify as an incentive stock option, and will be subject to the terms and conditions that comply with the rules as may be prescribed by Section 422 of the Code. The maximum term for stock options granted under the 2013 Incentive Plan will be ten years from the initial date of grant, or with respect to any stock options intended to qualify as incentive stock options, such shorter period as prescribed by Section 422 of the Code. However, if a non-qualified stock option would expire at a time when trading of ordinary shares is prohibited by the Company's insider trading policy (or Company-imposed blackout period), the term will automatically be extended to the 30th day following the end of such period. The purchase price for the shares as to which a stock option is exercised may be paid to us, to the extent permitted by law (1) in cash or its equivalent at the time the stock option is exercised, (2) in shares having a fair market value equal to the aggregate exercise price for the shares being purchased and satisfying any requirements that may be imposed by the Committee, or (3) by such other method as the Committee may permit in its sole discretion, including without limitation (A) in other property having a fair market value on the date of exercise equal to the purchase price, (B) if there is a public market for the shares at such time, through the delivery of irrevocable instructions to a broker to sell the shares being acquired upon the exercise of the stock option and to deliver to us the amount of the proceeds of such sale equal to the aggregate exercise price for the shares being purchased, or (C) through a net exercise procedure effected by withholding the minimum number of shares needed to pay the exercise price and all applicable required withholding taxes *provided, however*, that in no event will shares be withheld at fair market value in excess of the statutory minimum withholding rate. Any fractional ordinary shares will be settled in cash.

*Share Appreciation Rights.* The Committee may grant share appreciation rights, with terms and conditions determined by the Committee that are not inconsistent with the 2013 Incentive Plan. Generally, each share appreciation right will entitle the participant upon exercise to an amount (in cash, shares or a combination of cash and shares, as determined by the Committee) equal to the product of (i) the excess of (A) the fair market value on the exercise date of one ordinary share, over (B) the strike price per share, times (ii) the numbers of ordinary shares covered by the stock appreciation right. The strike price per share of a share appreciation right will be determined by the Committee at the time of grant but in no event may such amount be less than the fair market value of an ordinary share on the date the share appreciation right is granted (other than in the case of share appreciation rights granted in substitution of previously granted awards or granted to participants who are not subject to U.S. taxation). The Committee may in its



sole discretion substitute, without the consent of the holder or beneficiary of such share appreciation rights, share appreciation rights settled in ordinary shares (or settled in shares or cash in the sole discretion of the Committee) for nonqualified stock options.

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*Restricted Shares and Restricted Share Units.* The Committee may grant restricted ordinary shares or restricted share units, representing the right to receive, upon the expiration of the applicable restricted period, one ordinary share for each restricted share unit, or, in the sole discretion of the Committee, the cash value thereof (or any combination thereof). As to restricted ordinary shares, subject to the other provisions of the 2013 Incentive Plan and the terms and conditions of the applicable award agreement, the holder will generally have the rights and privileges of a shareholder as to such restricted ordinary shares, including without limitation the right to vote such restricted ordinary shares (except, that if the lapsing of restrictions with respect to such restricted ordinary shares is contingent on satisfaction of performance conditions other than or in addition to the passage of time, any dividends payable on such restricted ordinary shares will be retained, and delivered without interest to the holder of such shares within 15 days following the date on which the restrictions on such shares lapse).

*Other Share-Based Awards.* The Committee may issue unrestricted ordinary shares, rights to receive grants of awards at a future date, or other awards denominated in ordinary shares (including, without limitation, performance shares or performance units) under the 2013 Incentive Plan, including performance-based awards, with terms and conditions determined by the Committee and set forth in an award agreement that are not inconsistent with the 2013 Incentive Plan.

*Performance Compensation Awards.* The Committee may also designate any award as a performance compensation award intended to qualify as performance-based compensation under Section 162(m) of the Code. The Committee also has the authority to make an award of a cash bonus to any participant and designate such award as a performance compensation award under the 2013 Incentive Plan. The Committee has sole discretion to select the length of any applicable performance periods, the types of performance compensation awards to be issued, the applicable performance criteria and performance goals, and the kinds and/or levels of performance goals that are to apply. The performance criteria that will be used to establish the performance goals may be based on the attainment of specific levels of performance of the Company (and/or one or more affiliates, divisions or operational and/or business units, product lines, brands, business segments, administrative departments, or any combination of the foregoing) and are limited to the following: (i) net earnings or net income (before or after taxes); (ii) basic or diluted earnings per share (before or after taxes); (iii) net revenue or net revenue growth; (iv) gross revenue or gross revenue growth, gross profit or gross profit growth; (v) net operating profit (before or after taxes); (vi) return measures (including, but not limited to, return on investment, assets, capital, employed capital, invested capital, equity, or sales); (vii) cash flow measures (including, but not limited to, operating cash flow, free cash flow, and cash flow return on capital), which may but are not required to be measured on a per share basis; (viii) earnings before or after interest, taxes, depreciation, amortization and/or rent (including EBIT, EBITDA and EBITDAR); (ix) gross or net operating margins; (x) productivity ratios; (xi) share price (including, but not limited to, growth measures and total shareholder return); (xii) expense targets or cost reduction goals, general and administrative expense savings; (xiii) operating efficiency; (xiv) objective measures of customer satisfaction; (xv) working capital targets; (xvi) measures of economic value added or other value creation metrics; (xvii) inventory control; (xviii) enterprise value; (xix) sales; (xx) shareholder return; (xxi) client retention; (xxii) competitive market metrics; (xxiii) employee retention; (xxiv) timely completion of new product rollouts; (xxv) timely launch of new facilities; (xxvi) measurements related to a new purchasing co-op ; (xxvii) objective measures of personal targets, goals or completion of projects (including but not limited to succession and hiring projects, completion of specific acquisitions, reorganizations or other corporate transactions or capital-raising transactions, expansions of specific business operations and meeting divisional or project budgets); (xxviii) system-wide revenues; (xxix) royalty income; (xxx) comparisons of continuing operations to other operations; (xxxii) market share; (xxxiii) cost of capital, debt leverage year-end cash position or book value; (xxxiii) strategic objectives, development of new product lines and related revenue, sales and margin targets, co-branding or international operations; or (xxxiv) any combination of the foregoing. Any one or more of the performance criteria may be stated as a percentage of another performance criteria, or used on an absolute or relative basis to measure our performance as a whole or any of our divisions or operational and/or business units, product lines, brands, business

segments, administrative departments or any combination thereof, as the Committee may deem appropriate, or any of the above performance criteria may be compared to the performance of a selected group of comparison companies, or a published or special index that the Committee, in its sole discretion, deems appropriate, or as compared to various stock market indices. Unless

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otherwise determined by the Committee at the time a performance compensation award is granted, the Committee will, during the first 90 days of a performance period (or, within any other maximum period allowed under Section 162(m) of the Code), or at any time thereafter to the extent the exercise of such authority at such time would not cause the performance compensation awards granted to any participant for such performance period to fail to qualify as performance-based compensation under Section 162(m) of the Code, specify adjustments or modifications to be made to the calculation of a performance goal for such performance period, based on and in order to appropriately reflect the following events: (1) asset write-downs; (2) litigation or claim judgments or settlements; (3) the effect of changes in tax laws, accounting principles, or other laws or regulatory rules affecting reported results; (4) any reorganization and restructuring programs; (5) extraordinary nonrecurring items as described in Accounting Standards Codification Topic 225-20 (or any successor pronouncement thereto) and/or in management's discussion and analysis of financial condition and results of operations appearing in our annual report to shareholders for the applicable year; (6) acquisitions or divestitures; (7) any other specific, unusual or nonrecurring events, or objectively determinable category thereof; (8) foreign exchange gains and losses; (9) discontinued operations and nonrecurring charges; and (10) a change in our fiscal year.

