

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 10-Q

(Mark One)

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended **September 30, 2020**

OR

- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number **001-35701**

Bristow Group Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

3151 Briarpark Drive, Suite 700

Houston, Texas

(Address of Principal Executive Offices)

Registrant's telephone number, including area code:
(713) 267-7600

72-1455213
(IRS Employer
Identification No.)

77042
(Zip Code)

None

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	VTOL	NYSE

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

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

Large accelerated filer	Accelerated filer	Non-accelerated filer	Smaller reporting company	Emerging growth company
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes No

The total number of shares of common stock, par value \$0.01 per share, outstanding as of November 2, 2020 was 29,710,809. The Registrant has no other class of common stock outstanding.

BRISTOW GROUP INC.
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PART I — FINANCIAL INFORMATION

Item 1. *Financial Statements.*

BRISTOW GROUP INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Operations
(Unaudited)
(In thousands, except per share amounts)

	Three Months Ended September 30,		Six Months Ended September 30,	
	Successor	Predecessor	Successor	Predecessor
	2020	2019	2020	2019
Revenue:				
Operating revenue from non-affiliates	\$ 282,507	\$ 291,348	\$ 529,056	\$ 595,478
Operating revenue from affiliates	13,215	13,336	28,174	25,782
Reimbursable revenue from non-affiliates	8,918	13,536	17,603	30,136
	<u>304,640</u>	<u>318,220</u>	<u>574,833</u>	<u>651,396</u>
Costs and expenses:				
Operating expense	231,953	236,655	422,389	494,414
Reimbursable expense	8,919	12,840	17,567	28,974
Prepetition restructuring charges	—	—	—	13,476
General and administrative	39,268	37,820	74,791	72,590
Merger-related costs	4,497	—	21,917	—
Depreciation and amortization	18,537	31,303	34,893	62,642
Total costs and expenses	<u>303,174</u>	<u>318,618</u>	<u>571,557</u>	<u>672,096</u>
Loss on impairment	(17,596)	(62,101)	(36,829)	(62,101)
Loss on disposal of assets	(8,473)	(230)	(2,951)	(4,017)
Earnings (losses) from unconsolidated affiliates, net of losses	1,948	633	(30)	2,980
Operating loss	<u>(22,655)</u>	<u>(62,096)</u>	<u>(36,534)</u>	<u>(83,838)</u>
Interest income	434	270	696	657
Interest expense	(13,445)	(22,715)	(25,949)	(49,423)
Reorganization items	—	(93,943)	—	(170,299)
Gain (loss) on sale of subsidiaries	—	420	—	(55,883)
Change in fair value of preferred stock derivative liability	—	—	15,416	—
Gain on bargain purchase	5,660	—	81,093	—
Other income (expense), net	10,592	(6,637)	13,978	(10,510)
Total other income (expense)	<u>3,241</u>	<u>(122,605)</u>	<u>85,234</u>	<u>(285,458)</u>
Income (loss) before income taxes	(19,414)	(184,701)	48,700	(369,296)
Benefit (provision) for income taxes	(8,578)	21,782	(5,288)	37,289
Net income (loss)	<u>(27,992)</u>	<u>(162,919)</u>	<u>43,412</u>	<u>(332,007)</u>
Net (income) loss attributable to noncontrolling interests	131	(55)	204	(213)
Net income (loss) attributable to Bristow Group	<u>\$ (27,861)</u>	<u>\$ (162,974)</u>	<u>\$ 43,616</u>	<u>\$ (332,220)</u>
Income (loss) per common share ⁽¹⁾ :				
Basic	\$ (0.95)	\$ (4.54)	\$ 8.73	\$ (9.25)
Diluted	\$ (0.95)	\$ (4.54)	\$ 5.09	\$ (9.25)
Weighted average common shares outstanding ⁽¹⁾ :				
Basic	29,357,959	35,918,916	20,230,285	35,918,916
Diluted	29,357,959	35,918,916	34,031,657	35,918,916

(1) See Note 11 to the condensed consolidated financial statements for details on income (loss) per share and weighted average common shares outstanding.

The accompanying notes are an integral part of these condensed consolidated financial statements.

BRISTOW GROUP INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Comprehensive Income (Loss)

(Unaudited, in thousands)

	Three Months Ended September 30,		Six Months Ended September 30,	
	Successor	Predecessor	Successor	Predecessor
	2020	2019	2020	2019
Net income (loss)	\$ (27,992)	\$ (162,919)	\$ 43,412	\$ (332,007)
Other comprehensive income (loss):				
Currency translation adjustments	15,340	(12,334)	18,486	4,565
Unrealized gain (loss) on cash flow hedges, net of tax benefit	(1,283)	1,124	(2,164)	1,598
Currency translation adjustments attributable to noncontrolling interests	(14)	35	(1)	24
Total comprehensive income (loss)	(13,949)	(174,094)	59,733	(325,820)
Net (income) loss attributable to noncontrolling interests	131	(55)	204	(213)
Total comprehensive income (loss) attributable to Bristow Group Inc.	<u>\$ (13,818)</u>	<u>\$ (174,149)</u>	<u>\$ 59,937</u>	<u>\$ (326,033)</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

BRISTOW GROUP INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(in thousands, except share amounts)

	Successor	
	September 30, 2020	March 31, 2020
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 301,404	\$ 196,662
Restricted cash	2,789	2,459
Accounts receivable	216,638	180,683
Inventories	99,996	82,419
Assets held for sale	22,463	32,401
Prepaid expenses and other current assets	29,455	29,527
Total current assets	<u>672,745</u>	<u>524,151</u>
Property and equipment	1,085,087	901,314
Less – Accumulated depreciation and amortization	(55,557)	(24,560)
Property and equipment, net	<u>1,029,530</u>	<u>876,754</u>
Investment in unconsolidated affiliates	89,924	110,058
Right-of-use assets	281,164	305,962
Other assets	139,022	128,336
Total assets	<u>\$ 2,212,385</u>	<u>\$ 1,945,261</u>
LIABILITIES, MEZZANINE EQUITY AND STOCKHOLDERS' INVESTMENT		
Current liabilities:		
Accounts payable	\$ 62,668	\$ 52,110
Accrued wages, benefits and related taxes	56,722	42,852
Income taxes payable	14,206	1,743
Other accrued taxes	7,950	4,583
Deferred revenue	14,829	12,053
Accrued maintenance and repairs	24,500	31,072
Current portion of operating lease liabilities	82,334	81,484
Accrued interest and other accrued liabilities	23,995	26,342
Short-term borrowings and current maturities of long-term debt	64,027	45,739
Total current liabilities	<u>351,231</u>	<u>297,978</u>
Long-term debt, less current maturities	580,342	515,385
Accrued pension liabilities	8,923	17,855
Preferred stock embedded derivative	—	286,182
Other liabilities and deferred credits	6,760	4,490
Deferred taxes	55,699	22,775
Long-term operating lease liabilities	197,888	224,595
Total liabilities	<u>\$ 1,200,843</u>	<u>\$ 1,369,260</u>
Commitments and contingencies (Note 10)		
Redeemable noncontrolling interests	1,483	—
Mezzanine equity preferred stock: \$.0001 par value, 6,824,582 issued and outstanding as of March 31, 2020 ⁽¹⁾	—	149,785
Stockholders' investment:		
Common stock, \$.01 par value, 110,000,000 authorized; 29,813,734 and 11,235,566 outstanding as of September 30 and March 31, 2020, respectively ⁽¹⁾	303	1
Additional paid-in capital	683,390	295,897
Retained earnings	326,721	139,228
Treasury shares, at cost; 345,757 shares as of September 30, 2020	(7,579)	—
Accumulated other comprehensive income (loss)	7,680	(8,641)
Total Bristow Group Inc. stockholders' investment	<u>1,010,515</u>	<u>426,485</u>
Noncontrolling interests	(456)	(269)
Total stockholders' investment	<u>1,010,059</u>	<u>426,216</u>
Total liabilities, mezzanine equity and stockholders' investment	<u>\$ 2,212,385</u>	<u>\$ 1,945,261</u>

(1) Share information displayed as of March 31, 2020 does not take into account the impact of the 3:1 reverse stock split or the Merger.

The accompanying notes are an integral part of these condensed consolidated financial statements.

BRISTOW GROUP INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(Unaudited, in thousands)

	Six Months Ended September 30,	
	Successor	Predecessor
	2020	2019
Cash flows from operating activities:		
Net income (loss)	\$ 43,412	\$ (332,007)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	45,675	62,642
Deferred income taxes	(1,345)	(45,252)
Loss from extinguishment of debt	615	—
Write-off of deferred financing fees	—	4,038
Discount amortization on long-term debt	7,957	1,520
Reorganization items, net	—	119,333
(Gain) loss on disposal of assets	2,951	4,017
Loss on impairment	36,829	62,101
Loss on sale of subsidiaries	—	55,883
Deferral of lease payments	—	285
Gain on bargain purchase	(81,093)	—
Change in fair value of preferred stock derivative liability	(15,416)	—
Stock-based compensation	7,192	1,526
Equity in earnings from unconsolidated affiliates less than (greater than) dividends received	2,935	636
Increase (decrease) in cash resulting from changes in:		
Accounts receivable	21,556	(20,805)
Inventory, prepaid expenses and other assets	(8,075)	(2,876)
Accounts payable, accrued expenses and other liabilities	(28,202)	31,794
Net cash provided by (used in) operating activities	34,991	(57,165)
Cash flows from investing activities:		
Capital expenditures	(7,372)	(25,950)
Proceeds from asset dispositions	52,140	5,003
Deposits on assets held for sale	3,437	—
Cash transferred in sale of subsidiaries, net of cash received	—	(22,458)
Increase in cash from Era merger	120,236	—
Net cash provided by (used in) investing activities	168,441	(43,405)
Cash flows from financing activities:		
Proceeds from borrowings	—	225,585
Debt issuance costs	—	(14,130)
Repayment of debt and debt redemption premiums	(85,369)	(99,228)
Partial prepayment of put/call obligation	—	(1,323)
Purchase of treasury shares	(6,428)	—
Old Bristow share repurchases	(4,807)	—
Net cash provided by (used in) financing activities	(96,604)	110,904
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(1,756)	4,406
Net increase (decrease) in cash, cash equivalents and restricted cash	105,072	14,740
Cash, cash equivalents and restricted cash at beginning of period	199,121	178,055
Cash, cash equivalents and restricted cash at end of period	\$ 304,193	\$ 192,795
Cash paid during the period for:		
Interest	\$ 14,467	\$ 37,165
Income taxes	\$ 7,726	\$ 8,631

The accompanying notes are an integral part of these condensed consolidated financial statements.

BRISTOW GROUP INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Changes in Stockholders' Investment and Mezzanine Equity
(Unaudited)
(In thousands, except share amounts)

	Total Bristow Group Inc. Stockholders' Investment									
	Redeemable Noncontrolling Interests	Mezzanine equity preferred stock	Common Stock	Common Stock (Shares) ⁽¹⁾	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Noncontrolling Interests	Total Stockholders' Investment
March 31, 2020 (Successor)	\$ —	\$ 149,785	\$ 1	11,235,566	\$ 295,897	\$ 139,228	\$ (8,641)	\$ —	\$ (269)	\$ 426,216
Share repurchases	—	(2,151)	—	(142,721)	—	1,263	—	—	—	1,263
Preferred stock share conversion	—	(146,448)	4	34,836,688	270,678	142,614	—	—	—	413,296
Elimination of Old Bristow stock	—	—	(5)	(45,929,533)	5	—	—	—	—	—
Exchange of common stock	—	—	231	23,026,894	(231)	—	—	—	—	—
Era purchase price	—	—	72	7,175,029	108,268	—	—	—	—	108,340
Preferred stock compensation activity and conversion	—	(1,186)	—	—	6,370	—	—	—	—	6,370
Restricted stock awards	—	—	—	—	—	—	—	—	—	—
Purchase of Company common stock (tax withholding)	—	—	—	(42,199)	—	—	—	—	—	—
Currency translation adjustments	—	—	—	—	—	—	—	—	13	13
Net income (loss)	—	—	—	—	—	71,477	—	—	(73)	71,404
Other comprehensive income	—	—	—	—	—	—	2,278	—	—	2,278
June 30, 2020 (Successor)	—	—	303	30,159,724	680,987	354,582	(6,363)	—	(329)	1,029,180
Share award amortization	—	—	—	—	2,008	—	—	—	—	2,008
Purchase of treasury shares	—	—	—	(345,757)	—	—	—	(7,579)	—	(7,579)
Era purchase price adjustment	1,501	—	—	(233)	395	—	—	—	—	395
Currency translation adjustments	—	—	—	—	—	—	—	—	(14)	(14)
Net income (loss)	(18)	—	—	—	—	(27,861)	—	—	(113)	(27,974)
Other comprehensive income	—	—	—	—	—	—	14,043	—	—	14,043
September 30, 2020 (Successor)	<u>\$ 1,483</u>	<u>\$ —</u>	<u>\$ 303</u>	<u>29,813,734</u>	<u>\$ 683,390</u>	<u>\$ 326,721</u>	<u>\$ 7,680</u>	<u>\$ (7,579)</u>	<u>\$ (456)</u>	<u>\$ 1,010,059</u>

⁽¹⁾ Certain shares were reclassified out of common stock issued and into un-issued

The accompanying notes are an integral part of these condensed consolidated financial statements.

BRISTOW GROUP INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Changes in Stockholders' Investment and Mezzanine Equity
(Unaudited)
(In thousands, except share amounts)

	Total Bristow Group Inc. Stockholders' Investment							
	Common Stock	Common Stock (Shares)	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Noncontrolling Interests	Total Stockholders' Investment
March 31, 2019 (Predecessor)	\$ 386	35,918,916	\$ 862,020	\$ 455,598	\$ (327,989)	\$ (184,796)	\$ 7,148	\$ 812,367
Issuance of common stock	—	—	824	—	—	—	—	824
Sale of subsidiaries	—	—	—	—	—	—	(5,612)	(5,612)
Currency translation adjustments	—	—	—	—	—	—	(11)	(11)
Net income (loss)	—	—	—	(169,246)	—	—	158	(169,088)
Other comprehensive income	—	—	—	—	17,362	—	—	17,362
June 30, 2019 (Predecessor)	386	35,918,916	862,844	286,352	(310,627)	(184,796)	1,683	655,842
Issuance of common stock	—	—	702	—	—	—	—	702
Distributions paid to noncontrolling interests	—	—	—	—	—	—	(1,323)	(1,323)
Currency translation adjustments	—	—	—	—	—	—	35	35
Net income (loss)	—	—	—	(162,974)	—	—	55	(162,919)
Other comprehensive income	—	—	—	—	(11,175)	—	—	(11,175)
September 30, 2019 (Predecessor)	<u>\$ 386</u>	<u>35,918,916</u>	<u>\$ 863,546</u>	<u>\$ 123,378</u>	<u>\$ (321,802)</u>	<u>\$ (184,796)</u>	<u>\$ 450</u>	<u>\$ 481,162</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

BRISTOW GROUP INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1 — BASIS OF PRESENTATION, CONSOLIDATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated financial statements include the accounts of Bristow Group Inc. and its consolidated entities. On January 23, 2020, Era Group Inc. (“Era”), Ruby Redux Merger Sub, Inc., a wholly owned subsidiary of Era (“Merger Sub”) and Bristow Group Inc. (“Old Bristow”) entered into an Agreement and Plan of Merger, as amended on April 22, 2020 (the “Merger Agreement”). On June 11, 2020, the merger (the “Merger”) contemplated by the Merger Agreement was consummated and Merger Sub merged with and into Old Bristow, with Old Bristow continuing as the surviving corporation and as a direct wholly owned subsidiary of Era. Following the Merger, Era changed its name to Bristow Group Inc., and Old Bristow changed its name to Bristow Holdings U.S. Inc. Unless the context otherwise indicates, in this Quarterly Report on Form 10-Q, references to:

- the “Company”, “Combined Company”, “Bristow”, “we”, “us” and “our” refer to the entity currently known as Bristow Group Inc. and formerly known as Era Group Inc., together with all of its current subsidiaries;
- “Old Bristow” refers to the entity formerly known as Bristow Group Inc. and now known as Bristow Holdings U.S. Inc., together with its subsidiaries prior to the consummation of the Merger; and
- “Era” refers to Era Group Inc. (currently known as Bristow Group Inc., the parent of the Combined Company) and its subsidiaries prior to consummation of the Merger.

Pursuant to the United States (“U.S.”) generally accepted accounting principles (“GAAP”), the Merger was accounted for as an acquisition by Old Bristow of Era even though Era was the legal acquirer and remained the ultimate parent of the Combined Company. As a result, upon the closing of the Merger, Old Bristow’s historical financial statements replaced Era’s historical financial statements for all periods prior to the completion of the Merger, and the financial condition, results of operations, comprehensive income and cash flows of Era have been included in those financial statements since June 12, 2020. Any reference to comparative period disclosures in the Quarterly Report on Form 10-Q refers to Old Bristow.

Effective upon the closing of the Merger, the Company changed its fiscal year-end from December 31 to March 31, to correspond with Old Bristow’s fiscal year-end. The Company’s fiscal year ends March 31, and fiscal years are referenced based on the end of such period. Therefore, the fiscal year ending March 31, 2021 is referred to as “fiscal year 2021”.

The condensed consolidated financial information for the three and six months ended September 30, 2020 (Successor) and September 30, 2019 (Predecessor) has been prepared by the Company in accordance with GAAP and pursuant to the rules and regulations of the SEC for interim financial information reporting on Quarterly Form 10-Q and Regulation S-X. Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP in the United States (“U.S.”) have been condensed or omitted from that which would appear in the annual consolidated financial statements. These condensed consolidated financial statements should be read in conjunction with the financial statements and related notes thereto included in the Company’s Current Report on Form 8-K for the fiscal year ended March 31, 2020 (the “fiscal year 2020 Financial Statements”) filed with the Securities and Exchange Commission (the “SEC”) on June 17, 2020, referred to hereafter as the “Financial Statement Form 8-K”.

The preparation of these financial statements and accompanying footnotes requires the Company to make estimates and assumptions; however, they include all adjustments of a normal recurring nature which, in the opinion of management, are necessary for a fair presentation of the condensed consolidated balance sheet, the condensed consolidated statements of operations and comprehensive loss, the condensed consolidated statements of cash flows and the condensed consolidated statements of changes in stockholders’ investment and mezzanine equity. Operating results for the interim period presented are not necessarily indicative of the results that may be expected for the entire fiscal year.

The condensed consolidated financial information found on this Quarterly Form 10-Q has not been audited by the Company’s independent registered public accounting firm.

Basis of Consolidation

The consolidated financial statements include the accounts of Bristow Group Inc., its wholly and majority-owned subsidiaries and entities that meet the criteria of variable interest entities (“VIEs”) of which the Company is the primary beneficiary. All significant inter-company accounts and transactions are eliminated in consolidation.

BRISTOW GROUP INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

Coronavirus Update

The outbreak of the disease caused by the novel coronavirus (“COVID-19”) caused a significant decrease in oil and natural gas prices resulting from demand weakness and over supply and also caused significant disruptions and volatility in the global marketplace in calendar year 2020. These conditions are expected to continue for at least the near future. The depressed oil and natural gas price environment was initially exacerbated by decisions by large oil producing countries that have now been altered, but the resolution has not led to a meaningful increase in oil and gas prices, which remain below historical averages. For additional information, see Part II Item 1A “Risk Factors” and the “Recent Developments” section of Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”).

Emergence from Voluntary Reorganization under Chapter 11

On May 11, 2019 (the “Petition Date”), Old Bristow and certain of its subsidiaries (collectively the “Debtors”) filed voluntary petitions (the “Chapter 11 Cases”) in the U.S. Bankruptcy Court for the Southern District of Texas, Houston Division (the “Bankruptcy Court”) seeking relief under Chapter 11 of Title 11 of the U.S. Code (the “Bankruptcy Code”). The Debtors’ Chapter 11 Cases were jointly administered under the caption In re: Bristow Group Inc., et al., Main Case No. 19-32713. During the pendency of the Chapter 11 Cases, the Debtors continued to operate their businesses and manage their properties as “debtors-in-possession” under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court. On August 1, 2019, the Debtors filed with the Bankruptcy Court their Joint Chapter 11 Plan of Reorganization, and on August 20, 2019, the Debtors filed their Amended Joint Chapter 11 Plan of Reorganization (as further modified on August 22, 2019, the “Amended Plan”) and the related Disclosure Statement (as further modified on August 22, 2019, the “Amended Disclosure Statement”). On October 8, 2019, the Bankruptcy Court entered an order approving the Amended Disclosure Statement and confirming the Amended Plan. The effective date of the Amended Plan (the “Effective Date”) occurred on October 31, 2019 at which point the Debtors emerged from the Chapter 11 Cases. Claims under the Bankruptcy Court approved debtor in possession (DIP) financing Old Bristow obtained while in bankruptcy were settled with the issuance of new common stock (the “Old Bristow Common Stock”) and new preferred stock (the “Old Bristow Preferred Stock”), both at a par of \$0.0001, pursuant to the Amended Plan.

Upon Old Bristow’s emergence from bankruptcy, Old Bristow adopted fresh-start accounting in accordance with provisions of the Financial Accounting Standards Board’s (“FASB”) Accounting Standards Codification (“ASC”) No. 852, “Reorganizations” (“ASC 852”), which resulted in Old Bristow becoming a new entity for financial reporting purposes on the Effective Date. Upon the adoption of fresh-start accounting, the Company’s assets and liabilities were recorded at their fair values as of the fresh-start reporting date, October 31, 2019. As a result of the adoption of fresh-start accounting, Old Bristow’s consolidated financial statements subsequent to October 31, 2019 may not be comparable to the consolidated financial statements prior to October 31, 2019. In this Quarterly Report on Form 10-Q, references to:

- “Predecessor” refer to Old Bristow on and prior to October 31, 2019; and
- “Successor” refer to the reorganized Old Bristow on and after November 1, 2019 until completion of the Merger and after completion of the Merger refer to the Combined Company.

Current Expected Credit Losses (“CECL”)

The Company’s customers are primarily international, independent and major integrated exploration, development and production companies, third party helicopter operators and government agencies. The Company designates trade receivables as a single pool of assets based on their short-term nature, similar customer base and risk characteristics. Customers are typically granted credit on a short-term basis, and related credit risks are considered minimal. The Company conducts periodic quantitative and qualitative analysis on historic customer payment trends, customer credit ratings and foreseeable economic conditions. Historically, losses on trade receivables have been immaterial and uncorrelated to each other. Based on these analyses, the Company decides if additional reserve amounts are needed against the trade receivables asset pool on a case by case basis. Trade receivables are deemed uncollectible and removed from accounts receivable and the allowance for doubtful accounts when collection efforts have been exhausted. As of September 30, 2020 (Successor), the Company did not reserve any additional amounts for CECL.

As of September 30 and March 31, 2020 (Successor), the allowance for doubtful accounts related to accounts receivables was \$1.3 million and \$0.4 million, respectively, and primarily related to a customer in the U.S. Gulf of Mexico.

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Guarantors of Securities

In March 2020, the SEC amended Rule 3-10 and 3-16 of Regulation S-X, CFR 210.1-01 through 210.3-16, regarding financial disclosure requirements for debt securities issued in registered offerings involving subsidiaries of the registrant as either issuers or guarantors. This amended rule narrows the circumstances that require separate financial statements or summarized financial disclosures of issuers and subsidiary guarantors and simplifies the summarized disclosures required in lieu of those statements. Under the new rule, comparative period information is no longer required. As a result of this amended rule, the Company has included narrative disclosures in lieu of separate financial statements. The Company has early adopted this new rule and has elected to provide the simplified disclosure related to its 7.750% Senior Notes due 2022 within the MD&A.

Recent Accounting Pronouncements

The Company considers the applicability and impact of all accounting standard updates (“ASUs”). ASUs not listed below were assessed and determined to be either not applicable or are expected to have minimal impact on the Company’s consolidated financial position or results of operations.

Adopted

In June 2016, the FASB issued ASU No. 2016-13, 2019-04, “Measurement of Credit Losses on Financial Instruments” (ASU No. 2016-13), which sets forth the current expected credit loss model, a new forward-looking impairment model for certain financial instruments based on expected losses rather than incurred losses. The ASU is effective for interim and annual periods beginning after December 15, 2019, and early adoption of the standard was permitted. Entities were required to adopt ASU No. 2016-13 using a modified retrospective approach, subject to certain limited exceptions. Upon evaluating the impact of this ASU, the Company concluded that no additional reserves were necessary as historical losses were immaterial, and, based on the qualitative and quantitative analysis performed in accordance with ASC 326 requirements, the Company determined there was no reasonable expectation of credit losses associated with the Company’s trade receivables in the foreseeable future. ASU No. 2016-13 was adopted effective April 1, 2020, and such adoption did not have a material impact on the condensed consolidated financial statements.

In August 2018, the FASB issued ASU No. 2018-13, “Fair Value Measurements” (Topic 820) modifying the disclosure requirements on fair value measurements. The amendment modifies, removes, and adds several disclosure requirements on fair value measurements in ASC 820, Fair Value Measurement. The amendment will be effective for the Company in fiscal year 2022, and early adoption is permitted. This disclosure requirement was adopted effective April 1, 2020 prospectively, and such adoption did not have a material impact on its condensed consolidated financial statements.

In August 2018, the FASB modified ASU No. 2018-14, “Compensation—Retirement Benefits—Defined Benefit Plans” (Subtopic 715-20), for changes to disclosure requirements for employers that sponsor defined benefit pension plans. Certain disclosure requirements were removed and certain disclosure requirements were added. The amendment also clarifies disclosure requirements for projected benefit obligations and accumulated benefit obligations in excess of respective plan assets. The amendment is effective beginning in the Company’s fiscal year 2021 financial statements, and early adoption is permitted. This disclosure requirement was adopted effective April 1, 2020 by removing the weighted-average expected long-term rate of return on assets in this Quarterly Report. Annual disclosure requirements will be reflected in the Annual Report.

