CHC Group Ltd.
Form S-1/A
January 14, 2014
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As filed with the Securities and Exchange Commission on January 14, 2014

Registration No. 333-191268

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 7

To

FORM S-1

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

CHC Group Ltd.

(Exact name of Registrant as specified in its charter)

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

CHC Group Ltd.

190 Elgin Avenue

George Town

Grand Cayman, KY1-9005

Cayman Islands

(604) 276-7500

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

CT Corporation System

111 Eighth Avenue

New York, New York 10011

(212) 590-9070

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

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		4740 Agar Drive	
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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

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

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

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

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

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

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

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

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

Subject to completion, dated January 14, 2014

PROSPECTUS

29,412,000 Ordinary Shares

CHC Group Ltd.

CHC Group Ltd. is offering 29,412,000 of its ordinary shares. This is our initial public offering and no public market currently exists for our ordinary shares. We anticipate that the initial public offering price will be between $16.00 and $18.00 per share.

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

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

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

PRICE $ PER SHARE

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

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

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

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

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

J.P. Morgan **Barclays**
UBS Investment Bank

HSBC **RBC Capital Markets** **Wells Fargo Securities**
BNP PARIBAS **Standard Bank**
Cormark Securities (USA) Limited **Cowen and Company** **Raymond James**
Simmons & Company **Tudor, Pickering, Holt & Co.**

International

, 2014

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

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

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MARKET, INDUSTRY AND OTHER DATA

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

BASIS OF PRESENTATION

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

TRADEMARKS

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

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PROSPECTUS SUMMARY

This summary highlights some of the information contained in this prospectus, but does not contain all of the information that may be important to you. You should read this entire prospectus and the documents to which we refer you before making an investment decision. You should carefully consider the information set forth under Risk Factors, Cautionary Note Regarding Forward-Looking Statements, Management s Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and the related notes included elsewhere in this prospectus. Where applicable, we have assumed an initial public offering price of $17.00 per share (the midpoint of the price range set forth on the cover page of this prospectus). Unless otherwise indicated, the information presented in this prospectus assumes that the underwriters option to purchase additional ordinary shares is not exercised.

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

CHC HELICOPTER

Overview

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

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

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

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

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

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

(2) Adjusted EBITDAR margin is calculated as Adjusted EBITDAR divided by total revenue less reimbursable revenue. Cost reimbursements from customers are recorded as reimbursable revenue with the related reimbursement expense in direct costs.

(3) Operating margin is calculated as operating income divided by total revenue.

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

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

Our Market Opportunity

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

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

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

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Our Operations

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

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

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

Safety and Regulatory Compliance

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

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

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

Our Fleet

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

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

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

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

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

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

(1) SAR only

(2) EMS only

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

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

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

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

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

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Customers and Contracts

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

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

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

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

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

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

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

Competitive Strengths

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

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

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

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

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

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

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

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

Our Business Strategy

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

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

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

Continue to invest in our fleet of heavy and medium helicopters to meet customer demand and maximize our long-term financial returns. We will continue to upgrade our fleet and optimize our fleet size and mix to reflect the latest technologies and larger helicopters demanded by our customers, while selectively divesting older helicopters. We will continue to manage our fleet to provide optimum service to the growing ultra-deepwater and deepwater markets, where larger helicopters are preferred by our customers for their reliability, comfort and efficiency. The demand for helicopter services combined with continued constraints on new helicopter supply will allow us to focus our investments in our fleet on opportunities with the highest strategic and financial value. We believe our global fleet management strategy allows us to deploy our assets to our most attractive opportunities worldwide.

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

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

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

Continue to implement innovative transformation initiatives to pursue industry leading operating efficiency and superior returns. We believe innovation is core to our culture. We believe we are the first in the industry to establish a global, in-house MRO capability through Heli-One and a global operations center, and to implement innovative IT platforms to standardize global processes. We have established leadership in innovative transformation as a firmwide mindset with the goal of continuously improving operating efficiency, identifying cost savings and enhancing returns.

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Recent Developments

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

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

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

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

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

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

Summary Risk Factors

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

- we have a history of net losses;

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

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

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

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

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

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

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

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

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

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

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

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

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Our Organizational Structure

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

(1) On October 4, 2010, our subsidiary CHC Helicopter S.A. issued $1.1 billion aggregate principal amount of 9.250% Senior Secured Notes due 2020, or the senior secured notes, at an issue price of 98.399%. On October 5, 2012, CHC Helicopter S.A. issued an additional $200.0 million aggregate principal amount of senior secured notes at an issue price of 101%. On May 13, 2013, CHC Helicopter S.A. issued $300.0 million aggregate principal amount of 9.375% Senior Notes due 2021, or the senior unsecured notes, and, together with the senior secured notes, the senior notes, at par.

(2) As of October 31, 2013, we had $15.0 million of borrowings outstanding under our existing senior secured revolving credit facility and $53.4 million of letters of credit were issued and outstanding thereunder. Subsequent to October 31, 2013, the borrowings under our existing senior secured credit facility increased from $15.0 million by $210.0 million to $225.0 million as of the date of this prospectus. Our existing senior secured revolving credit facility currently matures in 2015. We intend to enter into a new senior secured revolving credit facility concurrently with the consummation of this offering. See Description of Indebtedness.

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

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Corporate Information

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

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

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

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The Offering

Ordinary shares offered by us	29,412,000 ordinary shares (or 33,823,800 ordinary shares if the underwriters exercise their option to purchase additional ordinary shares in full).
Ordinary shares to be outstanding immediately after this offering	75,931,484 ordinary shares (or 80,343,284 ordinary shares if the underwriters exercise their option to purchase additional ordinary shares in full).
Use of proceeds	We estimate that our net proceeds from the sale of the ordinary shares that we are offering will be approximately $465.3 million, assuming an initial public offering price of $17.00 per share, which represents the midpoint of the price range set forth on the cover page of this prospectus, and after deducting underwriting discounts and estimated offering expenses of $34.7 million payable by us. We intend to use approximately $134.0 million of the net proceeds from this offering to redeem 10% of the aggregate principal amount of our senior secured notes at 103% of the principal amount, plus accrued and unpaid interest, if any, and the remaining net proceeds, together with cash then on hand, to repay borrowings under our existing senior secured revolving credit facility and for general corporate purposes. As of the date of this prospectus, we had $225.0 million outstanding under our existing senior secured revolving credit facility. See Use of Proceeds.
Dividend policy	We do not intend to pay cash dividends on our ordinary shares for the foreseeable future. See Dividend Policy.
Conflicts of Interest	Affiliates of HSBC Securities (USA) Inc., RBC Capital Markets, LLC and UBS Securities LLC will receive 5% or more of the net proceeds of this offering by reason of the repayment of a portion of the outstanding indebtedness under our existing senior secured revolving credit facility, as described under Use of Proceeds. Accordingly, HSBC Securities (USA) Inc., RBC Capital Markets, LLC, and UBS Securities LLC will be deemed to have a conflict of interest within the meaning of Rule 5121 of the Financial Industry Regulatory Authority, Inc. (FINRA) and this offering will be conducted pursuant to the requirements of that rule. Rule 5121 requires that a qualified independent underwriter as defined in Rule 5121(f)(12) participate in the preparation of this registration statement and exercise its usual standard of due diligence with respect thereto. Barclays Capital Inc. has agreed to act as qualified independent underwriter for this offering. We have agreed to indemnify Barclays

Capital Inc. for certain liabilities, including liabilities under the Securities Act of 1933, as amended (the Securities Act). Pursuant to Rule 5121(c), none of HSBC Securities (USA) Inc., RBC Capital Markets, LLC or UBS Securities LLC, or any other underwriter that has a conflict of interest pursuant to Rule 5121, is permitted to confirm sales to any account over which they exercise discretionary authority without the specific written approval of the accountholder.

