



Navigating the Nordics Seminar

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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

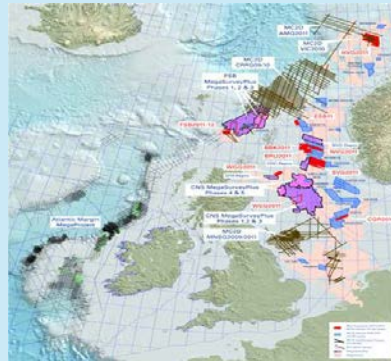


Marine market leadership

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

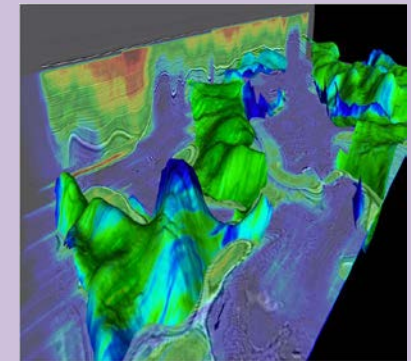
Operations



Productivity leadership

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

Imaging & Engineering



Technology differentiation

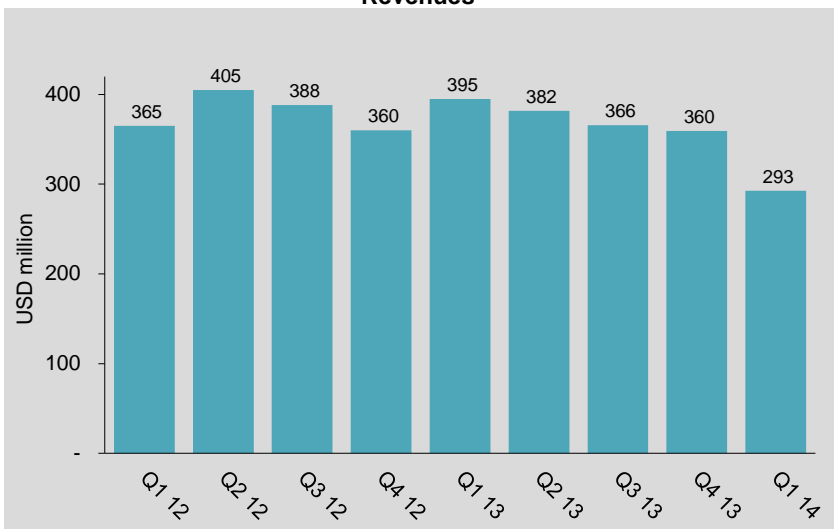
8% of 2013 Revenues

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

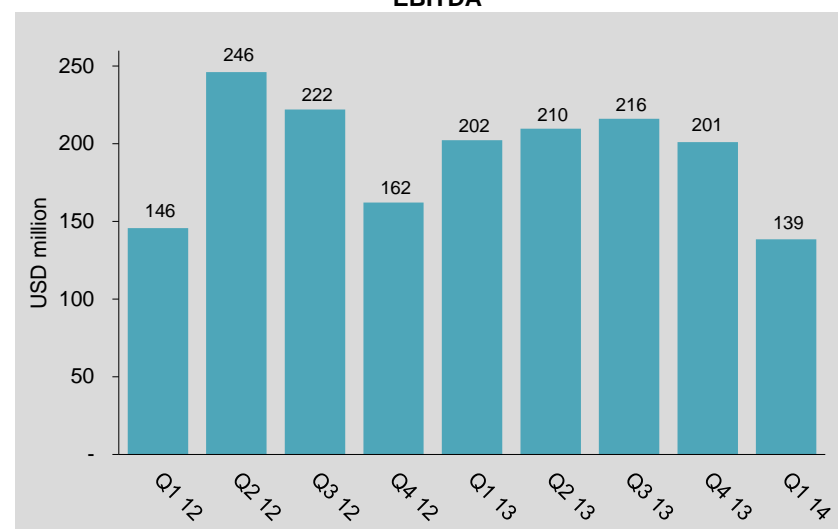
Client focus | Global presence | Innovation leadership