In August 2018, the FASB issued ASU No. 2018-15, “Intangibles-Goodwill and Other-Internal-Use Software” (Subtopic 350-40), providing guidance that addresses the accounting for implementation costs associated with a hosted service. The guidance provides that implementation costs be evaluated for capitalization using the same criteria as that used for internal-use software development costs, with amortization expense being recorded in the same income statement expense line as the hosted service costs and over the expected term of the hosting arrangement. The amendment is effective beginning in fiscal year 2021 financial statements, and early adoption is permitted. The guidance will be applied either retrospectively or prospectively to all implementation costs incurred after the date of adoption. This disclosure requirement was adopted effective April 1, 2020 prospectively, and such adoption did not have a material impact on its condensed consolidated financial statements.

In October 2018, the FASB amended ASU No. 2018-17, “Targeted Improvements to Related Party Guidance for Variable Interest Entities” (Topic 810), the guidance for determining whether a decision-making fee is a variable interest. The amendments require organizations to consider indirect interests held through related parties under common control on a proportional basis rather than as the equivalent of a direct interest in its entirety (as currently required in generally accepted accounting principles). Therefore, these amendments likely will result in more decision makers not consolidating VIEs. This amendment is effective beginning in the Company’s fiscal year 2021 financial statements, and early adoption is permitted. This disclosure requirement was adopted effective April 1, 2020, and such adoption did not have a material impact on the condensed consolidated financial statements.

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In March 2020, the FASB issued ASU No. 2020-03, “Codification Improvements to Financial Instruments”, which makes improvements to financial instruments guidance. The standard is effective immediately for certain amendments and for fiscal years beginning after December 15, 2019. This accounting guidance was adopted effective April 1, 2020, and such adoption did not have a material impact on the condensed consolidated financial statements.

Not Yet Adopted

In December 2019, the FASB issued ASU No. 2019-12, “Income Taxes” (Topic 740), new guidance to simplify the accounting for income taxes, which eliminates certain exceptions for recognizing deferred taxes for investments, performing intraperiod allocation and calculating income taxes in interim periods. This ASU also includes guidance to reduce complexity in certain areas, including recognizing deferred taxes for tax goodwill and allocating taxes to members of a consolidated group. The standard will be effective for the Company in fiscal year 2022 and early adoption is permitted. The Company is currently evaluating the effect this accounting guidance will have on its consolidated financial statements.

In January 2020, the FASB issued ASU No. 2020-01, “Investments-Equity Securities” (Topic 321), “Investments-Equity Method and Joint Ventures” Topic 323 and “Derivatives and Hedging” Topic 815 (ASU No. 2020-01) as an update to ASU No. 2016-01 “Financial Instruments-Overall”, further clarifying certain interactions between the guidance to account for certain equity securities under Topic 321, 323 and 815, and improve current GAAP by reducing diversity in practice and increasing comparability of accounting. The standard will be effective for the Company in fiscal year 2022, and early adoption is permitted. The Company has not yet adopted this accounting guidance and is currently evaluating the effect this accounting guidance will have on its consolidated financial statements.

In March 2020, the FASB issued ASU No. 2020-04, “Reference Rate Reform” (Topic 848). The guidance is intended to provide optional expedients and exceptions for applying GAAP to contracts, hedging relationships and other transactions to ease the financial reporting burdens related to the expected market transition from the London Interbank Offered Rate (“LIBOR”) and other interbank offered rates to alternative reference rates. The standard will be effective for the Company in fiscal year 2022. The Company has not yet adopted this accounting guidance and is currently evaluating the effect this accounting guidance will have on its consolidated financial statements.

In August 2020, the FASB issued ASU No. 2020-06, “Debt - Debt with Conversion and Other Options” (Subtopic 470-20) and “Derivatives and Hedging - Contracts in Entity’s Own Equity” (Topic 815) as a means of simplifying and reducing the number of accounting models for convertible debt instruments and convertible preferred stock. The ASU also amends the guidance for derivatives scope exception for contracts in an entity’s own equity. The goal being to reduce differences in accounting for similar contracts between different companies that are accounted for as derivatives by some and equity by others. The standard will be effective for the Company in fiscal year 2022. The Company has not yet adopted this accounting guidance and is currently evaluating the effect this accounting guidance will have on its consolidated financial statements.

Note 2 — BUSINESS COMBINATIONS

Era Group Inc.

On June 11, 2020, the combination of Old Bristow with Era was successfully completed in an all-stock transaction with Era having issued shares of common stock (“Combined Company Common Stock”) to Old Bristow’s stockholders. The transaction was accounted for using the acquisition method of accounting in accordance with Accounting Standards Codification (“ASC”) 805, Business Combinations (“ASC 805”). In the Merger, Old Bristow merged with and into Merger Sub, a subsidiary of Era, with Old Bristow remaining as the surviving company and as a subsidiary of Era, the ultimate parent of the Combined Company. Era is one of the largest helicopter operators in the world and the longest serving helicopter transport operator in the U.S., primarily servicing offshore oil and gas production platforms, drilling rigs and other installations. The transaction was structured as an all-stock, reverse-triangular merger, whereby Era issued shares of Combined Company Common Stock to Old Bristow stockholders, allowing it to qualify as a tax free reorganization for U.S. federal income tax purposes. Following the Merger, Era changed its name to Bristow Group Inc., and its common stock continued to trade on the NYSE under the new ticker symbol VTOL.

While Era was the legal acquirer in the Merger, Old Bristow was determined to be the accounting acquirer, based upon the terms of the Merger and other considerations including that: (i) immediately following completion of the Merger, Old Bristow stockholders owned approximately 77% of the outstanding shares of Combined Company Common Stock and pre-Merger holders of Era common stock (“Era Common Stockholders”) owned approximately 23% of the outstanding shares of Combined Company Common Stock and (ii) the board of directors of the Company consists of eight directors, including six Old Bristow designees. The Merger was accounted for under the acquisition method of accounting under ASC 805, Business Combinations. The acquisition

BRISTOW GROUP INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
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method of accounting requires, among other things, that assets acquired and liabilities assumed be recognized at their fair values as of the acquisition date. The Company completed its assessment of the fair value of assets acquired and liabilities assumed within the one-year period from the date of acquisition. The Company recorded measurement period adjustments due to additional information received primarily related to aircraft, redeemable noncontrolling interest and income taxes, resulting in an increase in bargain purchase gain of \$5.7 million.

The acquisition date fair value of the consideration transferred consisted of the following (in thousands):

Fair value of Combined Company Common Stock issued ⁽¹⁾	\$	106,440
Fair value of accelerated stock awards ⁽²⁾		2,067
Fair value of exchanged stock awards ⁽³⁾		228
Total consideration transferred	\$	108,735
Fair value of redeemable noncontrolling interest		1,501
Total fair value of Era	\$	110,236

⁽¹⁾ Represents the fair value of Combined Company Common Stock retained by Era Common Stockholders based on the closing market price of Era shares on June 11, 2020, the acquisition date.

⁽²⁾ Represents the fair value of restricted share awards of Combined Company Common Stock held by Era employees that were accelerated upon consummation of the Merger.

⁽³⁾ Represents the amount of the fair value of restricted share awards of Combined Company Common Stock held by Era employees relating to the pre-Merger vesting period.

The following table summarizes the fair values of assets acquired and liabilities assumed as of the date of acquisition, June 11, 2020 (in thousands):

Assets acquired:		
Cash and cash equivalents	\$	120,236
Accounts receivable from non-affiliates		35,079
Prepaid expenses and other current assets		17,598
Inventories		8,826
Property and equipment		223,256
Right-of-use assets		8,395
Other assets		14,792
Total assets acquired	\$	428,182
Liabilities assumed:		
Accounts payable	\$	9,686
Accrued wages, benefits and related taxes		8,319
Income taxes payable		1,791
Deferred revenue		236
Current portion of operating lease liabilities		1,711
Other accrued liabilities		18,474
Short-term borrowings and current maturities of long-term debt		17,485
Long-term debt, less current maturities		136,704
Other liabilities and deferred credits		1,404
Deferred taxes		34,198
Long-term operating lease liabilities		6,845
Total liabilities and redeemable noncontrolling interest assumed	\$	236,853
Net assets acquired	\$	191,329

The Merger resulted in a gain on bargain purchase due to the estimated fair value of the identifiable net assets acquired exceeding the purchase consideration transferred by \$81.1 million and is shown as a gain on bargain purchase on the condensed

BRISTOW GROUP INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
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consolidated statements of operations. The bargain purchase was a result of a combination of factors including depressed oil and gas prices and market volatility linked to the COVID-19 pandemic between the initial announcement and consummation of the Merger.

Specifically, the Era share price declined from \$8.59 to \$5.16 between the last trading day prior to the Merger announcement and the date the Merger closed. The aggregate Merger consideration was based on an exchange ratio that was fixed and did not fluctuate in the event that the value of Old Bristow's common stock increased or Era's common stock decreased, between the date of the Merger agreement and consummation of the Merger.

The following unaudited supplemental pro forma combined financial information presents the Company's results of operations for the three and six months ended September 30, 2020, as though the Merger had occurred on November 1, 2019, the effective date of Old Bristow's emergence from the Chapter 11 Cases. The unaudited pro forma financial information is as follows (in thousands)⁽¹⁾:

	Successor	
	Three Months Ended September 30, 2020	Six Months Ended September 30, 2020
Total revenues	\$ 304,640	\$ 609,963
Net income	\$ (34,333)	\$ (10,015)
Net income attributable to Bristow Group Inc.	\$ (34,200)	\$ (9,828)

(1) As a result of the Merger, the Company was required to dispose of its investment in Lider which occurred on August 2020. The Company had recorded an impairment in June 2020 of \$18.7 million related to the future disposition of the investment. This impairment has been excluded from the pro forma combined Net income and Net income attributable to Bristow Group Inc. due to its nonrecurring nature.

The amounts of revenue and earnings of Era included in the Company's condensed consolidated statements of operations from the acquisition date of June 11, 2020 are as follows (in thousands):

	Successor	
	Three Months Ended September 30, 2020	June 11, 2020 - September 30, 2020
Total revenues	\$ 41,817	\$ 50,677
Net loss	\$ (954)	\$ (5,247)

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Note 3 — PROPERTY AND EQUIPMENT

Property and Equipment Acquisitions

The Company made capital expenditures as follows (in thousands):

	Three Months Ended September 30,		Six Months Ended September 30,	
	Successor	Predecessor	Successor	Predecessor
	2020	2019	2020	2019
Capital expenditures:				
Aircraft and equipment	\$ 4,291	\$ 16,074	\$ 7,048	\$ 22,762
Land and buildings	232	2,437	324	3,188
Total capital expenditures	\$ 4,523	\$ 18,511	\$ 7,372	\$ 25,950

Property and Equipment Dispositions

The following table presents details on the aircraft sold or disposed of (in thousands, except for number of aircraft):

	Three Months Ended September 30,		Six Months Ended September 30,	
	Successor	Predecessor	Successor	Predecessor
	2020	2019	2020	2019
Number of aircraft sold or disposed of	31	1	32	3
Deposits on assets held for sale	\$ 3,437	\$ —	\$ 3,437	\$ —
Proceeds from sale or disposal of assets ⁽¹⁾	\$ 40,475	\$ 1,799	\$ 52,140	\$ 5,003
Loss from sale or disposal of assets ⁽²⁾	\$ (8,473)	\$ (230)	\$ (2,951)	\$ (4,017)

⁽¹⁾ Includes proceeds received for sale of property and equipment (including aircraft) during each period.

⁽²⁾ Included in loss on disposal of assets on the condensed consolidated statements of operations. Includes gain (loss), net of sale or disposal of property and equipment (including aircraft) during each period. During the three and six months ended September 30, 2020 (Successor), 21 and 22 aircraft, respectively, were sold that were not in assets held for sale respectively.

In connection with the sale of certain aircraft during the three months ended September 30, 2020, the Company agreed to sell certain related equipment and inventory. As a result, the Company recognized a \$12.4 million loss on impairment to record those equipment and inventory items at the expected sales value. The equipment and inventory did not transfer title as of September 30, 2020; however, title is expected to transfer prior to March 31, 2021.

Note 4 — REVENUE RECOGNITION

Revenue Recognition

The Company derives its revenues primarily from oil and gas flight services and search and rescue services. A majority of the Company's revenue is generated through two types of contracts: helicopter services and fixed wing services. Revenue is recognized when control of the identified distinct goods or services has been transferred to the customer, the transaction price is determined and allocated to the satisfied performance obligations and the Company has determined that collection has occurred or is probable of occurring.

The Company determines revenue recognition by applying the following steps:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations; and
5. Recognize revenue as the performance obligations are satisfied.

Operating revenue from the Company's oil and gas line of service is derived mainly from fixed-term contracts with its customers. Fixed-term contracts typically have original terms of one to five years, subject to provisions permitting early termination by customers. Customers are typically invoiced on a monthly basis with payment terms of 30-60 days.

The following table shows the total revenue related to third party customers (in thousands):

	Three Months Ended September 30,		Six Months Ended September 30,	
	Successor	Predecessor	Successor	Predecessor
	2020	2019	2020	2019
Revenue:				
Operating revenue from non-affiliates	\$ 282,060	\$ 290,939	\$ 528,189	\$ 594,672
Operating revenue from affiliates	3,267	5,365	7,861	9,840
Reimbursable revenue from non-affiliates	8,918	13,536	17,603	30,136
Revenue from Contracts with Customers	294,245	309,840	553,653	634,648
Other revenue from non-affiliates	447	409	867	806
Other revenue from affiliates	9,948	7,971	20,313	15,942

Total Revenue	<u>\$ 304,640</u>	<u>\$ 318,220</u>	<u>\$ 574,833</u>	<u>\$ 651,396</u>
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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
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Contract Assets, Liabilities and Receivables

The Company generally satisfies performance of contract obligations by providing helicopter and fixed wing services to its customers in exchange for consideration. The timing of performance may differ from the timing of the customer's payment, which results in the recognition of a contract asset or a contract liability. A contract asset exists when the Company has a contract with a customer for which revenue has been recognized (i.e., services have been performed), but customer payment is contingent on a future event (i.e., satisfaction of additional performance obligations). These contract assets are transferred to receivables when the right to consideration becomes unconditional. Contract liabilities relate to deferred revenue in which advance consideration is received from customers for contracts where revenue is recognized based on future performance of services.

As of September 30 and March 31, 2020 (Successor), receivables related to services performed under contracts with customers were \$173.7 million and \$148.3 million, respectively. During the six months ended September 30, 2020 (Successor), the Company recognized \$2.2 million of revenue from outstanding contract liabilities. Contract liabilities related to services performed under contracts with customers were \$7.9 million and \$4.9 million as of September 30, 2020 (Successor) and March 31, 2020 (Predecessor), respectively. Contract liabilities are primarily generated by fixed wing services where customers pay for tickets in advance of receiving the Company's services and advanced payments from helicopter services customers. There were no contract assets as of September 30 and March 31, 2020 (Successor).

There was \$0.6 million and \$1.0 million in revenues recognized from satisfied performance obligations related to prior periods (for example, due to changes in transaction price) for the three months and six months ended September 30, 2020 (Successor), respectively.

Remaining Performance Obligations

Remaining performance obligations represent firm contracts for which work has not been performed and future revenue recognition is expected. The table below discloses (1) the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period and (2) the expected timing to recognize this revenue (in thousands):

	Remaining Performance Obligations (Successor)					Total
	Six Months Ending March 31, 2021	Fiscal Year Ending March 31,				
		2022	2023	2024	2025 and thereafter	
Outstanding Service Revenue:						
Helicopter contracts	\$ 223,773	\$ 243,575	\$ 198,487	\$ 171,741	271,155	\$ 1,108,731
Fixed wing contracts	718	—	—	—	—	718
Total remaining performance obligation revenue	<u>\$ 224,491</u>	<u>\$ 243,575</u>	<u>\$ 198,487</u>	<u>\$ 171,741</u>	<u>271,155</u>	<u>\$ 1,109,449</u>

Although substantially all of the Company's revenue is derived under contract, due to the nature of the business, the Company does not have significant remaining performance obligations as its contracts typically include unilateral termination clauses that allow its customers to terminate existing contracts with a notice period of 30 to 365 days. The table above includes performance obligations up to the point where the parties can cancel existing contracts. Any applicable cancellation penalties have been excluded. As such, the Company's actual remaining performance obligation revenue is expected to be greater than what is reflected in the table above. In addition, the remaining performance obligation disclosure does not include expected consideration related to performance obligations of a variable nature (i.e., flight services) as they cannot be reasonably and reliably estimated.

Note 5 — VARIABLE INTEREST ENTITIES AND OTHER INVESTMENTS IN SIGNIFICANT AFFILIATES

A VIE is an entity that either (i) has insufficient equity to permit the entity to finance its activities without additional subordinated financial support or (ii) has equity investors who lack the characteristics of a controlling financial interest. A VIE is consolidated by its primary beneficiary. The primary beneficiary has both the power to direct the activities that most significantly impact the entity's economic performance and the obligation to absorb losses or the right to receive benefits from the entity that could potentially be significant to the VIE. If the Company determines that it has operating power and the obligation to absorb losses or receive benefits, it will consolidate the VIE as the primary beneficiary, and if not, the Company does not consolidate.

As of September 30, 2020 (Successor), the Company had interests in five VIEs, Bristow Aviation Holdings Limited ("Bristow Aviation"), Impigra Aviation Holdings Limited ("Impigra"), Bristow Helicopters (Nigeria) Limited ("BHNL"), Pan African Airlines (Nigeria) Limited ("PAAN") and YII 5668 Energy ("YII Energy"), of which the Company was the primary beneficiary, and had

BRISTOW GROUP INC. AND SUBSIDIARIES
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no interests in VIEs of which the Company was not the primary beneficiary. See Note 3 to the fiscal year 2020 condensed consolidated financial statements for a description of these VIEs and other investments in significant affiliates.

Bristow Aviation — The Company owns 49% of Bristow Aviation’s common stock and a significant amount of its subordinated debt. Bristow Aviation is incorporated in England and, through its subsidiaries, holds all the outstanding shares in Bristow Helicopters Limited (“Bristow Helicopters”). Impigra, a British company owned 100% by U.K. Bristow employees is considered a VIE that the Company consolidates as the primary beneficiary and is expected to meet the requirements to satisfy a qualified U.K. investor requirement. As of September 30, 2020, the Company and Impigra owned 49% and 51%, respectively, of Bristow Aviation’s total outstanding ordinary shares. Bristow Aviation and its subsidiaries are exposed to similar operational risks as the Company and are therefore monitored and evaluated on a similar basis by management.

The following tables show summarized financial information for Bristow Aviation reflected on the Company’s condensed consolidated statements of operations and balance sheets (in thousands):

	Three Months Ended September 30,		Six Months Ended September 30,	
	Successor	Predecessor	Successor	Predecessor
	2020	2019	2020	2019
Revenue	\$ 223,232	\$ 276,568	\$ 448,851	\$ 571,723
Operating income (loss)	259,435	(13,692)	276,726	(2,412)
Net income (loss)	182,542	(21,034)	121,207	(383,882)
			Successor	
			September 30, 2020	March 31, 2020
Total assets			\$ 1,092,018	\$ 1,030,096
Total liabilities			\$ 3,736,812	\$ 3,792,617

BHNL — is a joint venture in Nigeria in which Bristow Helicopters owns a 48% interest, a Nigerian company owned 100% by Nigerian employees owns a 50% interest and an employee trust fund owns the remaining 2% interest as of September 30, 2020 (Successor). BHNL provides aviation services to customers in Nigeria.

PAAN — is a joint venture in Nigeria with local partners in which the Company owns a 50.17% interest.

Other Significant Affiliates — Unconsolidated

Cougar — The Company owns a 25% voting interest and a 40% economic interest in Cougar Helicopters Inc. (“Cougar”), the largest offshore energy and SAR helicopter service provider in Canada. Cougar’s operations are primarily focused on serving the offshore oil and gas industry off Canada’s Atlantic coast and in the Arctic.

PAS — The Company has a 25% interest in Petroleum Air Services (“PAS”), an Egyptian corporation that provides helicopter and fixed wing transportation to the offshore energy industry in Egypt. As of September 30 and March 31, 2020 (Successor), the investment in PAS was \$33.0 million and is included on the consolidated balance sheets in investment in unconsolidated affiliates.

Lider — During the six months ended September 30, 2020 (Successor), the Company recorded an \$18.7 million non-cash impairment charge to its investment in Líder Táxi Aéreo S.A. (“Líder”), an unconsolidated affiliate in Brazil, upon evaluating its equity investment in the company. The Company initiated a partial dissolution process to exit its equity investment in Líder in July 2020. As a result of this process, the Company is no longer a shareholder of Líder.

The Company continues to evaluate its unconsolidated affiliates for indicators of other-than-temporary impairment in light of current market conditions. Changes in market conditions or contractual relationships in future periods could result in the identification of other-than-temporary impairment.

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Note 6 — DEBT

Debt as of September 30 and March 31, 2020 (Successor) consisted of the following (in thousands):

	September 30, 2020	March 31, 2020
PK Air Debt	\$ 198,217	\$ 207,326
Macquarie Debt	145,232	148,165
7.750% Senior Notes (1)	137,499	—
Lombard Debt	139,399	136,180
Promissory notes (2)	17,069	—
Airmorth Debt	6,624	7,618
Humberside Debt	329	335
Term Loan	—	61,500
Total debt	644,369	561,124
Less short-term borrowings and current maturities of long-term debt	(64,027)	(45,739)
Total long-term debt	\$ 580,342	\$ 515,385

(1) The pre-Merger outstanding principal amount of Era's 7.750% senior unsecured notes as of March 31, 2020 was \$142.0 million, net of unamortized discounts and debt issuance costs.

(2) The pre-Merger outstanding principal amount of Era's promissory notes as of March 31, 2020 was \$17.9 million.

PK Air Debt — During the three and six months ended September 30, 2020 (Successor), the Company made \$5.4 million and \$10.6 million, respectively, in principal payments on the PK Air debt.

Macquarie Debt — During the three and six months ended September 30, 2020 (Successor), the Company made \$2.4 million and \$4.8 million, respectively, in principal payments on the Macquarie debt.

7.750% Senior Notes — On December 7, 2012, Era Group issued \$200.0 million aggregate principal amount of its 7.750% senior unsecured notes due December 15, 2022 (the "7.750% Senior Notes") and received net proceeds of \$191.9 million. Interest on the 7.750% Senior Notes is payable semi-annually in arrears on June 15th and December 15th of each year. The 7.750% Senior Notes may be redeemed at any time and from time to time at the applicable redemption prices set forth in the indenture governing the 7.750% Senior Notes, plus accrued and unpaid interest, if any, to the redemption date. The indenture governing the 7.750% Senior Notes contains covenants that restrict the Company's ability to, among other things, incur additional indebtedness, pay dividends or make other distributions or repurchase or redeem the Company's capital stock, prepay, redeem or repurchase certain debt, make loans and investments, sell assets, incur liens, enter into transactions with affiliates, enter into agreements restricting its subsidiaries' ability to pay dividends, and consolidate, merge or sell all or substantially all of our assets. In addition, upon a specified change of control trigger event or specified asset sale, the Company may be required to repurchase the 7.750% Senior Notes. The payment obligations under the 7.750% Senior Notes are fully and unconditionally guaranteed by certain of the Company's subsidiaries.

As of September 30, 2020 (Successor), the 7.750% Senior Notes had a carrying value of \$137.5 million on the condensed consolidated balance sheets. In June 2020, in connection with and upon completion of the Merger, Era's long-term debt less its current maturities were fair valued and a new value of \$136.8 million was assigned to the 7.750% Senior Notes.

Lombard Debt — During the three and six months ended September 30, 2020 (Successor), the Company made \$3.1 million and \$6.1 million, respectively, in principal payment on the Lombard debt.

Promissory Notes — In 2010, Era entered into two promissory notes to purchase a heavy and medium helicopter, respectively. In December 2015, upon maturity of the notes, the then outstanding balances of \$19.0 million and \$5.9 million were refinanced. The notes require monthly principal payments of \$0.1 million and less than \$0.1 million with final payments of \$12.8 million and \$4.0 million, respectively. Both promissory notes are due in December 2020.

Term Loan Agreement — In connection with the closing of the Merger on June 11, 2020, the Company fully repaid the Term Loan by making \$61.5 million in principal payments and \$0.6 million in prepayment premiums.

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4½% Convertible Senior Notes due 2023 — Prior to May 11, 2019, the remaining debt discount was being amortized to interest expense over the term of the 4½% Convertible Senior Notes using the effective interest rate. The effective interest rate for April 1, 2019 to May 11, 2019 (Predecessor) was 11.0%. Interest expense related to the 4½% Convertible Senior Notes was as follows (in thousands):

	Predecessor	
	Six Months Ended September 30, 2019	
Contractual coupon interest	\$	715
Amortization of debt discount		648
Total interest expense	\$	1,363

As of May 11, 2019, Old Bristow determined that the 4½% Convertible Senior Notes were an allowed claim and therefore reclassified the balance to liabilities subject to compromise and discontinued accruing interest on these obligations. Contractual interest on the 4½% Convertible Senior Notes for the three and six months ended September 30, 2019 (Predecessor) was \$1.6 million and \$3.2 million, which is \$1.6 million and \$2.5 million in excess of reported interest expense for the three and six months ended September 30, 2019 (Predecessor).

ABL Facility — On April 17, 2018, two of Old Bristow’s subsidiaries entered into an asset-backed revolving credit facility (the “ABL Facility”). The ABL Facility matures in April 2023, subject to certain early maturity triggers related to maturity of other material debt or a change of control of the Company. Amounts borrowed under the ABL Facility are secured by certain accounts receivable owing to the borrower subsidiaries and the deposit accounts into which payments on such accounts receivable are deposited.

