



ABG Sundal Collier Oil Service Conference

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Cautionary Statement

- This presentation contains forward looking information
- Forward looking information is based on management assumptions and analyses
- Actual experience may differ, and those differences may be material
- Forward looking information is subject to significant uncertainties and risks as they relate to events and/or circumstances in the future
- This presentation must be read in conjunction with other financial statements and the disclosures therein

Leading Marine Geophysical Company

Marine Contract

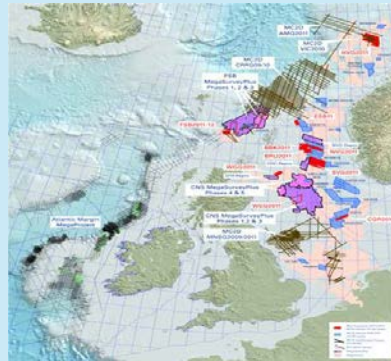


Marine market leadership

45% of 2013 Revenues

Marine Contract acquires seismic data exclusively for oil and gas exploration and production companies

MultiClient



Diverse MultiClient library

45% of 2013 Revenues

MultiClient initiates and manages seismic surveys which PGS acquires, processes, markets and sells to multiple customers on a non-exclusive basis

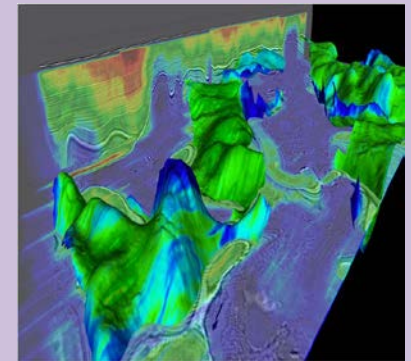
Operations



Productivity leadership

Operations supports Marine Contract and MultiClient with vessel resources and manages fleet renewal strategies

Imaging & Engineering



Technology differentiation

8% of 2013 Revenues

Imaging and Engineering processes seismic data acquired by PGS for its MultiClient library and for external clients on contract and manages research and development activities

Client focus | Global presence | Innovation leadership

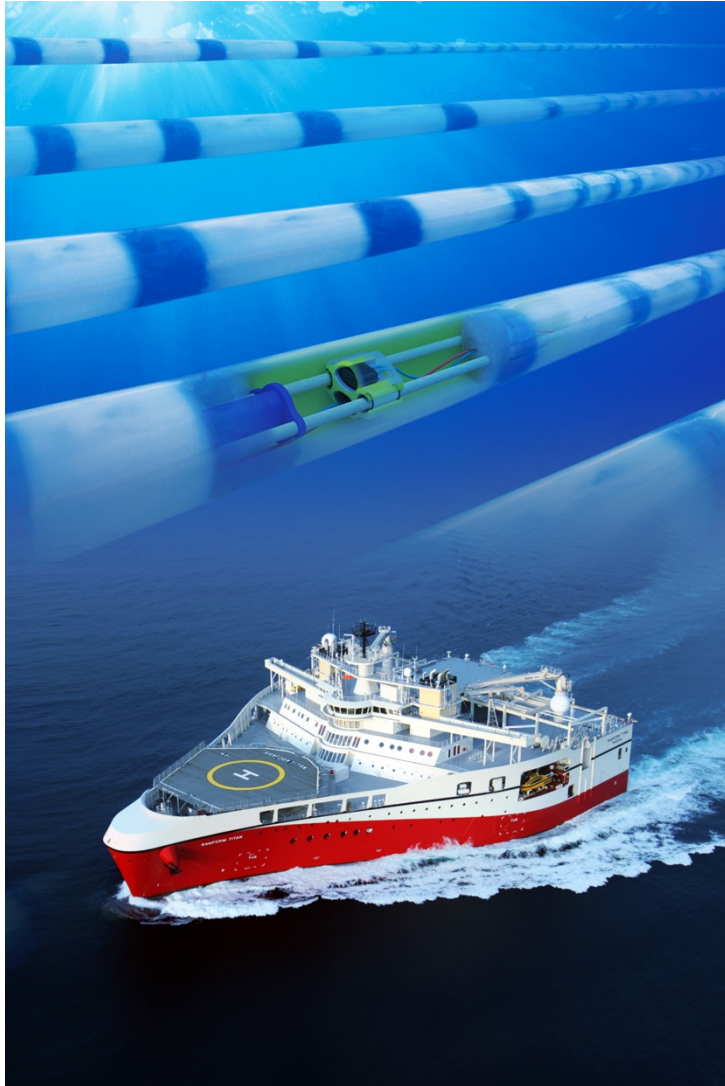
2008 – 2015 First Phase of the Industrial Approach: Performance Through the Cycle - Getting it Right



- 3D fleet renewal and growth
 - Average vessel age reduced from 16.2 to 9.2 years
 - Average streamer per vessel increased from 8.5 to 12.9
 - Total number of streamers increased from 94 to 155
 - Streamer based market share increased from 22% to 24% (assuming certain retirements in rest of period)
- Rollout of GeoStreamer Technology (last vessel to be upgraded in 2016)
- MultiClient focus and growth (in size and profitability)
- Emergence of new GeoStreamer based Imaging technologies
- Technology pipeline with further profit potential
- Taking the industry lead in HSE and Quality
- Substantial increase of financial robustness and initiation of dividend payments

