



To Our Valued Customers,

We are grateful for your continued trust and belief in PHI. As you are aware, we have been working since the spring of 2018 to address the company's matured debt, strengthen our balance sheet, grow our global position, and protect our future.

In that spirit, we want you to be among the first to know that after careful consideration of all available strategic options, today PHI's principal U.S. entities took action to best position the company for continued success by filing for voluntary Chapter 11 protection in the U.S. Bankruptcy Court for the Northern District of Texas. This filing does not in any way reflect the relative health of our businesses; it is simply a reflection of the need to reorganize our financial structure. We are confident that this is the best option for a timely and efficient resolution to protect PHI's future.

Importantly, today's announcement will not impact our relationship with you, or any of our customers, in any way. We are operating all of our business units and services as usual, maintaining staffing levels, and providing the same safe, high-quality service you know and expect from us. Your normal company contact remains in place, and you should continue to engage with PHI as you always have. Again, for our relationship with you, nothing has changed.

We are proud of the values that guide our work and ensure the safety of our people and yours. We are resolute in our commitment to not only uphold, but to purposefully ensure that our Core Values of Safety, Quality, Efficiency and Customer Service will remain our top priority.

We have taken all of the necessary steps to ensure our commitments to you remain unchanged as we work to secure a stronger future for the company. PHI has proudly and consistently met the needs of our customers with the highest standards of safety, quality, and service continuity. We have not lost a single flight hour during this process, and we are continuing to uphold our stringent safety and maintenance standards. To this end, we have sufficient cash on hand to operate all of our businesses as usual throughout this process, including maintaining necessary supply levels and fleet maintenance procedures. Again, our commitment to operating at the highest standards of safety, quality, and service continuity will not change as we navigate this process.

We are fully committed to keeping you updated throughout this process. If you have any questions about today's announcement, please direct them to your usual company contact.

Customer Q&A

General

1. What is Chapter 11?

The Chapter 11 process is a provision under the U.S. Bankruptcy Code that allows companies like ours to operate business as usual through an orderly restructuring process while resolving financial issues. Importantly, this is not an insolvency or liquidation proceeding – PHI is open for business and operating as usual. Many companies in our sector have successfully filed and restructured under Chapter 11 protection including Waypoint Leading, CHC, and Erickson. Other well-known companies have filed for and emerged from Chapter 11 including American Airlines, Delta Airlines, United Airlines, Fieldwood Energy, and General Motors. PHI expects to emerge with a significantly reduced and more sustainable debt structure that will position the Company for long-term success. We fundamentally believe that this decision will allow us to complete this process as a stronger company, employer, and business partner.

2. Does this mean PHI is going out of business?

No. PHI is open for business and operating as usual. After careful consideration of all available strategic options, PHI has taken action to address our matured notes, strengthen our balance sheet, and best position PHI for future success.

3. Why was the filing necessary? Why is PHI making this decision now?

As we've communicated throughout this process, since the spring of 2018, PHI has been working closely with our advisors and key stakeholders to consider a multitude of strategies to address our debt maturity. We have a duty to explore and consider all opportunities to promote PHI's financial wellbeing, strengthen our competitive position in the industry, and advance our interests and those of our stakeholders, while maintaining our core commitment to safety. We believe this announcement represents the best option for a timely and efficient resolution to protect PHI's future.

4. Is all of PHI included in the Chapter 11 filing?

Because of the nature of our debt structure, the Chapter 11 filing only includes PHI's principal U.S. entities, which guarantee our U.S. debt. It does not include our international entities. Specifically, our operations in Mexico, Canada, Trinidad & Tobago, Cyprus, Ghana, Israel, Saudi Arabia, the Philippines, Australia, and New Zealand are not included in the filing. This does not reflect the relative health of our businesses; it is simply a reflection of our financial structure and desire to minimize the impact of the filing where it isn't needed to restructure our debt. Importantly, all of our businesses, whether included in the filing or not, are operating as usual and plan to continue to do so throughout this process.

5. How will the filing impact day-to-day operations at PHI's U.S. entities? How will the filing impact day-to-day operations at PHI's international entities that have *not* filed for Chapter 11 protection?

All of our businesses, whether included in the filing or not, are operating as usual and plan to continue to do so throughout this process.

6. Will any routine maintenance be deferred as a result of the Company's restructuring? Will the Company be able to repair/replace parts in order to ensure the safety of customers and employees?

Upholding our core values of safety, quality, efficiency and customer service is – and always has been – PHI's top priority. We know how much our customers depend on our services and we have taken all of the necessary steps to ensure our commitments remain unchanged as we work to address our matured notes and strengthen our balance sheet. We are operating all of our business units and services as usual, maintaining staffing levels, and providing the same safe, high-quality service customers and employees associate with PHI. This process is not about our liquidity or operations as a company. PHI has sufficient cash on hand to continue operating business as usual and meet our commitments.

7. How long do you expect the restructuring process to take?

We are working to emerge from bankruptcy in the summer of 2019 with a significantly reduced and more sustainable debt structure that will position PHI for long-term success.

8. What is PHI hoping to accomplish through this process? What are the benefits?

After careful consideration of all available strategic options, PHI has taken this action to address the maturity of our notes, strengthen our balance sheet, and best position us for future success. We expect to emerge with a significantly reduced and more sustainable debt structure that will position the Company for long-term success. We believe this announcement represents the best option for a timely and efficient resolution to protect PHI's future.

9. How can you be sure you have the financial resources to complete the process successfully?

This process is not about our liquidity or operations as a company. PHI has sufficient cash on hand to continue operating business as usual and meet our commitments. To underscore this point, we have obtained an additional \$70 million in term loan financing prior to the filing. This additional capital, along with normal operating cash flows is expected to be sufficient to fund our global operations.

Customers

10. How will the Company be able to ensure the safety and service throughout the Chapter 11 process?

Upholding our core values of safety, quality, efficiency and customer service is – and always has been – our top priority. We know how much you and your teams depend on our services and we have taken all of the necessary steps to ensure our commitments to you remain unchanged as we work to address our matured notes and strengthen our balance sheet.

11. Will PHI decrease the amount of flights due to the Chapter 11 filings?

No. We have not lost a single flight hour during this process – we are continuing and will continue to uphold our stringent safety and maintenance standards.

12. Do the filing entities have the financial resources necessary to continue operations as normal?

Yes. We have sufficient cash on hand to operate all of our businesses as usual throughout this process, including maintaining necessary supply levels and fleet maintenance procedures. To underscore this point, we have obtained an additional \$70 million in term loan financing prior to the filing. This additional capital, along with normal operating cash flows is expected to be sufficient to fund our global operations.

13. Will there be any changes to our services or contracts as a result of this filing?

Today's announcement will not impact our relationship with you in any way. We are operating all of our business units and services as usual, maintaining staffing levels, and providing the same safe, high-quality service you know and expect from us. Your normal company contact remains in place, and you should continue to engage with PHI as you always have.

14. How will customers be kept informed during this process? Where can we go if we have additional questions?

We are committed to keeping you updated throughout this process. If you have any questions about today's announcement, please direct them to your usual company contact.