On August 18, 2020, the Company entered into a Deed of Amendment and Restatement, Accession, Transfer, Resignation and Confirmation Agreement (the “ABL Amendment”) relating to the ABL Facility (as amended by the ABL Amendment, the “Amended ABL”), by and among the Company, Old Bristow, Bristow Norway AS, Bristow Helicopters Limited and Bristow U.S. LLC, as borrowers and guarantors, the financial institutions from time to time party thereto as lenders and Barclays Bank PLC, in its capacity as agent and security trustee. The ABL Amendment amends the ABL Facility in order to, among other things, (i) make available to the borrowers an additional “last in, last out” tranche of revolving loan commitments available to the borrowers under the Amended ABL in an aggregate amount not to exceed \$5.0 million, (ii) replace Old Bristow with the Company as the parent guarantor under the Amended ABL and (iii) permit the accession at a later date of certain domestic subsidiaries of the Company as borrowers under the Amended ABL and the addition of certain of their receivables to the borrowing base and the collateral for the Amended ABL. The interest rates applicable to loans made under the “last in, last out” tranche of revolving commitments under the Amended ABL are equal to either: (a) the ABR (as defined in the Amended ABL) plus 2.50% per annum or (b) LIBOR or NIBOR (each as defined in the Amended ABL) plus 3.50% per annum. Swingline loans made under the “last in, last out” tranche of revolving commitments under the Amended ABL bear interest at the ABR Rate (as defined in the Amended ABL) plus 2.50% per annum. As a result of the ABL Amendment, the Amended ABL provides for commitments in an aggregate amount of \$80.0 million. The Company retains the ability under the Amended ABL to increase the total commitments up to a maximum aggregate amount of \$115.0 million, subject to the terms and conditions therein.

As of September 30, 2020 (Successor), there were no outstanding borrowings under the Amended ABL nor had the Company made any draws during the three months ended September 30, 2020 (Successor). Letters of credit issued under the Amended ABL in the aggregate face amount of \$9.2 million were outstanding on September 30, 2020 (Successor).

LIBOR Transition — In 2020, a number of regulators in conjunction with the FASB and the U.S. Federal Reserve announced their intention to suspend and replace the use of LIBOR by the beginning of calendar year 2021. The effects of this transition from LIBOR to an alternative reference rate may impact the Company’s current indebtedness that is tied to LIBOR, in addition to the potential overall financial market disruption as a result of this phase-out. The Company is currently evaluating the potential effects of this announcement on its underlying debt, but it does not expect the impact to be material.

Note 7 — FAIR VALUE DISCLOSURES

The fair value of an asset or liability is the price that would be received to sell an asset or transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Company utilizes a fair value hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value and defines three levels of inputs that may be used to measure fair value. The fair values of the Company’s cash and cash equivalents, accounts receivable and accounts payable approximate their carrying values due to the short-term nature of these items.

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Assets and liabilities subject to fair value measurement are categorized into one of three different levels depending on the observability of the inputs employed in the measurement, as follows:

- Level 1 – observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 – inputs that reflect quoted prices for identical assets or liabilities in markets which are not active; quoted prices for similar assets or liabilities in active markets; inputs other than quoted prices that are observable for the asset or liability; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 – unobservable inputs reflecting the Company’s own assumptions incorporated in valuation techniques used to determine fair value. These assumptions are required to be consistent with market participant assumptions that are reasonably available.

Old Bristow Preferred Stock Embedded Derivative

The fair value of the Old Bristow Preferred Stock embedded derivative relied on the income approach which was derived from Level 3, unobservable inputs that required significant estimates, judgments and assumptions relating to the Company’s equity volatility, capitalization tables, term to exit and equity value. The Old Bristow Preferred Stock was converted into Old Bristow Common Stock immediately prior to consummation of the Merger.

Changes in the fair value of the New Preferred Stock derivative liability, carried at fair value, are reported as change in fair value of the Preferred Stock derivative liability in the condensed consolidated statements of operations. For the six months ended September 30, 2020 (Successor), the Company recognized non-cash expense of approximately \$15.4 million due to an increase in the Preferred Stock derivative liability related to the embedded derivative in the New Preferred Stock.

The following table provides a rollforward of the preferred stock embedded derivative Level 3 fair value measurements for the six months ended September 30, 2020 (Successor):

	Significant Unobservable Inputs (Level 3)	
	(in thousands)	
Derivative financial instruments:		
March 31, 2020	\$	286,182
Change in fair value		(15,416)
Preferred stock shares conversion		(266,846)
Share repurchases		(3,920)
September 30, 2020	\$	—

The Old Bristow Preferred stock embedded derivative considered settlement scenarios which are further defined in Note 11 to the condensed consolidated financial statements. A number of the settlement scenarios required a settlement premium. The specified premium depended on the timing of the liquidity event, ranging from a minimum of (a) 17% Internal Rate of Return (the “IRR”) (b) 2.1x Multiple of Invested Capital (the “MOIC”) and (c) 14% Internal Rate of Return (the “IRR”) if the liquidity event is prior to 3 years, to (y) a 2.1x MOIC and (z) 17% IRR if the liquidity event is in 5 years or more. The fair value for the embedded derivative was determined using a “with” and “without” approach, first determining the fair value of the Old Bristow Preferred Stock (inclusive of all bifurcated features) with the features and comparing it with the fair value of an instrument with identical terms to the Old Bristow Preferred Stock without any of the bifurcated features (i.e., the preferred stock host).

The fair value of the Old Bristow Preferred Stock was estimated using an option pricing method (“OPM”) allocating the total equity value to the various classes of equity. As of June 11, 2020 (Successor), Old Bristow assumed an expected term of 6 years, a risk-free rate of 0.38% and volatility of 85%. Without the redemption or conversion features, the holders of the Old Bristow Preferred Stock would have had right to perpetual preferred with 10% paid-in-kind (“PIK”) dividends, or the right to any upside value from conversion into common stock if the value exceeded the minimum return provided for under the COD (as defined herein). The value of converting to common stock on the upside would be measured as the residual upon a liquidity event. Therefore, the fair value of the host was estimated as the value of the upside conversion into common shares, which was also estimated using the OPM. The valuation as of June 11, 2020 resulted in a decline in fair value of the Old Bristow Preferred Stock embedded derivative of \$15.4 million from March 31, 2020 (Successor).

On June 11, 2020, immediately before the Merger was executed, Old Bristow exercised its call right (the “Call Right”) pursuant to section 8 of the Certificate of Designation of the Old Bristow Preferred Stock (“COD”). This provision entitled Old Bristow to repurchase the shares upon a Fundamental Transaction (which included a merger or consolidation) for a repurchase price equal to (i) the Liquidation Preference plus (ii) the present value of the dividends that would have accrued from the call date

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to the 5th anniversary of the issuance date (had the Call Right not been exercised) multiplied by the Make-Whole Redemption Percentage (equal to 102% because the Call Right was exercised before the 3rd anniversary of the issuance date). Upon exercise of the Call Right, Old Bristow issued 5.17962 shares of Old Bristow Common Stock to the remaining holders of the Preferred Stock for each share of Preferred Stock held.

The carrying values of the Old Bristow Preferred Stock were derecognized, including the Old Bristow Preferred Stock embedded derivative, and recognized the Old Bristow Common Stock issued to the holders of the Old Bristow Preferred Stock at its fair value. The difference between (a) the carrying value of the Old Bristow Preferred Stock embedded derivative plus the carrying value of the Old Bristow Preferred Stock host and (b) the fair value of the Old Bristow Common Stock paid as consideration for the Old Bristow Preferred Stock was recognized in retained earnings because the fair value of the Old Bristow Common Stock was less than the combined carrying values of the Old Bristow Preferred Stock host and embedded derivative. In addition, immediately prior to the Merger, Old Bristow repurchased 98,784 shares of the Old Bristow Preferred Stock and 142,721 shares of Old Bristow Common Stock. The repurchase of the Old Bristow Preferred Stock was accounted for in the same manner as the share-settled redemption described above in connection with the Merger.

Fair Value of Debt

The fair value of the Company's debt has been estimated in accordance with the accounting standard regarding fair value. The fair value of the Company's long-term debt was estimated using discounted cash flow analysis based on estimated current rates for similar types of arrangements. Considerable judgment was required in developing certain of the estimates of fair value, and, accordingly, the estimates presented herein are not necessarily indicative of the amounts that the Company could realize in a current market exchange.

The carrying and fair value of the Company's debt, excluding unamortized debt issuance costs, are as follows (in thousands):

	Successor			
	Carrying Amount	Level 1	Level 2	Level 3
September 30, 2020				
LIABILITIES				
PK Air Debt	\$ 198,217	\$ —	\$ 205,627	\$ —
Macquarie Debt	145,232	—	153,119	—
7.750% Senior Notes	137,499	—	136,889	—
Lombard Debt	139,399	—	150,211	—
Promissory notes	17,069	—	17,069	—
Airnorth Debt	6,624	—	6,778	—
Humberside Debt	329	—	329	—
	<u>\$ 644,369</u>	<u>\$ —</u>	<u>\$ 670,022</u>	<u>\$ —</u>
March 31, 2020				
LIABILITIES				
PK Air Debt	\$ 207,326	\$ —	\$ 180,290	\$ —
Macquarie Debt	148,165	—	138,133	—
Lombard Debt	136,180	—	122,165	—
Term Loan	61,500	—	56,894	—
Airnorth Debt	7,618	—	7,221	—
Humberside Debt	335	—	335	—
	<u>\$ 561,124</u>	<u>\$ —</u>	<u>\$ 505,038</u>	<u>\$ —</u>

The carrying value is net of unamortized discount as follows (in thousands):

	Successor	
	September 30, 2020	March 31, 2020
PK Air Debt	\$ 11,095	\$ 12,620
Macquarie Debt	9,196	11,063
7.750% Senior Notes	6,589	—
Lombard Debt	23,817	26,372
Airnorth Debt	339	605
Total unamortized debt discount	<u>\$ 51,036</u>	<u>\$ 50,660</u>

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Note 8 — COMMITMENTS AND CONTINGENCIES

Fleet — The Company's unfunded capital commitments as of September 30, 2020 (Successor) consisted primarily of agreements to purchase helicopters and totaled \$85.1 million, payable beginning in fiscal year 2021 through fiscal year 2022. The Company also had \$1.3 million of deposits paid on options not yet exercised. All of the Company's capital commitments (inclusive of deposits paid on options not yet exercised) may be terminated without further liability other than aggregate liquidated damages of \$2.1 million.

Included in these commitments are orders to purchase three AW189 heavy helicopters and five AW169 light twin helicopters. The AW189 helicopters are scheduled to be delivered in fiscal year 2022. Delivery dates for the AW169 helicopters have yet to be determined. In addition, the Company had outstanding options to purchase up to ten additional AW189 helicopters. If these options are exercised, the helicopters would be scheduled for delivery in fiscal year 2022 and fiscal year 2023. The Company may, from time to time, purchase aircraft for which it has no orders.

Other Purchase Obligations — As of September 30, 2020 (Successor), the Company had \$9.6 million of other purchase obligations representing non-cancelable PBH maintenance commitments.

General Litigation and Disputes

The Company operates in jurisdictions internationally where it is subject to risks that include government action to obtain additional tax revenue. In a number of these jurisdictions, political unrest, the lack of well-developed legal systems and legislation that is not clear enough in its wording to determine the ultimate application, can make it difficult to determine whether legislation may impact the Company's earnings until such time as a clear court or other ruling exists. The Company operates in jurisdictions currently where amounts may be due to governmental bodies that the Company is not currently recording liabilities for as it is unclear how broad or narrow legislation may ultimately be interpreted. The Company believes that payment of amounts in these instances is not probable at this time, but is reasonably possible.

In the normal course of business, the Company is involved in various litigation matters including, among other things, claims by third parties for alleged property damages and personal injuries. In addition, from time to time, the Company is involved in tax and other disputes with various government agencies. Management has used estimates in determining the Company's potential exposure to these matters and has recorded reserves in its condensed consolidated financial statements related thereto as appropriate. It is possible that a change in its estimates related to these exposures could occur, but the Company does not expect such changes in estimated costs or uninsured losses, if any, would have a material effect on its business, consolidated financial position or results of operations.

Note 9 — TAXES

The Company's effective tax rate was (44.2)% and 11.8% during the three months ended September 30, 2020 (Successor) and September 30, 2019 (Predecessor), respectively, and 10.9% and 10.1% during the six months ended September 30, 2020 (Successor) and September 30, 2019 (Predecessor), respectively. The effective tax rate in the three and six months ended September 30, 2020 (Successor) includes the impact of utilization of net operating losses in certain foreign jurisdictions and adjustment to its valuation allowances against future realization of deductible business interest expense. The Company's provision for income taxes for the interim period ended September 30, 2020 was prepared by applying the estimated annual income tax rate for the full fiscal year to income from continuing operations, excluding discrete items, for the reporting period. For the interim period ended June 30, 2020, the Company utilized the discrete effectively tax rate method to report its provision for income taxes.

The relationship between the Company's provision for or benefit from income taxes and the Company's pre-tax book income can vary significantly from period to period considering, among other factors, (a) the overall level of pre-tax book income, including asset sales, (b) changes in the blend of income that is taxed based on gross revenues or at high effective tax rates versus pre-tax book income or at low effective tax rates and (c) the Company's geographical blend of pre-tax book income. Consequently, the Company's income tax expense or benefit does not change proportionally with the Company's pre-tax book income or loss. Significant decreases in the Company's pre-tax book income typically result in higher effective tax rates, while significant increases in pre-tax book income can lead to lower effective tax rates, subject to the other factors impacting income tax expense noted above. The change in the Company's effective tax rate excluding discrete items for the three and six months ended September 30, 2020 (Successor) compared to the three and six months ended September 30, 2019 (Predecessor) primarily related to changes in the blend of earnings taxed in relatively high taxed jurisdictions versus low taxed jurisdictions and nondeductible professional fees related to the Merger. The six months ended September 30, 2020 (Successor) income taxes include a benefit of \$17.0 million related to the bargain purchase gain and an expense of \$3.9 million from the impairment of the Company's investment in Lider. Additionally, the Company increased its valuation allowances by \$2.8 million and \$3.6 million for the three months ended September 30, 2020 (Successor) and September 30, 2019 (Predecessor), respectively, and decreased its valuation allowances by

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\$6.2 million and increased its valuation allowances by \$3.3 million for the six months ended September 30, 2020 (Successor) and September 30, 2019 (Predecessor), respectively, which also impacted the Company's effective tax rate.

Valuation allowances represent the reduction of the Company's deferred tax assets. The Company evaluates its deferred tax assets quarterly, which requires significant management judgment to determine the recoverability of these deferred tax assets by assessing whether it is more likely than not that some or all of the deferred tax asset will be realized before expiration. After considering all available positive and negative evidence using a "more likely than not" standard, the Company believes it is appropriate to value against deferred tax assets related to foreign tax credits and certain foreign net operating losses. For the three months ended September 30, 2019 (Predecessor), the Company released valuation allowances of \$0.2 million related to net operating losses in certain foreign jurisdictions and deductible business interest expense. For the six months ended September 30, 2020 (Successor) and September 30, 2019 (Predecessor), the Company released valuation allowances of \$9.6 million and \$7.2 million, respectively, related to net operating losses in certain foreign jurisdictions and deductible business interest expense, respectively.

The benefit of an uncertain tax position taken or expected to be taken on an income tax return is recognized in the condensed consolidated financial statements at the largest amount that is more likely than not to be sustained upon examination by the relevant taxing authority. Interest and penalties, if any, related to uncertain tax positions would be recorded in interest expense and other expense, respectively.

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Note 10 — SHARE-BASED COMPENSATION AND OTHER EMPLOYEE BENEFIT PLANS

Management Incentive Plan

On the Effective Date, the Compensation Committee of Old Bristow's Board adopted the 2019 Management Incentive Plan (the "MIP"). At the time of its adoption, the MIP served as an equity-based compensation plan for directors, officers and participating employees and other service providers of Old Bristow and its affiliates, pursuant to which Old Bristow was permitted to issue awards covering shares of the Old Bristow Common Stock and Old Bristow Preferred Stock. During the five months ended March 31, 2020 (Successor), Old Bristow awarded 188,210 shares of restricted Old Bristow Preferred Stock, 312,606 shares of restricted Old Bristow Common Stock, 113,081 Old Bristow Preferred Stock options and 265,049 Old Bristow Common Stock options. Upon the closing of the Merger, these awards converted into 656,617 shares of restricted Combined Company Common Stock and 433,283 stock options to purchase Combined Company Common Stock, of which 73,131 shares of restricted Combined Company Common Stock and 48,448 Combined Company Common Stock options vested and 227,884 shares of restricted of Combined Company Common Stock and 151,307 Combined Company Common Stock options forfeited on June 11, 2020 (Successor). Upon the closing of the Merger, 151,768 shares of unvested Combined Company restricted stock awards previously issued under the Era Group Inc. 2012 Share Incentive Plan (the "2012 Incentive Plan") remained unvested.

Total stock based compensation expense, which includes stock options and restricted stock was \$2.0 million and \$7.2 million for the three and six months ended September 30, 2020 (Successor), respectively.

On June 17, 2020 (Successor), the Company awarded 150,001 shares of Combined Company performance restricted stock units at an average grant date fair value of \$7.73 and 150,001 stock options to purchase Combined Company Common Stock at a grant date fair value of \$10.99 to certain senior executives. The performance restricted stock vests on a cliff-basis after three years based on certain stock price performance targets. The following table shows the assumptions used to compute the stock-based compensation expense for stock options granted on June 17, 2020 (Successor):

	Common Stock Options
Risk free interest rate	0.5%
Expected life (years)	6.5
Volatility	80.0%
Weighted average exercise price of options granted	15.76
Weighted average grant-date fair value of options granted	10.99

During the three months ended September 30, 2020, the Combined Company awarded 218,088 shares of restricted stock units at an average grant date fair value \$19.41 per share and 11,667 stock options at a grant date fair value of \$14.56.

Pension Plans

The components of net periodic pension cost (benefit) other than the service cost component are included in other income (expense), net on the Company's condensed consolidated statement of operations. The following table provides a detail of the components of net periodic pension cost (benefit) (in thousands):

	Three Months Ended September 30,		Six Months Ended September 30,	
	Successor	Predecessor	Successor	Predecessor
	2020	2019	2020	2019
Service cost for benefits earned during the period	\$ 304	\$ 152	\$ 595	\$ 311
Interest cost on pension benefit obligation	2,334	2,799	4,576	5,718
Expected return on assets	(3,233)	(3,841)	(6,340)	(7,846)
Prior service costs	—	34	—	69
Amortization of unrecognized losses	—	1,976	—	4,037
Net periodic pension cost	\$ (595)	\$ 1,120	\$ (1,169)	\$ 2,289

The current estimates of the Company's cash contributions to the Company's defined benefit pension plans to be paid in fiscal year 2021 are \$16.3 million, of which \$7.6 million was paid during the six months ended September 30, 2020 (Successor).

Note 11 — STOCKHOLDERS' INVESTMENT, EARNINGS PER SHARE AND ACCUMULATED OTHER COMPREHENSIVE INCOME

Stockholders' Investment, Common Stock and Preferred Stock

As of September 30, 2020 (Successor), there were 29,813,734 shares of Combined Company Common Stock and no shares of the Combined Company's preferred stock issued and outstanding.

In connection with the Merger, the Old Bristow Preferred Stock which was previously defined, was converted into Old Bristow Common Stock which was previously defined, and then all Old Bristow Common Stock was converted into the Combined Company Common Stock.

Because the Old Bristow Preferred Stock could be redeemed in certain circumstances outside of the sole control of Old Bristow (including at the option of the holder), but was not mandatorily redeemable, the Old Bristow Preferred Stock was classified as mezzanine equity and initially recognized at fair value of \$618.9 million as of October 31, 2019 (Successor). This amount was reduced by the fair value of the bifurcated derivative liability as of October 31, 2019 (Successor) of \$470.3 million, resulting in an initial value of \$148.6 million. The difference between (a) the carrying value of the embedded derivative of \$270.8 million plus the carrying value of the Preferred Stock Host of \$148.6 million and (b) the fair value of the Old Bristow Common Stock of \$270.7 million paid as consideration for the Old Bristow Preferred Stock was recognized in retained earnings because the fair value of the Old Bristow Common Stock was less than the combined carrying values of the Old Bristow Preferred Stock host and embedded derivative.

Prior to the Merger, there were 11,092,845 shares of Old Bristow Common Stock and 6,725,798 shares of Old Bristow Preferred Stock issued and outstanding. As described in Note 7 to the condensed consolidated financial statements, Old Bristow repurchased certain shares of Old Bristow Common Stock and shares of Old Bristow Preferred Stock immediately prior to the conversion of the Old Bristow Preferred Stock into Old Bristow Common Stock. The repurchase was accounted for in the same manner as the share conversion and included in the calculation described above. The Old Bristow Preferred Stock was converted into Old Bristow Common Stock at a rate of 5.179562 shares of Old Bristow Common Stock for each share of Old Bristow Preferred Stock.

The Old Bristow Common Stock was then subsequently exchanged for the Combined Company Common Stock, resulting in a total of 24,195,693 shares of Combined Company Common Stock issued to legacy Old Bristow stockholders. This resulted in a total of 30,882,471 shares of Combined Company Common Stock issued and outstanding immediately after consummation of the Merger. Upon the closing of the Merger, 217,899 shares of restricted stock awards and 145,263 stock options to purchase common stock for certain employees, related to Old Bristow employees, were canceled as a result of separation from the Combined Company. Upon the closing of the Merger, vesting of 145,604 shares of restricted stock awards, related to the Combined Company's employees were also accelerated.

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Share Repurchases.

On September 16, 2020, the Board authorized a stock repurchase plan providing for the repurchase of up to \$75.0 million of the Company's common stock. Repurchases under the program may be made in the open market, including pursuant to a Rule 10b5-1 plan, by block repurchases, in private transactions (including with related parties) or otherwise, from time to time, depending on market conditions. The share repurchase program has no expiration date and may be suspended or discontinued at any time without notice.

During the three months ended September 30, 2020, the Company repurchased 345,327 shares of common stock in open market transactions for gross consideration of \$7.6 million, which is an average cost per share of \$21.93. After these repurchases, as of September 30, 2020, \$67.4 million remained of the \$75.0 million share repurchase program.

Earnings per Share

Basic earnings per common share is computed by dividing income available to common stockholders by the weighted average number of shares of common stock outstanding during the period. Diluted earnings per common share excludes options to purchase common shares and restricted stock units and awards which were outstanding during the period but were anti-dilutive. The following table shows the computation of basic and diluted earnings per share (in thousands, except share and per share amounts):

	Three Months Ended September 30,		Six Months Ended September 30,	
	Successor	Predecessor	Successor	Predecessor
	2020	2019	2020	2019
Income (loss):				
Net income (loss) attributable to Bristow Group Inc.	\$ (27,861)	\$ (162,974)	\$ 43,616	\$ (332,220)
Less: PIK dividends ⁽¹⁾	—	—	(12,039)	—
Plus: Deemed contribution from conversion of preferred stock	—	—	144,986	—
Income available to common stockholders – basic	\$ (27,861)	\$ (162,974)	\$ 176,563	\$ (332,220)
Less: Preferred stock adjustments	—	—	(3,377)	—
Income available to common stockholders – diluted	\$ (27,861)	\$ (162,974)	\$ 173,186	\$ (332,220)
Shares:				
Weighted average number of common shares outstanding – basic	29,357,959	35,918,916	20,230,285	35,918,916
Net effect of dilutive stock options and restricted stock	—	—	13,801,372	—
Weighted average number of common shares outstanding – diluted ⁽²⁾⁽³⁾	29,357,959	35,918,916	34,031,657	35,918,916
Earnings per common share - basic	\$ (0.95)	\$ (4.54)	\$ 8.73	\$ (9.25)
Earnings per common share - diluted	\$ (0.95)	\$ (4.54)	\$ 5.09	\$ (9.25)

⁽¹⁾ See “Stockholders’ Investment, Common Stock and Preferred Stock” above for further discussion on PIK dividends.

⁽²⁾ Excludes weighted average common shares of 1,280,592 and 4,003,039 for the three months ended September 30, 2020 (Successor) and 2019 (Predecessor), respectively, and 1,267,315 and 3,825,187 for the six months ended September 30, 2020 (Successor) and 2019 (Predecessor), respectively, for certain share awards as the effect of their inclusion would have been antidilutive. The Old Bristow Preferred Stock is not included on an if-converted basis under diluted earnings per common share as the conversion of the shares would have been anti-dilutive.

⁽³⁾ Potentially dilutive shares issuable pursuant to the warrant transactions entered into concurrently with the issuance of the Combined Company’s 4½% Convertible Senior Notes (the “Warrant Transactions”) were not included in the computation of diluted income per share for the three six months ended September 30, 2019, because to do so would have been anti-dilutive.

BRISTOW GROUP INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

Accumulated Other Comprehensive Income (Loss)

The following table shows the changes in balances for accumulated other comprehensive income (loss) (in thousands):

	Successor			
	Currency Translation Adjustments	Pension Liability Adjustments ⁽¹⁾	Unrealized gain (loss) on cash flow hedges ⁽²⁾	Total
Balance as of March 31, 2020	\$ (16,440)	\$ 6,389	\$ 1,410	\$ (8,641)
Other comprehensive income (loss) before reclassification	18,485	—	(2,993)	15,492
Reclassified from accumulated other comprehensive income	—	—	829	829
Net current period other comprehensive income (loss)	18,485	—	(2,164)	16,321
Foreign exchange rate impact	(240)	240	—	—
Balance as of September 30, 2020	\$ 1,805	\$ 6,629	\$ (754)	\$ 7,680

⁽¹⁾ Reclassification of amounts related to pension liability adjustments are included as a component of net periodic pension cost.

⁽²⁾ Reclassification of amounts related to cash flow hedges were included as direct costs.

BRISTOW GROUP INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

Note 12 — SEGMENT INFORMATION

The Company conducts business in one segment: aviation services. The aviation services global operations include four regions as follows: Europe Caspian, Africa, Americas and Asia Pacific. The Europe Caspian region comprises all of the Company's operations and affiliates in Europe and Central Asia, including Norway, the U.K. and Turkmenistan. The Africa region comprises all of the Company's operations and affiliates on the African continent, including Nigeria and Egypt. The Americas region comprises all of the Company's operations and affiliates in North America and South America, including Brazil, Canada, Colombia, Guyana, Suriname, Trinidad and the U.S. Gulf of Mexico. The Asia Pacific region comprises all of the Company's operations and affiliates in Australia and Southeast Asia. Prior to the sale of BHLL and Aviashef during the six months ended September 30, 2019 (Predecessor), the Company had operations in Sakhalin, Russia which is included in the Asia Pacific region. Prior to the sale of Eastern Airways on May 10, 2019 (Predecessor), the Company had fixed wing operations in the Europe Caspian region.