Increased productivity and technological differentiation

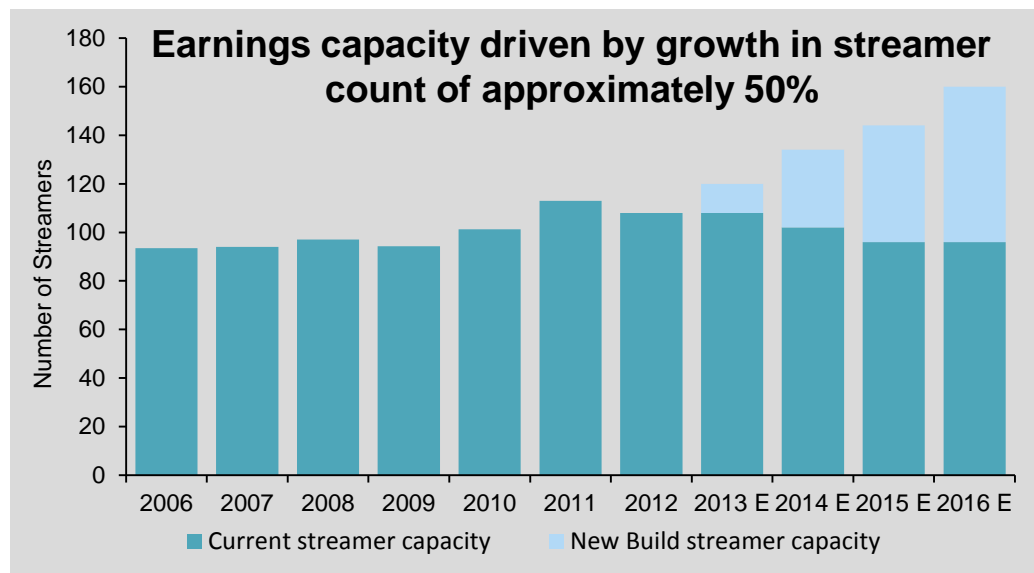
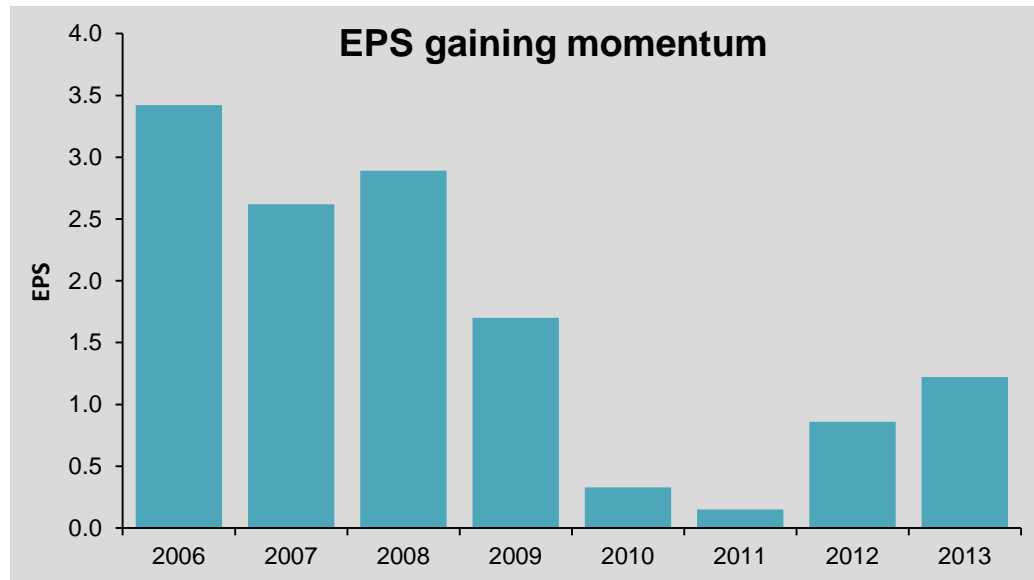
2016 and Beyond: Becoming Fully Industrialized



- Financial focus on profit, free cash flow and ROCE - not vessel market share growth
- Leveraging GeoStreamer equipped fleet and increased productivity differentiation
- Continued MultiClient revenue growth and focus on return on invested capital
- GeoStreamer Imaging as new differentiator
- Continued roll-out of new technologies
- HSE, Cost and Quality leadership

Increasing return on capital and dividend capacity

Investing in a Growth Case



- EPS growth in focus going forward
- Good potential for further growth in profitability from current levels
- Dividend growth will be a priority
- PGS well positioned to improve return on capital and dividend capacity by having:
 - A strong balance sheet
 - Increased earnings capacity from new builds
 - Technology differentiation

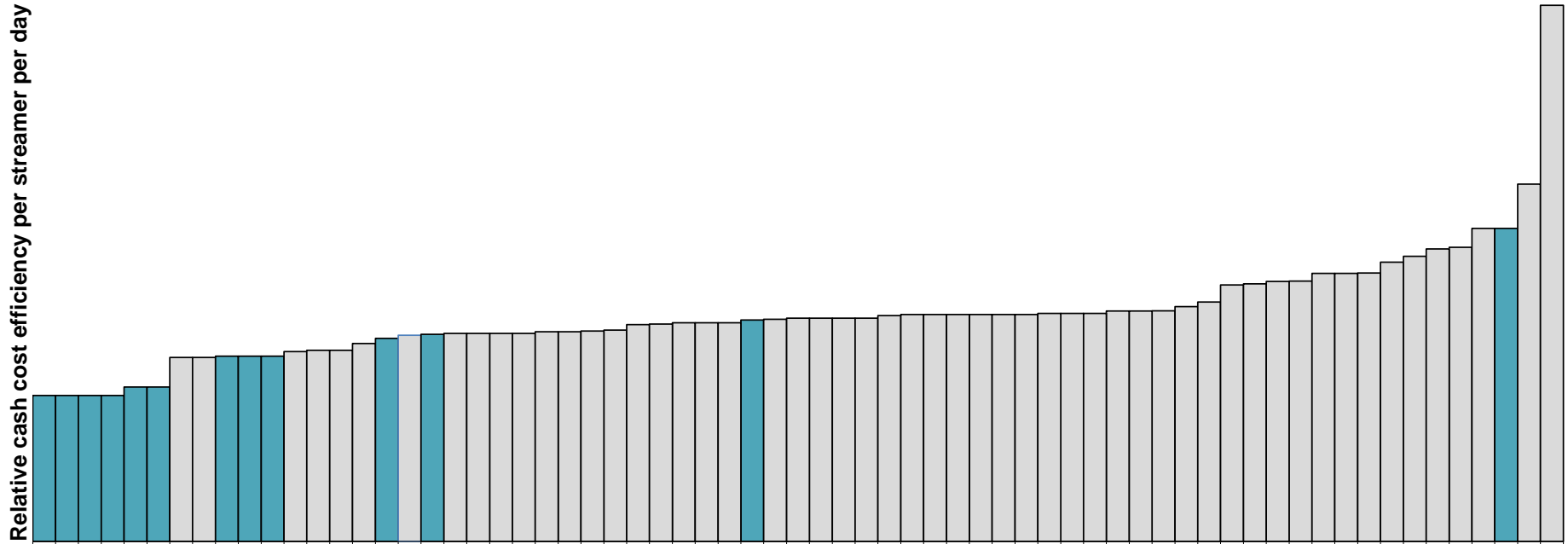
Ramform Titan-class Delivers Attractive Returns