Following the completion of a performance period, the Committee will review and certify in writing whether, and to what extent, the performance goals for the performance period have been achieved and, if so, calculate and certify in writing that amount of the performance compensation awards earned for the period based upon the performance formula. In determining the actual amount of an individual participant's performance compensation award for a performance period, the Committee has the discretion to reduce or eliminate the amount of the performance compensation award consistent with Section 162(m) of the Code. Unless otherwise provided in the applicable award agreement, the Committee does not have the discretion to (A) grant or provide payment in respect of performance compensation awards for a performance period if the performance goals for such performance period have not been attained, or (B) increase a performance compensation award above the applicable limitations set forth in the 2013 Incentive Plan.

*Effect of Certain Events on 2013 Incentive Plan and Awards.* In the event of (a) any dividend (other than regular cash dividends) or other distribution (whether in the form of cash, ordinary shares, other securities or other property), recapitalization, share split, reverse share split, reorganization, merger, consolidation, split-up, split-off, spin-off, combination, repurchase or exchange of our ordinary shares or other securities, issuance of warrants or other rights to acquire our ordinary shares or other securities, or other similar corporate transaction or event (including, without limitation, a change in control, as defined in the 2013 Incentive Plan) that affects the ordinary shares, or (b) unusual or nonrecurring events (including, without limitation, a change in control) affecting us, any affiliate, or the financial statements of us or any affiliate, or changes in applicable rules, rulings, regulations or other requirements of any governmental body or securities exchange or inter-dealer quotation system, accounting principles or law, such that in either case an adjustment is determined by the Committee in its sole discretion to be necessary or appropriate, then the Committee must make any such adjustments in such manner as it may deem equitable, including without limitation, any or all of: (1) adjusting any or all of (A) the share limits applicable under the 2013 Incentive Plan with respect to the number of awards which may be granted under the 2013 Incentive Plan; (B) the number of our ordinary shares or other securities which may be delivered in respect of awards or with respect to which awards may be granted under the 2013 Incentive Plan and (C) the terms of any outstanding award, including, without limitation, (x) the number ordinary shares subject to outstanding awards or to which outstanding awards relate; (y) the exercise price or strike price with respect to any award; or (z) any applicable performance measures; (2) providing for a substitution or assumption of awards, accelerating the exercisability of, lapse of restrictions on, or termination of, awards or providing for a period of time for participants to exercise outstanding awards prior to the occurrence of such event; and (3) cancelling any one or more outstanding awards and causing to be paid to the holders holding vested awards (including any awards that would vest as a result of the occurrence of such event but for such cancellation) the value of such awards, if any, as determined by the Committee (which, if applicable, may be based upon the price per

ordinary share received or to be received by other shareholders of the Company in such event), including without limitation, in the case of options and share appreciation rights, a cash payment equal to the excess, if any, of the fair market value of the ordinary shares subject to the option or stock appreciation right over the aggregate

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exercise price thereof. For the avoidance of doubt, the Committee may cancel any stock option or share appreciation right for no consideration if the fair market value of the shares subject to such option or share appreciation right is less than or equal to the aggregate exercise price or strike price of such stock option or share appreciation right.

*Nontransferability of Awards.* An award will not be transferable or assignable by a participant otherwise than by will or by the laws of descent and distribution and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance will be void and unenforceable against us or any affiliate. However, the Committee may, in its sole discretion, permit awards (other than incentive stock options) to be transferred, including transfer to a participant's family members, any trust established solely for the benefit of the participant or such participant's family members, any partnership or limited liability company of which the participant, or the participant and the participant's family members, are the sole member(s), and a beneficiary to whom donations are eligible to be treated as charitable contributions for tax purposes.

*Amendment and Termination.* The Board of Directors may amend, alter, suspend, discontinue, or terminate the 2013 Incentive Plan or any portion thereof at any time; *provided*, that no such amendment, alteration, suspension, discontinuation or termination may be made without shareholder approval if (1) such approval is necessary to comply with any regulatory requirement applicable to the 2013 Incentive Plan or for changes in GAAP to new accounting standards, (2) it would materially increase the number of securities which may be issued under the 2013 Incentive Plan (except for adjustments in connection with certain corporate events), or (3) it would materially modify the requirements for participation in the 2013 Incentive Plan; *provided, further*, that any such amendment, alteration, suspension, discontinuance or termination that would materially and adversely affect the rights of any participant or any holder or beneficiary of any award will not to that extent be effective without such individual's consent.

The Committee may, to the extent consistent with the terms of any applicable award agreement, waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any award granted or the associated award agreement, prospectively or retroactively, subject to the consent of the affected participant if any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination would materially and adversely affect the rights of any participant with respect to such award; *provided*, that without shareholder approval, except as otherwise permitted in the 2013 Incentive Plan, (1) no amendment or modification may reduce the exercise price of any option or the strike price of any stock appreciation right, (2) the Committee may not cancel any outstanding option or stock appreciation right and replace it with a new option or stock appreciation right (with a lower exercise price or strike price, as the case may be) or other award or cash payment that is greater than the intrinsic value (if any) of the cancelled option or stock appreciation right, and (3) the Committee may not take any other action which is considered a repricing for purposes of the shareholder approval rules of any securities exchange or inter-dealer quotation system on which our securities are listed or quoted.

*Dividend Equivalents and Similar Payments.* The Committee in its sole discretion may provide for dividend equivalents or similar payments in respect of awards, on such terms and conditions as may be determined by the Committee in its sole discretion; *provided*, that no dividend equivalents or similar payments will be payable in respect of outstanding (1) options or stock appreciation rights or (2) unearned performance compensation awards or other unearned awards subject to performance conditions (other than or in addition to the passage of time) (although dividend equivalents or similar payments may be accumulated in respect of unearned awards and paid within 15 days after such awards are earned and become earned, payable or distributable).