See Underwriting (Conflicts of Interest).

Proposed NYSE symbol HELI.

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

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

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

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

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Summary Historical Consolidated Financial Data

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

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

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

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

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

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	As at and for the years ended April 30, 2011	2012	2013	As at and for the six months ended October 31, 2012	2013
	(in thousands of U.S. dollars)				
Net earnings (loss) attributable to:					
Net loss attributable to controlling interest	$ (72,197)	$ (108,642)	$ (119,436)	$ (26,185)	$ (89,321)
Net earnings attributable to non-controlling interest	5,069	12,422	2,947	1,348	2,357
Net loss	**$ (67,128)**	**$ (96,220)**	**$ (116,489)**	**$ (24,837)**	**$ (86,964)**
Net loss per ordinary share attributable to controlling interest basic and diluted:					
Continuing operations	(1.57)	(2.05)	(2.59)	(0.58)	(1.92)
Discontinued operations	(0.07)	(0.35)	0.02	0.02	
Net loss per ordinary share	(1.64)	(2.40)	(2.57)	(0.56)	(1.92)
Weighted average number of ordinary stock outstanding basic and diluted	44,019,484	45,198,936	46,519,484	46,519,484	46,519,484
Pro forma net loss per ordinary share attributable to controlling interest basic and diluted:					
Net loss per ordinary share (v)			$ (1.60)		$ (1.23)
Pro forma weighted average number of ordinary stock outstanding basic and diluted (vi)			67,637,131		67,637,131
Balance sheet data:					
Cash and cash equivalents	$ 69,020	$ 55,639	$ 123,801	$ 68,935	$ 84,189
Total assets	2,790,236	2,717,143	2,893,768	2,810,210	2,890,030
Total long-term debt and capital lease obligations(vii)	1,291,486	1,287,080	1,477,225	1,415,543	1,665,279
Total liabilities	2,041,535	2,054,558	2,388,349	2,180,778	2,489,747
Capital stock	5	5	5	5	5
Shareholders equity	745,614	660,910	513,681	624,923	407,460

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

(i) Direct costs above excludes helicopter lease and associated costs. These costs are combined in the consolidated statement of operations, which are included in the unaudited interim consolidated financial statements and the audited annual consolidated financial statements included elsewhere in this prospectus.

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

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

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

(iii) Asset impairments includes impairment of assets held for sale, impairment of assets held for use, impairment of receivables and residual value guarantees and impairment of intangible assets if any.

(iv) Financing charges includes interest on long-term debt, foreign exchange gain (loss) and other financing charges (income). Other financing charges includes amortization of deferred financing costs, net gain (loss) on the fair value of derivative financial instruments, interest income and expense and the other items set forth in Note 10 to our unaudited interim consolidated financial statements for the six months ended October 31, 2012 and 2013 and Note 16 to our audited annual consolidated financial statements for the years ended April 30, 2011, 2012 and 2013, each of which are included elsewhere in this prospectus.

(v) Pro forma net loss per ordinary share gives effect to the application of the net proceeds of this offering to redeem 10% of the aggregate principal amount of our senior secured notes at 103% of the principal amount totaling $134.0 million, plus accrued and unpaid interest, if any, as if this transaction occurred on May 1, 2012 and has reduced the interest expense by $11.3 million and $6.1 million for the fiscal year and interim periods, respectively.

(vi) Pro forma weighted average number of ordinary stock outstanding gives effect to the issuance of 21,117,647 ordinary shares in this offering attributable to the redemption of 10% of the aggregate principal amount of our senior secured notes at 103% of the principal amount totaling $134.0 million, plus accrued and unpaid interest, if any, and to repay borrowings of $225.0 million under our existing senior secured revolving credit facility as if the offering and these transactions had occurred on May 1, 2012 for the fiscal year and interim periods, respectively (excluding the remaining 8,294,353 ordinary shares issued for general corporate purposes and the additional 4,411,800 ordinary shares that may be issued by us in this offering pursuant to the underwriters option to purchase additional ordinary shares).

(vii) Total long-term debt and capital lease obligations is presented net of the discount and includes the premium on our senior notes and excludes a facility secured by accounts receivables. As of October 31, 2013, the facility secured by accounts receivables had a balance of $43.4 million. See Note 2(a)(ii) to our unaudited interim consolidated financial statements for the six months ended October 31, 2012 and 2013 and Note 4(a)(ii) to our audited annual consolidated financial statements, each of which are included elsewhere in this prospectus.

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

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

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

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

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RISK FACTORS

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

Risks Related to Our Net Losses and Our Indebtedness

We have a history of net losses.

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

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

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

- increase our vulnerability to general adverse economic and industry conditions;
- limit our ability to fund future capital expenditures and working capital, to engage in future acquisitions or development activities, or to otherwise realize the value of our assets and opportunities fully because of the need to dedicate a substantial portion of our cash flow from operations to payments of interest and principal on our debt or to comply with any restrictive terms of our debt;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- impair our ability to obtain additional financing in the future; and

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

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

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

- refinancing or restructuring our debt;
- selling assets;
- reducing or delaying capital investments; or
- seeking to raise additional capital.

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

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

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

Risks Related to Our Business and Industry

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

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

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

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

We rely on a limited number of large offshore helicopter support contracts with a limited number of customers. For the fiscal year ended April 30, 2013, revenue from Statoil ASA totaling $245.9 million and Petrobras totaling $247.1 million were each approximately 14% of our total revenues. For the fiscal year ended April 30, 2013, our top ten customers accounted for approximately 60% of our total revenues. Many of our contracts contain clauses that allow for early termination by the customer for convenience if exercised, could have a material adverse effect on our business, financial condition or results of operations.

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

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

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

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

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

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

Negative publicity may adversely impact us.