Financial Summary

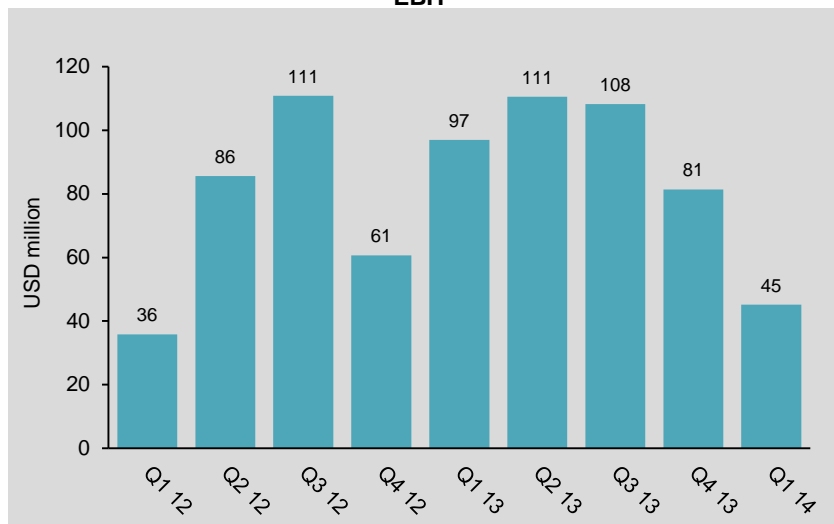
Revenues



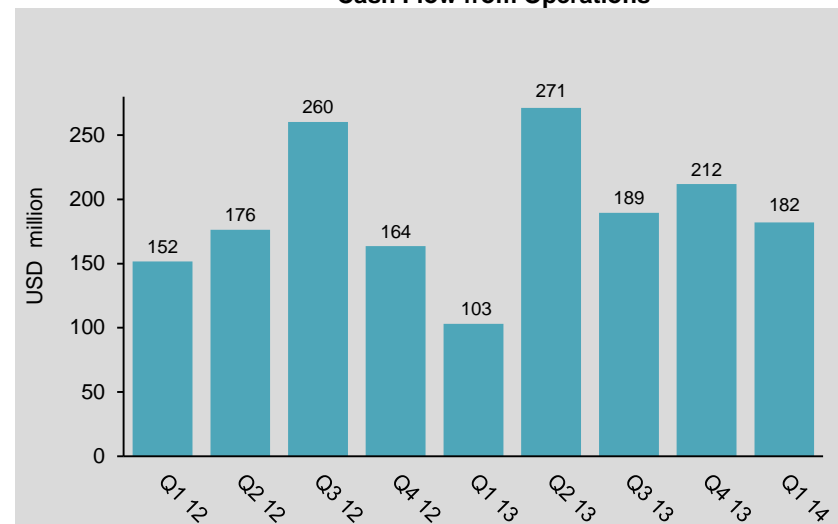
EBITDA*



EBIT**



Cash Flow from Operations



*EBITDA, when used by the Company, means EBIT less other operating (income) expense, impairments of long-term assets and depreciation and amortization.

**Excluding impairments of USD 15 million in Q4 2013, USD 0.1 million in Q4 2012 and reversal of impairment of USD 0.9 million in Q2 2012.