*Clawback/Forfeiture.* An award agreement may provide that the Committee may in its sole discretion cancel such award if the participant, while employed by or providing services to us or any affiliate or after termination of such employment or service, violates a non-competition, non-solicitation or non-disclosure covenant or agreement or otherwise has engaged in or engages in other detrimental activity that is in conflict with or adverse to our interests or

the interests of any affiliate, including fraud or conduct contributing to any financial restatements or irregularities, as determined by the Committee in its sole discretion. The Committee may also

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provide in an award agreement that if the participant otherwise has engaged in or engages in any activity referred to in the preceding sentence, the participant will forfeit any gain realized on the vesting or exercise of such award, and must repay the gain to us. The Committee may also provide in an award agreement that if the participant receives any amount in excess of what the participant should have received under the terms of the award for any reason (including without limitation by reason of a financial restatement, mistake in calculations or other administrative error), then the participant will be required to repay any such excess amount to us. Without limiting the foregoing, all awards will be subject to reduction, cancellation, forfeiture or recoupment to the extent necessary to comply with applicable law.

### ***2013 Employee Share Purchase Plan***

Prior to the closing of this offering, we expect that our board will adopt, and that our shareholders will approve, the 2013 Employee Share Purchase Plan, or the 2013 ESPP, prior to the completion of the offering. The terms of any future offering under the 2013 ESPP will be subject to the approval of our Compensation Committee before any such offering commences. The following description of the 2013 ESPP is not complete and is qualified by reference to the full text of the 2013 ESPP, which will be filed as an exhibit to the registration statement of which this prospectus forms a part.

*Purpose and Effective Date.* The purpose of the 2013 ESPP is to retain the services of employees and secure and retain the services of new employees and to provide incentives for such individuals to exert maximum efforts toward our success and that of our affiliates.

*Share Reserve.* Following this offering, the 2013 ESPP will authorize the issuance of 2,812,015 ordinary shares pursuant to purchase rights granted to our employees or to employees of any of our designated affiliates. The 2013 ESPP includes two components: a 423 Component and a Non-423 Component. It is the intention of the Company to have the 423 Component qualify as an employee stock purchase plan within the meaning of Section 423 of the Code. It is not the intention of the Company to have the Non-423 Component qualify as an employee stock purchase plan within the meaning of Section 423 of the Code because the Company wishes to preserve flexibility for participation in the 2013 ESPP by employees who are foreign nationals or employed or located outside of the United States while complying with applicable foreign laws. As of the date hereof, no ordinary shares have been purchased under the 2013 ESPP.

*Administration.* We expect our board of directors will delegate their authority to administer the 2013 ESPP to our compensation committee. The 2013 ESPP is implemented through a series of offerings of purchase rights to eligible employees. Under the 2013 ESPP, we may specify offerings with durations of not more than 27 months, and may specify shorter purchase periods within each offering. Each offering will have one or more purchase dates on which ordinary shares will be purchased for employees participating in the offering. An offering may be terminated under certain circumstances.

*Payroll Deductions.* Generally, all regular employees, including executive officers, employed by us or by any of our designated affiliates, may participate in the 2013 ESPP and may contribute, normally through payroll deductions, up to 15% of their earnings for the purchase of our ordinary shares under the 2013 ESPP. Unless otherwise determined by our board of directors, ordinary shares will be purchased for accounts of employees participating in the 2013 ESPP at a price per share equal to the lower of (a) 85% of the fair market value of an ordinary share on the first date of an offering or (b) 85% of the fair market value of an ordinary share on the date of purchase. In no case will the price per share be equal to or less than the nominal par value of the ordinary shares.

*Limitations.* Employees may have to satisfy one or more of the following service requirements before participating in the 2013 ESPP, as determined by our board of directors: (a) customarily employed for more than 20 hours per week,



(b) customarily employed for more than five months per calendar year or (c) continuous employment with us or one of our affiliates for a period of time (not to exceed two years). No employee may purchase shares under the 2013 ESPP at a rate in excess of \$25,000 worth of our ordinary shares based on the fair

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market value per ordinary share at the beginning of an offering for each year such a purchase right is outstanding. Finally, no employee will be eligible for the grant of any purchase rights under the 2013 ESPP if immediately after such rights are granted, such employee has voting power over 5% or more of our issued and outstanding capital stock or ordinary shares measured by vote or value pursuant to Section 424(d) of the Code.

*Changes to Capital Structure.* In the event that there occurs a change in our capital structure through such actions as a share split, merger, consolidation, reorganization, migration, recapitalization, reincorporation, share dividend, dividend in property other than cash, large nonrecurring cash dividend, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or similar transaction, the board of directors will make appropriate adjustments to (a) the class(es) and the number of shares reserved under the 2013 ESPP, (b) the class(es) and the maximum number of shares by which the share reserve may increase automatically each year, (c) the class(es) and the number of shares and purchase price of all outstanding purchase rights and (d) the class(es) and the number of shares that are the subject of the purchase limits under each then outstanding offering.

*Corporate Transactions.* In the event of certain significant corporate transactions, including: (i) a sale of all our assets, (ii) the sale or disposition of 90% of our outstanding securities, (iii) the consummation of a merger or consolidation where we do not survive the transaction, and (iv) the consummation of a merger or consolidation where we do survive the transaction but our ordinary shares issued and outstanding immediately prior to such transaction are converted or exchanged into other property by virtue of the transaction, any then-outstanding rights to purchase our shares under the 2013 ESPP may be assumed, continued or substituted for by any surviving or acquiring entity (or its parent company). If the surviving or acquiring entity (or its parent company) elects not to assume, continue or substitute for such purchase rights, then the participants' accumulated payroll contributions will be used to purchase ordinary shares within 10 business days prior to such corporate transaction, and such purchase rights will terminate immediately.

*Plan Amendments, Termination.* Our board of directors will have the authority to amend or terminate our 2013 ESPP, provided that except in certain circumstances any such amendment or termination may not materially impair any outstanding purchase rights without the holder's consent. We will obtain shareholder approval of any amendment to our 2013 ESPP as required by applicable law or listing requirements.

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**CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS**

**Shareholders Agreement**

In connection with this offering, we intend to enter into a shareholders agreement with our financial sponsor and its affiliates. This agreement will require us to nominate a number of individuals designated by our financial sponsor for election as our directors at any meeting of our shareholders (each a Sponsor Director) such that, upon the election of each such individual, and each other individual nominated by or at the direction of our board of directors or a duly-authorized committee of the board, as a director of our company, the number of Sponsor Directors serving as directors of our company will be equal to: (1) if our existing shareholders and their affiliates together continue to beneficially own at least 50% of the total voting power of our ordinary shares as of the record date for such meeting, the lowest whole number that is greater than 50% of the total number of directors comprising our board of directors; (2) if our existing shareholders and their affiliates together continue to beneficially own at least 40% (but less than 50%) of the total voting power of our ordinary shares as of the record date for such meeting, the lowest whole number that is at least 40% of the total number of directors comprising our board of directors; (3) if our existing shareholders and their affiliates together continue to beneficially own at least 30% (but less than 40%) of the total voting power of our ordinary shares as of the record date for such meeting, the lowest whole number that is at least 30% of the total number of directors comprising our board of directors; (4) if our existing shareholders and their affiliates together continue to beneficially own at least 20% (but less than 30%) of the total voting power of our ordinary shares as of the record date for such meeting, the lowest whole number that is at least 20% of the total number of directors comprising our board of directors; and (5) if our existing shareholders and their affiliates together continue to beneficially own at least 5% (but less than 20%) of the total voting power of our ordinary shares as of the record date for such meeting, the lowest whole number that is at least 10% of the total number of directors comprising our board of directors. Sponsor Directors may be removed only with the consent of our financial sponsor. In the case of a vacancy on our board created by the removal or resignation of a Sponsor Director, the shareholders agreement will require us to nominate an individual designated by our financial sponsor for election to fill the vacancy.