- PGS has historically strong returns on capital employed over the cycle
- Targeting average returns of 5% in excess of weighted average cost of capital (WACC) over the cycle
- WACC estimated at approximately 9-10% (after tax)
- The *Ramform Titan* meeting expectations:
 - Performance and efficiency
 - Ability to fully exploit GeoStreamer technology
 - Safety
 - Crew comfort
- With current contract performance through the vessel's life:
 - Payback time of less than 5* years
 - IRR better than initial plan and above 20%*

High quality assets generating high returns

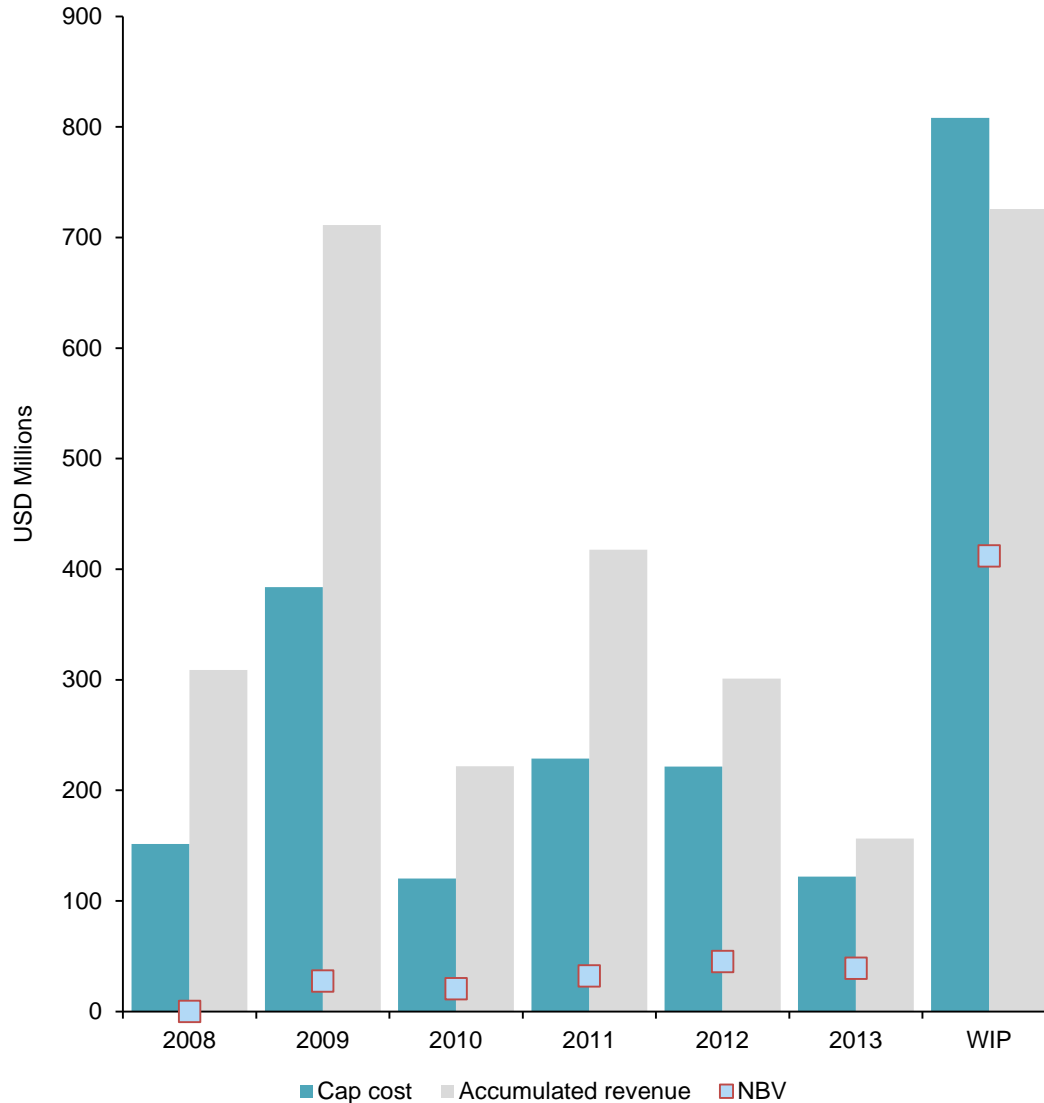
Contributes to Increased ROCE: PGS Fleet Provides Downside Protection in a Weaker Market



PGS fleet is positioned to generate the industry's best margins

Source: The cash cost curve is based on PGS' internal estimates and typical number of streamer towed, and excludes GeoStreamer productivity effect. The graph shows all seismic vessels operating in the market and announced new-builds. The Ramform Titan-class vessels are incorporated with 15 streamers, S-class with 14 streamers and the V-class with 12 streamers.

