



Bristow wins £1.6bn UKSAR2G contract and shakes up fleet



Bristow Helicopters Ltd (NYSE: VTOL) has been awarded a £1.6bn 10-year contract for the Second-Generation Search and Rescue Aviation ("UKSAR2G") program by the Maritime and Coastguard Agency (MCA), an executive agency of the Department for Transport.

Highlights:

— New 10-year contract combines existing rotary and fixed wing services into fully integrated, innovative solution led by Bristow

— Bristow-led consortium to begin transitioning to new contract beginning 30 September 2024 through 31 December 2026, to ensure a continuation of critical lifesaving search and rescue aviation services across the whole of the U.K.

Bristow will work in partnership with 2Excel Aviation, a specialist in fixed wing aerospace services, and Nova Systems, the consortium's innovation partner, to deliver the contract for the MCA on behalf of Her Majesty's Coastguard. The new contract will see the U.K. search and rescue region benefit from innovation and advances in technology to save more lives, even more guickly.

The contract combines the existing two separate aviation contracts for fixed wing aircraft and rotary aircraft and will include the use of unmanned aerial systems (UAS). Since 2013 and 2019, respectively, Bristow and 2Excel have operated search and rescue services for the U.K. in the original SAR and Aerial Surveillance contracts. During that time, the companies have displayed exceptional quality, innovation, and skill in their work rescuing over 4,500 people over the past seven years.

"We are very pleased with the MCA's trust in Bristow to continue to provide safe and reliable search and rescue services with our crews to help save lives throughout the United Kingdom," said Bristow President and CEO Chris Bradshaw. "Through this new, innovative contract, Bristow and our partners will increase efficiencies and innovations as well as establish additional seasonal bases to further expand our service."

As part of the new contract, Bristow will continue to operate from their current 10 bases and will launch two new seasonal bases in Fort William and Carlisle, to serve areas around two of the busiest locations for summer tourism. The Fort William and Carlisle bases will operate 12 hours a day from April to September. All other helicopter bases will continue to be operational 24 hours a day.

The partners will operate:

- 18 helicopters, including nine existing Leonardo AW189s and three existing Sikorsky S-92s augmented by the introduction of six new Leonardo AW139 helicopters;
- Six King Air fixed-wing airplanes, including the B350, B350ER and the B200 at Doncaster, Prestwick and Newquay; and

- One mobile deployable Schiebel CAMCOPTER S-100 UAS.

"Since inception 2Excel has built a reputation for being highly skilled at creating innovative solutions and quickly turning complex aviation concepts into leading edge capabilities. The UKSAR2G contract with the MCA exemplifies this fact," said Andy Offer, Co-founder and Director of 2Excel Aviation. "This contract builds on the existing capabilities we have delivered to the MCA over the past few years with our fixed-wing aircraft packed with state-of-the-art integrated sensors; delivering services to a myriad of government agencies including border security, fisheries patrol, as well as life-saving search and rescue for HM Coastguard – working collaboratively with our partner Bristow."

Through the new contract, Bristow and its partners 2Excel and Nova Systems will work to deliver greater innovation in the provision of search and rescue services across the U.K. region, providing even greater levels of support to those at risk.

"Nova Systems is thrilled to be teamed with Bristow and 2Excel for UKSAR2G in the role of Programme Innovation Partner. With our experience working at the leading edge of aerospace technology and mission system development, and with our unique mix of technical and operational domain expertise, we look forward to enhancing the U.K.'s SAR capability and delivering a world-class innovation programme to the Bristow team and the MCA," said Gareth Dyer, Managing Director, International for Nova Systems.

Bristow will provide a new state-of-the-art search and rescue helicopter simulation training facility at Solent Airport next to the Coastguard Training Facility, which will house a synthetic rescue hoist and helicopter suspended over a large training pool. Another innovation includes the use of sustainable aviation fuels, reducing the carbon footprint in the delivery of these services.

The companies will transition from the current contracts starting from 30 September 2024 through to 31 December 2026, to ensure a continuation of critical search and rescue aviation services across the whole of the U.K.

Bristow is currently in a pre-earnings quiet period and will provide further information following the release of its quarterly financial results in early August.