In addition, as described more specifically in Description of Share Capital, the shareholders agreement and our memorandum and articles of association require that certain amendments to our memorandum and articles of association, and any change to the number of our directors, will require the consent of our financial sponsor.

The shareholders agreement will remain in effect until our financial sponsor is no longer entitled to nominate a Sponsor Director pursuant to the shareholders agreement, unless our financial sponsor requests that it terminate at an earlier date.

**Transactions with Shareholders**

At April 30, 2013, we had \$2.0 million in payables and accruals due to and \$0.1 million in receivables due from our ultimate parent company.

At April 30, 2013, we had an outstanding loan of \$25.0 million due to funds affiliated with First Reserve, the proceeds of which were ultimately used as an equity cure, to enable us to comply with our financial covenants under one of our helicopter lease facilities. On June 24, 2013, this loan was repaid.

On July 16, 2013, we borrowed \$25.0 million from funds affiliated with First Reserve. On July 19, 2013, this loan was repaid.

At October 31, 2013, we had \$2.0 million in payables and accruals due to our ultimate parent company.

On December 16, 2013, we provided our named executive officers the opportunity to exchange their options to purchase Ordinary B shares in CHC Cayman granted pursuant to the 2011 MEP into restricted shares in CHC Group Ltd. See Executive Compensation Proposed Compensation Conversion of Existing Long-Term Incentives in CHC Cayman.

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Certain funds affiliated with First Reserve hold approximately 15% of the equity interests in Hover SE Leasing, or Hover, which owns 31 helicopters. Through Hover, First Reserve leases such helicopters to us pursuant to long-term leases ranging in duration between eight and ten years at arms length market prices. For the fiscal year ended April 30, 2013, we paid \$47.9 million in connection with such leases. For the six months ended October 31, 2013, we paid \$25.2 million in connection with these leases.

## **Transactions with a Company Previously Subject to Significant Influence**

In the course of its regular business activities, we entered into routine transactions with Aero Contractors Company of Nigeria Limited ( ACN ). During the year ended April 30, 2010, we agreed to convert \$30.0 million of the trade receivable balance due from ACN into a term loan. On July 1, 2010, we entered into a term loan agreement with ACN to forgive \$15.0 million of the trade receivable balance, which reduced the outstanding indebtedness owed by ACN to the Company from \$27.5 million to \$12.5 million. Under the new agreement, the term loan is non-interest bearing until the occurrence of an event of default. The loan is repayable in monthly installments commencing July 31, 2012.

On July 1, 2010, we sold our interests in ACN for consideration of 1 Nigerian naira and ACN ceased to be a related party. Prior to the sale of our interests in ACN, we earned \$9.4 million in revenues in the course of regular business activities (April 30, 2010 \$60.7 million). These transactions were measured at the amounts exchanged, which is the amount of consideration determined and agreed to by the related parties. All outstanding balances due from ACN were fully provided.

## **Statement of Policy Regarding Transactions with Related Persons**

Prior to the completion of this offering, our board of directors will adopt a written statement of policy regarding transactions with related persons, which we refer to as our related person policy. Our related person policy requires that a related person (as defined as in paragraph (a) of Item 404 of Regulation S-K) must promptly disclose to our Chief Legal Officer any related person transaction (defined as any transaction that is anticipated would be reportable by us under Item 404(a) of Regulation S-K in which we were or are to be a participant and the amount involved exceeds \$120,000 and in which any related person had or will have a direct or indirect material interest) and all material facts with respect thereto. The Chief Legal Officer will then promptly communicate that information to our board of directors. No related person transaction will be executed without the approval or ratification of our board of directors or a duly authorized committee of our board of directors. It is our policy that directors interested in a related person transaction will recuse themselves from any vote on a related person transaction in which they have an interest.

## **Indemnification Agreements with Executive Officers and Directors**

We have entered into indemnification agreements with our executive officers and directors. These agreements require us to indemnify these individuals to the fullest extent permitted under Cayman Islands law against liabilities that may arise by reason of their service to us, and to advance expenses incurred as a result of any proceeding against them as to which they could be indemnified. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to executive officers or directors, we have been informed that in the opinion of the SEC such indemnification is against public policy and is therefore unenforceable.

There is currently no pending material litigation or proceeding involving any of our directors, officers or employees for which indemnification is sought.



**Table of Contents****PRINCIPAL SHAREHOLDERS**

The following table sets forth information regarding beneficial ownership immediately following this offering by (1) each person known to us to beneficially own more than 5% of any class of the outstanding voting securities of CHC Group Ltd., (2) each of our directors and named executive officers and (3) all of our directors and executive officers as a group.

The information set forth below regarding the number of our ordinary shares beneficially owned by the identified persons gives effect to the acquisition by such persons of such shares and units pursuant to this offering.

Beneficial ownership is determined in accordance with the rules of the SEC.

Name of Beneficial Owner	Ordinary Shares Beneficially Owned					
	Prior to the Offering		After the Offering Assuming Underwriters Option is Not Exercised		After the Offering Assuming Underwriters Option is Exercised in Full	
	Number	% of Class	Number	%	Number	%
CHC Cayman(1)	46,519,484	100.0	46,519,484	61.3	46,519,484	57.9
<b>Directors and Executive Officers:</b>						
William J. Amelio(2)						
Dod Wales(3)						
Francis S. Kalman						
Jeffrey K. Quake(3)						
John Mogford(3)						
Jonathan Lewis						
William E. Macaulay(3)						
Peter Bartolotta(4)						
Joan S. Hooper(5)						
Michael J. O Neill(6)						
Michael Summers(7)						
Directors and executive officers as a group (11 persons)						