The following tables show region information reconciled to consolidated totals, and prepared on the same basis as the Company's condensed consolidated financial statements (in thousands):

	Three Months Ended September 30,		Six Months Ended September 30,	
	Successor	Predecessor	Successor	Predecessor
	2020	2019	2020	2019
Region revenue from external customers:				
Europe Caspian	\$ 164,920	\$ 179,870	\$ 331,913	\$ 368,464
Africa	23,056	47,165	54,778	96,681
Americas	95,361	61,726	154,475	118,716
Asia Pacific	21,112	29,449	33,370	67,260
Corporate and other	191	10	297	275
Total region revenue (1)	<u>\$ 304,640</u>	<u>\$ 318,220</u>	<u>\$ 574,833</u>	<u>\$ 651,396</u>

(1) The above table represents disaggregated revenue from contracts with customers except for the following (in thousands):

	Three Months Ended September 30,		Six Months Ended September 30,	
	Successor	Predecessor	Successor	Predecessor
	2020	2019	2020	2019
Revenue not from contracts with customers:				
Europe Caspian	\$ 348	\$ 318	\$ 690	\$ 622
Africa	—	—	—	—
Americas	9,019	7,983	18,026	15,966
Asia Pacific	83	79	157	160
Corporate and other	945	—	2,307	—
Total region revenue	<u>\$ 10,395</u>	<u>\$ 8,380</u>	<u>\$ 21,180</u>	<u>\$ 16,748</u>

BRISTOW GROUP INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Unaudited)

	Three Months Ended September 30,		Six Months Ended September 30,	
	Successor	Predecessor	Successor	Predecessor
	2020	2019	2020	2019
Earnings from unconsolidated affiliates, net of losses – equity method investments:				
Europe Caspian	\$ (43)	\$ (3)	\$ (19)	\$ 168
Americas	1,948	315	(54)	2,491
Corporate and other	—	321	—	321
Total earnings from unconsolidated affiliates, net of losses – equity method investments	<u>\$ 1,905</u>	<u>\$ 633</u>	<u>\$ (73)</u>	<u>\$ 2,980</u>
Consolidated operating income (loss):				
Europe Caspian	\$ 19,614	\$ 11,224	\$ 46,926	\$ 23,031
Africa	(13,790)	6,528	(8,941)	14,273
Americas	16,188	3,527	3,186	7,095
Asia Pacific	4,535	(19,848)	3,007	(32,282)
Corporate and other	(40,729)	(63,297)	(77,761)	(91,938)
Gain (loss) on disposal of assets	(8,473)	(230)	(2,951)	(4,017)
Total consolidated operating income (loss)	<u>\$ (22,655)</u>	<u>\$ (62,096)</u>	<u>\$ (36,534)</u>	<u>\$ (83,838)</u>
Depreciation and amortization:				
Europe Caspian	\$ 8,080	\$ 12,395	\$ 16,292	\$ 24,834
Africa	1,284	5,007	2,601	9,998
Americas	5,098	7,590	8,053	14,470
Asia Pacific	2,048	2,970	4,054	6,691
Corporate and other	2,027	3,341	3,893	6,649
Total depreciation and amortization	<u>\$ 18,537</u>	<u>\$ 31,303</u>	<u>\$ 34,893</u>	<u>\$ 62,642</u>

	Successor	
	September 30, 2020	March 31, 2020
	Identifiable assets:	
Europe Caspian	\$ 1,193,599	\$ 1,096,022
Africa	203,741	235,165
Americas	574,914	319,015
Asia Pacific	135,877	166,229
Corporate and other (2)	104,254	128,830
Total identifiable assets	<u>\$ 2,212,385</u>	<u>\$ 1,945,261</u>
Investments in unconsolidated affiliates – equity method investments:		
Europe Caspian	\$ 604	\$ 575
Americas	56,320	76,483
Total investments in unconsolidated affiliates – equity method investments	<u>\$ 56,924</u>	<u>\$ 77,058</u>

(2) Includes \$9.3 million and \$7.8 million of construction in progress within property and equipment on the Company's condensed consolidated balance sheets as of September 30 and March 31, 2020 (Successor), respectively, which primarily represents aircraft modifications and other miscellaneous equipment, tooling and building improvements currently in progress.

Item 2. *Management's Discussion and Analysis of Financial Condition and Results of Operations*

Management's Discussion and Analysis of Financial Condition and Results of Operations, or MD&A, should be read in conjunction with the accompanying unaudited condensed consolidated financial statements and the notes thereto as well as Old Bristow's Financial Statements for the fiscal year ended March 31, 2020 (the "fiscal year 2020 Financial Statements") and the related MD&A filed as exhibits to the Company's Current Reports on Form 8-K filed on June 17, 2020 and July 1, 2020, (the "MD&A 8-K"), respectively. In the discussion that follows, the terms "Current Quarter" and "Prior Year Quarter" refer to the three months ended September 30, 2020 and 2019, respectively. Our fiscal year ends March 31, and we refer to fiscal years based on the end of such period. Therefore, the fiscal year ending March 31, 2021 is referred to as "fiscal year 2021."

Unless the context otherwise indicates, in this MD&A: (i) the "Company", "Combined Company," "Bristow", "we", "us" and "our" refer to the entity currently known as Bristow Group Inc. and formerly known as Era Group Inc., together with its subsidiaries; (ii) "Old Bristow" refers to the entity formerly known as Bristow Group Inc. and now known as Bristow Holdings U.S. Inc., together with its subsidiaries; and (iii) "Era" refers to Era Group Inc. (currently known as Bristow Group Inc., the parent of the Combined Company and its subsidiaries prior to consummation of the Merger.

Forward-Looking Statements

This Quarterly Report contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements are statements about our future business, strategy, operations, capabilities and results: financial projections: plans and objectives of our management: expected actions by us and by third parties, including our customers, competitors, vendors and regulators: and other matters. Some of the forward-looking statements can be identified by the use of words such as "believes", "belief", "forecasts", "expects", "plans", "anticipates", "intends", "projects", "estimates", "may", "might", "will", "would", "could", "should" or other similar words; however, all statements in this Quarterly Report, other than statements of historical fact or historical financial results, are forward-looking statements.

Our forward-looking statements reflect our views and assumptions on the date we are filing this Quarterly Report regarding future events and operating performance. We believe that they are reasonable, but they involve significant known and unknown risks, uncertainties and other factors, many of which may be beyond our control, that may cause actual results to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements. Accordingly, you should not put undue reliance on any forward-looking statements.

You should consider the following key factors when evaluating these forward-looking statements:

- the COVID-19 pandemic and related economic repercussions have resulted, and may continue to result, in a decrease in the price of and demand for oil, which has caused, and may continue to cause, a decrease in the demand for our services;
- expected cost synergies and other financial or other benefits of the Merger might not be realized within the expected time frames, might be less than projected or may not be realized at all;
- the ability to successfully integrate the operations, accounting and administrative functions of Era and Old Bristow;
- managing a significantly larger company than before the completion of the Merger;
- diversion of management time on issues related to integration of the Company;
- the increase in indebtedness as a result of the Merger;
- operating costs, customer loss and business disruption following the Merger, including, without limitation, difficulties in maintaining relationships with employees and customers, may be greater than expected;
- our reliance on a limited number of customers and the reduction of our customer base as a result of bankruptcies or consolidation;
- the possibility that we may be unable to maintain compliance with covenants in our financing agreements;
- fluctuations in worldwide prices of and demand for oil and natural gas;
- fluctuations in levels of oil and natural gas exploration, development and production activities;
- fluctuations in the demand for our services;
- the possibility that we may impair our long-lived assets, including goodwill, inventory, property and equipment and investments in unconsolidated affiliates;
- our ability to implement operational improvement efficiencies with the objective of rightsizing our global footprint and further reducing our cost structure;

- the possibility of significant changes in foreign exchange rates and controls, including as a result of voters in the U.K. having approved the exit of the U.K. (“Brexit”) from the European Union (“E.U.”);
- the impact of continued uncertainty surrounding Brexit negotiations;
- potential effects of increased competition;
- the inability to remediate the material weaknesses identified in internal controls over financial reporting relating to our monitoring control processes;
- the possibility that we may be unable to re-deploy our aircraft to regions with greater demand;
- the possibility of changes in tax and other laws and regulations;
- the possibility that we may be unable to dispose of older aircraft through sales into the aftermarket;
- general economic conditions, including the capital and credit markets;
- the possibility that segments of our fleet may be grounded for extended periods of time or indefinitely;
- the existence of operating risks inherent in our business, including the possibility of declining safety performance;
- the possibility of political instability, war or acts of terrorism in any of the countries where we operate;
- the possibility that reductions in spending on aviation services by governmental agencies could lead to modifications of our search and rescue (“SAR”) contract terms with the UK government, our contracts with the Bureau of Safety and Environmental Enforcement (“BSEE”) or delays in receiving payments under such contracts; and
- our reliance on a limited number of helicopter manufacturers and suppliers.

The above description of risks and uncertainties is by no means all-inclusive, but is designed to highlight what we believe are important factors to consider. For a more detailed description of risk factors, please see the risks and uncertainties described in the Company’s joint proxy and consent solicitation statement/prospectus (File No. 333-237557), filed with the SEC on May 5, 2020 (the “Joint Proxy Statement/Prospectus”) under the heading “Risk Factors” and Part II Item 1A “Risk Factors” of this Quarterly Report on Form 10-Q.

All forward-looking statements in this Quarterly Report are qualified by these cautionary statements and are only made as of the date of this Quarterly Report. We do not undertake any obligation, other than as required by law, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Executive Overview

Bristow Group Inc. is the leading global provider of vertical flight solutions. We primarily provide aviation services to a broad base of major integrated, national and independent offshore energy companies. We also provide commercial search and rescue (“SAR”) services in multiple countries and public sector SAR services in the United Kingdom (“U.K.”) on behalf of the Maritime & Coastguard Agency (“MCA”). Additionally, we offer other ad hoc helicopter and fixed wing transportation services. Our customers charter our helicopters primarily to transport personnel between onshore bases and offshore production platforms, drilling rigs and other installations. To a lesser extent, our customers also charter our helicopters to transport time-sensitive equipment to these offshore locations.

Our core business of providing aviation services to leading global oil and gas companies and public and private sector SAR services, as well as fixed wing transportation and ad hoc services, provides us with geographic and customer diversity which helps mitigate risks associated with a single market or customer. We currently have customers in Australia, Brazil, Canada, Chile, Colombia, Guyana, India, Mexico, Nigeria, Norway, Spain, Suriname, Trinidad, the U.K. and the U.S.

Certain of our operations are subject to seasonal factors. For example, operations in the U.S. Gulf of Mexico are often at their highest levels from April to September, as daylight hours increase, and are at their lowest levels from December to February, as daylight hours decrease.

Recent Developments

Merger Involving Bristow Group Inc. and Era Group Inc.

On January 23, 2020, Era, Merger Sub and Old Bristow entered into the Merger Agreement. On June 11, 2020, the Merger contemplated by the Merger Agreement was consummated and Merger Sub merged with and into Old Bristow, with Old Bristow continuing as the surviving corporation and as a direct wholly owned subsidiary of Era. Following the Merger, Era changed its name to Bristow Group Inc., and Old Bristow changed its name to Bristow Holdings U.S. Inc.

The Merger was accounted for as an acquisition by Old Bristow of Era even though Era was the legal acquirer and remains the ultimate parent of the Company. As a result, upon the closing of the Merger, Old Bristow's historical financial statements replaced Era's historical financial statements for all periods prior to the completion of the Merger, and the financial condition, results of operations, comprehensive income and cash flows of Era have been included in those financial statements since June 12, 2020. Therefore, any information in this MD&A that is presented as of dates or for periods prior to the completion of the Merger relates only to Old Bristow, and not the Company. Effective upon the closing of the Merger, the Company changed its fiscal year-end from December 31 to March 31, to correspond with Old Bristow's fiscal year-end.

For pro forma condensed consolidated financial statements of the Company giving effect to the Merger, refer to the unaudited pro forma condensed combined financial information filed as Exhibit 99.2 to our Current Report on Form 8-K filed on June 17, 2020.

Impairment of Líder

In June 2020, upon evaluation of our investment in Líder Táci Aéreo S.A. ("Líder"), an unconsolidated affiliate in Brazil, we recognized a non-cash impairment charge of \$18.7 million. The Company initiated a partial dissolution process to exit its equity investment in Líder in July 2020. As a result of this process, the Company is no longer a shareholder of Líder. The amount payable to the Company for its equity interests will be governed by the partial dissolution process set forth under the Brazilian Constitution.

COVID-19

The COVID-19 pandemic has resulted in a global crisis, with many countries placing restrictions on national and international travel and instituting other measures, including, among other things, reducing or eliminating public gatherings by placing limits on such events, shuttering non-essential stores and services, encouraging voluntary quarantines and imposing involuntary quarantines, in an effort to reduce and slow the spread of COVID-19. The long-term impact of COVID-19 on the global economy is not yet known, but it has had a significant influence on economic activity and likely will continue to have a significant impact on the global economy in the near-to-medium-term especially in light of recent resurgences of the virus, which in turn can cause volatility in oil and natural gas prices. Financial markets have also experienced significant volatility.

The outbreak of COVID-19 caused a significant decrease in oil and natural gas prices in the first half of 2020 resulting from demand weakness and oversupply, which has adversely affected demand for our services. Ongoing economic repercussions of the COVID-19 pandemic may further depress the oil and gas market in the future, which may lead to additional decreases in capital spending by oil and natural gas companies.

Together with our customers, we have implemented several measures at our bases, based upon guidance from local public health authorities, to help protect employees and customers, including, but not limited to, measures to restrict access to sites, medical screenings/questionnaires prior to all flights, enhanced sanitization of aircraft and equipment, modification of aircraft and special protocols on travel and passenger transport, and we are also monitoring developments that may require or cause us to modify actions as appropriate. Many of our employees are deemed "essential" in the regions in which they operate and therefore may continue performing their jobs notwithstanding guidance or orders of general applicability issued by governments requiring businesses to close, persons to shelter in place, borders to close and other similar actions. In addition, we have developed and are offering customers COVID-19 medevac transport in certain regions.

Fleet Information

As of September 30, 2020 (Successor), the aircraft in our fleet were as follows:

Type	Number of Aircraft				Maximum Passenger Capacity
	Consolidated Affiliates			Consolidated Aircraft	
	Operating Aircraft				
	Owned Aircraft	Leased Aircraft	Aircraft Held For Sale		
Heavy Helicopters:					
S-92A	35	30	—	65	19
S-92A U.K. SAR	3	9	—	12	19
H225	—	—	2	2	19
AW189	6	1	—	7	16
AW189 U.K. SAR	11	—	—	11	16
	<u>55</u>	<u>40</u>	<u>2</u>	<u>97</u>	
Medium Helicopters:					
AW139	53	8	—	61	12
S-76 C+/C++	28	—	3	31	12
S-76D	8	—	2	10	12
B212	3	—	—	3	12
B412	—	—	2	2	13
	<u>92</u>	<u>8</u>	<u>7</u>	<u>107</u>	
Light—Twin Engine Helicopters:					
AW109	6	—	—	6	7
EC135	10	—	—	10	6
BO 105	2	—	—	2	4
	<u>18</u>	<u>—</u>	<u>—</u>	<u>18</u>	
Light—Single Engine Helicopters:					
AS350	17	—	—	17	4
AW119	13	—	—	13	7
B407	7	—	—	7	6
	<u>37</u>	<u>—</u>	<u>—</u>	<u>37</u>	
Total Helicopters					
	<u>202</u>	<u>48</u>	<u>9</u>	<u>259</u>	
Fixed wing	<u>7</u>	<u>5</u>	<u>3</u>	<u>15</u>	
UAV	<u>—</u>	<u>2</u>	<u>—</u>	<u>2</u>	
Total Fleet	<u><u>209</u></u>	<u><u>55</u></u>	<u><u>12</u></u>	<u><u>276</u></u>	

The chart below presents the number of aircraft in our fleet and their distribution among the regions as of September 30, 2020 (Successor), the number of helicopters we had on order as of September 30, 2020 (Successor), and the percentage of operating revenue each of our regions provided during the Current Quarter. For additional information regarding our commitments and options to acquire aircraft, see Note 9 in the “Notes to Condensed Consolidated Financial Statements” included elsewhere in this Quarterly Report.

	Percentage of Current Quarter Operating Revenue	Helicopters						Fixed Wing ⁽¹⁾	Total ⁽²⁾⁽³⁾
		Heavy	Medium	Light Twin	Light Single	UAV			
Europe Caspian	57%	66	15	—	4	2	—	87	
Africa	10%	7	22	—	—	—	3	32	
Americas	27%	24	68	18	33	—	—	143	
Asia Pacific	6%	—	2	—	—	—	12	14	
Total	100%	97	107	18	37	2	15	276	

Aircraft not currently in fleet:

On order	3	—	5	—	—	—	8
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⁽¹⁾ Airnorth operates a total of 12 fixed wing aircraft, which are included in the Asia Pacific region.

⁽²⁾ The average age of our helicopter fleet was approximately twelve years as of September 30, 2020 (Successor).

⁽³⁾ Includes 55 leased aircraft as follows:

	Successor							Total
	Leased Aircraft in Consolidated Fleet							
	Helicopters						Fixed Wing	
	Heavy	Medium	Light Twin	Light Single	UAV			
Europe Caspian	31	1	—	—	2	—	34	
Africa	3	1	—	—	—	2	6	
Americas	6	4	—	—	—	—	10	
Asia Pacific	—	2	—	—	—	3	5	
Total	40	8	—	—	2	5	55	

Results of Operations

The following table presents our operating results and other statement of operations information for the applicable periods (in thousands, except percentages):

	Successor	Predecessor		Favorable (Unfavorable)	
	Three Months Ended September 30, 2020	Three Months Ended September 30, 2019			
Revenue:					
Operating revenue	\$ 295,722	\$ 304,684	\$ (8,962)		(2.9)%
Reimbursable revenue	8,918	13,536	(4,618)		(34.1)%
Total revenues	304,640	318,220	(13,580)		(4.3)%
Costs and expense:					
Operating expense	231,953	236,655	4,702		2.0 %
Reimbursable expense	8,919	12,840	3,921		30.5 %
General and administrative	39,268	37,820	(1,448)		(3.8)%
Merger-related costs	4,497	—	(4,497)		nm
Depreciation and amortization	18,537	31,303	12,766		40.8 %
Total costs and expenses	303,174	318,618	15,444		4.8 %
Loss on impairment	(17,596)	(62,101)	44,505		71.7 %
Loss on disposal of assets	(8,473)	(230)	(8,243)		nm
Earnings from unconsolidated affiliates, net	1,948	633	1,315		nm
Operating loss	(22,655)	(62,096)	39,441		63.5 %
Interest income	434	270	164		60.7 %
Interest expense	(13,445)	(22,715)	9,270		40.8 %
Reorganization items, net	—	(93,943)	93,943		nm
Gain on sale of subsidiaries	—	420	(420)		nm
Bargain purchase gain	5,660	—	5,660		nm
Other income (expense), net	10,592	(6,637)	17,229		nm
Total other income (expense)	3,241	(122,605)	125,846		nm
Loss before benefit (provision) for income taxes	(19,414)	(184,701)	165,287		89.5 %
Benefit (provision) for income taxes	(8,578)	21,782	(30,360)		nm
Net Loss	(27,992)	(162,919)	134,927		82.8 %
Net (income) loss attributable to noncontrolling interests	131	(55)	186		nm
Net Loss attributable to Bristow Group Inc.	\$ (27,861)	\$ (162,974)	\$ 135,113		82.9 %

	Successor	Predecessor		Favorable (Unfavorable)
	Six Months Ended September 30, 2020	Six Months Ended September 30, 2019		
Revenue:				
Operating revenue	\$ 557,230	\$ 621,260	\$ (64,030)	(10.3)%
Reimbursable revenue	17,603	30,136	(12,533)	(41.6)%
Total revenues	574,833	651,396	(76,563)	(11.8)%
Costs and expense:				
Operating expense	422,389	494,414	72,025	14.6 %
Reimbursable expense	17,567	28,974	11,407	39.4 %
Prepetition restructuring charges	—	13,476	13,476	nm
General and administrative	74,791	72,590	(2,201)	(3.0)%
Merger-related costs	21,917	—	(21,917)	nm
Depreciation and amortization	34,893	62,642	27,749	44.3 %
Total costs and expenses	571,557	672,096	100,539	15.0 %
Loss on impairment	(36,829)	(62,101)	25,272	40.7 %
Loss on disposal of assets	(2,951)	(4,017)	1,066	26.5 %
Earnings (losses) from unconsolidated affiliates, net	(30)	2,980	(3,010)	nm
Operating loss	(36,534)	(83,838)	47,304	56.4 %
Interest income	696	657	39	5.9 %
Interest expense	(25,949)	(49,423)	23,474	47.5 %
Reorganization items, net	—	(170,299)	170,299	nm
Loss on sale of subsidiaries	—	(55,883)	55,883	nm
Change in fair value of preferred stock derivative liability	15,416	—	15,416	nm
Bargain purchase gain	81,093	—	81,093	nm
Other income (expense), net	13,978	(10,510)	24,488	nm
Total other income (expense)	85,234	(122,605)	207,839	nm
Income (loss) before benefit (provision) for income taxes	48,700	(369,296)	417,996	nm
Benefit (provision) for income taxes	(5,288)	37,289	(42,577)	nm
Net income (loss)	43,412	(332,007)	375,419	nm
Net (income) loss attributable to noncontrolling interests	204	(213)	417	nm
Net income (loss) attributable to Bristow Group Inc.	\$ 43,616	\$ (332,220)	\$ 375,836	nm

Revenues by Service Line. The table below sets forth the operating revenues earned by service line for the applicable periods (in thousands):

	Successor		Predecessor		Favorable (Unfavorable)
	Three Months Ended September 30, 2020		Three Months Ended September 30, 2019		
Oil and gas:					
Europe Caspian	\$	98,495	\$	114,537	\$ (16,042) (14.0)%
Americas		93,102		60,330	32,772 54.3 %
Africa		21,237		40,855	(19,618) (48.0)%
Asia Pacific		2,920		6,564	(3,644) (55.5)%
Total oil and gas		215,754		222,286	(6,532) (2.9)%
UK SAR Services		56,978		54,499	2,479 4.5 %
Fixed Wing Services		20,310		27,891	(7,581) (27.2)%
Other		2,680		8	2,672 nm
	\$	295,722	\$	304,684	\$ (8,962) (2.9)%

	Successor		Predecessor		Favorable (Unfavorable)
	Six Months Ended September 30, 2020		Six Months Ended September 30, 2019		
Oil and gas:					
Europe Caspian	\$	204,306	\$	228,277	\$ (23,971) (10.5)%
Americas		151,262		116,366	34,896 30.0 %
Africa		51,253		83,690	(32,437) (38.8)%
Asia Pacific		5,623		20,716	(15,093) (72.9)%
Total oil and gas		412,444		449,049	(36,605) (8.2)%
UK SAR Services		109,600		110,578	(978) (0.9)%
Fixed Wing Services		31,781		61,358	(29,577) (48.2)%
Other		3,405		275	3,130 nm
	\$	557,230	\$	621,260	\$ (64,030) (10.3)%

Current Quarter compared to Prior Year Quarter

Operating Revenues. Operating revenues were \$9.0 million lower in the Current Quarter compared to the Prior Year Quarter.

Operating revenues from oil and gas operations were \$6.5 million lower in the Current Quarter.

Operating revenues from oil and gas operations in Africa were \$19.6 million lower primarily due to lower utilization.

Operating revenues from oil and gas operations in the Europe Caspian region were \$16.0 million lower in the Current Quarter. Revenues in the U.K. decreased by \$9.3 million primarily due to lower utilization, partially offset by the strengthening of the British pound sterling relative to the U.S. dollar. Revenues in Norway decreased \$5.3 million primarily due to lower utilization. Revenues in Turkmenistan were \$1.3 million lower due to the end of customer contracts.

Operating revenues from oil and gas operations in the Asia Pacific region were \$3.6 million lower primarily due to lower utilization.

Operating revenues from oil and gas operations in the Americas were \$32.8 million higher in the Current Quarter primarily due to the impact of the Merger. These increases were partially offset by lower utilization of small and medium helicopters.

Operating revenues from U.K. SAR services were \$2.5 million higher in the Current Quarter primarily due to an increase in flight hours.

Operating revenues from fixed wing services were \$7.6 million lower in the Current Quarter. Revenues from fixed wing services in Australia, Africa and the U.K. were \$2.6 million, \$3.0 million and \$2.0 million lower, respectively, primarily due to lower utilization.

Operating revenues from other services were \$2.7 million higher due to the benefit of the Merger.

Operating Expenses. Operating expenses were \$4.7 million lower in the Current Quarter. Lease costs were \$5.9 million lower in the Current Quarter primarily due to aircraft lease rejections related to Chapter 11 during the prior year. Fuel expense was \$5.7

million lower primarily due to a decrease in flight hours and a lower average fuel price. Maintenance costs were \$1.4 million lower primarily due to lower power-by-the-hour (“PBH”) expense related to fewer flight hours, partially offset by an increase in PBH amortization costs related to the recognition of a PBH asset as a result of fresh-start accounting. Other direct costs decreased \$4.9 million primarily due to the decrease in activity, including lower training costs. This was partially offset by an increase in personnel costs of \$11.5 million primarily due to severance costs and an increase in headcount related to the Merger. Insurance costs were \$1.7 million higher in the Current Quarter primarily due to deductibles related to hurricane damages.

General and Administrative. General and administrative expenses were \$1.4 million higher in the Current Quarter primarily due to the impact of the Merger.

Merger-related costs. Merger-related costs of \$4.5 million primarily consist of professional services fees and severance costs related to the Merger.