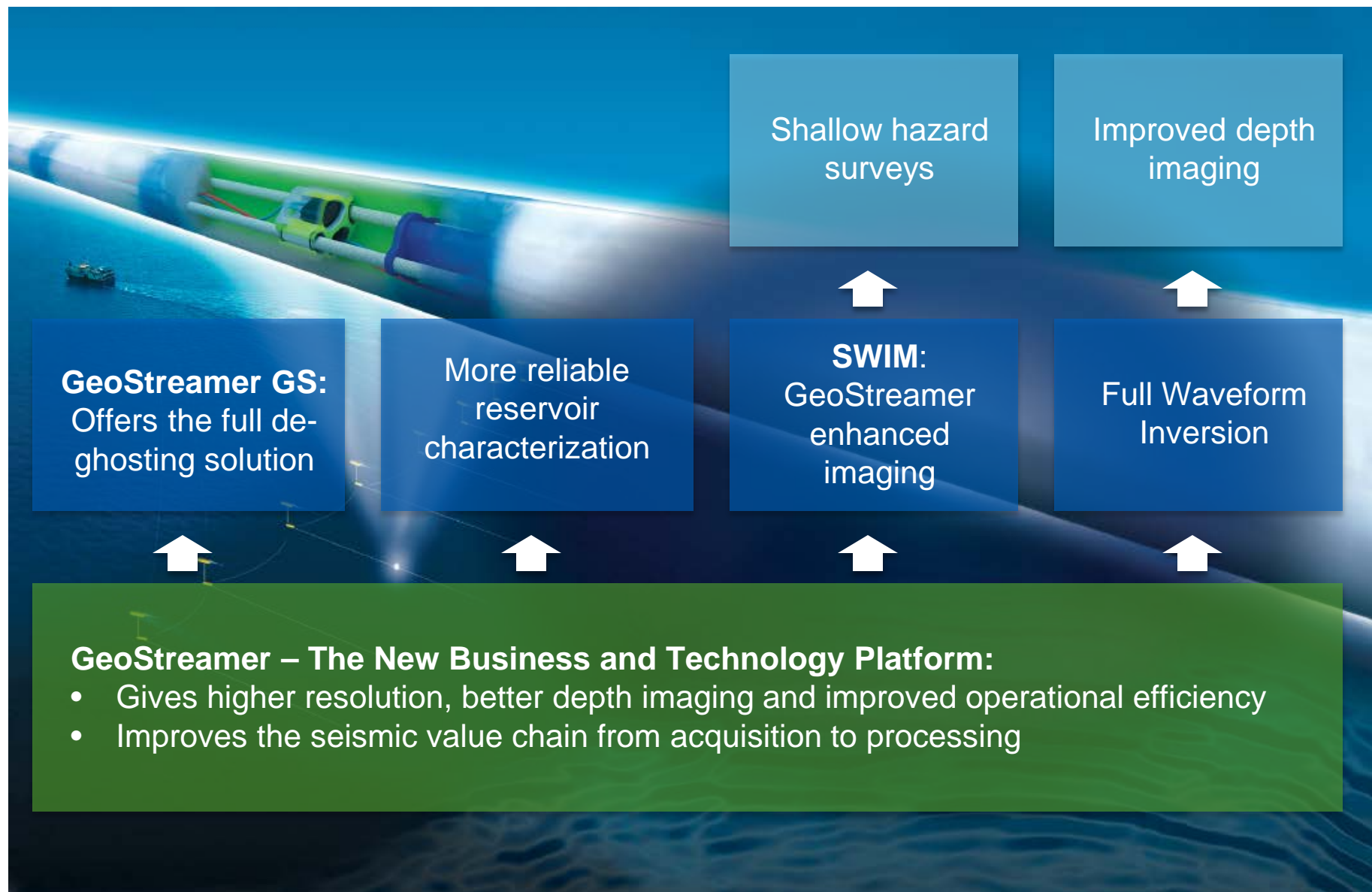
Contributes to Increased ROCE: MultiClient Stabilizes Earnings Through the Cycle



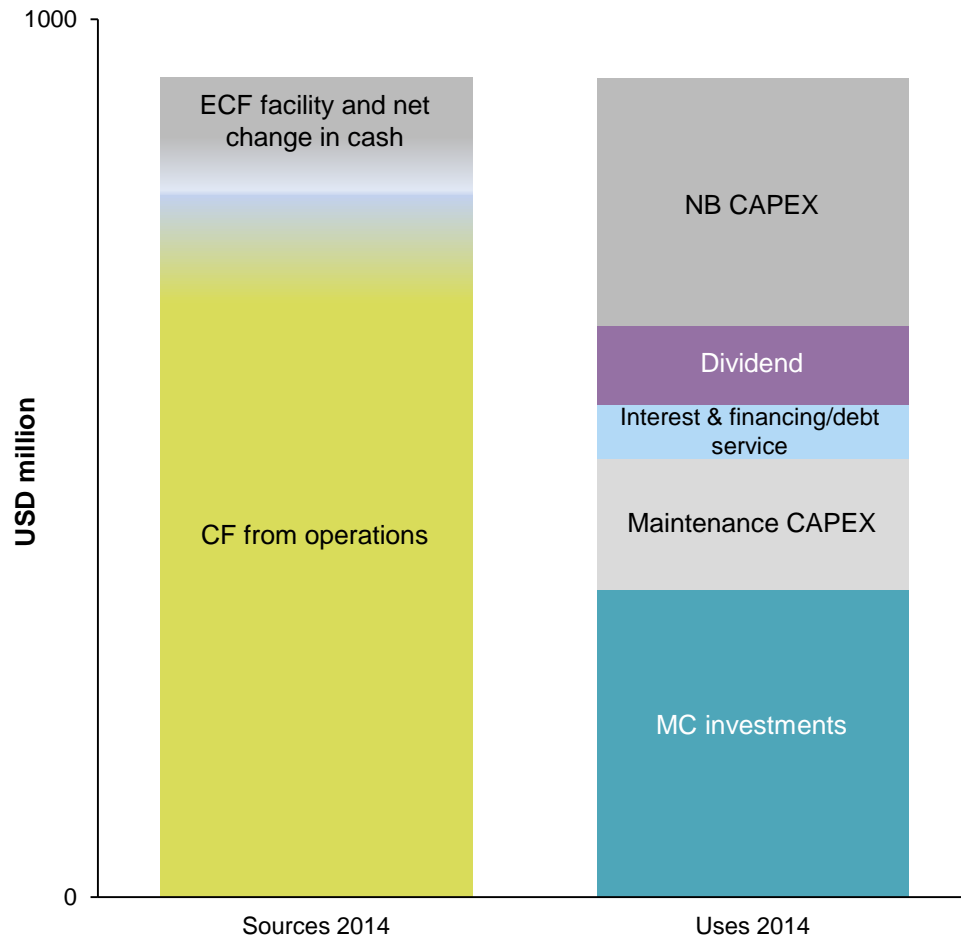
- Strong sales progress for all vintages
- Moderate net book values (NBV) for surveys completed 2008-2013
- Amortization is primarily based on the ratio of cost to forecasted sales

