

NEWS RELEASE

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FOR IMMEDIATE RELEASE

PHI Aircraft Incident:

LAFAYETTE, LA – October 23, 2006 -- PHI, Inc. (“PHI”) reported the loss of a Sikorsky S76 aircraft in the Gulf of Mexico at approximately 7:40 am Sunday, October 22, 2006. The 28 year veteran PHI Captain and his First Officer were the only occupants. Their injuries were minor. They were transported by another PHI aircraft to a nearby hospital for observation and treatment. The National Transportation Safety Board, as in all such cases, will lead an investigation into the circumstances surrounding this incident.

PHI provides helicopter transportation and related services to a broad range of customers including the oil and gas industry, air medical industry and also provides third-party maintenance services to select customers. PHI Common Stock is traded on The NASDAQ National Market System (symbols PHII and PHIK).

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