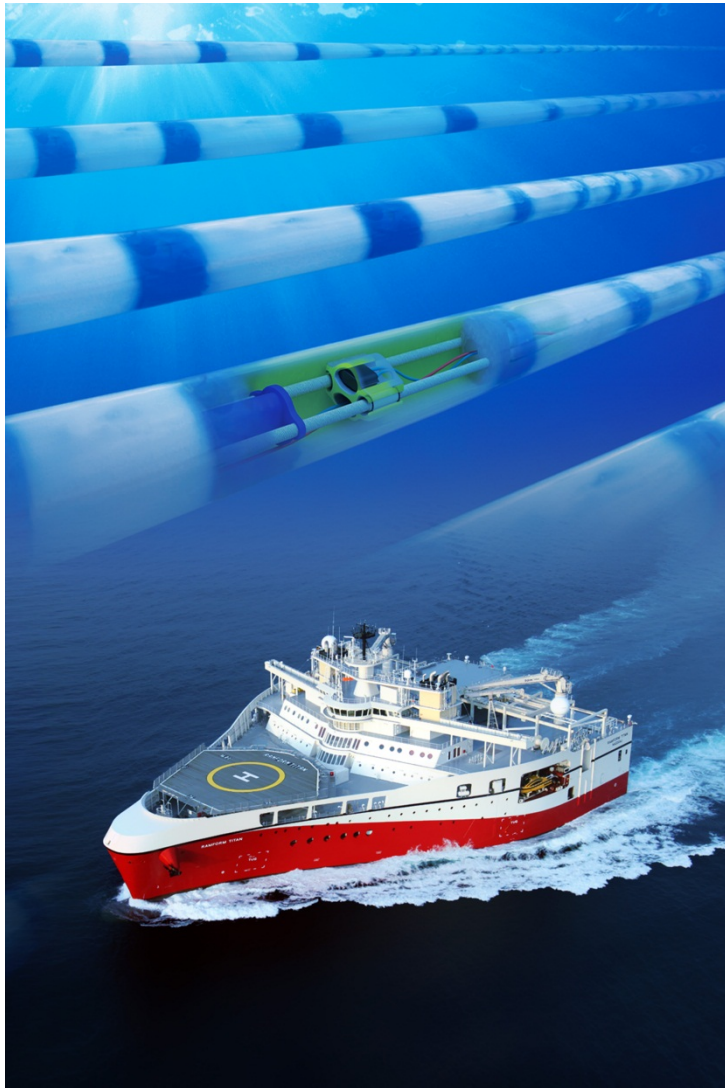
2008 – 2015 First Phase of the Industrial Approach: Performance Through the Cycle - Getting it Right



- 3D fleet renewal and growth
 - Average vessel age reduced from 16.2 to 9.2 years
 - Average streamers 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%
- 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 strengthening 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 free cash flow for dividend growth a priority
- 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

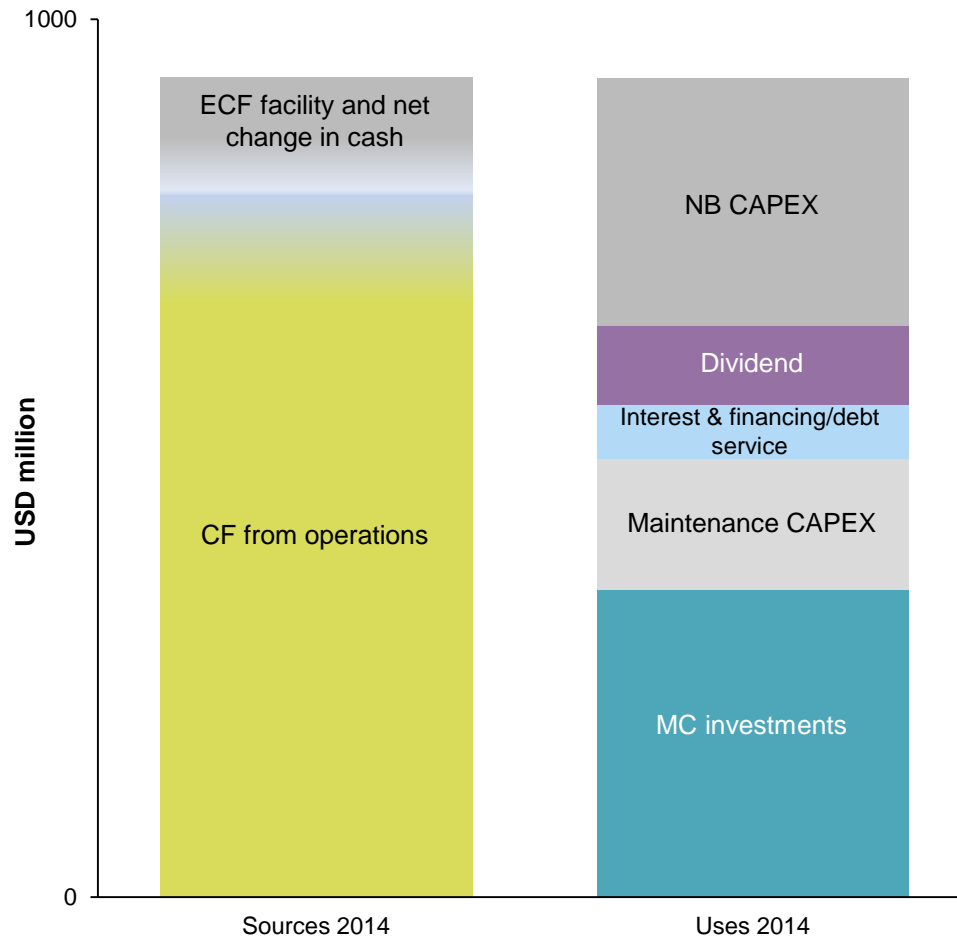
Ramform Titan-class Delivers Attractive Returns