Contributes to Increased ROCE:

The GeoStreamer Technology Platform – Increases Margin Differentiation

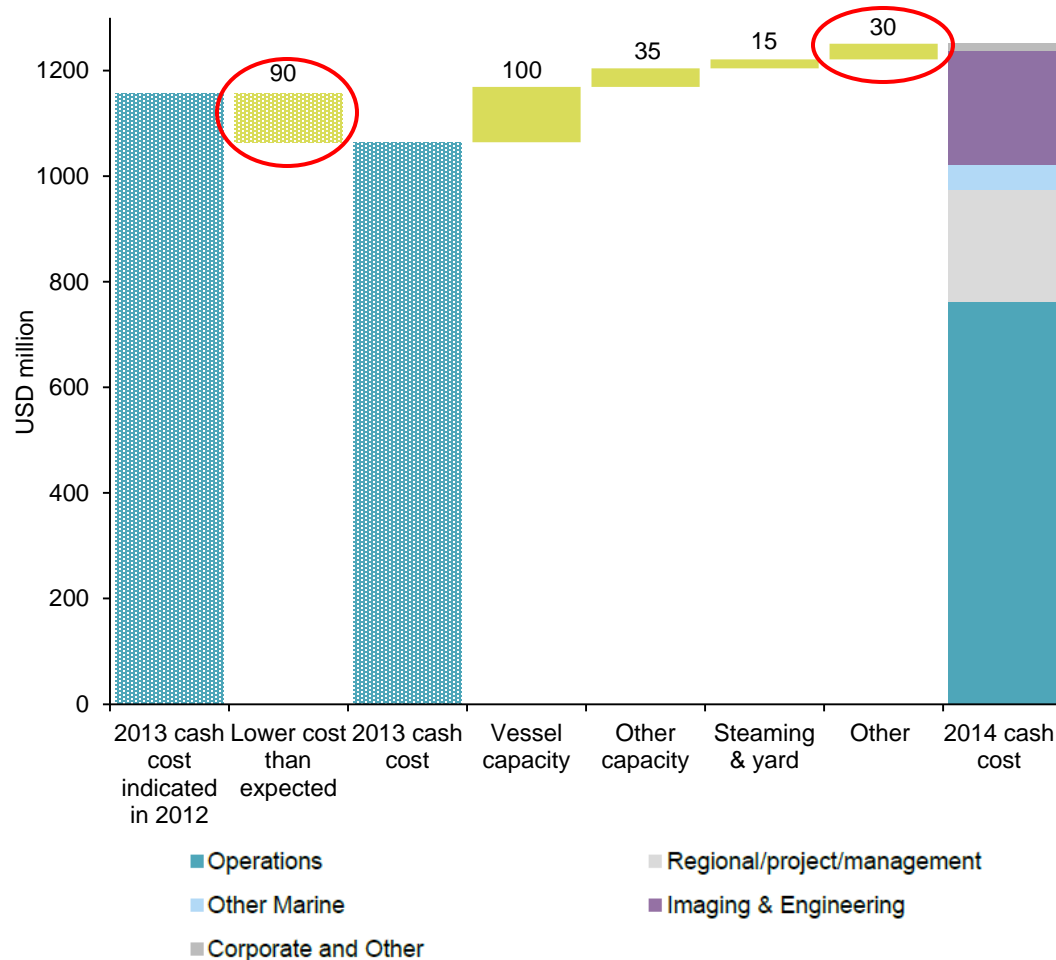


Significant Free Cash Flow Potential



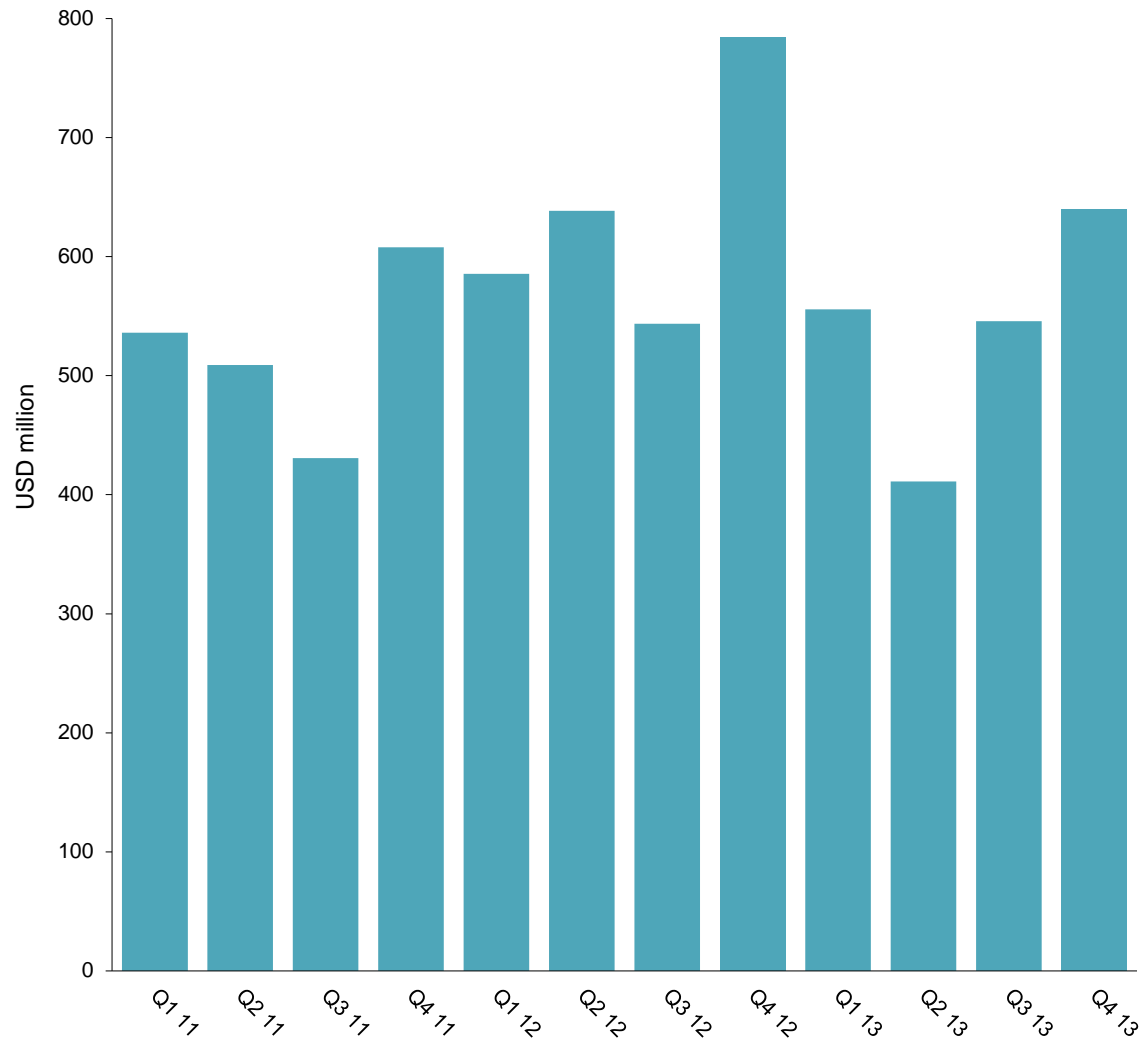
- Cash flow from operations covers MultiClient investments, maintenance CAPEX, interest & financing/debt service, dividends and a significant portion of new build CAPEX
- Excluding new build CAPEX the Company generates healthy free cash flow in the current market environment
- Completion of new build program and increased streamer capacity of approximately 50% by end 2015 makes the foundation for significant increase in free cash flow going forward

New Cost and Quality Initiatives Implemented



- Significant cost reductions achieved for 2012 and 2013
- Further cost reductions initiated with target USD 30 million run rate by end 2014
- Quality improvements targeting USD 50 million EBIT improvement as run rate in 2016