- (1) The issued and outstanding equity securities of CHC Cayman consist of 1,870,561,417 of Ordinary A shares, 7,859,869 of Ordinary B shares, one Adjustable C share and 313,000 of Special shares. Funds affiliated with First Reserve own an approximate 98.7% economic and voting interest in CHC Cayman. 1,845,561,417 Ordinary A shares of CHC Cayman are held by Horizon Alpha Limited, or Horizon Alpha, FR XI Horizon Co-Investment I, L.P., or FR XI Horizon Co-Investment I, and FR XI Horizon Co-Investment II, L.P., or FR XI Horizon Co-Investment II. The equity interests of Horizon Alpha are held by First Reserve Fund XII, L.P., or First Reserve Fund XII, FR XII-A Parallel Vehicle, L.P., or FR XII-A and FR Horizon AIV, L.P., or FR Horizon AIV. The general partner of First Reserve Fund XII and FR XII-A is First Reserve GP XII, L.P., whose general partner

is First Reserve GP XII Limited. The general partner of FR Horizon AIV is FR Horizon GP, L.P. and the general partner of FR Horizon GP, L.P. is FR Horizon GP Limited. Each of First Reserve GP XII Limited and FR Horizon GP Limited is wholly-owned by First Reserve's senior managing directors. The general partner of each of FR XI Horizon Co-Investment I and FR XI Horizon Co-Investment II is FR XI Offshore GP Limited. The members of FR XI Offshore GP Limited are First Reserve's senior managing directors. Each of such First Reserve entities may be deemed to beneficially own the shares beneficially owned by Horizon Alpha, FR XI Horizon Co-Investment I and FR XI Horizon Co-Investment II directly or indirectly controlled by it, but each disclaims beneficial ownership of such shares. The address of each of the entities listed in this footnote is c/o First Reserve Management,



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- L.P., One Lafayette Place, Greenwich, Connecticut 06830. Immediately following the completion of this offering, funds affiliated with First Reserve will own an approximate 60.5% indirect economic and voting interest in CHC Group Ltd. through CHC Cayman. CHC Cayman's ownership percentages after the offering do not take into account Founders' Grants and First Annual Awards to be issued to our officers under the 2013 Incentive Plan, as set forth in Executive Compensation Proposed Compensation IPO Date Equity-Based Awards, and other shares to be issued to them as a result of their acceptance of the exchange offer referenced in Executive Compensation Proposed Compensation Conversion of Existing Long-Term Incentives in CHC Cayman.
- (2) Mr. Amelio holds 2,000,000 Ordinary B shares of CHC Cayman purchased in connection with joining us for an aggregate cash subscription price of \$2,000,000. At the time of this offering, Mr. Amelio will receive a Founders' Grant worth \$3,594,720 and a First Annual Award worth \$3,750,000 under the 2013 Incentive Plan, as set forth in Executive Compensation Proposed Compensation IPO Date Equity-Based Awards.
  - (3) Messrs. Mogford, Wales, Macaulay and Quake are each employees of First Reserve, but each disclaims beneficial ownership of the shares beneficially owned by First Reserve. The address for Messrs. Wales, Macaulay and Quake is c/o First Reserve Management, L.P., One Lafayette Place, Greenwich, Connecticut 06830.
  - (4) Mr. Bartolotta holds (a) 132,040 vested Restricted Stock Units of CHC Cayman and (b) 481,928 Ordinary B shares of CHC Cayman purchased in connection with joining us for an aggregate cash subscription price of \$400,000. At the time of this offering, Mr. Bartolotta will receive a Founders' Grant worth \$1,026,230 and a First Annual Award worth \$1,000,000 under the 2013 Incentive Plan, as set forth in Executive Compensation Proposed Compensation IPO Date Equity-Based Awards.
  - (5) Ms. Hooper holds (a) 33,010 vested Restricted Stock Units of CHC Cayman and (b) 120,482 Ordinary B shares of CHC Cayman purchased in connection with joining us for an aggregate cash subscription price of \$100,000. At the time of this offering, Ms. Hooper will receive a Founders' Grant worth \$165,475 and a First Annual Award worth \$1,000,000 under the 2013 Incentive Plan, as set forth in Executive Compensation Proposed Compensation IPO Date Equity-Based Awards.
  - (6) Mr. O'Neill holds (a) 66,020 vested Restricted Stock Units of CHC Cayman and (b) 240,964 Ordinary B shares of CHC Cayman purchased in connection with joining us for an aggregate cash subscription price of \$200,000. At the time of this offering, Mr. O'Neill will receive a Founders' Grant worth \$733,891 and a First Annual Award worth \$700,000 under the 2013 Incentive Plan, as set forth in Executive Compensation Proposed Compensation IPO Date Equity-Based Awards.
  - (7) Mr. Summers holds (a) 33,010 vested Restricted Stock Units of CHC Cayman and (b) 120,482 Ordinary B shares of CHC Cayman purchased in connection with joining us for an aggregate cash subscription price of \$100,000. At the time of this offering, Mr. Summers will receive a Founders' Grant worth \$733,891 and a First Annual Award worth \$700,000 under the 2013 Incentive Plan, as set forth in Executive Compensation Proposed Compensation IPO Date Equity-Based Awards.

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**DESCRIPTION OF INDEBTEDNESS**

**Senior Secured Revolving Credit Facility**

*General*

CHC Helicopter S.A. expects to enter into a new senior secured revolving credit facility with, among others, HSBC Bank Plc, as administrative agent, HSBC Corporate Trustee Company (UK) Limited, as collateral agent, 6922767 Holding S.à r.l. and CHC Helicopter Holding S.à r.l, the joint lead arrangers and joint bookrunners party thereto and the lenders party thereto, subject to certain conditions including the consummation of an initial public offering by us or another parent company of CHC Helicopter S.A. Set forth below is a summary of the material terms of the new senior secured revolving credit facility, subject to the qualifications, exclusions and exceptions specified in the loan documentation.

*Size and Tenor*

Under the new senior secured revolving credit facility, the lenders are expected to provide a new five-year revolving facility in an initial amount of up to \$375.0 million.

The proceeds of the revolving loans under the new senior secured revolving credit facility are expected to be used for general corporate purposes (which may include the refinancing of existing debt). Letters of credit may be issued under the senior secured revolving credit facility up to maximum amounts as agreed between CHC Helicopter S.A. and issuing bank from time to time.

*Interest Rates and Fees*

The loans under the new senior secured revolving credit facility may be denominated in U.S. dollars, Canadian dollars or Sterling, or Euros. The interest rate per annum and fees on the revolving loans is equal to:

in the case of LIBOR loans, a base rate of LIBOR plus a margin of 4.50%;

in the case of base rate loans, a base rate of the US prime lending rate plus a margin of 3.50%;

in the case of EURIBOR loans, a base rate of EURIBOR plus a margin of 4.50%;

in the case of Canadian prime rate loans, a base rate of the Canadian prime lending rate plus a margin of 3.50%; and

in the case of CDOR loans, a base rate of CDOR plus a margin of 4.50%;  
in each case plus a fee rate, if any, to compensate lenders for the cost of compliance with the requirements of the European Central Bank, Bank of England, the Financial Services Authority, the Office of the Superintendent of Financial Institutions and/or other similar regulatory authorities, as applicable.

Commencing on the date that is six months after the closing date of the new senior secured revolving credit facility, the margins on (a) LIBOR loans, EURIBOR loans and CDOR loans may be reduced from 4.50% to 3.75% and (b) base rate loans and Canadian prime rate loans may be reduced from 3.50% to 2.75%, in each case, if CHC Helicopter S.A.'s consolidated total leverage ratio as of the end of the most recent fiscal quarter is less than 3.50 to 1.00.