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

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

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

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

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

We depend on a small number of helicopter manufacturers.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Europe

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

Canada

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

Australia

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

Brazil

Approximately 16% of our revenue for the fiscal year ended April 30, 2013 originated from helicopter flying services provided by a subsidiary of Brazilian Helicopter Holdings S.A., or BHH, a Brazilian Company 60% owned by us. This subsidiary operates in Brazil. To operate helicopters in Brazil, an operator must be licensed by the applicable national Civil Aviation Authority. Under applicable Brazilian law, in order to maintain its license, an operator must be controlled by nationals of Brazil and its officers must be Brazilian as well. By control , Brazilian aviation legislation refers to holding of at least 80% of operator s voting shares. We believe that the majority holder of voting shares in BHH is a Brazilian national and therefore this subsidiary is currently controlled within the meaning of Brazil licensing requirements. Any change in the national status of the majority shareholder in BHH and/or in the nationality of the officers of this subsidiary could affect the licenses of BHH.

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

Other Countries and Regulations

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

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

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

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

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

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

Our operations may suffer due to political and economic uncertainty.

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

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

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

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

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

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

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

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

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

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

- issuance of administrative, civil and criminal penalties;
- denial or revocation of permits or other authorizations;
- imposition of limitations on our operations; and
- performance of site investigatory, remedial or other corrective actions.

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

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

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

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

We are exposed to foreign currency risks.

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

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

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

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

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

We are exposed to credit risks.

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

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

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

Our customers may seek to shift risk to us.

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

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

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

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

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

- governmental regulation and policy;

- the price and availability of alternative fuels;

- advances in exploration, development and production technology; and

- the effects of hostilities or instability in oil-producing countries or the regions in which they are located.

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

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

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

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

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

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

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

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

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

We receive significant revenue from government agencies in Ireland, the United Kingdom and Australia. Any reductions in the budgets of government agencies for spending on helicopter services, implementations of cost savings measures by government agencies, imposed modifications of contract term or delays in collecting receivables owed to us by our government agency customers or loss of contracts could have an adverse effect on our business, financial condition and results of operations.

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

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

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

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

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

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

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

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

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

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

Labor problems could adversely affect us.

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

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

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

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

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

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

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

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

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

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

Risks Related to Our Ownership Structure

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

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

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

After the completion of this offering, funds affiliated with First Reserve will continue to beneficially own a majority of the voting power of our ordinary shares eligible to vote in the election of our directors. As a result, we will be a controlled company within the meaning of the corporate governance standards of the NYSE. Under these rules, a company of which more than 50% of the voting power in the election of directors is held by an individual, group or another company is a controlled company and may elect not to comply with certain corporate governance requirements, including the requirements that, within one year of the date of the listing of our ordinary shares:

- we have a board of directors that is comprised of a majority of independent directors, as defined under the rules of the NYSE;
- we have a compensation committee that is comprised entirely of independent directors; and
- we have a nominating and corporate governance committee that is comprised entirely of independent directors.

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

Risks Related to this Offering and Ownership of Our Ordinary Shares

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

The initial public offering price per share of our ordinary shares is substantially higher than the as adjusted net tangible book value per share of our ordinary shares will be immediately after this offering. As a result, you may pay a price per share that substantially exceeds the book value of our assets after subtracting our liabilities. Investors who purchase ordinary shares in this offering will be diluted by $13.82 per share after giving effect to the sale of ordinary shares in this offering at an assumed initial public offering price of $17.00 per share, which represents the midpoint of the price range set forth on the cover page of this prospectus. If we grant options in the future to our employees, and those options are exercised or other issuances of ordinary shares are made, there will be further dilution. See Dilution.

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

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

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

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

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

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

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

- changes in financial estimates, including our ability to meet our future revenue and operating profit or loss projections;
- fluctuations in our operating results or those of our competitors;
- fluctuations in the economic performance or market valuations of companies perceived by investors to be comparable to us;
- fluctuations in worldwide prices of and demand for oil and natural gas;
- economic developments in the offshore oil and gas industry as a whole;
- general economic conditions and slow or negative growth of related markets;
- announcements by us or our competitors of acquisitions, new products, significant contracts or orders, commercial relationships or capital commitments;
- the existence of operating risks inherent in our business, including the possibility of declining safety performance;
- commencement of or our involvement in litigation;
- disruption to our operations;
- our ability to maintain our fleet of helicopters;

- any major change in our board of directors or management;
- political or social conditions in the markets where we operate;
- changes in governmental regulations;
- changes in foreign exchange rates and controls; and
- changes in earnings estimates or recommendations by securities analysts.

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

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

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

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

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

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

In connection with the preparation of our fiscal 2013 financial statements, we concluded that we had three significant deficiencies as of April 30, 2013. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those responsible for oversight of our financial reporting, including the audit committee of the board of directors. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. The significant deficiencies we identified related to our lack of sufficient controls relating to the operations of our IT general controls and of control over certain vendor statement reconciliations. We believe that we have remediated these significant deficiencies as of October 31, 2013. In December 2013 we concluded we had an additional significant deficiency as of October 31, 2013 as the result of the failure to adequately identify one of our contractual arrangements and analyze it from an accounting perspective. We believe this item has been remediated as of the date hereof. Specifically, we remediated our controls by implementing processes to ensure our database data change logs are properly configured, monitored and reviewed on a daily basis. In addition, we have enhanced our review processes to ensure that data changes made to critical or restricted data follow our change management and approval procedures, implemented a new process to reconcile our accounts payable sub-ledger and accrued liabilities balances to certain vendor statements on a monthly basis, and enhanced our disclosure control process. No assurance can be given that we have adequately remediated these significant deficiencies or that we will not discover additional significant deficiencies or material weaknesses, or that they could not occur in the future.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- a classified board of directors;

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

- advance notice requirements for shareholder proposals and nominations;

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

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

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

We are a company incorporated under the laws of the Cayman Islands. Our corporate affairs are governed by our memorandum and articles of association, as amended and restated from time to time, by the Companies Law (as revised) of the Cayman Islands and the common law of the Cayman Islands. The rights of shareholders to take action against the directors, actions by minority shareholders and the fiduciary responsibilities of our directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands, as well as from English common law, the decisions of whose courts are of persuasive authority but are not binding on a court in the Cayman Islands. In particular, some jurisdictions, such as the state of Delaware, have more fully developed and judicially interpreted bodies of corporate laws. Moreover, we could be involved in a corporate combination in which dissenting shareholders would have no rights comparable to appraisal rights that would otherwise ordinarily be available to dissenting shareholders of United States corporations. Also, our Cayman Islands counsel is not aware of a significant number of reported class actions having been brought in Cayman Islands courts. Such actions are ordinarily available in respect of United States corporations in U.S. courts. Finally, Cayman Islands companies might not have standing to initiate shareholder derivative actions before the federal courts of the United States. As a result, our public shareholders could face different considerations in protecting their interests in actions against our management, directors or financial sponsor than would shareholders of a corporation incorporated in a jurisdiction in the United States, and our ability to protect our interests may be limited if we are harmed in a manner that would otherwise enable us to sue in a United States federal court. See Description of Share Capital Material Differences in Corporate Law.