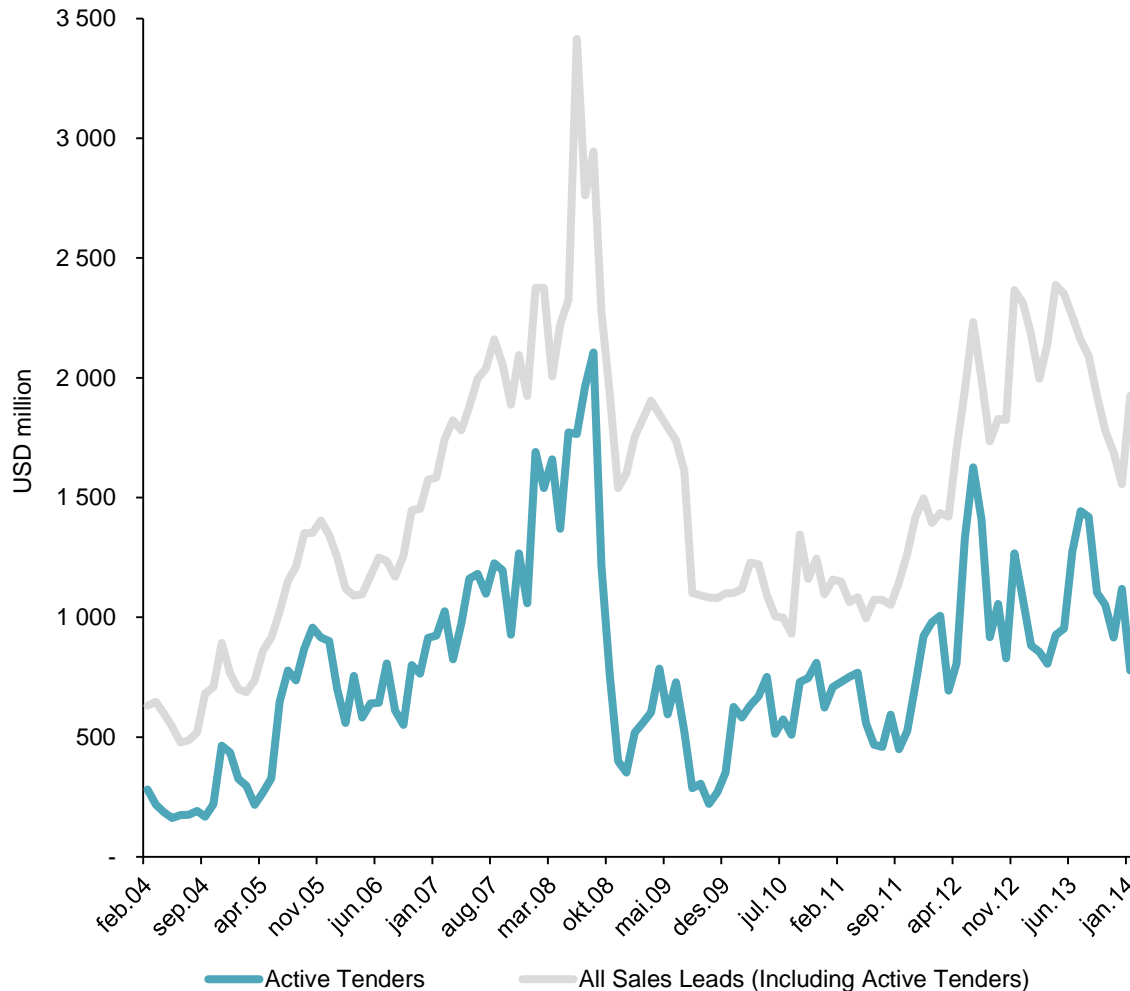
Strong Order Book



- Order book of USD 669 million by the end of Q4 2013
- Vessel booking*
 - ~100% booked for Q1 2014
 - ~95% booked for Q2 2014
 - ~70% booked for Q3 2014
 - ~20% booked for Q4 2014

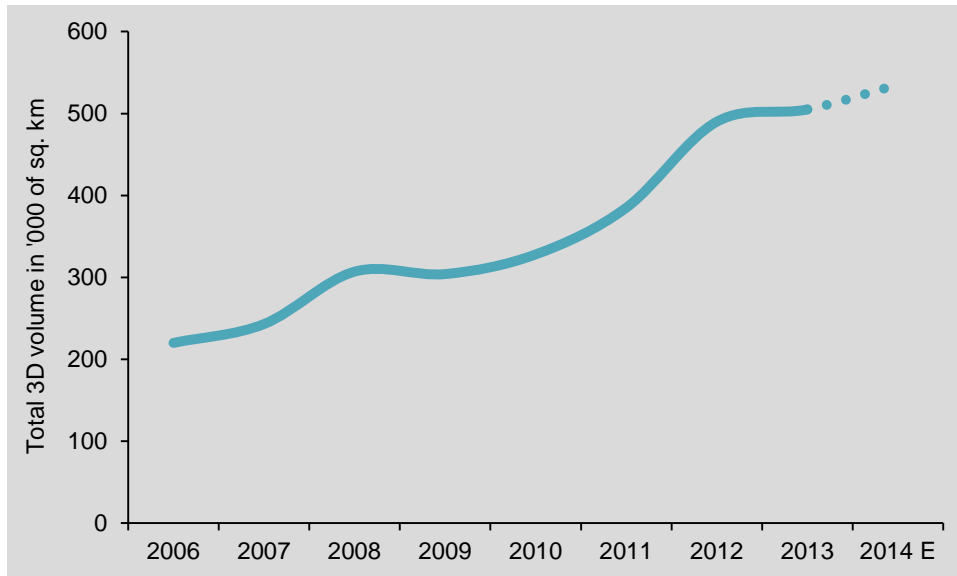
More than 70% of capacity booked for 2014

Bidding Activity

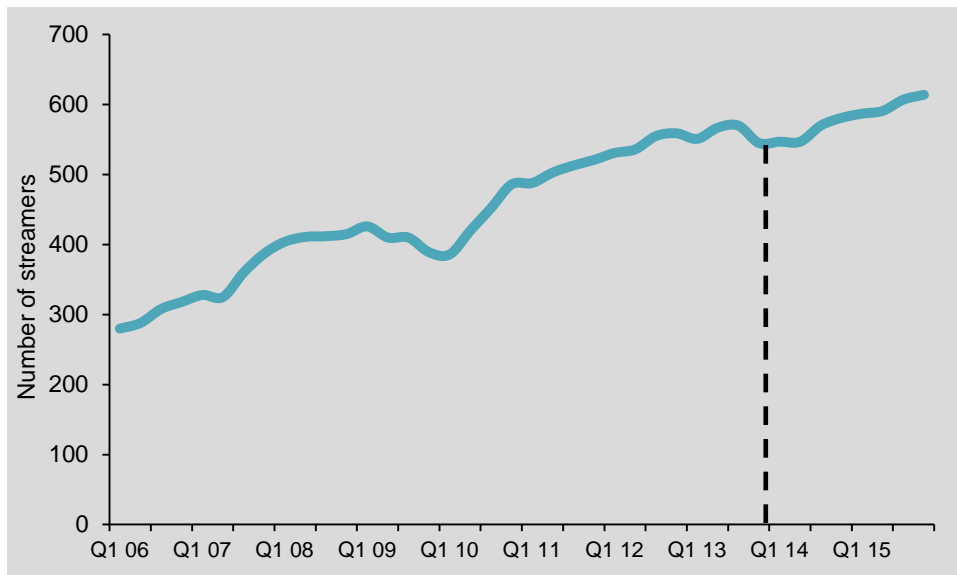


- Increase in All Sales Leads
 - Expected to impact the Active Tenders positively
- Industry order book duration significantly increased
- Survey size continues to favor the PGS Ramform fleet