Depreciation and Amortization. Depreciation and amortization expenses were \$12.8 million lower in the Current Quarter primarily due to the revaluation of assets in connection with the adoption of fresh-start accounting. Old Bristow recorded all property and equipment at fair value upon emergence from Chapter 11 and made certain changes to the useful lives and salvage value of its assets. This was partially offset by an increase due to the impact of the inclusion of Era’s assets.

Loss on Impairment. During the Current Quarter, the Company recognized a loss on impairment of \$12.4 million related to the write down of inventory and a loss on impairment of \$5.2 million related to helicopters that were transferred to held for sale assets. During the Prior Year Quarter, Old Bristow recognized a loss on the impairment of H225 helicopters of \$42.0 million, goodwill impairment of \$17.5 million related to Airnorth and a \$2.6 million impairment of the investment in Sky Futures Partners Limited.

Gain (Loss) on Disposal of Assets. During the Current Quarter, the Company sold ten H225 heavy, nine S-76C++ medium and twelve B407 single engine helicopters for cash proceeds of \$40.5 million, resulting in losses of \$8.5 million. During the Prior Year Quarter, the Company sold one B412 medium helicopter and other equipment resulting in losses of \$0.2 million.

Earnings from Unconsolidated Affiliates, net of Losses. During the Current Quarter, the Company recognized gains of \$1.9 million from its equity investments compared to gains of \$0.6 million in the Prior Year Quarter.

Operating Income (Loss). Operating loss as a percentage of revenues was (7.7)% in the Current Quarter compared to (20.4)% in the Prior Year Quarter. Operating loss in the Current Quarter was primarily due to the loss on disposal of assets and loss on impairment. Operating loss in the Prior Year Quarter was primarily due to the loss on impairment.

Interest Expense. Interest expense was \$9.3 million lower in the Current Year Quarter primarily due to lower debt balances and the absence of the amortization of deferred financing fees as these fees were written-off as a result of Chapter 11. These decreases were partially offset by increased debt discount amortization related to the fair valuing of debt as a result of fresh-start accounting and the impact of the Merger.

Reorganization Items, net. Reorganization items incurred in the Prior Year Quarter related to Chapter 11 and consisted of professional services fees of \$35.5 million, H175 settlement charges of \$31.8 million, Backstop Commitment Agreement estimated fees of \$19.3 million, lease termination costs of \$4.2 million, debt related expenses of \$4.1 million, corporate lease termination cost of \$1.1 million and a benefit of \$1.9 million resulting from an adjustment to the allowed claim associated with the return of four H225 helicopters.

Bargain Purchase Gain. During the Current Quarter, the Company recognized a bargain purchase gain of \$5.7 million related to the Merger. The Current Quarter gain was an adjustment to the previously calculated excess of the fair value of Era’s identified assets acquired and liabilities assumed.

Other Income (Expense), net. Other income, net was \$10.6 million in the Current Quarter compared to other expense, net of \$6.6 million in the Prior Year Quarter. Other income in the Current Quarter was primarily due to net foreign exchange gains of \$6.9 million as shown in the table below, a favorable interest adjustment to the Company's pension liability of \$0.9 million and other income related to Airnorth (government grants) of \$2.7 million. Other expense, net in the Prior Year Quarter was primarily due to net foreign exchange losses of \$5.8 million as shown in the table below and an unfavorable interest adjustment to the Company's pension liability of \$0.9 million.

	Successor	Predecessor	
	Current Quarter	Prior Year Quarter	Favorable (Unfavorable)
Foreign currency gains (losses) by region:			
Europe Caspian	\$ 9,898	\$ (6,857)	\$ 16,755
Africa	(2,030)	855	(2,885)
Americas	85	353	(268)
Asia Pacific	1,427	(1,006)	2,433
Corporate and other	(2,445)	839	(3,284)
Foreign currency gains (losses)	6,935	(5,816)	12,751
Pension interest	939	(893)	1,832
Other	2,718	72	2,646
Other income (expense), net	\$ 10,592	\$ (6,637)	\$ 17,229

Income Tax Benefit (Expense). The Company's effective tax rate was (44.2)% and 11.8% during the Current Quarter and Prior Year Quarter, respectively. The change in the Company's effective tax rate primarily related to changes in the blend of earnings, nondeductible professional fees, and the tax impact of valuation allowances on the Company's net operating losses and deductible business interest expense.

Current Six Months compared to Prior Year Six Months

Operating Revenues. Operating revenues were \$64.0 million lower in the six months ended September 30, 2020 (the "Current Period") compared to the six months ended September 30, 2019 (the "Prior Year Period").

Operating revenues from oil and gas operations were \$36.6 million lower in the Current Period.

Operating revenues from oil and gas operations in Africa were \$32.4 million lower primarily due to lower utilization.

Operating revenues from oil and gas operations in the Europe Caspian region were \$24.0 million lower in the Current Period. Revenues in the U.K. decreased \$6.5 million primarily due to lower utilization. Revenues in Norway decreased \$15.1 million primarily due to lower utilization. Revenues in Turkmenistan decreased \$2.1 million due to the end of customer contracts.

Operating revenues from oil and gas operations in the Asia Pacific region were \$15.1 million lower in the Current Period. The Prior Year Period included revenues of \$5.6 million related to a business that was subsequently sold. Revenues in Australia decreased \$9.5 million primarily due to lower utilization.

Operating revenues from oil and gas operations in the Americas were \$34.9 million higher in the Current Period primarily due to the addition of Era's operations upon conclusion of the Merger. These increases were partially offset by lower utilization of small and medium helicopters in the U.S. Gulf of Mexico and Trinidad.

Operating revenues from U.K. SAR services were \$1.0 million lower in the Current Period.

Operating revenues from fixed wing services decreased by \$29.6 million in the Current Period. Fixed wing services in the Prior Year Period included revenues from Eastern Airways, which was sold during the Prior Year Period, of \$10.2 million. Revenues from fixed wing services in Australia and Africa were \$13.5 million and \$5.9 million lower, respectively, primarily due to lower utilization.

Operating revenues from other services were \$3.1 million higher due to the benefit of the Merger.

Operating Expenses. Operating expenses were \$72.0 million lower in the Current Period. Lease costs were \$26.4 million lower in the Current Period primarily due to aircraft lease rejections in the Chapter 11 Cases prior to the Current Period and the absence of \$10.8 million in net lease return costs incurred in the Prior Year Period. Fuel expense was \$17.3 million lower primarily due to a decrease in flight hours and a lower average fuel price. Maintenance costs were \$9.7 million lower primarily due to lower PBH expense related to fewer flight hours, partially offset by an increase in PBH amortization costs related to the recognition of a PBH asset as a result of fresh-start accounting. Other direct costs decreased \$19.1 million primarily due to the decrease in activity.

including lower training, travel and freight costs. These decreases were partially offset by an increase in personnel costs of \$0.6 million primarily due to a net increase in headcount and severance costs following the Merger.

Pre-Petition Restructuring Charges. In the Prior Year Period, the Company incurred \$13.5 million in professional fees prior to the petition date related to the Chapter 11 Cases.

General and Administrative. General and administrative expenses were \$2.2 million higher in the Current Period primarily due to the impact of the Merger.

Merger-related costs. Merger-related costs of \$21.9 million primarily consist of professional services fees and severance costs related to the Merger.

Depreciation and Amortization. Depreciation and amortization expense decreased by \$27.7 million in the Current Period primarily due to the revaluation of assets in connection with the adoption of fresh-start accounting. Old Bristow recorded all property and equipment at fair value upon emergence from Chapter 11 and made certain changes to the useful lives and salvage value of assets.

Loss on Impairment. During the Current Period, the Company recognized a loss on the impairment of its investment in Lider of \$18.7 million, a loss on impairment of \$12.4 million related to the write down of inventory, which was agreed to be sold with helicopters, a loss on impairment of \$5.2 million related to helicopters that were transferred to held for sale assets and a separate inventory impairment of \$0.5 million.

Loss on Disposal of Assets. During the Current Period, the Company sold eleven H225 heavy, nine S-76C++ medium and twelve B407 single engine helicopters and other equipment for cash proceeds of \$52.1 million, resulting in losses of \$3.0 million. During the Prior Year Period, the Company sold two B412 medium helicopters, a fixed wing aircraft and other equipment resulting in losses of \$4.0 million.

Earnings from Unconsolidated Affiliates, net of Losses. During the Current Period, the Company recognized losses of less than \$0.1 million from equity investments compared to gains of \$3.0 million in the Prior Year Period.

Operating Loss. Operating loss as a percentage of revenues was (6.6)% in the Current Period compared to (13.5)% in the Prior Year Period. Operating loss in the Current Period was primarily due to losses on impairment and losses on disposal of assets. Operating loss in the Prior Year Period was primarily due to pre-petition restructuring costs, the recognition of lease return costs and the loss on impairment.

Interest Expense. Interest expense was \$23.5 million lower in the Current Year Period primarily due to lower debt balances and the absence of the amortization of deferred financing fees as these fees were written-off as a result of Chapter 11. These decreases were partially offset by increased debt discount amortization related to the fair valuing of debt as a result of fresh-start and purchase price accounting.

Reorganization Items, net. Reorganization items incurred in the Prior Year Period related to the Chapter 11 Cases and consisted of professional fees of \$51.0 million, H175 settlement agreement of \$31.8 million, lease termination costs of \$30.2 million, the write-off of debt discount of \$30.2 million, backstop agreement cost of \$19.3 million, the write-off of deferred financing costs of \$4.6 million, fees incurred related to the DIP Credit Agreement of \$4.1 million and corporate lease termination costs of \$1.1 million, slightly offset by the benefit on the Milestone Omnibus Agreement allowed claim adjustment of \$1.9 million.

Loss on sale of Subsidiaries. During the Prior Year Period, Old Bristow sold two subsidiaries, Eastern Airways and Aviashelf, resulting in losses of \$46.9 million and \$9.0 million, respectively.

Change in Fair Value of Preferred Stock Derivative. During the Current Period, Old Bristow recognized a benefit of \$15.4 million related to a decrease in the fair value of preferred stock derivative.

Gain on Bargain Purchase. During the Current Period, the Company recognized a bargain purchase gain of \$81.1 million related to the Merger. The net tangible and intangible assets acquired, and liabilities assumed in connection with the Merger, were recorded at their acquisition date fair values. The excess of the fair value of Era's identified assets acquired and liabilities assumed was recognized as a gain.

Other Income (Expense), net. Other income, net was \$14.0 million in the Current Period compared to other expense, net of \$10.5 million in the Prior Year Period. Other income in the Current Period was primarily due to net foreign exchange gains of \$8.3 million as shown in the table below, a favorable interest adjustment to the Company's pension liability of \$1.8 million and other income related to Airmorth (government grants) of \$3.9 million. Other expense, net in the Prior Year Period was primarily due to net foreign exchange losses of \$8.7 million as shown in the table below and an unfavorable interest adjustment to the Company's pension liability of \$1.8 million.

	Successor	Predecessor	
	Current Period	Prior Year Period	Favorable (Unfavorable)
Foreign currency gains (losses) by region:			
Europe Caspian	\$ 10,257	\$ (10,681)	\$ 20,938
Africa	(2,870)	622	(3,492)
Americas	(1,016)	679	(1,695)
Asia Pacific	5,221	(1,276)	6,497
Corporate and other	(3,283)	1,910	(5,193)
Foreign currency gains (losses)	8,309	(8,746)	17,055
Pension interest	1,799	(1,845)	3,644
Other	3,870	81	3,789
Other income (expense), net	\$ 13,978	\$ (10,510)	\$ 24,488

Income Tax Benefit (Expense). The Company's effective tax rate was 10.9% and 10.1% during the Current Period and Prior Year Period, respectively.

Liquidity and Capital Resources

General

Our ongoing liquidity requirements arise primarily from working capital needs, meeting our capital commitments (including the purchase of helicopters and other equipment) and the repayment of debt obligations. In addition, we may use our liquidity to fund acquisitions, repay debt, repurchase shares or debt securities or make other investments. Our primary sources of liquidity are cash balances and cash flows from operations and, from time to time, we may obtain additional liquidity through the issuance of equity or debt or other financing options or through asset sales.

Summary of Cash Flows

	Successor	Predecessor
	Six Months Ended September 30, 2020	Six Months Ended September 30, 2019
	(in thousands)	
Cash flows provided by or (used in):		
Operating activities	\$ 34,991	\$ (57,165)
Investing activities	168,441	(43,405)
Financing activities	(96,604)	110,904
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(1,756)	4,406
Net increase in cash, cash equivalents and restricted cash	\$ 105,072	\$ 14,740

Operating Activities

Cash flows provided by operating activities were \$35.0 million during the Current Period compared to cash flows used in operating activities of \$57.2 million during the Prior Year Period. Operating income before depreciation, impairment charges and losses on asset dispositions, net was \$6.8 million lower in the Current Period compared to the Prior Year Period primarily due to lower utilization of aircraft and Merger-related costs. The Prior Year Period was, however, impacted by significant reorganization costs related to Chapter 11, with a net cash impact of \$51.0 million.

Cash paid for interest expense and income taxes was \$14.5 million and \$7.7 million, respectively, in the Current Period compared to \$37.2 million and \$8.6 million, respectively, in the Prior Year Period.

Investing Activities

During the Current Period, net cash provided by investing activities was \$168.4 million primarily as follows:

- Increase in cash from the Merger of \$120.2 million,
- Proceeds of \$52.1 million from the sale or disposal of thirty-two aircraft and certain other equipment, and
- Non-refundable deposits on assets held for sale of \$3.4 million, partially offset by
- Capital expenditures of \$7.4 million.

During the Prior Year Period, net cash used in investing activities was \$43.4 million primarily as follows:

- Capital expenditures of \$26.0 million, and
- Net payments of \$22.5 million for the disposal of Eastern Airways, BHLL and Aviashelf, partially offset by
- Proceeds of \$5.0 million from the sale or disposal of three aircraft and certain other equipment.

Financing Activities

During the Current Period, net cash used in financing activities was \$96.6 million primarily as follows:

- Net repayments of debt and redemption premiums of \$85.4 million, and
- Share repurchases of \$11.2 million.

During the Prior Year Period, net cash provided by financing activities was \$110.9 million primarily as follows:

- Borrowings under the Term Loan Agreement were \$225.6 million, partially offset by
- Debt issuance costs of \$14.1 million, and
- Net repayments of debt of \$99.2 million.

Short and Long-Term Liquidity Requirements

We anticipate that we will generate positive cash flows from operating activities and that these cash flows will be adequate to meet our working capital requirements. To support our capital expenditure program and/or other liquidity requirements, we may use any combination of operating cash flow, cash balances or proceeds from sales of assets, issue debt or equity, or other financing options.

Our availability of long-term liquidity is dependent upon our ability to generate operating profits sufficient to meet our requirements for working capital, debt service, capital expenditures and a reasonable return on investment. While the COVID-19 pandemic, in general, and the related decrease in oil and natural gas prices, more specifically, have not had a material impact on our liquidity, a sustained environment of depressed oil and natural gas prices could affect capital spending for offshore oil and gas exploration, drilling and production, which in turn could affect our business and liquidity. As of September 30, 2020, we had \$301.4 million of unrestricted cash and \$57.2 million of remaining availability under our amended asset-backed revolving credit facility (the “ABL Facility”) for total liquidity of \$358.6 million. Borrowings under the amended ABL Facility are subject to certain conditions and requirements.

As of September 30, 2020, approximately 47% of our total cash balance was held outside the U.S. and is generally used to meet the liquidity needs of our non-U.S. operations. Most of our cash held outside the U.S. could be repatriated to the U.S., and any such repatriation could be subject to additional taxes. If cash held by non-U.S. operations is required for funding operations in the U.S., we may make a provision for additional taxes in connection with repatriating this cash, which is not expected to have a significant impact on our results of operations.

The significant factors that affect our overall liquidity include cash from or used to fund operations, capital expenditure commitments, debt service, pension funding, adequacy of bank lines of credit and the Company’s ability to attract capital on satisfactory terms.

We believe we have enough liquidity to weather the current COVID-19 crisis, while continuing to fulfill our debt obligations. Management will continue to closely monitor our liquidity, the credit markets and oil and gas prices.

Debt Obligations

Total debt (excluding unamortized discounts) as of September 30, 2020 (Successor) was \$644.4 million. The following table summarizes the contractual maturity dates for our significant debt as of September 30, 2020 (Successor):

Debt	Maturity Date
Promissory notes	December 2020
7.750% Senior Notes	December 15, 2022
Macquarie Debt	March 6, 2023
Lombard Debt	December 29, 2023 and January 30, 2024
PK Air Debt	January 13 and 27, 2025

Currently, we do not believe the conditions caused by COVID-19 will affect our ability to meet the maintenance and other covenants in our debt instruments.

See further discussion of outstanding debt as of September 30, 2020 (Successor) in Note 6 of the condensed consolidated financial statements.

Lease Obligations

We have non-cancelable operating leases in connection with the lease of certain equipment, including leases for aircraft, and land and facilities used in our operations. The related lease agreements, which range from non-cancelable and month-to-month terms, generally provide for fixed monthly rentals and can also include renewal options. As of September 30, 2020 (Successor), aggregate future payments under all non-cancelable operating leases that have initial or remaining terms in excess of one year, including leases for 45 aircraft, were as follows (in thousands):

Fiscal year ending March 31,	Aircraft	Other	Total
2021	\$ 44,047	\$ 14,781	\$ 58,828
2022	77,287	25,835	103,122
2023	58,616	10,154	68,770
2024	46,005	8,235	54,240
2025	28,370	6,127	34,497
Thereafter	2,170	25,734	27,904
	<u>\$ 256,495</u>	<u>\$ 90,866</u>	<u>\$ 347,361</u>

Pension Obligations

As of September 30, 2020 (Successor), we had recorded on our balance sheet a net \$8.9 million pension liability related to the Bristow Helicopters Limited and Bristow International Aviation (Guernsey) Limited ("BIAGL") pension plans. The liability represents the excess of the present value of the defined benefit pension plan liabilities over the fair value of plan assets that existed at that date. The minimum funding rules of the U.K. require the employer to agree to a funding plan with the plans' trustee for securing that the pension plan has sufficient and appropriate assets to meet its technical provisions liabilities. In addition, where there is a shortfall in assets against this measure, we are required to make scheduled contributions in amounts sufficient to bring the plan up to 100% funded as quickly as can be reasonably afforded. The employer contributions for the main U.K. pension plan for the Combined Fiscal Year 2020, the Predecessor Fiscal Year 2019 and the Predecessor Fiscal Year 2018 were £12.7 million (\$16.2 million), £12.7 million (\$16.6 million), and £12.8 million (\$17.0 million), respectively. See further discussion of pension plans in Note 10 to the condensed consolidated financial statements.

Contractual Obligations and Commercial Commitments

We have various contractual obligations that are recorded as liabilities on our consolidated balance sheet. Other items, such as certain purchase commitments and other executory contracts are not recognized as liabilities on our consolidated balance sheet such as certain minimum lease payments for the use of property and equipment under operating lease agreements we are contractually committed to make.

As of September 30, 2020, we had unfunded capital commitments of \$85.1 million, consisting primarily of agreements to purchase helicopters, including three AW189 heavy helicopters and five AW169 light twin helicopters. The AW189 helicopters are scheduled to be delivered in fiscal year 2022. Delivery dates for the AW169 helicopters have yet to be determined. These commitments are payable beginning in fiscal year 2021 through fiscal year 2022, and all of the commitments (inclusive of deposits paid on options not yet exercised) may be terminated without further liability to us other than aggregate liquidated damages of \$2.2 million. If we do not exercise our rights to cancel these capital commitments, we expect to finance the remaining acquisition costs for these helicopters through a combination of cash on hand, cash provided by operating activities, asset sales and financing options.

In addition, we had outstanding options to purchase up to ten additional AW189 helicopters. If these options are exercised, the helicopters would be scheduled for delivery in fiscal year 2022 and fiscal year 2023.

We had \$9.6 million of other purchase obligations representing non-cancelable PBH maintenance commitments.

Off Balance Sheet Arrangements

On occasion, we and our partners will guarantee certain obligations on behalf of our subsidiaries and affiliates. As of September 30, 2020, we had no such guarantees in place. Letters of credit issued under the ABL Facility in the aggregate face amount of \$9.2 million were outstanding on September 30, 2020 (Successor).

Selected Financial Information on Guarantors of Securities

On December 12, 2012, Era Group Inc., renamed Bristow Group Inc. (“the Parent”) upon closing of the Merger, issued its 7.750% Senior Notes due 2022. The Registered Notes are fully and unconditionally guaranteed as to payment by a number of subsidiaries of the Parent (collectively, the “Guarantors”). The Parent is a holding company with no significant assets other than the stock of its subsidiaries. In order to meet its financial needs and obligations, the Parent relies exclusively on income from dividends and other cash flow from such subsidiaries. The subsidiary guarantees provide that, in the event of a default on the Registered Notes, the holders of the Registered Notes may institute legal proceedings directly against the Guarantors to enforce the guarantees without first proceeding against the Parent.

None of the non-Guarantor subsidiaries of the Parent are under any direct obligation to pay or otherwise fund amounts due on the Registered Notes or the guarantees, whether in the form of dividends, distributions, loans or other payments. If such subsidiaries are unable to transfer funds to the Parent or Guarantors and sufficient cash or liquidity is not otherwise available, the Parent or Guarantors may not be able to make principal and interest payments on their outstanding debt, including the Registered Notes or the guarantees. We believe the following selected financial information of the Guarantors presents a sufficient financial position of Bristow Group Inc. to continue to fulfill its obligations under the requirements of the Registered Notes. This selected financial information should be read in conjunction with the accompanying condensed consolidated financial statements and notes (amounts shown in thousands).

	<u>Successor</u>	
	<u>September 30, 2020</u>	
Current assets	\$	521,826
Non-current assets	\$	1,387,549
Current liabilities	\$	260,380
Non-current liabilities	\$	632,969

	<u>Successor</u>			
	<u>Three Months Ended</u> <u>September 30, 2020</u>	<u>Six Months Ended</u> <u>September 30, 2020</u>		
Total revenues	\$	85,862	\$	137,982
Operating income (expense)	\$	(29,350)	\$	(52,625)
Net income (loss)	\$	(31,852)	\$	(37,896)
Net income (loss) attributable to Bristow Group	\$	(31,863)	\$	(37,918)

Critical Accounting Policies and Estimates

See Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Policies and Estimates” in the MD&A 8-K for a discussion of our critical accounting policies. There have been no material changes to our critical accounting policies and estimates provided in the MD&A 8-K.

Item 3. *Quantitative and Qualitative Disclosures about Market Risk.*

We are subject to certain market risks arising from the use of financial instruments in the ordinary course of business. This risk arises primarily as a result of potential changes in the fair market value of financial instruments that would result from adverse fluctuations in foreign currency exchange rates, credit risk, and interest rates. For additional information about our exposure to market risk, refer to “Item 7A. Quantitative and Qualitative Disclosures About Market Risk” in the MD&A 8-K.

Market Risk

On September 30, 2020, Brent crude oil prices closed at \$40.05 per barrel having previously closed at \$20.51 per barrel on March 31, 2020, declining from \$61.14 per barrel closing price on December 31, 2019. A combination of factors led to this initial decline and continued volatility, including an increase in low-priced oil from Saudi Arabia supplied into the market coupled with Russia’s position to abstain from participating in the supply reduction agreement with the Organization of the Petroleum Exporting Countries (“OPEC”) and the reduction in demand for oil due to the global COVID-19 pandemic. We are continuing to closely monitor our exposure to this risk and the potential impacts on our business.

Foreign Currency Risk

Our primary foreign currency exposure is to the British pound sterling, the euro, the Australian dollar, the Norwegian kroner, the Nigerian naira and the Brazilian real. The value of these currencies has fluctuated relative to the U.S. dollar as indicated in the following table:

	Successor	Predecessor		Successor	Predecessor
	Three Months Ended September 30, 2020	Three Months Ended September 30, 2019	Six Months Ended September 30, 2020	Six Months Ended September 30, 2019	Six Months Ended September 30, 2019
One British pound sterling into U.S. dollars					
High	1.34	1.27	1.34	1.32	
Average	1.29	1.23	1.27	1.26	
Low	1.25	1.21	1.21	1.21	
At period-end	1.29	1.23	1.29	1.23	
One euro into U.S. dollars					
High	1.20	1.13	1.20	1.14	
Average	1.17	1.11	1.14	1.12	
Low	1.12	1.09	1.08	1.09	
At period-end	1.17	1.09	1.17	1.09	
One Australian dollar into U.S. dollars					
High	0.74	0.70	0.74	0.72	
Average	0.71	0.69	0.69	0.69	
Low	0.69	0.67	0.60	0.67	
At period-end	0.72	0.67	0.72	0.67	
One Norwegian kroner into U.S. dollars					
High	0.1152	0.1172	0.1152	0.1179	
Average	0.1095	0.1129	0.1048	0.1143	
Low	0.1043	0.1097	0.0928	0.1097	
At period-end	0.1069	0.1101	0.1069	0.1101	
One Nigerian naira into U.S. dollars					
High	0.0026	0.0028	0.0026	0.0028	
Average	0.0026	0.0028	0.0026	0.0028	
Low	0.0026	0.0028	0.0026	0.0028	
At period-end	0.0026	0.0028	0.0026	0.0028	
One Brazilian real into U.S. dollars					
High	0.1961	0.2675	0.2043	0.2675	
Average	0.1862	0.2524	0.1862	0.2538	
Low	0.1769	0.2393	0.1688	0.2393	
At period-end	0.1774	0.2401	0.1774	0.2401	

Source: FactSet

Other income (expense), net, in the Company's condensed consolidated statements of operations includes foreign currency transaction gains and losses as shown in the following table. Earnings from unconsolidated affiliates, net of losses, are also affected by the impact of changes in foreign currency exchange rates on the reported results of the Company's unconsolidated affiliates as shown in the following table (in thousands):

	Successor	Predecessor	Successor	Predecessor
	Three Months Ended September 30, 2020	Three Months Ended September 30, 2019	Six Months Ended September 30, 2020	Six Months Ended September 30, 2019
Foreign currency transaction gains (losses)	6,935	(5,816)	8,309	(8,746)
Foreign currency transaction gains (losses) from earnings from unconsolidated affiliates, net of losses	—	(1,596)	—	(1,710)

Transaction gains and losses represent the revaluation of monetary assets and liabilities from the currency that will ultimately be settled into the functional currency of the legal entity holding the asset or liability. The most significant items revalued are denominated in U.S. dollars on entities with British pound sterling and Nigerian naira functional currencies and denominated in British pound sterling on entities with U.S. dollar functional currencies, with transaction gains or losses primarily resulting from the strengthening or weakening of the U.S. dollar versus those other currencies.