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

Because we are a Cayman Islands company, there is uncertainty as to whether the Grand Court of the Cayman Islands would recognize or enforce judgments of United States courts obtained against us predicated upon the civil liability provisions of the securities laws of the United States or any state thereof, or be competent to hear original actions brought in the Cayman Islands against us predicated upon the securities laws of the United States or any state thereof.

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

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

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

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

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

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

Our articles of association also will provide that, to the maximum extent permitted from time to time by Cayman Islands law, in the event that First Reserve or any non-employee director acquires knowledge of a potential transaction or other business opportunity, such person will have no duty to communicate or offer such transaction or business opportunity to us or any of our affiliates and may take any such opportunity for itself, himself or herself or offer it to another person or entity unless the business opportunity is expressly offered to such person in his or her capacity as our director. These provisions may limit our ability to pursue business or investment opportunities that we might otherwise have had the opportunity to pursue, which could have an adverse effect on our financial condition, our results of operations, our cash flow, the per share trading price of our ordinary shares and our ability to satisfy our debt service obligations.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

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

- our level of indebtedness and obligations under our operating leases;
- competition in the markets we serve;
- loss of any of our large, long-term support contracts;
- inherent risks in operating helicopters;
- failure to mitigate losses through a robust safety management and insurance coverage program or to maintain standards of acceptable safety performance;
- risks associated with our fixed operating expenses and long-term contracts;
- our reliance on a small number of helicopter manufacturers;
- limited number of suppliers and availability of replacement helicopter parts and subcontracted services;
- inability to fund our working capital requirements;
- reliance on the secondary used helicopter market to dispose of older helicopters;
- extensive regulation;

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

political and economic uncertainty;

compliance risks associated with international activities;

application of tax laws in various jurisdictions;

foreign currency exposure and related hedging activities;

exposure to credit risks;

allocation of risk between our customers and us;

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

reduction or cancellation of services for government agencies;

inability to upgrade our technology;

reliance on information technology;

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

loss of key personnel;

labor problems;

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- insufficient assets in our defined benefit pension plan;
- adverse results of legal proceedings;
- potential adverse U.S. federal income tax consequences;
- our financial sponsor s control over us, and its interests that may conflict with ours and may differ from those of our public shareholders;
- future sales of our ordinary shares by current shareholders;
- lack of a prior trading market for our ordinary shares;
- our holding company structure; and
- the costs of being a public company, including Sarbanes-Oxley Act compliance.

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

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USE OF PROCEEDS

We estimate that the net proceeds we receive from this offering, after deducting underwriting discounts and estimated offering expenses of $34.7 million payable by us in connection with the offering, will be approximately $465.3 million, or approximately $536.4 million if the underwriters exercise in full their right to purchase additional ordinary shares from us, assuming an initial public offering price of $17.00 per share, which represents the midpoint of the price range set forth on the cover page of this prospectus. A $1.00 increase (decrease) in the assumed initial public offering price of $17.00 per share would increase (decrease) the net proceeds to us from this offering by approximately $27.9 million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same.

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

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

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

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DIVIDEND POLICY

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

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

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CAPITALIZATION

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

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

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

	October 31, 2013	
	Actual	**As Adjusted**
	(in thousands, except share and per share data)	
Cash and cash equivalents(i)	$ 84,189	$ 190,589
Indebtedness:		
Senior secured revolving credit facility(i)	$ 15,000	
Senior secured notes(ii)	1,300,000	1,170,000
Senior unsecured notes(iii)	300,000	300,000
Other long-term obligations	62,378	62,378
Total indebtedness(i)	1,677,378	1,532,378
Shareholders equity:		
Ordinary shares, $0.0001 par value per share; 1,500,000,000 shares to be authorized, 46,519,484 shares to be issued and outstanding, actual; 75,931,484 shares to be issued and outstanding, on an as adjusted basis	5	8
Preferred Shares, $0.0001 par value per share; 500,000,000 shares authorized, no shares issued and outstanding, actual; 500,000,000 shares authorized, no shares issued and outstanding, on an as adjusted basis		
Contributed surplus	1,696,295	2,161,592
Accumulated other comprehensive loss	(106,964)	(106,964)
Deficit(iv)	(1,181,876)	(1,189,644)
Total shareholder s equity(v)	407,460	864,992
Total capitalization	$ 2,084,838	$ 2,397,370

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

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

The $191 million of cash and cash equivalents in the as adjusted column above gives effect to the use of $225 million of the net proceeds from this offering for the repayment of outstanding borrowings under our existing senior secured revolving credit facility (including the $210 million drawn subsequent to October 31, 2013), but does not give effect to the increase of $182 million in our cash and cash equivalents as of December 31, 2013.

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(ii) Represents the aggregate principal amount of the senior secured notes issued and outstanding.

(iii) Represents the aggregate principal amount of the senior unsecured notes issued and outstanding.

(iv) The deficit is adjusted for the loss on extinguishment of $7.8 million related to the redemption of $130.0 million of senior secured notes. The loss on extinguishment is comprised of the redemption premium, the unamortized deferred financing costs and the original issuance discount and premium.

(v) To the extent we change the number of ordinary shares sold by us in this offering from the shares we expect to sell, or we change the initial public offering price from the $17.00 per share assumed initial public offering price, which represents the midpoint of the price range set forth on the cover page of this prospectus, or any combination of these events occurs, the net proceeds to us from this offering and each of total shareholders equity and total capitalization may increase or decrease. A $1.00 increase (decrease) in the assumed initial public offering price per share of the ordinary shares, assuming no change in the number of ordinary shares to be sold, would increase (decrease) the net proceeds that we receive in this offering and each of total shareholder s equity and total capitalization by approximately $27.9 million. An increase (or decrease) of 1,000,000 ordinary shares in the expected number of shares to be sold in the offering, assuming no change in the assumed initial public offering price per share, would increase (or decrease) our net proceeds from this offering and our total shareholder s equity and total capitalization by approximately $16.1 million. If the underwriters option to purchase additional ordinary shares is exercised in full, the as adjusted amount of each of cash and cash equivalents, additional paid-in capital, total shareholder s equity and total capitalization would increase by approximately $71.1 million, after deducting underwriting discounts and estimated expenses, and we would have 80,343,284 ordinary shares issued and outstanding, as adjusted.

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DILUTION

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

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

After giving effect to the share capital restructuring transactions and receipt of the net proceeds from our sale of ordinary shares at an assumed initial public offering price of the ordinary shares of $17.00 per share, which represents the midpoint of the price range set forth on the cover page of this prospectus, after deducting the underwriting discounts and estimated expenses payable by us, and the application of the net proceeds from this offering to repay certain of our outstanding indebtedness, as described under Use of Proceeds, our as adjusted net tangible book value as of October 31, 2013 would have been approximately $241.4 million, or $3.18 per share. This represents an immediate increase in pro forma as adjusted net tangible book value of $7.83 per share to our existing shareholders and an immediate dilution of $13.82 per share to investors purchasing ordinary shares in this offering.