Global Supply and Demand Trends

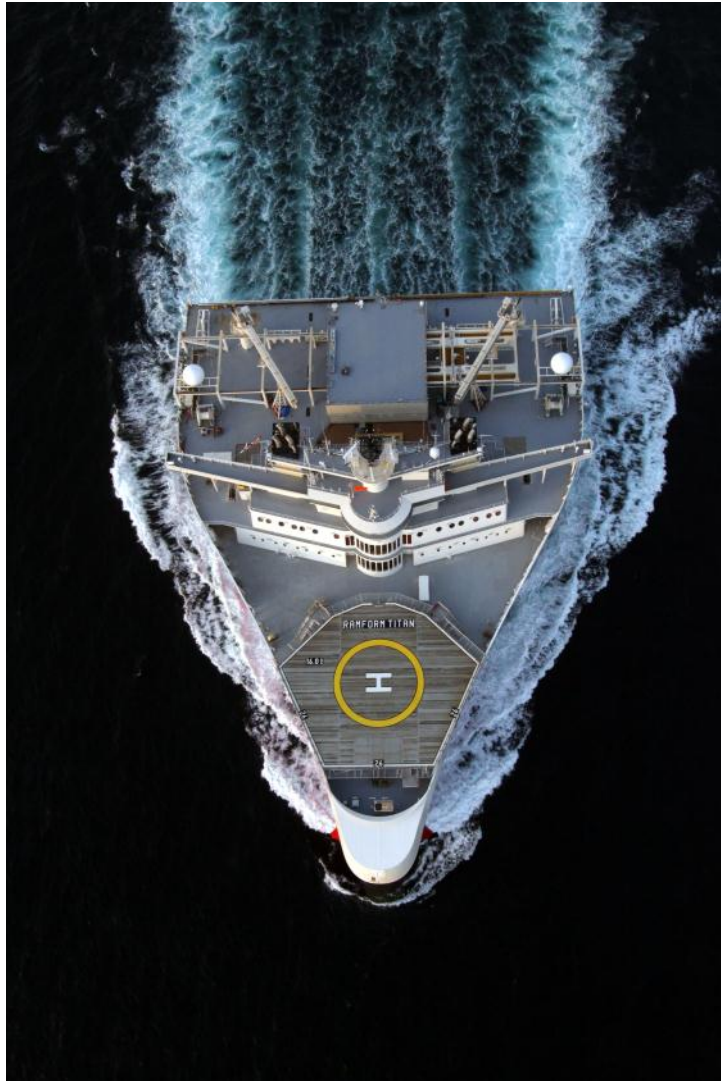


- Growth in sq.km. flattened out from 2012 to 2013
- From 2006 to end 2013 demand for seismic grew by approximately 120% measured in sq.km.
 - Annual average growth rate of 11%



- Expected streamer capacity
 - 3% decrease in 2013
 - 7% increase in 2014
 - 6% increase in 2015
 - No known capacity scheduled for 2016 and beyond

PGS' Strategic Ambition



- **To Care**
 - For our employees
 - For the environment and society at large
 - For our customers' success
- **To Deliver Productivity Leadership**
 - Ramform platform + GeoStreamer
 - Reducing project turnaround time
- **To Develop Superior Data Quality**
 - GeoStreamer business platform
 - Imaging Innovations
 - Subsurface knowledge
- **To Innovate**
 - First dual sensor streamer solution
 - First with 20+ towed streamer capability
 - Unique reservoir focused solutions
- **To Perform Over the Cycle**
 - Profitable with robust balance sheet
 - Absolute focus on being best in our market segment

A Clearer Image

Market Outlook



- Sustainable high oil price
- Deep water attractive for E&Ps
 - Playing to PGS' strengths
- Customer focus on preserving dividend capacity
- Pricing for booked 2014 work is unchanged from average 2013 level, with the exception of recent Q1 bookings
- Healthy market conditions for Q2 and Q3 driven by North Atlantic summer season

In Conclusion:

A Well Positioned Focused Marine Seismic Company











- Improving productivity & scale
 - Building four new Ramform Titan-class vessels, of which two are delivered
 - Strong 3D MultiClient library returns
- GeoStreamer delivers improved data quality, strong performance and better pricing
- Leading edge Imaging capabilities
- Technology differentiation with the GeoStreamer platform, Towed EM and OptoSeis
- Strong balance sheet

Competitively Positioned – Performance Through the Cycle

Thank you – Questions?



Appendix: Continuously Ahead of Competition

	1992 - 1996	1998 - 1999	2007 - 2009	2012 - 2014
Competition	 4 – 6 streamers	 6 – 8 streamers	 8 - 12 streamers	 10 - 20 streamers
PGS	 8 - 12 streamers	 12 - 18 streamers	 12 - 22 streamers	 14 - 24 streamers

- PGS builds vessels to optimize cost and efficiency over the vessels' useful life
- Growing capacity over the cycle rather than trying to time the market
- Larger vessels enable safer and more efficient high quality seismic
- Fleet optimization by decommission of two older vessels – one in 2014 and one in 2015

The PGS Fleet: Delivers Productivity Leadership



Ramforms

Titan-class



S-class



V-class



Other vessels



2D



Nordic Explorer

Sanco Spirit

- Ramform fleet is improving further with 4 new Titan-class vessels

- GeoStreamer contributes to productivity leadership

- Industrialized approach to fleet renewal

Ramform productivity is a key differentiator

Main Yard Stays Next 6 Months



Vessel	When	Expected Duration	Type of Yard Stay
<i>Ramform Sovereign</i>	March 2014	Approximately 10 days	Upgrade to GeoStreamers
<i>Ramform Vanguard</i>	April 2014	Approximately 20 days	Renewal class
<i>Ramform Challenger</i>	April 2014	Approximately 8 days	Intermediate class
<i>Ramform Sterling</i>	June 2014	Approximately 25 days	Renewal class

Attractive Debt Structure

Long term Credit Lines and Interest Bearing Debt	Nominal Amount at December 31, 2013	Total Credit Line	Financial Covenants
USD 470.5 million Term Loan ("TLB"), Libor + 175 basis points, due 2015	USD 470.5 million		None, but incurrence test: total leverage ratio < 3.00:1
Revolving credit facility ("RCF"), due 2018. 70 bps commitment fee on undrawn amount Libor + margin of 200-235 bps on drawn amount	Undrawn	USD 500 million	Maintenance covenant: total leverage ratio < 2.75:1
Japanese ECF, 12 year with semi-annual installments. 50% fixed/ 50% floating interest rate	USD 125 million	USD 250 million	None
2018 Senior Notes, coupon of 7.375%	USD 450 million		None, but incurrence test: Interest coverage ratio > 2.0:1