Item 4. Controls and Procedures.

At the end of the period covered by this Quarterly Report on Form 10-Q, we carried out an evaluation, under the supervision of and with the participation of our management, including Christopher S. Bradshaw, our Chief Executive Officer (“CEO”), and Jennifer Whalen, our Chief Financial Officer (“CFO”), of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Due solely to the existence of the material weaknesses described below, our CEO and CFO have concluded our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) were not effective to provide reasonable assurance that the information required to be disclosed in the reports we file and submit under the Exchange Act is recorded, processed, summarized and reported within the time period specified in the Securities and Exchange Commission’s rules and forms and that information relating to us (including our consolidated subsidiaries) required to be disclosed is accumulated and communicated to management, including the CEO and CFO, to allow timely decisions regarding required disclosure.

Material Weakness in Internal Control Over Financial Reporting

In connection with its evaluation of internal control over financial reporting for the fiscal years ended March 31, 2018 and 2019, management of Old Bristow identified the following material weaknesses which have not been remediated as of September 30, 2020.

Control Environment. We did not maintain an effective control environment as we had an insufficient complement of resources with an appropriate level of knowledge, expertise and skills commensurate with our financial reporting requirements in certain areas. The material weakness contributed to additional control deficiencies, as we did not maintain effective internal controls over monitoring of debt covenant compliance as described below and certain areas of asset impairment testing including the review of certain key assumptions and asset grouping determinations, none of which resulted in a misstatement of the condensed consolidated financial statements. In addition, we determined the insufficient complement of resources, resulted in an additional material weakness within our Risk Assessment process as described further below. This deficiency was originally identified in the fiscal year ended March 31, 2019.

Risk Assessment. We concluded, as a result of the control environment deficiency above, there exists a material weakness within our risk assessment process, specifically, the process to identify the potential for management override of controls at locations not operating on our centralized enterprise resource planning (“ERP”) system and the process to identify and assess changes that could significantly impact our system of internal control, specifically, changes within our capital structure which resulted in more onerous non-financial debt covenants. This material weakness contributed to additional control deficiencies, as the Company did not maintain effective internal controls over (i) debt covenant compliance monitoring as described above, (ii) verification of the review of journal entries are performed by individuals separate from the preparer as described further below in certain locations, and (iii) the reassessment of accounting for certain elements of our accounting for investments in unconsolidated affiliates. This deficiency was originally identified in the fiscal year ended March 31, 2019.

Debt Covenant Compliance. We identified a material weakness in our internal controls over financial reporting for monitoring of compliance with non-financial covenants within certain secured financing and lease agreements. This deficiency was originally identified in the fiscal year ended March 31, 2018.

Journal Entries. The Company failed to design and maintain effective controls over the review, approval, and documentation of manual journal entries at our subsidiary, Airnorth, which is not operating on our centralized ERP system. There were ineffective internal controls over the review of journal entries at this subsidiary by individuals separate from the preparer. Management concluded this represented a material weakness in our internal control over financial reporting. This deficiency was originally identified in the fiscal year ended March 31, 2019.

REMEDIATION PLAN FOR MATERIAL WEAKNESSES

Management and the board of directors take internal control over financial reporting and the integrity of financial statements seriously. Management and the board of directors are committed to maintaining a strong internal control environment and will make every effort to ensure that the material weakness described above will be promptly remediated, however, no material weakness can be considered remediated until the applicable remedial control is implemented and operates for a sufficient period of time to allow management to conclude, through testing, that this remediation plan is implemented and the control is operating effectively. Our remediation plans for each of the material weaknesses are described below.

Control Environment. In response to the material weakness described above, we are actively implementing certain organizational enhancements, including: (i) augmenting our treasury and legal teams with additional internal or external professionals with the appropriate levels of knowledge, expertise, and skills in the area of non-financial debt covenant compliance monitoring, (ii) augmenting our financial planning and analysis team with additional internal or external professionals with the appropriate level of knowledge, expertise and skills to enhance the level of precision at which our internal controls over financial reporting related to asset impairment assessments are performed and (iii) augmenting our technical accounting team with additional internal or external professionals with the appropriate levels of knowledge, expertise and skills to assist in the evaluation of asset impairment assessments. In order to consider this material weakness remediated, we believe additional time is needed to evaluate and implement the necessary organizational enhancements and demonstrate sustainability as it relates to the revised controls.

Risk Assessment. In response to the material weakness described above, we have enhanced our risk assessment process to better identify, evaluate and monitor changes that could significantly impact our system of internal control. These enhancements include the establishment of a charter for, and the formation of, a formal Enterprise Risk Management Committee responsible for defining and continually evaluating our enterprise risk assessment objectives, overseeing the Company's enterprise risk assessment process and ensuring the Company responds appropriately to identified risks through the selection and development of control activities responsive to the identified risks. The enhancements culminated in the presentation of our revised risk assessment output to the board of directors during the period. We believe the enhancements we have made during the period will be sufficient to remediate this material weakness; however, to consider this material weakness remediated, we believe additional time is needed to demonstrate sustainability as it relates to the revised controls.

Debt Compliance. In response to the material weakness described above, we will continue the ongoing implementation of our remediation plan, that includes the formal establishment of a debt and lease compliance program with the specific objective of creating a sustainable and executable compliance process that can be repeated on a recurring basis to ensure timely monitoring of compliance with covenants and provisions. We are actively implementing this compliance program by executing the following:

- Development of a more complete reporting process to ensure information gathered or created by our separate control processes throughout the business are reported to the appropriate level of management with the responsibility for reporting on debt and lease agreement compliance. We have implemented a third-party debt compliance software to assist with monitoring compliance with covenants and requirements of our financing and helicopter lease agreements throughout the organization. The software provides a reminder and required reporting task on a sufficiently recurring basis for subject matter experts within the business to report potential compliance issues for evaluation resolution by our management.
- Implementation of new or redesigned processes, where necessary, for compliance with collateral maintenance requirements under our debt and lease agreements, specifically, tracking the movement of collateral throughout our operations. We have implemented a manual engine tracking process supported by our maintenance, treasury and legal teams.
- Establishment of procedures for reassessment of our debt and lease compliance program in response to changes in operations or agreements, to ensure timely actions are taken when risks change.
- Evaluation of the current process and expected changes to ensure a sufficient complement of resources with an appropriate level of knowledge, expertise and skills commensurate with our non-financial debt covenant compliance monitoring requirements. We expect the changes when fully implemented, to necessitate the need to augment certain of our teams with additional internal or external professionals with the appropriate levels of knowledge, expertise, and skills in the area of non-financial debt covenant compliance monitoring.

We anticipate the actions currently underway and those remaining to be taken will address the material weakness. In order to consider this material weakness remediated, we believe additional time is needed to finalize and implement the enhanced procedures and demonstrate sustainability as it relates to the revised controls.

Journal Entries. In response to the material weakness described above, we have developed enhanced procedures which have been implemented at Airnorth to ensure that manual journal entries recorded in our financial records are properly reviewed and approved preventing the potential for management override of controls. This material weakness will not be considered remediated until the enhanced control procedures operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

Other than the changes resulting from the remediation of the material weaknesses described above, there were no changes in our internal control over financial reporting that occurred during the quarter ended September 30, 2020 (Successor), that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. *Legal Proceedings*

We have certain actions or claims pending that have been discussed and previously reported in the Financial Statement 8-K, Era's Annual Report on Form 10-K for the year ended December 31, 2019, Era's Quarterly Report on Form 10-Q for the Quarter ended March 31, 2020 and the Joint Proxy Statement/Prospectus. Developments in these previously reported matters, if any, are described in Note 8 in the "Notes to Condensed Consolidated Financial Statements" included elsewhere in this Quarterly Report.

Item 1A. *Risk Factors*

Except as set forth below, there have been no material changes during the three months ended September 30, 2020 in the "Risk Factors" in our Joint Proxy Statement/Prospectus and Era's Annual Report on Form 10-K for the year ended December 31, 2019, which is incorporated by reference into the Joint Proxy Statement/Prospectus.

The coronavirus (COVID-19) pandemic and related economic repercussions have resulted, and may continue to result, in a decrease in the price of and demand for oil, which has caused, and may continue to cause, a decrease in the demand for our services.

The COVID-19 pandemic and related economic repercussions have created significant volatility, uncertainty and turmoil in businesses globally, particularly in the oil and gas industry. These events have directly affected our business and have exacerbated the potential negative impact from many of the risks described in our Joint Proxy Statement/Prospectus, including those relating to our customers' capital spending and trends in oil and natural gas prices. For example, demand for our services is declining as our customers continue to revise their capital budgets downwards and swiftly adjust their operations in response to lower commodity prices.

In an effort to contain and mitigate the spread of COVID-19, many countries, including the United States, have imposed unprecedented restrictions on travel, and there have been business closures and a substantial reduction in economic activity in countries that have had significant outbreaks of COVID-19. As of September 30, 2020, efforts to contain COVID-19 have not succeeded in many regions, and the global pandemic remains ongoing. In addition, while certain precautionary restrictions were relaxed during the summer months, recent increases in infection rates have caused some of these restrictions to be re-implemented. To the extent infection rates remain high, other restrictions may be put in place.

In the midst of the ongoing COVID-19 pandemic, in the first quarter of 2020, OPEC+ was initially unable to reach an agreement to continue to impose limits on the production of crude oil. Oil demand has significantly deteriorated as a result of the virus outbreak and corresponding preventative measures taken around the world to mitigate the spread of the virus. The convergence of these events created the unprecedented dual impact of a global oil demand decline coupled with the risk of a substantial increase in supply. While OPEC+ agreed in April to cut production, there is no assurance that the agreement will continue or be observed by its parties, and notwithstanding the agreement, downward pressure on commodity prices as a result of the economic slowdown caused by the pandemic has continued and could continue for the foreseeable future. As a result, we cannot anticipate whether or when oil prices will return to normalized levels, and oil prices could remain at current levels or decline further for an extended period of time.

In addition to the effect on demand for our services discussed above, the pandemic may affect the health of our workforce, and international, national and local government interventions enacted to reduce the spread of COVID-19 may render our employees unable to work or travel. Although many of our employees are deemed "essential" in the regions in which they operate and therefore may continue performing their jobs notwithstanding guidance or orders of general applicability issued by governments requiring businesses to close, persons to shelter in place, borders to close and other similar actions, there can be no assurance that our personnel (or those of our key customers) will not be impacted by COVID-19. As a result, we may see our workforce productivity reduced or incur increased medical costs / insurance premiums as a result of these health risks, which could also significantly disrupt our operations and decrease our ability to provide helicopter services and equipment to our customers. For instance, if an outbreak occurs among our pilots, technicians or other employees who must be present at operating bases, it is highly unlikely that we will be able to find replacements while the affected employees are out.

The duration and severity of the business disruption and related financial impact from the COVID-19 pandemic cannot be reasonably estimated at this time. If the impact of the COVID-19 pandemic continues for an extended period of time or worsens, it could materially adversely affect the demand for our helicopter services and equipment or our ability to provide services, either of which could have a material adverse effect on our business, financial condition and liquidity.

We may fail to realize the anticipated benefits and cost savings of the Merger.

The success of the Merger, which was consummated in June 2020, including anticipated benefits and cost savings, will depend, in part, on ability to successfully combine and integrate the businesses of the merged companies in a manner that does not materially disrupt existing customer relationships or result in decreased revenues due to loss of customers. It is possible that the integration process could result in the loss of key employees, the disruption of either company's ongoing business or inconsistencies in standards, controls, procedures and policies that adversely affect our ability to maintain relationships with customers and employees. The success of our integration may depend, in part, on the ability to integrate the two businesses, business models and cultures, which may be more difficult than expected because of the COVID-19 pandemic and its effect on our operations, including the fact that many of our key employees are working remotely. Other difficulties that may arise include: integrating the companies' operations and corporate functions; integrating and unifying the product offerings and services available to customers; combining operating practices, employee development, internal controls and other policies, procedures and processes; possible differences in business backgrounds, corporate cultures and management philosophies; consolidating the companies' administrative and information technology systems; integrating accounting, finance, payroll, reporting and regulatory compliance systems; and managing a significantly larger company than before the Merger. If we experience difficulties in the integration process, including those listed above, we may fail to realize the anticipated benefits of the Merger in a timely manner or at all. Our business or results of operations or the value of our common stock may be materially and adversely affected as a result.

We have incurred material one-time costs to achieve Merger-related synergies and may fail to realize such estimated synergies. While we believe these synergies are achievable, our ability to achieve such estimated synergies in the amounts and time frame expected is subject to various assumptions based on expectations that are subject to a number of risks, which may or may not be realized, the incurrence of other costs in our operations that may offset all or a portion of such synergies and other factors outside our control. As a consequence, we may not be able to realize all of these synergies within the time frame expected or at all. We may incur additional and/or unexpected costs to realize these synergies. In addition, if we fail to achieve the anticipated cost benefits in a timely manner, we may be unable realize all the anticipated synergies. Failure to achieve the expected synergies could significantly reduce the expected benefits associated with the Merger and adversely affect our business, financial condition and results of operations.

We have identified material weaknesses in our internal control over financial reporting. If we are unable to remediate these material weaknesses, or if we identify additional material weaknesses in the future or otherwise fail to maintain an effective system of internal controls, we may not be able to accurately or timely report our financial condition or results of operations, which may adversely affect our business.

Effective internal controls over financial reporting are necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, are designed to prevent fraud. Any failure to implement required new or improved controls, or difficulties encountered in their implementation could cause us to fail to meet our reporting obligations. Inferior internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our common stock.

We are required to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting. In connection with its evaluation of internal control over financial reporting for the fiscal years ended March 31, 2018 and 2019, Old Bristow's management identified the following material weaknesses, which have not been remediated as of September 30, 2020.

- In the fiscal year ended March 31, 2018, a material weakness was identified in the monitoring of compliance with non-financial covenants within certain secured financing and lease agreements.
- In the fiscal year ended March 31, 2019, a material weakness was identified regarding the maintenance of an effective control environment as Old Bristow had an insufficient complement of resources with an appropriate level of knowledge, expertise and skills commensurate with financial reporting requirements in certain areas. As a result, this insufficient complement of resources contributed to the following material weakness:
 - A material weakness within the risk assessment process, specifically, the process to identify the potential for management override of controls at locations not operating on the ERP system and the process to identify and assess changes that could significantly impact the system of internal control, specifically, changes within the capital structure which resulted in more onerous non-financial debt covenants.

- This material weakness contributed to additional control deficiencies, effective internal controls were not maintained over (i) debt covenant compliance monitoring as described above, (ii) verification of the review of journal entries are performed by individuals separate from the preparer as described further below in certain locations, and (iii) the reassessment of accounting for certain elements of the accounting for investments in unconsolidated affiliates.
- In the fiscal year ended March 31, 2019, a material weakness was identified regarding the failure to design and maintain effective controls over the review, approval, and documentation of manual journal entries at Airnorth, which is not operating on the centralized ERP system.

For a discussion of the material weakness and our remediation efforts, see Item 4, Controls and Procedures, in this Quarterly Report on Form 10-Q. We cannot assure you that our efforts to remediate this internal control weakness will be successful or that other material weaknesses will not occur.

We have a substantial amount of indebtedness, which could adversely affect our operations and financial condition.

We have significant indebtedness and debt service obligations. As of September 30, 2020 (Successor), we had total debt of \$644.4 million. The agreements governing such indebtedness impose certain limits on our flexibility to operate our business. In particular, the instruments governing our debt contain various covenants that limit our ability to, among other things:

- make investments;
- incur or guarantee additional indebtedness;
- incur liens or pledge the assets of certain of our subsidiaries;
- pay dividends or make investments;
- maintain a maximum senior secured leverage ratio;
- enter into transactions with affiliates; and
- enter into certain sales of all or substantially all of our assets, mergers and consolidations.

Our ability to meet our debt service obligations and refinance our indebtedness, including any future debt that we may incur, will depend upon our ability to generate cash in the future from operations, financings or asset sales, which are subject to general economic conditions, industry cycles, seasonality and other factors, some of which may be beyond our control. If we cannot repay or refinance our debt as it becomes due, we may be forced to sell assets or take other disadvantageous actions, including reducing financing in the future for working capital, capital expenditures and general corporate purposes or dedicating an unsustainable level of our cash flow from operations to the payment of principal and interest on our indebtedness. Any failure to repay or refinance may also permit the lenders who hold such debt to accelerate amounts due, which would potentially trigger default or acceleration of our other debt. In addition, our ability to withstand competitive pressures and to react to changes in our industry could be impaired.

Our future debt levels and the terms of any future indebtedness we may incur may contain restrictive covenants and limit our liquidity and our ability to obtain additional financing and pursue acquisitions and joint ventures or purchase new helicopters. Tight credit conditions could limit our ability to secure additional financing, if required, due to difficulties accessing the credit and capital markets.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds and Issuer Repurchases of Equity Securities

The following table presents information regarding our repurchases of shares of our Common Stock on a monthly basis during the three months ended September 30, 2020:

	Total Number of Shares Repurchased ⁽¹⁾	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Value of Shares that May Yet be Purchased Under the Plans or Programs ⁽²⁾
July 1, 2020 - July 31, 2020	—	\$ —	—	\$ —
August 1, 2020 - August 31, 2020	312	\$ 16.52	—	\$ —
September 1, 2020 - September 30, 2020	345,445	\$ 21.93	345,327	\$ 67,426,595

(1) Includes 430 shares purchased in connection with the surrender of shares by employees to satisfy certain tax withholding obligations. These repurchases are not a part of our publicly announced plan and do not affect our Board-approved share repurchase program.

(2) On September 16, 2020, the Board authorized a stock repurchase plan providing for the repurchase of up to \$75.0 million of the Company's common stock. Repurchases under the program may be made in the open market, including pursuant to a Rule 10b5-1 plan, by block repurchases, in private transactions (including with related parties) or otherwise, from time to time, depending on market conditions. The share repurchase program has no expiration date and may be suspended or discontinued at any time without notice.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

The following exhibits are filed as part of this Quarterly Report:

Exhibit Number	Description of Exhibit
10.1**†	Form of Non-Employee Director Restricted Stock Unit Grant Agreement Pursuant to the Bristow Group Inc. 2019 Management Incentive Plan
10.2**†	Form of Restricted Stock Unit Grant Agreement Pursuant to the Bristow Group Inc. 2012 Share Incentive Plan
10.3**†	Form of Restricted Stock Unit Grant Agreement Pursuant to the Bristow Group Inc. 2019 Management Incentive Plan
10.4**†	Form of Common Stock Option Grant Agreement Pursuant to the Bristow Group Inc. 2012 Share Incentive Plan
10.5**†	Form of Common Stock Option Grant Agreement Pursuant to the Bristow Group Inc. 2019 Management Incentive Plan
31.1**	Rule 13a-14(a) Certification by Chief Executive Officer of Registrant.
31.2**	Rule 13a-14(a) Certification by Chief Financial Officer of Registrant.
32.1**	Certification of Chief Executive Officer of Registrant pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Chief Financial Officer of Registrant pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.
†	Compensatory Plan or Arrangement.
*	Filed herewith.
**	Furnished herewith.

SIGNATURES

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

BRISTOW GROUP INC.

By: /s/ Jennifer D. Whalen
Jennifer D. Whalen
*Senior Vice President and
Chief Financial Officer*

By: /s/ Chris Gillette
Chris Gillette
Vice President and Chief Accounting Officer

DATE: November 4, 2020

**FORM OF NON-EMPLOYEE DIRECTOR
RESTRICTED STOCK UNIT GRANT AGREEMENT
PURSUANT TO THE BRISTOW GROUP INC.
2019 MANAGEMENT INCENTIVE PLAN**

RESTRICTED STOCK UNIT GRANT AGREEMENT (the “Agreement”), dated as of [●] (the “Date of Grant”), between Bristow Group Inc., a Delaware corporation (f/k/a Era Group Inc.) (the “Company”), and [●] (the “Participant”).

RECITALS:

WHEREAS, on June 11, 2020, the Company completed its merger with Bristow Holdings U.S. Inc., a Delaware corporation (f/k/a Bristow Group Inc.) (“Legacy Bristow”), pursuant to which Legacy Bristow became a wholly-owned subsidiary of the Company pursuant to the terms of the Agreement and Plan of Merger dated as of January 23, 2020, as amended, by and among the Company, Ruby Redux Merger Sub, Inc. and Legacy Bristow;

WHEREAS, the Company has assumed the Bristow Group Inc. 2019 Management Incentive Plan, as amended May 19, 2020 (the “Plan”). Capitalized terms not otherwise defined herein shall have the same meanings as in the Plan; and

WHEREAS, the Board and the Committee have determined that it would be in the best interests of the Company and its stockholders to issue and grant to the Participant pursuant to the Plan, and the Participant desires to accept, restricted stock units (“Restricted Stock Units” or “RSUs”) covering shares of the Company’s common stock (“Common Stock”), upon the terms and subject to the conditions hereinafter provided.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Grant of Restricted Stock Units; Dividend Equivalent Rights. Subject to the terms and conditions of the Plan and this Agreement, the Company hereby grants to the Participant [●] Restricted Stock Units. Except as otherwise provided herein including, without limitation, the provisions of Paragraph 3 hereof, the Participant is hereby granted a Dividend Equivalent Right (as defined in the Plan) with respect to each Restricted Stock Unit, provided, however, that, prior to the record date for any dividend, the Committee shall determine, in its sole discretion, whether (i) the Participant shall immediately receive the dividend with respect to a Dividend Equivalent Right on the payment date, notwithstanding the vesting date of the corresponding Restricted Stock Unit as set forth in Paragraph 2 below or (ii) the amount of the dividend otherwise payable on the Dividend Equivalent Right shall be held in escrow from and after the dividend payment date until the corresponding Restricted Stock Unit vests, at which time the amount of the dividend shall be paid to the Participant.

2. Vesting.

(a) Subject to the terms and conditions set forth herein and in the Plan the Restricted Stock Units shall vest as to 100% of the Restricted Stock on [●], subject to the Participant's continued service on such date (the "Vesting Date").

Notwithstanding the foregoing, the Restricted Stock Units shall vest immediately, without any action on the part of the Company (or its successor as applicable) or the Participant if, prior to a Forfeiture (as defined below) by the Participant, any of the following events occur (and the date of such event will be the Vesting Date):

- (i) the death of the Participant;
- (ii) the Participant becomes Disabled (as defined below); or
- (iii) the occurrence of a Change in Control (as defined below).

(b) As used in this Agreement:

"Change in Control" shall have the meaning set forth in the Bristow Group Inc. (f/k/a Era Group Inc.) 2012 Stock Incentive Plan.

"Disabled" shall mean that by reason of injury or illness (including mental illness) the Participant shall be unable to perform his or her director duties for 90 consecutive days or 120 days in a 12-month period.

3. Forfeiture. Except as set forth in Paragraph 2(a) hereof, upon termination of the Participant's service as a director of the Company, any unvested Restricted Stock Units and unvested Dividend Equivalent Rights shall not vest and shall immediately thereupon be forfeited by the Participant to the Company without any consideration therefor (a "Forfeiture").

4. Issuance of Common Stock. Within 30 days following the Vesting Date (but no later than March 15 of the year following the year of vesting), the Company shall, subject to any required tax withholding as provided in the Plan, issue to the Participant one share of Common Stock (in certificate or electronic form) in settlement of such vested Restricted Stock Unit, together with any vested dividends, if applicable, and such Restricted Stock Unit and corresponding Dividend Equivalent Right shall be cancelled. For clarity, the Participant shall have no rights as a stockholder of the Company, no dividend rights (except with respect to Dividend Equivalent Rights) and no voting rights, with respect to the Restricted Stock Units or any shares underlying or issuable in respect of such Restricted Stock Units until such shares are actually issued to and held of record by the Participant.

5. Transferability. The Participant shall not transfer or assign the Restricted Stock Units or Dividend Equivalent Rights except as permitted in accordance with Article IX of the Plan.

6. Adjustment. The Restricted Stock Units and Dividend Equivalent Rights may be adjusted by the Committee in accordance with Article X of the Plan.

7. Notices. Any notice required or permitted hereunder shall be deemed given only when delivered personally or when deposited in a United States Post Office as certified mail, postage prepaid, addressed, as appropriate, if to the Participant, at such address as the Company shall maintain for the Participant in its personnel records or such other address as he or she may designate in writing to the Company, and if to the Company, at 3151 Briarpark Drive, Suite 700, Houston, Texas 77042, Attention: General Counsel or such other address as the Company may designate in writing to the Participant.

8. Entire Agreement. This Agreement and the Plan contain the entire understanding of the parties hereto with respect to the subject matter hereof and supersede all prior agreements, discussions and understandings (whether oral or written and whether express or implied) with respect to such subject matter. If there is any inconsistency between the terms of the Plan and the terms of this Agreement, the Plan's terms shall supersede and replace the conflicting term of this Agreement.

9. Failure to Enforce Not a Waiver. The failure of the Company to enforce at any time any provision of this Agreement shall in no way be construed to be a waiver of such provision or of any other provision hereof.

10. Tenure. The Participant's right, if any, to continue to serve as a director of the Company or any of its subsidiaries shall not be enlarged or otherwise affected by the award hereunder or his or her designation as a participant under the Plan.

11. Benefit and Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the Company, its successors and assigns, and the Participant, his executors, administrators, personal representatives and heirs. In the event that any part of this Agreement shall be held to be invalid or unenforceable, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof.

12. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without giving effect to principles and provisions thereof relating to conflict or choice of laws.

13. Amendment and Termination. This Agreement may not be amended or terminated unless such amendment or termination is in writing and duly executed by each of the parties hereto.

14. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

15. Construction. In the event of a conflict or ambiguity between any term or provision contained herein and a term or provision of the Plan, the Plan will govern and prevail; provided, however, that in the case of any conflict or ambiguity pertaining to a Change in Control, this Agreement will govern and prevail. The construction of and decisions under the Plan and this Agreement are vested in the Committee, whose determinations shall be final, conclusive and binding upon the Participant.

16. Compliance with Section 409A. The compensation payable to the Participant pursuant to this Agreement is intended to be exempt from or compliant with Section 409A of the Code, and this

Agreement and the Plan shall be administered and construed to the fullest extent possible to reflect and implement such intent.

17. Electronic Delivery. The Company may, in its sole discretion, deliver any documents related to this Agreement by electronic means or request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive all applicable documentation by electronic delivery and to participate in the Plan through an on-line or voice activated system established and maintained by the Company or a third party vendor designated by the Company.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has executed this Agreement on the date and year first above written.

Bristow Group Inc.

[•] —

The undersigned hereby accepts, and agrees to, all terms and provisions of this Agreement as of the date and year first above written.

[•] —

**RESTRICTED STOCK UNIT GRANT AGREEMENT
PURSUANT TO THE BRISTOW GROUP INC.
2012 SHARE INCENTIVE PLAN**

RESTRICTED STOCK UNIT GRANT AGREEMENT (the “Agreement”), dated as of [●] (the “Date of Grant”) between Bristow Group Inc., a Delaware corporation (f/k/a Era Group Inc.) (the “Company”), and [●] (the “Grantee”).

RECITALS:

WHEREAS, the Company has adopted the Bristow Group Inc. 2012 Share Incentive Plan (the “Plan”). Capitalized terms not otherwise defined herein shall have the same meanings as in the Plan;

WHEREAS, on June 11, 2020, the Company completed its merger with Bristow Holdings U.S. Inc., a Delaware corporation (f/k/a Bristow Group Inc.) (“Legacy Bristow”), pursuant to which Legacy Bristow became a wholly-owned subsidiary of the Company pursuant to the terms of the Agreement and Plan of Merger dated as of January 23, 2020, as amended, by and among the Company, Ruby Redux Merger Sub, Inc. and Legacy Bristow; and

WHEREAS, the Board and the Committee have determined that it would be in the best interests of the Company and its stockholders to issue and grant to the Grantee pursuant to the Plan, for the purpose of attracting, motivating, and retaining select employees by providing employees with an interest in the growth and development of the Company, restricted stock units (“Restricted Stock Units” or “RSUs”) covering shares of the Company’s common stock (“Common Stock”). The Grantee desires to accept the Restricted Stock Units upon the terms and subject to the conditions hereinafter provided.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Grant of Restricted Stock Units; Dividend Equivalent Rights. Subject to the terms and conditions of the Plan and this Agreement, the Company hereby grants to the Grantee [●] Restricted Stock Units. In addition, the Grantee is hereby granted a Dividend Equivalent Right (as defined in the Plan) with respect to each Restricted Stock Unit, provided, however, that, prior to the record date for any dividend, the Committee shall determine, in its sole discretion, whether (i) the Grantee shall immediately receive the dividend with respect to a Dividend Equivalent Right on the payment date, notwithstanding the vesting date of the corresponding Restricted Stock Unit as set forth in Paragraph 2 below or (ii) the amount of the dividend otherwise payable on the Dividend Equivalent Right shall be held in escrow from and after the dividend payment date until the corresponding Restricted Stock Unit vests, at which time the amount of the dividend shall be paid to the Grantee.

2. Vesting.

(a) Target VWAP and Earn Dates. Subject to the terms and conditions set forth herein and in the Plan, the Restricted Stock Units shall be earned in the amounts and on the dates set forth in the table below (rounded to the nearest whole share, not to exceed the total number of shares in Paragraph 1) (each, an “Earn Date”) subject to the Grantee’s continued employment as of such date and the achievement of a volume weighted average price per share of Common Stock over the 120-day period immediately preceding the scheduled Earn Date that is at or above the level provided in the table below (the “Target VWAP”) as follows:

Earn Date	Target VWAP	RSUs Earned (% of total)	Number of RSUs Earned
[●]	\$(●)	33.33%	[●]
[●]	\$(●)	33.33%	[●]
[●]	\$(●)	33.34%	[●]

Restricted Stock Units that are earned on an Earn Date are referred to as “Earned RSUs”. For clarity, if the Target VWAP is not achieved as of the applicable Earn Date, then the Restricted Stock Units that were eligible to be earned on such date will be cancelled and forfeited as of such date.

(b) Vesting. All Earned RSUs will vest on [●] (the “Vesting Date”) subject to the Grantee’s continued employment as of such date.

Notwithstanding the foregoing, any outstanding Restricted Stock Units shall vest immediately, without any action on the part of the Company (or its successor as applicable) or the Grantee if, prior to a Forfeiture (as defined below) by the Grantee, any of the following events occur (and the date of such event will be the Vesting Date):

- (i) the death of the Grantee;
 - (ii) the Grantee becomes Disabled (as defined below);
 - (iii) the Retirement (as defined below) of the Grantee;
 - (iv) the termination of the Grantee’s employment with the Company and/or its subsidiaries, as applicable, by the Company (or applicable subsidiaries) without Cause (as defined below);
 - (v) the Grantee resigns for Good Reason (as defined below); or
 - (vi) the occurrence of a Change in Control.
-

(c) Certain Definitions. As used in this Agreement, the following terms shall have the following respective meanings:

“Cause” shall mean (i) fraud, embezzlement or gross insubordination on the part of the Grantee or breach by the Grantee of his or her obligations under any Company policy or procedure; (ii) conviction of or the entry of a plea of *nolo contendere* by the Grantee for any felony; (iii) a material breach of, or the willful failure or refusal by the Grantee to perform and discharge, his or her duties, responsibilities or obligations as an employee; or (iv) any act of moral turpitude or willful misconduct by the Grantee which (A) is intended to result in substantial personal enrichment of the Grantee at the expense of the Company or any of its subsidiaries or affiliates or (B) has a material adverse impact on the business or reputation of the Company or any of its subsidiaries or affiliates.

“Disabled” shall mean that by reason of injury or illness (including mental illness) the Grantee shall be unable to perform full-time employment duties for 90 consecutive days or 120 days in a 12-month period.

“Good Reason” shall mean, in each case without the Grantee’s consent:

(i) a material diminution in the Grantee’s base compensation, annual target bonus opportunity or annual long-term incentive award opportunity;

(ii) (A) only with respect to a Non-Operational Grantee, a material diminution in the Grantee’s title, authority, duties or responsibilities, (B) only with respect to an Operational Grantee, a material diminution in the Grantee’s duties or responsibilities that is inconsistent with written notification by the Company to the Grantee with respect to his or her participation hereunder; provided that the Committee shall determine whether the Grantee is an “Operational” or “Non-Operational” Grantee;

(iii) a change in the geographic location from where the Grantee performs his/her services for the Company, or its applicable subsidiary or affiliate, by more than 50 miles from the geographic location where the Grantee performed his/her services for the Company, or its applicable subsidiary or affiliate, as of the date immediately prior to the Change in Control; or

(iv) a material breach by the Company, any subsidiary or any affiliate of any material written agreement between the Grantee and the Company or such subsidiary or affiliate.

The Grantee’s continued employment shall not constitute consent to, or a waiver of rights with respect to, any act or failure to act constituting Good Reason hereunder.

“Retirement” shall mean the Grantee’s formal retirement from employment with the Company under acceptable circumstances as determined by the Committee in its

sole discretion (which determination may be conditioned upon, among other things, the Grantee entering into a non-competition agreement with the Company).

3. Forfeiture. (i) Restricted Stock Units eligible to be earned on an Earn Date and that do not become Earned RSUs will be cancelled and forfeited as of the applicable Earn Date, as provided in Paragraph 2(a) above; (ii) except as provided in Paragraph 2(b) above, upon termination of the Grantee's employment with the Company, any outstanding unvested Restricted Stock Units and unvested Dividend Equivalent Rights shall not vest and shall immediately thereupon be forfeited by the Grantee to the Company without any consideration therefor, and (iii) any outstanding Restricted Stock Units and Dividend Equivalent Rights (whether vested or unvested) shall terminate and be of no further force or effect as provided in Paragraph 7 below (a "Forfeiture").

4. Issuance of Common Stock. Within 30 days following the Vesting Date (but no later than March 15 of the year following the year in which the Vesting Date occurs), the Company shall, subject to the withholding referred to in Paragraph 6 hereof, issue to the Grantee one share of Common Stock (in certificate or electronic form) in settlement of such vested Restricted Stock Unit, together with any vested dividends, if applicable, and such Restricted Stock Unit and corresponding Dividend Equivalent Right shall be cancelled. For clarity, the Grantee shall have no rights as a stockholder of the Company, no dividend rights (except with respect to Dividend Equivalent Rights) and no voting rights, with respect to the Restricted Stock Units or any shares underlying or issuable in respect of such Restricted Stock Units until such shares are actually issued to and held of record by the Grantee.

5. Transferability. The Grantee shall not transfer or assign the Restricted Stock Units or Dividend Equivalent Rights except as permitted in accordance with Section 17 of the Plan.

6. Withholding. All payments or distributions of Common Stock or cash dividends or with respect thereto shall be net of any amounts required to be withheld pursuant to applicable federal, national, state and local tax withholding requirements. The Company may require the Grantee to remit to it an amount sufficient to satisfy such tax withholding requirements prior to delivery of any certificates for such Common Stock or with respect thereto. In lieu thereof, the Company shall have the right to withhold the amount of such taxes from any other sums due or to become due from the Company or its affiliates to the Grantee as the Company shall determine. The Company may, in its discretion and subject to such rules as it may adopt (including any as may be required to satisfy applicable tax and/or non-tax regulatory requirements), permit the Grantee to pay all or a portion of the withholding taxes arising in connection with the Common Stock or any payments or distributions with respect thereto by electing to have the Company withhold Common Stock having a Fair Market Value equal to the amount to be withheld, provided that such withholding shall only be at rates permitted by applicable statutes or regulations, which may include the maximum individual statutory tax rate in the applicable jurisdiction at the time of such withholding (or such other rate as may be required to comply with applicable law). Notwithstanding the foregoing, if any Restricted Stock Units vest during a trading blackout period (including in connection with a termination of the Grantee's employment), the Grantee's applicable tax withholding obligation(s) with respect to such vested Restricted Stock Units shall be satisfied by the Company withholding

Common Stock having a Fair Market Value equal to the amount to be withheld and determined in the manner provided above.

7. Restrictive Covenant Breach. By accepting the Restricted Stock Units and Dividend Equivalent Rights, the Grantee acknowledges and agrees that he or she continues to be bound by the restrictive covenants contained in Section 10 of the Bristow Group Inc. (f/k/a Era Group Inc.) Senior Executive Severance Plan adopted June 24, 2015 (the "Senior Executive Severance Plan"). The Company may cancel, rescind, suspend, withhold or otherwise limit or restrict all Restricted Stock Units and Dividend Equivalent Rights under this Agreement at any time that the Grantee is not in compliance with Section 10.2 [*Solicitation of Employees and Customers*] or Section 10.3 [*Non-Competition*] of the Senior Executive Severance Plan (the "Restrictive Covenants"). If the Grantee chooses to violate the Restrictive Covenants, the Company shall be entitled to cancel all outstanding Restricted Stock Units and Dividend Equivalent Rights under this Agreement and receive from the Grantee all shares of Common Stock previously issued and all cash dividends previously paid to the Grantee under this Agreement, and if the Grantee has sold, transferred or otherwise disposed of such Common Stock, the Grantee shall immediately pay to the Company the Fair Market Value of such Common Stock on the date(s) such Common Stock was issued, without regard to any taxes that may have been deducted from such amount. To the extent that the Company is required to seek enforcement of the provisions of this Paragraph 7, the Company shall be entitled to an award of attorney fees should it prevail in any such action.

8. Adjustment. The Restricted Stock Units and Dividend Equivalent Rights may be adjusted by the Committee in accordance with Section 12(a) of the Plan.

9. Notices. Any notice required or permitted hereunder shall be deemed given only when delivered personally or when deposited in a United States Post Office as certified mail, postage prepaid, addressed, as appropriate, if to the Grantee, at such address as the Company shall maintain for the Grantee in its personnel records or such other address as he or she may designate in writing to the Company, and if to the Company, at 3151 Briarpark Drive, Suite 700, Houston, Texas 77042, Attention: General Counsel or such other address as the Company may designate in writing to the Grantee.

10. Entire Agreement. This Agreement and the Plan contain the entire understanding of the parties hereto with respect to the subject matter hereof and supersede all prior agreements, discussions and understandings (whether oral or written and whether express or implied) with respect to such subject matter.

11. Failure to Enforce Not a Waiver. The failure of the Company to enforce at any time any provision of this Agreement shall in no way be construed to be a waiver of such provision or of any other provision hereof.

12. Tenure. The Grantee's right to continue to serve the Company or any of its subsidiaries as an officer, employee, or otherwise, shall not be enlarged or otherwise affected by the award hereunder.

13. Benefit and Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the Company, its successors and assigns, and the Grantee, his executors, administrators, personal representatives and heirs. In the event that any part of this Agreement shall be held to be invalid or unenforceable, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof.

14. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without giving effect to principles and provisions thereof relating to conflict or choice of laws.

15. Amendment and Termination. This Agreement may not be amended or terminated unless such amendment or termination is in writing and duly executed by each of the parties hereto.

16. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

17. Construction. In the event of a conflict or ambiguity between any term or provision contained herein and a term or provision of the Plan, the Plan will govern and prevail; provided, however, that in the case of any conflict or ambiguity pertaining to a Change in Control, this Agreement will govern and prevail. The construction of and decisions under the Plan and this Agreement are vested in the Committee, whose determinations shall be final, conclusive and binding upon the Grantee.

18. Compliance with Section 409A. The compensation payable to the Grantee pursuant to this Agreement is intended to be exempt from or compliant with Section 409A of the Code, and this Agreement and the Plan shall be administered and construed to the fullest extent possible to reflect and implement such intent.

19. Electronic Delivery. The Company may, in its sole discretion, deliver any documents related to this Agreement by electronic means or request the Grantee's consent to participate in the Plan by electronic means. The Grantee hereby consents to receive all applicable documentation by electronic delivery and to participate in the Plan through an on-line or voice activated system established and maintained by the Company or a third party vendor designated by the Company.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has executed this Agreement on the date and year first above written.

Bristow Group Inc.

[•] —

The undersigned hereby accepts, and agrees to, all terms and provisions of this Agreement as of the date and year first above written.

[•] —

**RESTRICTED STOCK UNIT GRANT AGREEMENT
PURSUANT TO THE BRISTOW GROUP INC.
2019 MANAGEMENT INCENTIVE PLAN**

RESTRICTED STOCK UNIT GRANT AGREEMENT (the “Agreement”), dated as of [●] (the “Date of Grant”) between Bristow Group Inc., a Delaware corporation (f/k/a Era Group Inc.) (the “Company”), and [●] (the “Participant”).

RECITALS:

WHEREAS, on June 11, 2020, the Company completed its merger with Bristow Holdings U.S. Inc., a Delaware corporation (f/k/a Bristow Group Inc.) (“Legacy Bristow”), pursuant to which Legacy Bristow became a wholly-owned subsidiary of the Company pursuant to the terms of the Agreement and Plan of Merger dated as of January 23, 2020, as amended, by and among the Company, Ruby Redux Merger Sub, Inc. and Legacy Bristow;

WHEREAS, the Company has assumed the Bristow Group Inc. 2019 Management Incentive Plan, as amended May 19, 2020 (the “Plan”). Capitalized terms not otherwise defined herein shall have the same meanings as in the Plan; and

WHEREAS, the Board and the Committee have determined that it would be in the best interests of the Company and its stockholders to issue and grant to the Participant pursuant to the Plan, for the purpose of attracting, motivating, and retaining select employees by providing employees with an interest in the growth and development of the Company, restricted stock units (“Restricted Stock Units” or “RSUs”) covering shares of the Company’s common stock (“Common Stock”). The Participant desires to accept the Restricted Stock Units upon the terms and subject to the conditions hereinafter provided.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Grant of Restricted Stock Units; Dividend Equivalent Rights. Subject to the terms and conditions of the Plan and this Agreement, the Company hereby grants to the Participant [●] Restricted Stock Units. In addition, the Participant is hereby granted a Dividend Equivalent Right (as defined in the Plan) with respect to each Restricted Stock Unit , provided, however, that, prior to the record date for any dividend, the Committee shall determine, in its sole discretion, whether (i) the Participant shall immediately receive the dividend with respect to a Dividend Equivalent Right on the payment date, notwithstanding the vesting date of the corresponding Restricted Stock Unit as set forth in Paragraph 2 below or (ii) the amount of the dividend otherwise payable on the Dividend Equivalent Right shall be held in escrow from and after the dividend payment date until the corresponding Restricted Stock Unit vests, at which time the amount of the dividend shall be paid to the Participant.

2. Vesting.

(a) Target VWAP and Earn Dates. Subject to the terms and conditions set forth herein and in the Plan, the Restricted Stock Units shall be earned in the amounts and on the dates set forth in the table below (rounded to the nearest whole share, not to exceed the total number of shares in Paragraph 1) (each, an “Earn Date”) subject to the Participant’s continued employment as of such date and the achievement of a volume weighted average price per share of Common Stock over the 120-day period immediately preceding the scheduled Earn Date that is at or above the level provided in the table below (the “Target VWAP”) as follows:

Earn Date	Target VWAP	RSUs Earned (% of total)	Number of RSUs Earned
[•]	\$(•)	33.33%	[•]
[•]	\$(•)	33.33%	[•]
[•]	\$(•)	33.34%	[•]

Restricted Stock Units that are earned on an Earn Date are referred to as “Earned RSUs”. For clarity, if the Target VWAP is not achieved as of the applicable Earn Date, then the Restricted Stock Units that were eligible to be earned on such date will be cancelled and forfeited as of such date.

(b) Vesting. All Earned RSUs will vest on [•] (the “Vesting Date”) subject to the Participant’s continued employment as of such date.

Notwithstanding the foregoing, the Restricted Stock Units shall vest immediately, without any action on the part of the Company (or its successor as applicable) or the Participant if, prior to a Forfeiture (as defined below) by the Participant, any of the following events occur (and the date of such event will be the Vesting Date):

- (i) the death of the Participant;
 - (ii) the Participant becomes Disabled (as defined below);
 - (iii) the Retirement (as defined below) of the Participant;
 - (iv) the termination of the Participant’s employment with the Company and/or its Subsidiaries, as applicable, by the Company (or applicable Subsidiaries) without Cause (as defined below);
 - (v) the Participant resigns for Good Reason (as defined below); or
 - (vi) the occurrence of a Change in Control (as defined below).
-

(c) Certain Definitions. As used in this Agreement, the following terms shall have the following respective meanings:

“Cause” shall mean (i) fraud, embezzlement or gross insubordination on the part of the Participant or breach by the Participant of his or her obligations under any Company policy or procedure; (ii) conviction of or the entry of a plea of *nolo contendere* by the Participant for any felony; (iii) a material breach of, or the willful failure or refusal by the Participant to perform and discharge, his or her duties, responsibilities or obligations as an employee; or (iv) any act of moral turpitude or willful misconduct by the Participant which (A) is intended to result in substantial personal enrichment of the Participant at the expense of the Company or any of its Subsidiaries or Affiliates or (B) has a material adverse impact on the business or reputation of the Company or any of its Subsidiaries or Affiliates.

“Change in Control” shall have the meaning set forth in the Bristow Group Inc. (f/k/a Era Group Inc.) 2012 Stock Incentive Plan.

“Disabled” shall mean that by reason of injury or illness (including mental illness) the Participant shall be unable to perform full-time employment duties for 90 consecutive days or 120 days in a 12-month period.

“Good Reason” shall mean, in each case without the Participant’s consent:

(i) a material diminution in the Participant’s base compensation, annual target bonus opportunity or annual long-term incentive award opportunity;

(ii) (A) only with respect to a Non-Operational Participant, a material diminution in the Participant’s title, authority, duties or responsibilities, (B) only with respect to an Operational Participant, a material diminution in the Participant’s duties or responsibilities that is inconsistent with written notification by the Company to the Participant with respect to his or participation hereunder; provided that the Committee shall determine whether the Participant is an “Operational” or “ Non-Operational” Participant;

(iii) a change in the geographic location from where the Participant performs his/her services for the Company, or its applicable Subsidiary or Affiliate, by more than 50 miles from the geographic location where the Participant performed his/her services for the Company, or its applicable Subsidiary or Affiliate, as of the date immediately prior to the Change in Control; or

(iv) a material breach by the Company, any Subsidiary or any Affiliate of any material written agreement between the Participant and the Company or such Subsidiary or Affiliate.

The Participant’s continued employment shall not constitute consent to, or a waiver of rights with respect to, any act or failure to act constituting Good Reason hereunder.

“**Retirement**” shall mean Participant’s formal retirement from employment with the Company under acceptable circumstances as determined by the Committee in its sole discretion (which determination may be conditioned upon, among other things, the Participant entering into a non-competition agreement with the Company).

3. Forfeiture. (i) Restricted Stock Units eligible to be earned on an Earn Date and that do not become Earned RSUs will be cancelled and forfeited as of the applicable Earn Date, as provided in Paragraph 2(a) above; (ii) except as provided in Paragraph 2(b) above, upon termination of the Participant’s employment with the Company, any outstanding unvested Restricted Stock Units and unvested Dividend Equivalent Rights shall not vest and shall immediately thereupon be forfeited by the Participant to the Company without any consideration therefor, and (iii) any Restricted Stock Units and Dividend Equivalent Rights (whether vested or unvested) shall terminate and be of no further force or effect as provided in Paragraph 7 below (a “**Forfeiture**”).

4. Issuance of Common Stock. Within 30 days following the Vesting Date (but no later than March 15 of the year following the year in which the Vesting Date occurs), the Company shall, subject to the withholding referred to in Paragraph 6 hereof, issue to the Participant one share of Common Stock (in certificate or electronic form) in settlement of such vested Restricted Stock Unit, together with any vested dividends, if applicable, and such Restricted Stock Unit and corresponding Dividend Equivalent Right shall be cancelled. For clarity, the Participant shall have no rights as a stockholder of the Company, no dividend rights (except with respect to Dividend Equivalent Rights) and no voting rights, with respect to the Restricted Stock Units or any shares underlying or issuable in respect of such Restricted Stock Units until such shares are actually issued to and held of record by the Participant.

5. Transferability. The Participant shall not transfer or assign the Restricted Stock Units or Dividend Equivalent Rights except as permitted in accordance with Article IX of the Plan.

6. Withholding. All payments or distributions of Common Stock or cash dividends or with respect thereto shall be net of any amounts required to be withheld pursuant to applicable federal, national, state and local tax withholding requirements. The Company may require the Participant to remit to it an amount sufficient to satisfy such tax withholding requirements prior to delivery of any certificates for such Common Stock or with respect thereto. In lieu thereof, the Company shall have the right to withhold the amount of such taxes from any other sums due or to become due from the Company or its Affiliates to the Participant as the Company shall determine. The Company may, in its discretion and subject to such rules as it may adopt (including any as may be required to satisfy applicable tax and/or non-tax regulatory requirements), permit the Participant to pay all or a portion of the withholding taxes arising in connection with the Common Stock or any payments or distributions with respect thereto by electing to have the Company withhold Common Stock having a Fair Market Value equal to the amount to be withheld, provided that such withholding shall only be at rates permitted by applicable statutes or regulations, which may include the maximum individual statutory tax rate in the applicable jurisdiction at the time of such withholding (or such other rate as may be required to comply with applicable law). Notwithstanding the foregoing, if any Restricted Stock Units vest during a trading blackout period (including in connection with a termination of the Participant’s employment), the Participant’s applicable tax

withholding obligation(s) with respect to such vested Restricted Stock Units shall be satisfied by the Company withholding Common Stock having a Fair Market Value equal to the amount to be withheld and determined in the manner provided above.

7. Restrictive Covenant Breach. By accepting the Restricted Stock Units and Dividend Equivalent Rights, the Participant acknowledges and agrees that he or she continues to be bound by the restrictive covenants contained in the Participation Agreement between Legacy Bristow and the Participant entered into in connection with the Participant's designation as a participant under Legacy Bristow's Amended and Restated 2019 Management Severance Benefits Plan for U.S. Employees effective as of October 31, 2019 (the "Legacy Bristow Severance Plan Participation Agreement"). The Company may cancel, rescind, suspend, withhold or otherwise limit or restrict all Restricted Stock Units and Dividend Equivalent Rights under this Agreement at any time that the Participant is not in compliance with Section 5(e) [*Non-Solicitation/Non-Hire of Company Group Employees and Other Service Providers*] or Section 5(f) [*Non-Competition*] of the Legacy Bristow Severance Plan Participation Agreement (the "Restrictive Covenants"). If the Participant chooses to violate the Restrictive Covenants, the Company shall be entitled to cancel all outstanding Restricted Stock Units and Dividend Equivalent Rights under this Agreement and receive from the Participant all shares of Common Stock previously issued and all cash dividends previously paid to the Participant under this Agreement, and if the Participant has sold, transferred or otherwise disposed of such Common Stock, the Participant shall immediately pay to the Company the Fair Market Value of such Common Stock on the date(s) such Common Stock was issued, without regard to any taxes that may have been deducted from such amount. To the extent that the Company is required to seek enforcement of the provisions of this Paragraph 7, the Company shall be entitled to an award of attorney fees should it prevail in any such action.

8. Adjustment. The Restricted Stock Units and Dividend Equivalent Rights may be adjusted by the Committee in accordance with Article X of the Plan.

9. Notices. Any notice required or permitted hereunder shall be deemed given only when delivered personally or when deposited in a United States Post Office as certified mail, postage prepaid, addressed, as appropriate, if to the Participant, at such address as the Company shall maintain for the Participant in its personnel records or such other address as he or she may designate in writing to the Company, and if to the Company, at 3151 Briarpark Drive, Suite 700 Houston, Texas 77042, Attention: General Counsel or such other address as the Company may designate in writing to the Participant.