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

Assumed initial public offering price per share		$ 17.00
Historical net tangible book value per share as of October 31, 2013	(4.65)	
Increase in pro forma net tangible book value per share attributable to new investors purchasing shares in this offering	7.83	
As adjusted net tangible book value per share after giving effect to this offering and the use of proceeds therefrom		3.18
Dilution in pro forma net tangible book value per share to new investors in this offering		$ 13.82

Each $1.00 increase (decrease) in the assumed initial public offering price of $17.00 per share would increase (decrease) the as adjusted net tangible book value, as adjusted to give effect to this offering, by $0.37 per share and the dilution to new investors by $0.63 per share, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and no exercise of the underwriters option to purchase additional shares. Similarly, each increase (decrease) of 1,000,000 shares in the number of shares of ordinary shares offered by us would increase (decrease) the as adjusted net tangible book value, as adjusted to give effect to this offering, by approximately $0.17 per share and the dilution to new investors by $0.17 per share, assuming the assumed initial public offering price remains the same after deducting the underwriting discounts and estimated expenses and no exercise of the underwriters option to purchase additional ordinary shares.

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

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

- the immediate dilution experienced by investors in this offering will be $13.11 per share and the as adjusted net tangible book value per share will be $3.89 per share; and

- a $1.00 increase (decrease) in the initial offering price of $17.00 per share would increase (decrease) the dilution experienced by investors in this offering by $0.74 per share.

A $1.00 increase (decrease) in the assumed initial public offering price of $17.00 per share would increase (decrease) the total consideration paid by the investors in this offering by $27.9 million, increase (decrease) the

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percent of total consideration paid by the investors by approximately 6% and increase (decrease) the average price per share by $1.00 assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and no exercise of the underwriters option to purchase additional ordinary shares.

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

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SELECTED CONSOLIDATED FINANCIAL AND OTHER DATA

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

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

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

	Predecessor	**Successor**						
	For the period from May 1, 2008 to September 15, 2008	**As at and for the year ended April 30,**					**As at and for the six months ended October**	
	2008	**2009**	**2010**	**2011**	**2012**	**2013**	**2012**	**2013**
		(in thousands of U.S. dollars)						
perating data:								
otal revenue	$ 510,090	$ 761,895	$ 1,313,566	$ 1,445,460	$ 1,692,539	$ 1,743,847	$ 862,855	$ 858,303
irect costs(i)	(446,823)	(612,428)	(1,029,882)	(1,212,360)	(1,382,425)	(1,391,837)	(697,484)	(714,900
arnings from equity ccounted investees	311	1,118	1,436	2,159	2,844	4,718	1,837	3,918
eneral and dministration costs	(12,479)	(48,687)	(69,983)	(64,867)	(70,108)	(74,113)	(37,570)	(38,657
epreciation	(46,816)	(51,978)	(77,738)	(99,625)	(112,967)	(131,926)	(55,945)	(70,751
estructuring costs	(15)	(5,568)	(4,855)	(4,751)	(22,511)	(10,976)	(3,727)	
sset impairments(ii)	(51,600)	(49,800)	(129,994)	(29,403)	(17,651)	(29,981)	(16,405)	(23,014
ain (loss) on isposal of assets	545	1,346	(2,686)	7,193	8,169	(15,483)	(4,617)	(4,421
		(639,187)						

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

	Predecessor For the period from May 1, 2008 to September 15, 2008	Successor As at and for the year ended April 30, 2009	2010	2011	2012	2013	As at and for the six months ended October 31, 2012	2013
		(in thousands of U.S. dollars)						
t earnings ss) attributable us	$ (57,179)	$ (712,978)	$ (79,308)	$ (72,197)	$ (108,642)	$ (119,436)	$ (26,185)	$ (89,32
t earnings ss) attributable on-controlling erest		(13,288)	(5,895)	5,069	12,422	2,947	1,348	2,35
t loss	**$ (57,179)**	**$ (726,266)**	**$ (85,203)**	**$ (67,128)**	**$ (96,220)**	**$ (116,489)**	**$ (24,837)**	**$ (86,96**
t loss per dinary share tributable to ntrolling terest basic d diluted:								
ontinuing erations		(21.47)	(1.77)	(1.57)	(2.05)	(2.59)	(0.58)	(1.9
scontinued erations		(0.01)	(0.03)	(0.07)	(0.35)	0.02	0.02	
t loss per dinary share		(21.48)	(1.80)	(1.64)	(2.40)	(2.57)	(0.56)	(1.9
eighted erage number ordinary stock tstanding basic d diluted		33,196,739	44,019,484	44,019,484	45,198,936	46,519,484	46,519,484	46,519,48
o forma net s per dinary share tributable to ntrolling terest basic d diluted:								
t loss per dinary share						$ (1.60)		$ (1.2
o forma eighted average mber of						67,637,131		67,637,13

dinary stock tstanding sic and diluted)							
alance sheet ta:							
sh and cash uivalents	200,198	175,203	69,020	55,639	123,801	68,935	84,18
otal assets	**$ 2,585,113**	**$ 2,591,587**	**$ 2,790,236**	**$ 2,717,143**	**$ 2,893,768**	**$ 2,810,210**	**$ 2,890,03**
tal long-term bt and capital se ligations(iv)	983,662	1,071,159	1,291,486	1,287,080	1,477,225	1,415,543	1,665,27
otal liabilities	**$ 1,833,360**	**$ 1,920,768**	**$ 2,041,535**	**$ 2,054,558**	**$ 2,388,349**	**$ 2,180,778**	**$ 2,489,74**
pital stock	$ 5	$ 5	$ 5	$ 5	$ 5	$ 5	$
areholders uity	$ 751,753	$ 695,846	$ 745,614	$ 660,910	$ 513,681	$ 624,923	$ 407,46

(i) Direct costs includes helicopter lease and associated costs as these costs are combined in the consolidated statement of operations, which is included in the unaudited interim consolidated financial statements and the audited annual consolidated financial statements included elsewhere in this prospectus.

(ii) Asset impairments includes impairment of assets held for sale, impairment of assets held for use, impairment of receivables and residual value guarantees and impairment of intangible assets, if any.

(iii) Financing charges includes interest on long-term debt, foreign exchange gain (loss) and other financing charges (income). Other financing charges includes amortization of deferred financing costs, net gain (loss) on the fair value of derivative financial instruments, interest income and expense and the other items set forth in Note 10 to our unaudited interim consolidated financial statements for the six months ended October 31, 2012 and 2013 and Note 16 to our audited annual consolidated financial statements for the years ended April 30, 2011, 2012 and 2013, each of which are included elsewhere in this prospectus.

(iv) Total long-term debt and capital lease obligations is presented net of the discount and includes the premium on our senior notes and excludes a facility secured by accounts receivables. As of October 31, 2013, the facility secured by accounts receivables had a balance of $43.4 million. See Note 2(a)(ii) to our unaudited interim consolidated financial statements for the six months ended October 31, 2012 and 2013 and Note 4(a)(ii) to our audited annual consolidated financial statements, each of which are included elsewhere in this prospectus.