CDOR means, for any interest period for CDOR Loans, the rate for Canadian banker's acceptances that appears on the page of the Reuters screen for Canadian Dealer Offered Rates at approximately 10:00 a.m., Toronto time, on the day of the making of any CDOR loan or, if for any reason such rate is not available, the banker's acceptance rate of the swingline lender at approximately 10:00 a.m., Toronto time, on such date.

EURIBOR means for any interest period for EURIBOR Loans, the rate that appears on the page of the Reuters EURIBOR 01 screen at approximately 11:00 a.m., Brussels time, two target days prior to the

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commencement of such interest period, as the rate for deposits in Euro with a maturity comparable to such interest period or, if for any reason such rate is not available, an interpolated rate based on the two nearest interest periods for which such rates are available at approximately 10:00 a.m., London time, two target days prior to the commencement of such interest period.

LIBOR means, for any interest period for LIBOR Loans, the British Bankers Association Interest Settlement Rate displayed on the appropriate page of the Reuters screen for the relevant currency two business days prior to the commencement of such interest period, or, if for any reason such rate is not available, an interpolated rate based on the two nearest interest periods for which such rates are available at approximately 10:00 a.m., London time, (i) in the case of LIBOR Loans denominated in U.S. dollars, two business days prior to the commencement of such interest period and (ii) in the case of LIBOR Loans denominated in Sterling, on the first day of such interest period.

A default rate equal to the applicable rate per annum plus 2.00% is payable on demand on amounts unpaid and overdue.

A fee is payable on all outstanding letters of credit at a rate per annum equal to the applicable interest rate then in effect with respect to LIBOR loans under the senior secured revolving credit facility. A customary fronting fee is also payable to the issuer of the letter of credit.

The new senior secured revolving credit facility is expected to include a commitment fee of 0.75% per annum accrues on the unused portion of the commitments and is payable quarterly in arrears.

### *Security and Guarantees*

CHC Helicopter S.A.'s obligations under the new senior secured revolving credit facility will be, subject to certain exceptions set forth in the loan documentation for the new senior secured revolving credit facility, expected to be guaranteed on a first-priority secured basis by each direct and indirect and future subsidiary of 6922767 Holding S.à r.l. that are organized in Security Jurisdictions, whose gross assets or EBITDA (excluding intra-group items, except for PBH maintenance, lease and similar transactions) are, subject to an agreed set of security principles, in aggregate equal to at least 80% of the consolidated total assets or consolidated EBITDA of 6922767 Holding S.à r.l. and its subsidiaries which are organized in security jurisdictions.

The obligations and guarantees under the new senior secured revolving credit facility are expected to be secured, to the extent possible and subject to an agreed set of security principles, by a first priority security interest in substantially all of the tangible and intangible properties and assets of CHC Helicopter S.A. and each of the guarantors. No guarantee or security is expected to be required from subsidiaries incorporated in any jurisdiction other than the Security Jurisdictions. Subject to the agreed security principles, the guarantors shall comprise at least 80% of the consolidated total assets and consolidated EBITDA of 6922767 Holding S.à r.l., CHC Helicopter Holding S.à r.l., CHC Helicopter S.A. and each of CHC Helicopter S.A.'s subsidiaries incorporated in the Security Jurisdictions.

### *Ranking*

The now owned or hereafter acquired collateral securing the senior secured notes and the related guarantees, as well as the obligations under the new senior secured revolving credit facility, certain hedging and cash management obligations and certain other future indebtedness and obligations permitted under the indenture governing the senior secured notes and the new senior secured revolving credit facility agreement are expected to be subject to first priority liens. The claims of holders of the senior secured notes upon the realization of the collateral security will rank behind the claims, including interest, of the lenders and letter of credit issuers under the new senior secured revolving credit

facility, including claims for such hedging obligations and cash management obligations, and the claims of the holders of the senior unsecured notes will rank behind such claims to the extent of the value of the collateral securing such indebtedness.

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### *Covenants*

The new senior secured revolving credit facility is expected to contain negative incurrence-based covenants similar to those contained in the indenture governing the senior secured notes and the indenture that governs the senior unsecured notes and also is expected to include a maximum first priority debt leverage ratio maintenance covenant (where the first priority debt will only include indebtedness under the new senior secured revolving credit facility and any other priority payment lien obligation, but exclude the senior secured notes or any indebtedness ranking *pari passu* with the senior secured notes), which will be tested quarterly with respect to 6922767 Holding S.à r.l. and its subsidiaries on a consolidated basis. The credit agreement that will govern the new senior secured revolving credit facility is expected to contain affirmative covenants usual and customary for transactions of such type.

### *Events of Default*

The credit agreement governing the new senior secured revolving credit facility is expected to contain events of default usual and customary for facilities of this type, including non-payment of principal, interest, fees or other amounts, violation of covenants, cross-default to material indebtedness, certain events of bankruptcy and insolvency, material judgments, a change in control and invalidity of liens or guarantees or any collateral document, in each case subject to the threshold amounts and grace periods set forth in the loan documentation.

## **Senior Secured Notes**

### *General*

On October 4, 2010, CHC Helicopter S.A. issued \$1.1 billion aggregate principal amount of senior secured notes. On October 5, 2012, CHC Helicopter S.A. issued an additional \$200.0 million aggregate principal amount of senior secured notes.

We intend to use approximately \$134.0 million of the net proceeds of this offering to redeem up to 10% of the aggregate principal amount of the senior secured notes at a price of 103% of the principal amount, plus accrued and unpaid interest, if any. See Use of Proceeds.

### *Interest Rate*

The senior secured notes accrue interest at the rate of 9.250% per annum and mature on October 15, 2020. Interest on the senior secured notes is payable on April 15 and October 15 of each year.

### *Ranking and Security*

The senior secured notes are senior secured obligations and (i) rank senior in right of payment to any future subordinated indebtedness of CHC Helicopter S.A. and the guarantors, (ii) rank equally in right of payment with all existing and future senior indebtedness of CHC Helicopter S.A. and the guarantors, including the new senior secured revolving credit facility, (iii) are effectively senior in right of payment to unsecured indebtedness of CHC Helicopter S.A. and the guarantors, including the senior unsecured notes, to the extent of the value of the collateral securing the senior secured notes and (iv) are structurally subordinated to all existing and future indebtedness and other liabilities (including trade payables) of non-guarantor subsidiaries (other than indebtedness and liabilities owed to CHC Helicopter S.A. or one of the guarantors). The claims of holders of the senior secured notes upon the realization of the collateral security will rank behind the claims, including interest, of the lenders and letter of credit issuers under the new senior secured revolving credit facility, including claims for such hedging obligations and cash management

obligations, and the claims of the holders of the senior unsecured notes will rank behind such claims to the extent of the value of the collateral securing such indebtedness.

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*Prepayments and Redemptions*

CHC Helicopter S.A. may redeem the senior secured notes, in whole or in part, at any time prior to October 15, 2015, at a price equal to 100% of the principal amount thereof plus accrued and unpaid interest to the redemption date and a make-whole premium. Thereafter, CHC Helicopter S.A. may redeem the senior secured notes, in whole or in part, at established redemption prices specified in the indenture governing the senior secured notes. In addition, during any 12-month period commencing on October 4, 2011 until October 15, 2015, CHC Helicopter S.A. may redeem up to 10% of the principal amount thereof at a redemption price equal to 103% of the principal amount thereof plus accrued and unpaid interest.