10. Entire Agreement. This Agreement and the Plan contain the entire understanding of the parties hereto with respect to the subject matter hereof and supersede all prior agreements, discussions and understandings (whether oral or written and whether express or implied) with respect to such subject matter.

11. Failure to Enforce Not a Waiver. The failure of the Company to enforce at any time any provision of this Agreement shall in no way be construed to be a waiver of such provision or of any other provision hereof.

12. Tenure. The Participant's right to continue to serve the Company or any of its subsidiaries as an officer, employee, or otherwise, shall not be enlarged or otherwise affected by the award hereunder.

13. Benefit and Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the Company, its successors and assigns, and the Participant, his executors, administrators, personal representatives and heirs. In the event that any part of this Agreement shall be held to be invalid or unenforceable, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof.

14. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without giving effect to principles and provisions thereof relating to conflict or choice of laws.

15. Amendment and Termination. This Agreement may not be amended or terminated unless such amendment or termination is in writing and duly executed by each of the parties hereto.

16. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

17. Construction. In the event of a conflict or ambiguity between any term or provision contained herein and a term or provision of the Plan, the Plan will govern and prevail; provided, however, that in the case of any conflict or ambiguity pertaining to a Change in Control, this Agreement will govern and prevail. The construction of and decisions under the Plan and this Agreement are vested in the Committee, whose determinations shall be final, conclusive and binding upon the Participant.

18. Compliance with Section 409A. The compensation payable to the Participant pursuant to this Agreement is intended to be exempt from or compliant with Section 409A of the Code, and this Agreement and the Plan shall be administered and construed to the fullest extent possible to reflect and implement such intent.

19. Electronic Delivery. The Company may, in its sole discretion, deliver any documents related to this Agreement by electronic means or request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive all applicable documentation by electronic delivery and to participate in the Plan through an on-line or voice activated system established and maintained by the Company or a third party vendor designated by the Company.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has executed this Agreement on the date and year first above written.

Bristow Group Inc.

[•] —

The undersigned hereby accepts, and agrees to, all terms and provisions of this Agreement as of the date and year first above written.

[•] —

**FORM OF STOCK OPTION GRANT AGREEMENT
PURSUANT TO THE BRISTOW GROUP INC.
2012 SHARE INCENTIVE PLAN**

STOCK OPTION GRANT AGREEMENT (the “Agreement”) dated as of [●] (the “Date of Grant”) between Bristow Group Inc., a Delaware corporation (f/k/a Era Group Inc.) (the “Company”), and [●] (the “Grantee”).

RECITALS:

WHEREAS, the Company has adopted the Bristow Group Inc. 2012 Share Incentive Plan (the “Plan”). Capitalized terms not otherwise defined herein shall have the same meanings as in the Plan;

WHEREAS, on June 11, 2020, the Company completed its merger with Bristow Holdings U.S. Inc., a Delaware corporation (f/k/a Bristow Group Inc.) (“Legacy Bristow”), pursuant to which Legacy Bristow became a wholly-owned subsidiary of the Company pursuant to the terms of the Agreement and Plan of Merger dated as of January 23, 2020, as amended, by and among the Company, Ruby Redux Merger Sub, Inc. and Legacy Bristow;

WHEREAS, the Option granted hereunder shall not be an “incentive stock option” as defined in Section 422 of the Internal Revenue Code, as amended; and

WHEREAS, the Board and the Committee have determined that it would be in the best interests of the Company and its stockholders to grant an option to purchase shares of the Company’s common stock (the “Common Stock”) to the Grantee pursuant to the Plan and on the terms and subject to the conditions hereinafter provided.

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Grant of Option. Subject to the terms and conditions of the Plan and this Agreement, the Company hereby grants to the Grantee the right and option (the “Option”) to purchase all or any part of an aggregate of [●] shares of Common Stock, which shall vest in accordance with Paragraph 4 hereof. The Option is intended to be a Nonqualified Stock Option.

2. Exercise Price. The per share exercise price of the shares subject to the Option shall be \$[●], which is equal to the Fair Market Value on the Date of Grant.

3. Option Term. The term of the Option shall be ten (10) years, commencing on the Date of Grant (the “Option Term”). The Option shall automatically terminate upon the expiration of the Option Term, or at such earlier time specified herein or in the Plan.

4. Vesting and Exercise Period.

(a) Vesting. Subject to the terms and conditions set forth herein and in the Plan, the Option shall vest and become exercisable in full on [●], subject to the Grantee’s continued employment on such date.

Notwithstanding the foregoing, the Option shall vest and be exercisable immediately, without any action on the part of the Company (or its successor as applicable) or the Grantee if, prior to a Forfeiture (as defined below) by the Grantee, any of the following events occur:

- (i) the death of the Grantee;
- (ii) the Grantee becomes Disabled (as defined below);
- (iii) the Retirement (as defined below) of the Grantee;
- (iv) the termination of the Grantee’s employment with the Company and/or its subsidiaries, as applicable, by the Company (or applicable subsidiaries) without Cause (as defined below);
- (v) the Grantee resigns for Good Reason (as defined below); or
- (vi) the occurrence of a Change in Control.

(b) Forfeiture. Except as provided in Paragraph 4(a) above, (i) any unvested portion of the Option shall terminate and be of no further force or effect from and after the date of the termination of the Grantee’s employment with the Company, and (ii) any unexercised portion of the Option (whether vested or unvested) shall terminate and be of no further force or effect as provided in Paragraph 9 below (a “Forfeiture”).

(c) Period of Exercise. Subject to the terms and conditions set forth herein and in the Plan, the Grantee may exercise all or any part of the vested Option at any time prior to the earliest to occur of:

- (i) the expiration of the Option Term;

(ii) in the event of the Grantee's death, until the earliest to occur of (A) one (1) year from the date of death and (B) the expiration of the Option Term;

(iii) in the event the Grantee becomes Disabled, until the earliest to occur of (A) one (1) year from the date on which the Grantee becomes Disabled and (B) the expiration of the Option Term;

(iv) in the event of the Grantee's Retirement, until the earliest to occur of (A) one (1) year from the date of such retirement and (B) the expiration of the Option Term; or

(v) in the event of termination of the Grantee's employment without Cause (as defined below), until the earliest to occur of (A) ninety (90) days after the effective date of such termination and (B) the expiration of the Option Term;

Except as provided in Paragraph 4(c)(i)-(v) above, the Grantee may not exercise all or any part of the vested Option after termination of the Grantee's employment with the Company.

(d) Certain Definitions. As used in this Agreement, the following terms shall have the following respective meanings:

"Cause" shall mean (w) fraud, embezzlement or gross insubordination on the part of the Grantee or breach by the Grantee of his or her obligations under any Company policy or procedure; (x) conviction of or the entry of a plea of nolo contendere by the Grantee for any felony; (y) a material breach of, or the willful failure or refusal by the Grantee to perform and discharge, his or her duties, responsibilities or obligations as an employee; or (z) any act of moral turpitude or willful misconduct by the Grantee which (A) is intended to result in substantial personal enrichment of the Grantee at the expense of the Company or any of its subsidiaries or affiliates or (B) has a material adverse impact on the business or reputation of the Company, or any of its subsidiaries or affiliates.

"Disabled" shall mean that by reason of injury or illness (including mental illness) the Grantee shall be unable to perform full-time employment duties for ninety (90) consecutive days or 120 days in a 12-month period.

"Good Reason" shall mean, in each case without the Grantee's consent:

(i) a material diminution in the Grantee's base compensation, annual target bonus opportunity or annual long-term incentive award opportunity;

(ii) (A) only with respect to a Non-Operational Grantee, a material diminution in the Grantee's title, authority, duties or responsibilities, (B) only with respect to an Operational Grantee, a material diminution in the Grantee's duties or responsibilities that is inconsistent with written notification by the Company to the Grantee with respect to his or her participation hereunder; provided that the Committee shall determine whether the Grantee is an "Operational" or "Non-Operational" Grantee;

(iii) a change in the geographic location from where the Grantee performs his/her services for the Company, or its applicable subsidiary or affiliate, by more than 50 miles from the geographic location where the Grantee performed his/her services for the Company, or its applicable subsidiary or affiliate, as of the date immediately prior to the Change in Control; or

(iv) a material breach by the Company, any subsidiary or any affiliate of any material written agreement between the Grantee and the Company or such subsidiary or affiliate.

The Grantee's continued employment shall not constitute consent to, or a waiver of rights with respect to, any act or failure to act constituting Good Reason hereunder.

"Retirement" shall mean the Grantee's formal retirement from employment with the Company under acceptable circumstances as determined by the Committee in its sole discretion (which determination may be conditioned upon, among other things, the Grantee entering into a non-competition agreement with the Company).

5. Method of Exercise. The vested portion of the Option may be exercised in accordance with Section 6(b) of the Plan.

6. Transferability. The Grantee shall not transfer or assign the Option except as permitted in accordance with Section 17 of the Plan.

7. Adjustment. The Option may be adjusted by the Committee in accordance with Section 12(a) of the Plan.

8. Withholding. All payments or distributions with respect to the Option made hereunder or of shares of Common Stock covered by the Option shall be net of any amounts required to be withheld pursuant to applicable federal, national, state and local tax withholding requirements. The Company may require the Grantee to remit to it an amount sufficient to satisfy such tax withholding requirements prior to the delivery of any certificates for such shares of Common Stock. In lieu thereof, the Company shall have the right to withhold the amount of such taxes from any other sums due or to become due from the Company or its affiliates to the Grantee as the Company shall determine. The Company may, in its discretion and subject to such rules as it may adopt (including any as may be required to satisfy applicable tax and/or non-tax regulatory requirements), permit the Grantee to pay all or a portion of the withholding taxes arising in connection with the Option or shares of Common Stock by electing to have the Company withhold shares of Common Stock having a Fair Market Value equal to the amount to be withheld, provided that such withholding shall only be at rates required by applicable statutes or regulations, which may include the maximum individual statutory tax rate in the applicable jurisdiction at the time of such withholding (or such other rate as may be required to comply with applicable law).

9. Restrictive Covenant Breach. By accepting the Option, the Grantee acknowledges and agrees that he or she continues to be bound by the restrictive covenants contained in Section 10 of the Bristow Group Inc. (f/k/a Era Group Inc.) Senior Executive Severance Plan adopted June 24, 2015 (the "Senior Executive Severance Plan"). The Company may cancel, rescind, suspend, withhold or otherwise limit or restrict the Option and any shares issued upon exercise of the Option at any time that the Grantee is not in compliance with Section 10.2 [*Solicitation of Employees and Customers*] or Section 10.3 [*Non-Competition*] of the Senior Executive Severance Plan (the "Restrictive Covenants"). If the Grantee chooses to violate the Restrictive Covenants, the Company shall be entitled to cancel the Option and receive from the Grantee all shares of Common Stock previously issued to the Grantee under this Agreement, and if the Grantee has sold, transferred or otherwise disposed of such Common Stock, the Grantee shall immediately pay to the Company the Fair Market Value of such Common Stock on the date(s) such Common Stock was issued on exercise of the Option, without regard to any taxes that may have been deducted from such amount. To the extent that the Company is required to seek enforcement of the provisions of this Paragraph 9, the Company shall be entitled to an award of attorney fees should it prevail in any such action.

10. Notices. Any notice required or permitted hereunder shall be deemed given only when delivered personally or when deposited in a United States Post Office as certified mail, postage prepaid, addressed, as appropriate, if to the Grantee, at such address as the Company shall maintain for the Grantee in its personnel records or such other address as he or she may designate in writing to the Company, and if to the Company, at 3151 Briarpark Drive, Suite 700, Houston, Texas 77042, Attention: General Counsel or such other address as the Company may designate in writing to the Grantee.

11. Entire Agreement. This Agreement and the Plan contain the entire understanding of the parties hereto with respect to the subject matter hereof and supersede all prior agreements, discussions and understandings (whether oral or written and whether express or implied) with respect to such subject matter.

12. Failure to Enforce Not a Waiver. The failure of the Company to enforce at any time any provision of this Agreement shall in no manner be construed to be a waiver of such provision or of any other provision hereof.

13. Tenure. The Grantee's right to continue to serve the Company or any of its subsidiaries as an officer, employee, or otherwise, shall not be enlarged or otherwise affected by the award hereunder.

14. Benefit and Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the Company, its successors and assigns, and the Grantee, his/her executors, administrators, personal representatives and heirs. In the event that any part of this Agreement shall be held to be invalid or unenforceable, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof.

15. Governing Law. This Agreement shall be governed by and construed according to the laws of the State of Delaware, without giving effect to principles and provisions thereof relating to conflict or choice of laws.

16. Amendment and Termination. The Committee may amend or alter this Agreement and the Option granted hereunder at any time, subject to the terms of the Plan.

17. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

18. Construction. In the event of a conflict or ambiguity between any term or provision contained herein and a term or provision of the Plan, the Plan will govern and prevail; provided, however, that in the case of any conflict or ambiguity pertaining to a Change in Control, this Agreement will govern and prevail. The construction of and decisions under the Plan and this Agreement are vested in the Committee, whose determinations shall be final, conclusive and binding upon the Grantee.

19. Electronic Delivery. The Company may, in its sole discretion, deliver any documents related to this Agreement by electronic means or request the Grantee's consent to participate in the Plan by electronic means. The Grantee hereby consents to receive all applicable documentation by electronic delivery and to participate in the Plan through an on-line or voice activated system established and maintained by the Company or a third party vendor designated by the Company.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has executed this Agreement on the date and year first above written.

Bristow Group Inc.

[•]

The undersigned hereby accepts, and agrees to, all terms and provisions of this Agreement as of the date and year first above written.

[•]

**FORM OF STOCK OPTION GRANT AGREEMENT
PURSUANT TO THE BRISTOW GROUP INC.
2019 MANAGEMENT INCENTIVE PLAN**

STOCK OPTION GRANT AGREEMENT (the “Agreement”) dated as of [●] (the “Date of Grant”) between Bristow Group Inc., a Delaware corporation (f/k/a Era Group Inc.) (the “Company”), and [●] (the “Participant”).

RECITALS:

WHEREAS, on June 11, 2020, the Company completed its merger with Bristow Holdings U.S. Inc., a Delaware corporation (f/k/a Bristow Group Inc.) (“Legacy Bristow”), pursuant to which Legacy Bristow became a wholly-owned subsidiary of the Company pursuant to the terms of the Agreement and Plan of Merger dated as of January 23, 2020, as amended, by and among the Company, Ruby Redux Merger Sub, Inc. and Legacy Bristow;

WHEREAS, the Company has assumed the Bristow Group Inc. 2019 Management Incentive Plan, as amended May 19, 2020 (the “Plan”). Capitalized terms not otherwise defined herein shall have the same meanings as in the Plan;

WHEREAS, the Option granted hereunder shall not be an “incentive stock option” as defined in Section 422 of the Internal Revenue Code, as amended; and

WHEREAS, the Board and the Committee have determined that it would be in the best interests of the Company and its stockholders to grant an option to purchase shares of the Company’s common stock (the “Common Stock”) to the Participant pursuant to the Plan and on the terms and subject to the conditions hereinafter provided.

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Grant of Option. Subject to the terms and conditions of the Plan and this Agreement, the Company hereby grants to the Participant the right and option (the “Option”) to purchase all or any part of an aggregate of [●] shares of Common Stock, which shall vest in accordance with Paragraph 4 hereof. The Option is intended to be a Non-Qualified Stock Option.

2. Exercise Price. The per share exercise price of the shares subject to the Option shall be \$[●], which is equal to the Fair Market Value on the Date of Grant.

3. Option Term. The term of the Option shall be ten (10) years, commencing on the Date of Grant (the “Option Term”). The Option shall automatically terminate upon the expiration of the Option Term, or at such earlier time specified herein or in the Plan.

4. Vesting and Exercise Period.

(a) Vesting. Subject to the terms and conditions set forth herein and in the Plan, the Option shall vest and become exercisable in full on [●], subject to the Participant’s continued employment on such date.

Notwithstanding the foregoing, the Option shall vest and be exercisable immediately, without any action on the part of the Company (or its successor as applicable) or the Participant if, prior to a Forfeiture (as defined below) by the Participant, any of the following events occur:

- (i) the death of the Participant;
- (ii) the Participant becomes Disabled (as defined below);
- (iii) the Retirement (as defined below) of the Participant;
- (iv) the termination of the Participant’s employment with the Company and/or its subsidiaries, as applicable, by the Company (or applicable subsidiaries) without Cause (as defined below);
- (v) the Participant resigns for Good Reason (as defined below); or
- (vi) the occurrence of a Change in Control (as defined below).

(b) Forfeiture. Except as provided in Paragraph 4(a) above, (i) any unvested portion of the Option shall terminate and be of no further force or effect from and after the date of the termination of the Participant’s employment with the Company, and (ii) any unexercised portion of the Option (whether vested or unvested) shall terminate and be of no further force or effect as provided in Paragraph 9 below (a “Forfeiture”).

(c) Period of Exercise. Subject to the terms and conditions set forth herein and in the Plan, the Participant may exercise all or any part of the vested Option at any time prior to the earliest to occur of:

- (i) the expiration of the Option Term;

(ii) in the event of the Participant's death, until the earliest to occur of (A) one (1) year from the date of death and (B) the expiration of the Option Term;

(iii) in the event the Participant becomes Disabled, until the earliest to occur of (A) one (1) year from the date on which the Participant becomes Disabled and (B) the expiration of the Option Term;

(iv) in the event of the Participant's Retirement, until the earliest to occur of (A) one (1) year from the date of such retirement and (B) the expiration of the Option Term; or

(v) in the event of termination of the Participant's employment without Cause (as defined below), until the earliest to occur of (A) ninety (90) days after the effective date of such termination and (B) the expiration of the Option Term;

Except as provided in Paragraph 4(c)(i)-(v) above, the Participant may not exercise all or any part of the vested Option after termination of the Participant's employment with the Company.

(d) Certain Definitions. As used in this Agreement, the following terms shall have the following respective meanings:

"Cause" shall mean (w) fraud, embezzlement or gross insubordination on the part of the Participant or breach by the Participant of his or her obligations under any Company policy or procedure; (x) conviction of or the entry of a plea of nolo contendere by the Participant for any felony; (y) a material breach of, or the willful failure or refusal by the Participant to perform and discharge, his or her duties, responsibilities or obligations as an employee; or (z) any act of moral turpitude or willful misconduct by the Participant which (A) is intended to result in substantial personal enrichment of the Participant at the expense of the Company or any of its Subsidiaries or Affiliates or (B) has a material adverse impact on the business or reputation of the Company, or any of its Subsidiaries or Affiliates.

"Change in Control" shall have the meaning set forth in the Bristow Group Inc. (f/k/a Era Group Inc.) 2012 Stock Incentive Plan.

"Disabled" shall mean that by reason of injury or illness (including mental illness) the Participant shall be unable to perform full-time employment duties for ninety (90) consecutive days or 120 days in a 12-month period.

"Good Reason" shall mean, in each case without the Participant's consent:

(i) a material diminution in the Participant's base compensation, annual target bonus opportunity or annual long-term incentive award opportunity;

(ii) (A) only with respect to a Non-Operational Participant, a material diminution in the Participant's title, authority, duties or responsibilities, (B) only with respect to an Operational Participant, a material diminution in the Participant's duties or responsibilities that is inconsistent with written notification by the Company to the Participant with respect to his or her participation hereunder; provided that the Committee shall determine whether the Participant is an "Operational" or "Non-Operational" Participant;

(iii) a change in the geographic location from where the Participant performs his/her services for the Company, or its applicable Subsidiary or Affiliate, by more than 50 miles from the geographic location where the Participant performed his/her services for the Company, or its applicable Subsidiary or Affiliate, as of the date immediately prior to the Change in Control; or

(iv) a material breach by the Company, any Subsidiary or any Affiliate of any material written agreement between the Participant and the Company or such Subsidiary or Affiliate.

The Participant's continued employment shall not constitute consent to, or a waiver of rights with respect to, any act or failure to act constituting Good Reason hereunder.

"Retirement" shall mean the Participant's formal retirement from employment with the Company under acceptable circumstances as determined by the Committee in its sole discretion (which determination may be conditioned upon, among other things, the Participant entering into a non-competition agreement with the Company).

5. Method of Exercise. The vested portion of the Option may be exercised in accordance with Section 6.4 of the Plan.

6. Transferability. The Participant shall not transfer or assign the Option except as permitted in accordance with Article IX of the Plan.

7. Adjustment. The Option may be adjusted by the Committee in accordance with Article X of the Plan.

8. Withholding. All payments or distributions with respect to the Option made hereunder or of shares of Common Stock covered by the Option shall be net of any amounts required to be withheld pursuant to applicable federal, national, state and local tax withholding requirements. The Company may require the Participant to remit to it an amount sufficient to satisfy such tax withholding requirements prior to the delivery of any certificates for such shares of Common Stock. In lieu thereof, the Company shall have the right to withhold the amount of such taxes from any other sums due or to become due from the Company or its Affiliates to the Participant as the Company shall determine. The Company may, in its discretion and subject to such rules as it may adopt (including any as may be required to satisfy applicable tax and/or non-tax regulatory requirements), permit the Participant to pay all or a portion of the withholding taxes arising in connection with the Option or shares of Common Stock by electing to have the Company withhold shares of Common Stock having a Fair Market Value equal to the amount to be withheld, provided

that such withholding shall only be at rates required by applicable statutes or regulations, which may include the maximum individual statutory tax rate in the applicable jurisdiction at the time of such withholding (or such other rate as may be required to comply with applicable law).

9. Restrictive Covenant Breach. By accepting the Option, the Participant acknowledges and agrees that he or she continues to be bound by the restrictive covenants contained in the Participation Agreement between Legacy Bristow and the Participant entered into in connection with the Participant's designation as a participant under Legacy Bristow's Amended and Restated 2019 Management Severance Benefits Plan for U.S. Employees effective as of October 31, 2019 (the "Legacy Bristow Severance Plan Participation Agreement"). The Company may cancel, rescind, suspend, withhold or otherwise limit or restrict the Option and any shares issued upon exercise of the Option at any time that the Participant is not in compliance with Section 5(e) [*Non-Solicitation/Non-Hire of Company Group Employees and Other Service Providers*] or Section 5(f) [*Non-Competition*] of the Legacy Bristow Severance Plan Participation Agreement (the "Restrictive Covenants"). If the Participant chooses to violate the Restrictive Covenants, the Company shall be entitled to cancel the Option and receive from the Participant all shares of Common Stock previously issued to the Participant under this Agreement, and if the Participant has sold, transferred or otherwise disposed of such Common Stock, the Participant shall immediately pay to the Company the Fair Market Value of such Common Stock on the date(s) such Common Stock was issued on exercise of the Option, without regard to any taxes that may have been deducted from such amount. To the extent that the Company is required to seek enforcement of the provisions of this Paragraph 9, the Company shall be entitled to an award of attorney fees should it prevail in any such action.

10. Notices. Any notice required or permitted hereunder shall be deemed given only when delivered personally or when deposited in a United States Post Office as certified mail, postage prepaid, addressed, as appropriate, if to the Participant, at such address as the Company shall maintain for the Participant in its personnel records or such other address as he or she may designate in writing to the Company, and if to the Company, at 3151 Briarpark Drive, Suite 700 Houston, Texas 77042, Attention: General Counsel or such other address as the Company may designate in writing to the Participant.

11. Entire Agreement. This Agreement and the Plan contain the entire understanding of the parties hereto with respect to the subject matter hereof and supersede all prior agreements, discussions and understandings (whether oral or written and whether express or implied) with respect to such subject matter.

12. Failure to Enforce Not a Waiver. The failure of the Company to enforce at any time any provision of this Agreement shall in no manner be construed to be a waiver of such provision or of any other provision hereof.

13. Tenure. The Participant's right to continue to serve the Company or any of its subsidiaries as an officer, employee, or otherwise, shall not be enlarged or otherwise affected by the award hereunder.

14. Benefit and Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the Company, its successors and assigns, and the Participant, his/her executors, administrators, personal representatives and heirs. In the event that any part of this Agreement shall be held to be invalid or unenforceable, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof.

15. Governing Law. This Agreement shall be governed by and construed according to the laws of the State of Delaware, without giving effect to principles and provisions thereof relating to conflict or choice of laws.

16. Amendment and Termination. The Committee may amend or alter this Agreement and the Option granted hereunder at any time, subject to the terms of the Plan.

17. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

18. Construction. In the event of a conflict or ambiguity between any term or provision contained herein and a term or provision of the Plan, the Plan will govern and prevail; provided, however, that in the case of any conflict or ambiguity pertaining to a Change in Control, this Agreement will govern and prevail. The construction of and decisions under the Plan and this Agreement are vested in the Committee, whose determinations shall be final, conclusive and binding upon the Participant.

19. Electronic Delivery. The Company may, in its sole discretion, deliver any documents related to this Agreement by electronic means or request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive all applicable documentation by electronic delivery and to participate in the Plan through an on-line or voice activated system established and maintained by the Company or a third party vendor designated by the Company.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has executed this Agreement on the date and year first above written.

Bristow Group Inc.

The undersigned hereby accepts, and agrees to, all terms and provisions of this Agreement as of the date and year first above written.

[•]

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**Certification of Chief Executive Officer
Pursuant to Exchange Act Rule 13a-14(a) or 15d-14(a)**

I, Christopher S. Bradshaw, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Bristow Group Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 4, 2020

/s/ Christopher S. Bradshaw

Christopher S. Bradshaw
President and Chief Executive Officer

Certification of Chief Financial Officer
Pursuant to Exchange Act Rule 13a-14(a) or 15d-14(a)

I, Jennifer D. Whalen, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Bristow Group Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 4, 2020

/s/ Jennifer D. Whalen

Jennifer D. Whalen

Senior Vice President and Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Bristow Group Inc. (the "Company") for the period ended September 30, 2020, as filed with the Securities and Exchange Commission as of the date hereof (the "Report"), I, Christopher S. Bradshaw, President and Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d), as appropriate, of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Christopher S. Bradshaw

Name: Christopher S. Bradshaw
Title: President and Chief Executive Officer
Date: November 4, 2020