(v) Pro forma net loss per ordinary share gives effect to the application of the net proceeds of this offering to redeem 10% of the aggregate principal amount of our senior secured notes at 103% of the principal amount totaling $134.0 million, plus accrued and unpaid interest, if any, as if this transaction occurred on May 1, 2012 and has reduced the interest expense by $11.3 million and $6.1 million for the fiscal year and interim periods, respectively.

(vi) Pro forma weighted average number of ordinary stock outstanding gives effect to the issuance of 21,117,647 ordinary shares in this offering attributable to the redemption of 10% of the aggregate principal amount of our senior secured notes at 103% of the principal amount totaling $134.0 million, plus accrued and unpaid interest, if any, and to repay borrowings of $225.0 million under our existing senior secured revolving credit facility as if the offering and these transactions had occurred on May 1, 2012 for the fiscal year and interim periods, respectively (excluding the remaining 8,294,353 ordinary shares issued for general corporate purposes and the additional 4,411,800 ordinary shares that may be issued by us in this offering pursuant to the underwriters option to purchase additional ordinary shares).

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

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

Overview

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

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

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

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

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Segments

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

Our two operating segments are as follows:

Helicopter Services:

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

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

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

Heli-One:

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

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

Key Financial and Operating Metrics

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

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

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

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

We have chosen to include the HE Rate, which is the third-party operating revenue from the Helicopter Services segment excluding reimbursable revenue divided by a weighted average factor corresponding to the number of heavy and medium helicopters in our fleet. Our heavy and medium helicopters, including owned and leased, are weighted at 100% and 50% (respectively) to arrive at a single HE count, excluding helicopters expected to be retired from the fleet. We believe this measure is useful as it provides a standardized measure of our operating revenue per helicopter taking into account the different revenue productivity and related costs of operating our fleet mix of heavy and medium helicopters. For an explanation of how we calculate Adjusted EBITDAR and a reconciliation to net income (loss), see Prospectus Summary Summary Historical Consolidated Financial Data.

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

Key Drivers Affecting our Results of Operations

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

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

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

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

Market Outlook

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

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

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

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

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

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

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

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

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

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Fleet

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

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

(1) SAR only
(2) EMS only

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

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

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

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

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SUMMARY RESULTS OF OPERATIONS

(in thousands of U.S. dollars)

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

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

(i) Direct costs in the information above excludes helicopter lease and associated costs. These costs are combined in the consolidated statement of operations, which are included in the unaudited interim consolidated financial statements and the audited annual consolidated financial statements included elsewhere in this prospectus.

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

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

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

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

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

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

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

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Consolidated Results Summary

For the six months ended October 31,

(In thousands of U.S. dollars)

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

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

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

Consolidated Results of Operations

Revenue

Helicopter Services

For the six months ended October 31,

(in thousands of U.S. dollars)

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

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

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

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

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

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

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

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

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

Heli-One

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

Direct Costs

For the six months ended October 31,

(In thousands of U.S. dollars)

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

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

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

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

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

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

Depreciation

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

Restructuring Costs

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

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Asset impairment

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

Interest on Long-Term Debt

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

Foreign Exchange Loss

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

Other Financing Income (Charges)

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

Income Tax Expense

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

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

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

The increase in valuation allowance was due to a change in our assessment of the realizability of certain tax assets in future years compared to the prior year period. This resulted in a net increase in the valuation allowance of $9.7 million, primarily in relation to deferred tax assets in Australia, the United States, Netherlands, Barbados and Norway. Other items include the impact of higher levels of non-taxable income in foreign jurisdictions, which decreased the tax expense by $4.3 million compared to the prior year period.

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

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

Non-Controlling Interest

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

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Segmented Results of Operations

Helicopter Services

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

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

(i) In the prior year period, direct costs were comprised of crew costs of $210.0 million, base and operations and other costs of $174.0 million and maintenance and support costs of $193.1 million. In the current year period, direct costs were comprised of crew costs of $217.4 million, base and operations and other costs of $167.9 million and maintenance and support costs of $174.2 million.

(ii) Adjusted EBITDAR margin is calculated as Adjusted EBITDAR divided by total revenue less reimbursable revenue. Cost reimbursements from customers are recorded as reimbursable revenue with the related reimbursement expense in direct costs.

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

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

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

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

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

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

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

Heli-One

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

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

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

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

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

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

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

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

The Fiscal Year Ended April 30, 2013 Compared to the Fiscal Year Ended April 30, 2012

Consolidated Results Summary For the fiscal year ended April 30, (In thousands of U.S. dollars)

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

(i) Includes revenue from the customer reimbursement of fuel costs of $98.0 million for the fiscal year ended April 30, 2012 and $100.3 million for the fiscal year ended April 30, 2013.

(ii) Includes $101.2 million in fuel costs for the fiscal year ended April 30, 2012 and $103.8 million for the fiscal year ended April 30, 2013.

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

Consolidated Results of Operations

Revenue

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

Helicopter Services

For the fiscal year ended April 30,

(in thousands of U.S. dollars)

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

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

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

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

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

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

Heli-One

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

Direct Costs

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

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

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

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

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

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

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

Helicopter Lease and Associated Costs

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

General and Administration Costs

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

Depreciation

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

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

Restructuring Costs

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

Asset impairments

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

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

Loss on Disposal of Fixed Assets

Loss on disposal of fixed assets increased by $23.7 million to $15.5 million compared to fiscal 2012 due primarily to an increase in the losses from the sale and leaseback of helicopters in the Helicopter Services segment. Of the fiscal 2012 gain on disposal of fixed assets, $7.7 million related to the Helicopter Services segment and $1.7 million related to the Corporate Segment, which were partially offset by a loss of $(1.2) million related to the Heli-One segment. Of the fiscal 2013 loss on disposal of fixed assets, $14.5 million related to the Helicopter Services segment and $1.1 million related to the Heli-One segment, which were partially offset by a gain of $0.1 million related to the Corporate Segment.

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Interest on Long-Term Debt

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

Foreign Exchange Gains (Losses)

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

Income Tax Expense

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

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

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

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

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Non-Controlling Interest

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

Segmented Results of Operations

Helicopter Services

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

(i) In fiscal 2012, direct costs were comprised of crew costs of $417.3 million, base and operations and other costs of $338.9 million and maintenance and support costs of $379.5 million. In fiscal 2013, direct costs were comprised of crew costs of $429.2 million, base and operations and other costs of $353.7 million and maintenance and support costs of $361.1 million.

(ii) Adjusted EBITDAR margin is calculated as Adjusted EBITDAR divided by total revenue less reimbursable revenue. Cost reimbursements from customers are recorded as reimbursable revenue with the related reimbursement expense in direct costs.