In addition, CHC Helicopter S.A. will be required to offer to repurchase the senior secured notes at 101% of the principal amount thereof, plus accrued and unpaid interest, upon the occurrence of a change of control.

*Guarantees*

All obligations under the senior secured notes are currently guaranteed by 6922767 Holding S.à r.l., CHC Helicopter Holding S.à r.l. and certain of 6922767 Holding S.à r.l.'s existing and future restricted subsidiaries that guarantee the senior secured revolving credit facility (other than CHC Helicopter S.A.).

*Certain Covenants and Events of Default*

The indenture governing the senior secured notes contains a number of covenants that, among other things, restricts, subject to certain exceptions, CHC Helicopter S.A. and its restricted subsidiaries' ability to:

incur additional indebtedness or issue certain preferred shares;

pay dividends or repurchase or redeem equity interests;

limit dividends or other payments by restricted subsidiaries that are not guarantors to CHC Helicopter S.A. or CHC Helicopter S.A.'s other subsidiaries;

make certain investments;

incur liens;

engage in other business activities;

enter into certain types of transactions with CHC Helicopter S.A.'s affiliates; and



sell assets or consolidate or merge with or into other companies.

In addition, the indenture governing the senior secured notes imposes certain requirements as to future subsidiary guarantors. The indenture governing the senior secured notes also contains certain customary events of default.

### **Senior Unsecured Notes**

#### *General*

On May 13, 2013, CHC Helicopter S.A. issued \$300 million aggregate principal amount of senior unsecured notes.

#### *Interest Rate*

The senior unsecured notes accrue interest at the rate of 9.375% per annum and mature on June 1, 2021. Interest on the senior unsecured notes is payable on June 1 and December 1 of each year.

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### *Ranking and Security*

The senior unsecured notes are senior unsecured obligations and (i) rank senior in right of payment to any future subordinated indebtedness of CHC Helicopter S.A. and the guarantors, (ii) rank equally in right of payment with all of existing and future senior indebtedness of CHC Helicopter S.A. and the guarantors, (iii) are effectively subordinated in right of payment to secured indebtedness of CHC Helicopter S.A. and the guarantors, including the senior secured revolving credit facility and the senior secured notes, to the extent of the value of the collateral securing such indebtedness and (iv) are structurally subordinated to all existing and future indebtedness and other liabilities (including trade payables) of non-guarantor subsidiaries (other than indebtedness and liabilities owed to CHC Helicopter S.A. or one of the guarantors).

### *Prepayments and Redemptions*

CHC Helicopter S.A. may redeem the senior unsecured notes, in whole or in part, at any time prior to June 1, 2016, at a price equal to 100% of the principal amount thereof plus accrued and unpaid interest to the redemption date and a make-whole premium. Thereafter, CHC Helicopter S.A. may redeem the senior unsecured notes, in whole or in part, at established redemption prices specified in the indenture governing the senior unsecured notes. On or prior to June 1, 2016, CHC Helicopter S.A. may also redeem up to 35% of the senior unsecured notes with the proceeds from certain equity offerings at 109.375% of the principal amount thereof plus accrued and unpaid interest.

In addition, CHC Helicopter S.A. will be required to offer to repurchase the senior unsecured notes at 101% of the principal amount thereof, plus accrued and unpaid interest upon the occurrence of a change of control.

### *Guarantees*

All obligations under the senior unsecured notes are currently guaranteed by 6922767 Holding S.à r.l., CHC Helicopter Holding S.à r.l., and certain of 6922767 Holding S.à r.l.'s existing and future restricted subsidiaries that guarantee the senior secured revolving credit facility (other than CHC Helicopter S.A.).

### *Certain Covenants and Events of Default*

The indenture governing the senior unsecured notes contains a number of covenants that, among other things, restricts, subject to certain exceptions, CHC Helicopter S.A. and its restricted subsidiaries' ability to:

incur additional indebtedness or issue certain preferred shares;

pay dividends or repurchase or redeem equity interests;

limit dividends or other payments by restricted subsidiaries that are not guarantors to CHC Helicopter S.A. or CHC Helicopter S.A.'s other subsidiaries;

make certain investments;

incur liens;

engage in other business activities;

enter into certain types of transactions with CHC Helicopter S.A.'s affiliates; and

sell assets or consolidate or merge with or into other companies.

In addition, the indenture governing the senior unsecured notes imposes certain requirements as to future subsidiary guarantors. The indenture governing the senior unsecured notes also contains certain customary events of default.

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**Other Indebtedness**

Other Indebtedness as of October 31, 2013 is represented primarily by \$59.0 million of capital leases and financing of the Boundary Bay facility and \$3.4 million of other term loans. One of the term loans is a government loan issued by Export Development Canada to our predecessor to finance the purchase of certain helicopters. This loan amortizes with semi-annual payments and matures in 2014. The second term loan is fully due at maturity in 2015.

During fiscal 2012, we expanded our trade receivables securitization program to include additional originators. As of October 31, 2013, the facility secured by accounts receivable had a balance of \$43.4 million.

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**DESCRIPTION OF SHARE CAPITAL**

As of the date of this offering, our authorized share capital will consist of \$200,000, divided into 1,500,000,000 ordinary shares, each with a par value \$0.0001, and 500,000,000 preferred shares, each with a par value of \$0.0001. As of January 6, 2014, 46,519,484 ordinary shares were issued and outstanding, held of record by one shareholder, not including the persons who may become holders of record as a result of the conversion of existing long-term equity incentives in 6922767 Holding (Cayman) Inc. See Executive Compensation Proposed Compensation Conversion of Existing Long-Term Incentives in CHC Cayman, and no preferred shares were outstanding. An additional 7,500,000 ordinary shares may be issued upon exercise of options under our 2013 Incentive Plan. The following summary description relating to our share capital does not purport to be complete and is qualified in its entirety by our memorandum and articles of association, copies of which are available as set forth in the section captioned Where You Can Find More Information. CHC Group Ltd., formerly known as FR Horizon Holding (Cayman) Inc., was incorporated in the Cayman Islands on July 3, 2008 with registered number 213521 and changed its name by way of special shareholder resolution dated September 12, 2013 to CHC Group Ltd. As such, our affairs are governed by our memorandum and articles of association and the Companies Law and the common law of the Cayman Islands.

**Ordinary Shares**

Holders of ordinary shares are entitled to cast one vote for each share on all matters submitted to a vote of shareholders, including the election of directors. The holders of ordinary shares are entitled to receive ratably such dividends, if any, as may be declared by our directors out of funds legally available therefore. We have not in the past paid and do not expect for the foreseeable future to pay, dividends on our ordinary shares. Instead, we anticipate that all of our earnings, if any, in the foreseeable future will be used for working capital and other general corporate purposes. Any future determination to pay dividends will be at the discretion of our board of directors and will depend upon, among other factors, our results of operations, financial condition, capital requirements and contractual restrictions. Such holders do not have any preemptive or other rights to subscribe for additional shares. All holders of ordinary shares are entitled to share ratably in any assets for distribution to shareholders upon our liquidation, dissolution or winding up.