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

Helicopter Services Adjusted EBITDAR increased by $68.9 million to $469.7 million compared to fiscal 2012. The increase in Adjusted EBITDAR is due primarily to the Americas, Asia Pacific, and the North Sea offset by Africa-Euro Asia.

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

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

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

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

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

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

Heli-One

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

(i) In fiscal 2012, direct costs were comprised of maintenance costs of $272.1 million and other costs of $81.4 million. In fiscal 2013, direct costs were comprised of maintenance costs of $277.2 million and other costs of $58.3 million. Other costs include base and operations and other costs and support costs which for Heli-One include freight costs, consulting, insurance and other items.

(ii) Adjusted EBITDAR margin is calculated as Adjusted EBITDAR divided by total revenue less reimbursable revenue, of which there was none in the Heli-One segment in fiscal 2012 and 2013.

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

The Fiscal Year Ended April 30, 2012 Compared to the Fiscal Year Ended April 30, 2011

Consolidated Results Summary

For the fiscal year ended April 30,

(in thousands of U.S. dollars)

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

(i) Includes revenue from the customer reimbursement of fuel costs of $66.7 million for the year ended April 30, 2011 and $98.0 million for the year ended April 30, 2012.
(ii) Includes $67.3 million in fuel costs for the year ended April 30, 2011 and $101.2 million for the year ended April 30, 2012.
(iii)

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

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Consolidated Results of Operations

Revenue

Helicopter Services

For the fiscal year ended April 30,

(in thousands of U.S. dollars)

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

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

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

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

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

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

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Heli-One

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

Direct Costs

For the fiscal year ended April 30,

(in thousands of U.S. dollars)

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

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

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

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

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

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Helicopter Lease and Associated Costs

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

General and Administration Costs

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

Depreciation

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

Restructuring Expense

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

Asset impairments

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

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

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

Interest on Long-Term Debt

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

Foreign Exchange Gains

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

Other Financing Charges

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

Income Tax Recovery (Expense)

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

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

Valuation allowance		36.3	
Other		0.7	
Income tax expense at April 30, 2012	**$**	**48.2**	**(151.2)%**

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

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

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

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

Non-Controlling Interest

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

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Segmented Results of Operations

Helicopter Services

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

(i) In fiscal 2011, direct costs were comprised of crew costs of $360.4 million, base and operations and other costs of $277.4 million and maintenance and support costs of $332.2 million. In fiscal 2012, direct costs were comprised of crew costs of $417.3 million, base and operations and other costs of $338.9 million and maintenance and support costs of $379.5 million.

(ii) Adjusted EBITDAR margin is calculated as Adjusted EBITDAR divided by total revenue less reimbursable revenue. Cost reimbursements from customers are recorded as reimbursable revenue with the related reimbursement expense in direct costs.

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

Helicopter Services Adjusted EBITDAR increased $44.2 million to $400.7 million compared to fiscal 2011. The increase in Adjusted EBITDAR was due primarily to increases from the Western and Eastern North Sea, Asia Pacific, and the Americas partially offset by the Africa-Euro Asia regions.

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

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

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

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

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

Heli-One

	For the fiscal year ended April 30,		Favorable (Unfavorable)	
(in thousands of U.S. dollars)	**2011**	**2012**	**$ Change**	**% Change**
Third-party revenue	$ 129,222	$ 166,479	$ 37,257	28.8%
Internal revenue	239,321	283,026	43,705	18.3%
Total revenue	**$ 368,543**	**$ 449,505**	**$ 80,962**	**22.0%**
Direct costs(i)	(324,057)	(353,485)	(29,428)	(9.1)%
Adjusted EBITDAR	**$ 44,486**	**$ 96,020**	**$ 51,534**	**115.8%**
Adjusted EBITDAR Margin(ii)	12.1%	21.4%	9.3%	76.9%

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

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

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

EBITDAR increased by $51.5 million to $96.0 million compared to fiscal 2011. In fiscal 2011, a decrease in internal revenues from lower flying hours combined with an increase in labor and materials to service a higher level of unscheduled maintenance events on our own fleet resulted in a decrease to Adjusted EBITDAR, which did not reoccur in fiscal 2012. In fiscal 2012, there was an increase in internal revenues to support growth in Helicopter Services and a decrease in the level of unscheduled maintenance events on our own fleet. The higher revenues in fiscal 2012 contributed approximately $23.0 million in additional Adjusted EBITDAR as compared to fiscal 2011. Higher margins earned on these revenues resulted in a positive impact on Adjusted EBITDAR margin of 4.2%. Lower costs in fiscal 2012 combined with the termination of a third-party PBH contract in April 2011 that earned negative margins from a high level of unscheduled maintenance events contributed an additional $22.0 million in Adjusted EBITDAR with a positive impact on Adjusted EBITDAR margin of 4.0%. Adjusted EBITDAR also increased by $4.0 million with a positive impact on Adjusted EBITDAR margin of 0.7% as costs incurred in fiscal 2011 related to inventory write-offs and consulting costs for strategic projects did not reoccur in fiscal 2012. In fiscal 2012, cost savings from the implementation of supply chain sourcing initiatives as part of our broad transformation program and jobs that remained vacant for a large portion of the year contributed an additional $2.5 million to Adjusted EBITDAR. These cost savings resulted in a positive impact on Adjusted EBITDAR margin of 0.4%.

FINANCIAL CONDITION AND SOURCES OF LIQUIDITY

Analysis of Historical Cash Flows

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

For the Six Months Ended October 31, 2012 and October 31, 2013

Cash Flows Used In Operating Activities

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

Pension contributions and benefits paid increased primarily due to the timing of funding compared with the prior year period and increased pension contributions in Norway. Favorable changes in operating capital were driven by a decrease in receivables of $61.9 million as the result of collections, $21.3 million of higher deferred revenue related to contract activity offset by a $30.4 million decrease in accounts payable, due to the timing of supplier payments. Cash financing charges increased due to the issuance of the additional $200.0 million aggregate principal amount of senior secured notes issued on October 5, 2012 and the $300.0 million aggregate principal amount of senior unsecured notes issued on May 13, 2013 and the change in realized foreign exchange cash flows compared to the prior year period.

One of our continued areas of focus is the improvement of our cash flows through operational growth. We have implemented a number of initiatives, but have not consistently decreased our use of cash in operations. No assurance can be given that our efforts to reduce operational cash requirements, including continued efforts to achieve greater cost efficiencies through our broad transformation program, will be effective. The business may not generate sufficient net cash from operating activities and future borrowings may not be available in amounts sufficient to enable us to service our debt or to fund our other liquidity needs. It is currently expected that the net cash from operating activities will, together with our ability to access financing through our existing senior secured revolving credit facilities, other financing markets, new operating leases and proceeds from the sale of helicopters and other assets, be sufficient to meet our on-going cash flow requirements. If we are unable to meet our debt obligations or fund other liquidity needs, alternative financing plans may need to be undertaken, such as refinancing or restructuring debt, selling assets, reducing or delaying capital investments or raising additional capital.

Cash Flows Provided By Financing Activities

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

Cash Flows Used in Investing Activities

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

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

For the Fiscal Years Ended April 30, 2012 and April 30, 2013

Cash Flows Provided By Operating Activities

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

We have experienced declining cash flow from operating activities, and no assurance can be given that efforts to stem this decline, including efforts to achieve greater cost efficiencies through our broad transformation program, will be effective. The business may not generate sufficient net cash from operating activities and future borrowings may not be available in amounts sufficient to enable us to service our debt or to fund other liquidity needs. It is currently expected that the net cash from operating activities will, together with our ability to access financing through our existing senior secured revolving credit facility, other financing markets, new operating leases and proceeds from the sale of helicopters and other assets, be sufficient to meet our on-going cash flow requirements, if we are unable to meet our debt obligations or fund other liquidity needs, alternative financing plans may need to be undertaken, such as refinancing or restructuring debt, selling assets, reducing or delaying capital investments or raising additional capital. See Risk Factors Risks Related to Our Net Losses and Our Indebtedness Our level of indebtedness could affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in our business or our industry and place us at a competitive disadvantage and Liquidity and Sources of Liquidity below. On May 13, 2013, our indirect subsidiary CHC Helicopter S.A. issued $300.0 million of senior unsecured notes which increased our overall liquidity. The senior unsecured notes are guaranteed by CHC Helicopter Holding S.à r.l., and by its direct parent entity, 6922767 Holding S.à r.l., and by each of its direct and indirect restricted subsidiaries in the Security Jurisdictions (as defined below) existing on the issuance date. No guarantee or security is required from subsidiaries incorporated in any jurisdiction other than the United Kingdom, the Netherlands, Sweden, Norway, Luxembourg, Canada, Australia, the United States, Ireland or Barbados, or the Security Jurisdictions. The aggregate principal amount of $300.0 million in senior unsecured notes were issued at par value, bear interest at an annual rate of 9.375% with semi-annual interest payments due on June 1 and December 1 and mature on June 1, 2021. The net proceeds from the senior unsecured notes were used to repay borrowings under our existing senior secured revolving credit facility and to fund general working capital requirements.

Cash Flows Provided By Financing Activities

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

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

Cash Flows Used In Investing Activities

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

For the Fiscal Years Ended April 30, 2011 and April 30, 2012

Cash Flows Provided By Operating Activities

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

Cash Flows Provided By Financing Activities

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

Cash Flows Used In Investing Activities

Cash flows used in investing activities increased by $56.9 million to $217.7 million compared to fiscal 2011, due primarily to an increase in property and equipment additions of $147.8 million, an increase in helicopter deposits net of lease inception refunds of $19.1 million and an increase in restricted cash of $17.9 million, offset by an increase in the proceeds from the disposal of property and equipment of $126.7 million. The increase in property and equipment resulted from an acquisition of technologically advanced helicopters of $130.0 million combined with an increase in rotables of $14.1 million to support the technologically advanced helicopters. Included in the helicopter additions was $95.7 million related to the buy-out of helicopters under operating leases as agreed pursuant to a lease covenant reset during fiscal 2011. During these negotiations in fiscal 2011, there were three lessors who took the opportunity as part of the covenant reset to exit the helicopter leasing market, requiring us to purchase these helicopters off lease in fiscal 2012. Management s strategy was to primarily finance helicopters through leases and make strategic decisions to continue to own certain of these helicopters outright for jurisdictional flexibility. Helicopter deposits increased due to our advance deposits for the purchase of the technologically advanced helicopters. Restricted cash increased as there was a delay in the payment for sold accounts receivable as part of the accounts receivable securitization program. Proceeds on the disposal of helicopters increased due primarily to an increase in helicopters that were refinanced under sale and leaseback transactions as part of the refinancing of those leases.

Liquidity and Sources of Liquidity

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

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

Sources of Liquidity

CHC Helicopter S.A. issued an additional $200.0 million aggregate principal amount of senior secured notes. The additional senior secured notes were issued under the same indenture that governs the $1.1 billion of senior secured notes that were previously issued in October 2010. The additional senior secured notes in an aggregate principal amount of $200.0 million were issued at 101.0% of par value, bear interest at an annual rate of 9.25% with semi-annual interest payments due on April 15 and October 15 of each year and mature on October 15, 2020. The net proceeds from the senior secured notes of $202.0 million were used to repay a portion of the outstanding borrowings under our existing senior secured revolving credit facility. We also incurred financing fees of $3.8 million, which are being amortized over the term of the senior secured notes.

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

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

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

Future Cash Requirements

Contractual Obligations and Off-Balance Sheet Arrangements

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

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

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

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

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

Operating Lease Commitments

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

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

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

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

Other Commitments

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

Variable Interest Entities

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

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Guarantees

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

Contingencies

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

Covenants and Contractual Adjusted EBITDA

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

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

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

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

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

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

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

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

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

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

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

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

(a) Fixed charges include interest expense, the interest component of payments associated with capital lease obligations, net of interest income, and pro-forma adjustments as per the applicable indenture governing the senior secured notes and the senior unsecured notes. The amortization of debt issuance costs and financing fees are excluded from fixed charges.

(b) Asset impairment charge includes impairment (recovery) of funded residual value guarantees, impairment of assets held for sale, impairment of assets held for use and impairment of intangible assets.

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

Critical Accounting Policies and Estimates

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

Classification of Helicopter Operating Leases

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

Consolidation of Variable Interest Entities

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

Property and Equipment

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

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

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

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

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

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

Goodwill and Intangible Asset Impairment

Embedded Equity

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

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

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

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

Goodwill, Trademarks and Trade Names

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

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

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

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

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

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

Pension Benefits

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

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

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

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

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

Contingent Liabilities

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

Income Taxes

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

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

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

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Stock Based Compensation

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

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

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

Recent Accounting Pronouncements

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

Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

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

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

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

Foreign Currency Risk

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

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

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

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

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

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

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

Credit Risk

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

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

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

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OUR INDUSTRY

Overview

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

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

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

Helicopter Usage in the Offshore Oil and Gas Industry

Within the oil and gas industry, helicopters are used in all major offshore oil and gas markets across the globe to transport people, equipment, and supplies to offshore production facilities and drilling rigs. Helicopters provide a mission critical service to the offshore oil and gas industry, as helicopters are the primary source of offshore transportation and are typically the only source of practical transportation for distances greater than 30 miles from shore. In many ultra-deepwater and deepwater basins, helicopters are often the only viable method of transportation to facilitate required rotations of crew members. Heavy and medium helicopters are primarily used for crew change transportation and other logistical services on oil and gas production facilities and drilling rigs because they can fly in a wide variety of operating conditions, support ultra-deepwater and deepwater drilling, development and production activities, offer enhanced technology, cover longer distances at faster speeds, and carry larger payloads than light helicopters. Using larger helicopters reduces the number of trips, costs, and time required to transport people and equipment. For these reasons, lar