There are no conversion, redemption or sinking fund provisions applicable to the ordinary shares.

**Preferred Shares**

Pursuant to our articles of association to be in effect upon the completion of this offering, our board of directors will be authorized, without any action by our shareholders, to designate and issue preferred shares in one or more series and to designate the powers, preferences and rights of each series, which may be greater than the rights of our ordinary shares. It is not possible to state the actual effect of the issuance of any shares of preferred shares upon the rights of holders of our ordinary shares until the board of directors determines the specific rights of the holders of such preferred shares. However, the effects might include, among other things:

impairing dividend rights of our ordinary shares;

diluting the voting power of our ordinary shares;

impairing the liquidation rights of our ordinary shares; and

delaying or preventing a change of control of us without further action by our shareholders.

Upon the completion of this offering, no shares of our preferred shares will be outstanding, and we have no present plan to issue any of our preferred shares following this offering.

**Limitations on the Right to Own or Vote Shares**

As a Cayman Islands company, we may not hold our own shares as a shareholder, save for shares that are redeemed or repurchased by us or surrendered by a shareholder and held as treasury shares. We may not exercise

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any voting or other rights in respect of treasury shares nor may any dividend be declared or paid or other distribution be made in respect of treasury shares. However, bonus shares may be issued in respect of treasury shares although they will, in turn, be treated as treasury shares.

## **Limitations on Transfer of Shares**

Our articles of association give our directors, at their discretion, the right to decline to register any transfers of shares that are not fully paid-up shares.

## **Disclosure of Shareholder Ownership**

There are no provisions in our memorandum of association or articles of association governing the ownership threshold above which shareholder ownership must be disclosed by any shareholder.

## **Changes in Share Capital**

We may, from time to time, by ordinary resolution passed by a majority of the votes cast by shareholders present at a shareholder meeting entitled to vote on such resolution, or passed by a unanimous written consent of such persons for so long as we are a controlled company, increase our share capital by such sum, to be allocated among shares of such par value, as the resolution shall prescribe. The new shares shall be subject to the same provisions with reference to the payment of calls, liens, transfers, transmissions, forfeitures and otherwise as the shares in the original share capital. We may by ordinary resolution passed at a shareholder meeting by a majority of the votes cast by shareholders present at such meeting and entitled to vote on such resolution, or passed by a unanimous written consent of such persons for so long as we are a controlled company:

consolidate our share capital into shares of larger par value than our existing shares;

sub-divide our share capital into shares of smaller par value;

divide our shares into multiple classes; and

cancel any shares which, at the date of the passing of the resolution, have not been issued and diminish the amount of the shares so cancelled.

We may by special resolution passed by at least two-thirds of the votes cast by shareholders present at a shareholder meeting and entitled to vote on such resolution, or passed by a unanimous written consent of such persons for so long as we are a controlled company, reduce our share capital to the extent not representing shares in issue or following court application and consent, reduce our share capital in relation to shares in issue or any capital redemption reserve fund maintained in accordance with the Cayman Island Companies Law (as revised).

## **Restructuring Transactions**

Prior to the share capital restructuring transactions detailed below, we had authorized capital stock (or share capital) of \$2,000,000,000, divided into 2,000,000,000 ordinary shares, each with a par value of \$1.00. Our sole shareholder,

CHC Cayman, held 1,860,779,361 issued ordinary shares, each with a par value of \$1.00, representing all of our issued and outstanding shares.

On January 3, 2014, our sole shareholder approved the following share capital restructuring transactions, which were effective immediately:

a subdivision of our authorized and issued ordinary shares by a factor of 10,000 to 1, increasing our authorized ordinary shares from 2,000,000,000 to 20,000,000,000,000 and the issued ordinary shares to 18,607,793,610,000, while reducing the par value per share from \$1.00 to \$0.0001. Our authorized capital stock remained at \$2,000,000,000;

the surrender by our sole shareholder of 18,607,747,090,515.975 of our issued ordinary shares, resulting in the issued ordinary shares being reduced to 46,519,484.025, each with a par value of \$0.0001;



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the reduction of our authorized share capital to \$150,000, divided into 1,500,000,000 ordinary shares, each with a par value of \$0.0001, by way of cancellation of 19,998,500,000,000 of the authorized but unissued ordinary shares; and

the increase of our authorized share capital by \$50,000 (such increase being in the form of 500,000,000 preferred shares, each with a par value of \$0.0001) resulting in an aggregate authorized share capital of \$200,000, divided into 1,500,000,000 ordinary shares, each with a par value of \$0.0001, and 500,000,000 preferred shares, each with a par value of \$0.0001.

The result of these share capital restructuring transactions is that we have an authorized share capital of \$200,000, divided into 1,500,000,000 authorized ordinary shares, each with a par value of \$0.0001, and 500,000,000 authorized preferred shares, each with a par value of \$0.0001. Upon completion of the share capital restructuring transactions, our sole shareholder will hold 46,519,484.025 of our ordinary shares and no preferred shares will be outstanding.

## **Business Opportunities**

Our articles of association, to the maximum extent permitted from time to time by Cayman Islands law, renounce any interest or expectancy that we have in, or any right to be offered an opportunity to participate in, any business opportunities that are from time to time presented to our directors or their affiliates, other than to those directors who are employed by us or our subsidiaries, unless the business opportunity is expressly offered to such person in his or her capacity as a director.

Our articles of association provide that, to the maximum extent permitted from time to time by Cayman Islands law, none of First Reserve or any of its affiliates, or any director who is not employed by us or any of his or her affiliates, will have any duty to refrain from (1) engaging in similar lines of business in which we or our affiliates are presently engaged or propose to engage or (2) otherwise competing with us or our affiliates, and each of our non-employee directors (including those designated by First Reserve) may (a) acquire, hold and dispose of our ordinary shares for his or her own account or for the account of others and exercise all of the rights of one of our shareholders, to the same extent and in the same manner as if he or she were not our director and (b) in his or her personal capacity, or in his or her capacity as a director, officer, trustee, shareholder, partner, member, equity owner, manager, advisor or employee of any other person, have business interests and engage in business activities that are similar to ours or compete with us, that involve a business opportunity that we could seize and develop. In addition, our articles of association provide that, to the maximum extent permitted from time to time by Cayman Islands law, in the event that First Reserve or any non-employee director acquires knowledge of a potential transaction or other business opportunity, such person will have no duty to communicate or offer such transaction or business opportunity to us or any of our affiliates and they may take any such opportunity for themselves itself, himself or herself or offer it to another person or entity unless the business opportunity is expressly offered to such person in his or her capacity as our director. Our articles of association provide that, our articles of association may only be amended at a shareholder meeting at which First Reserve is present or, in respect to a shareholder written resolution, to which First Reserve has consented.