- 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
- Assuming current contract performance through the vessel's life:
 - Payback time of less than 5* years
 - IRR better than initial plan and above 20%*

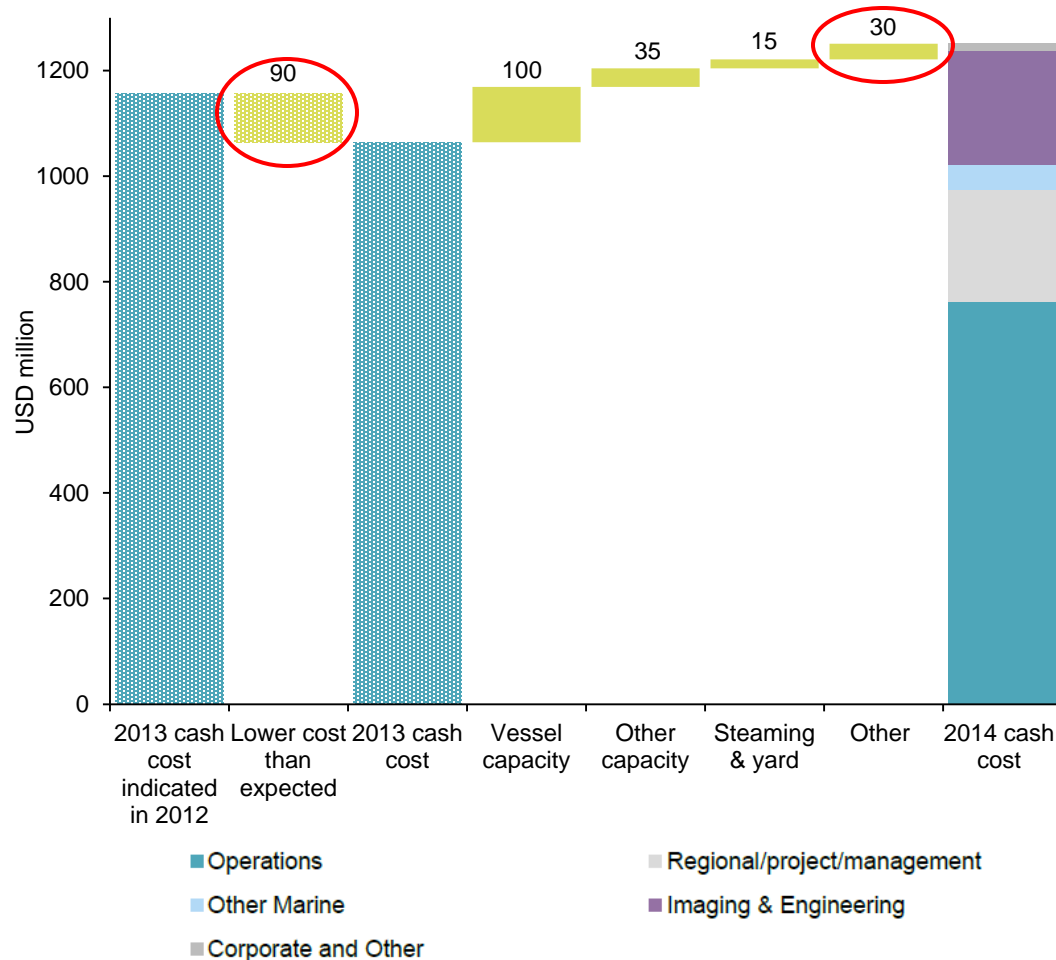
High quality assets generating high returns

Significant Free Cash Flow Potential



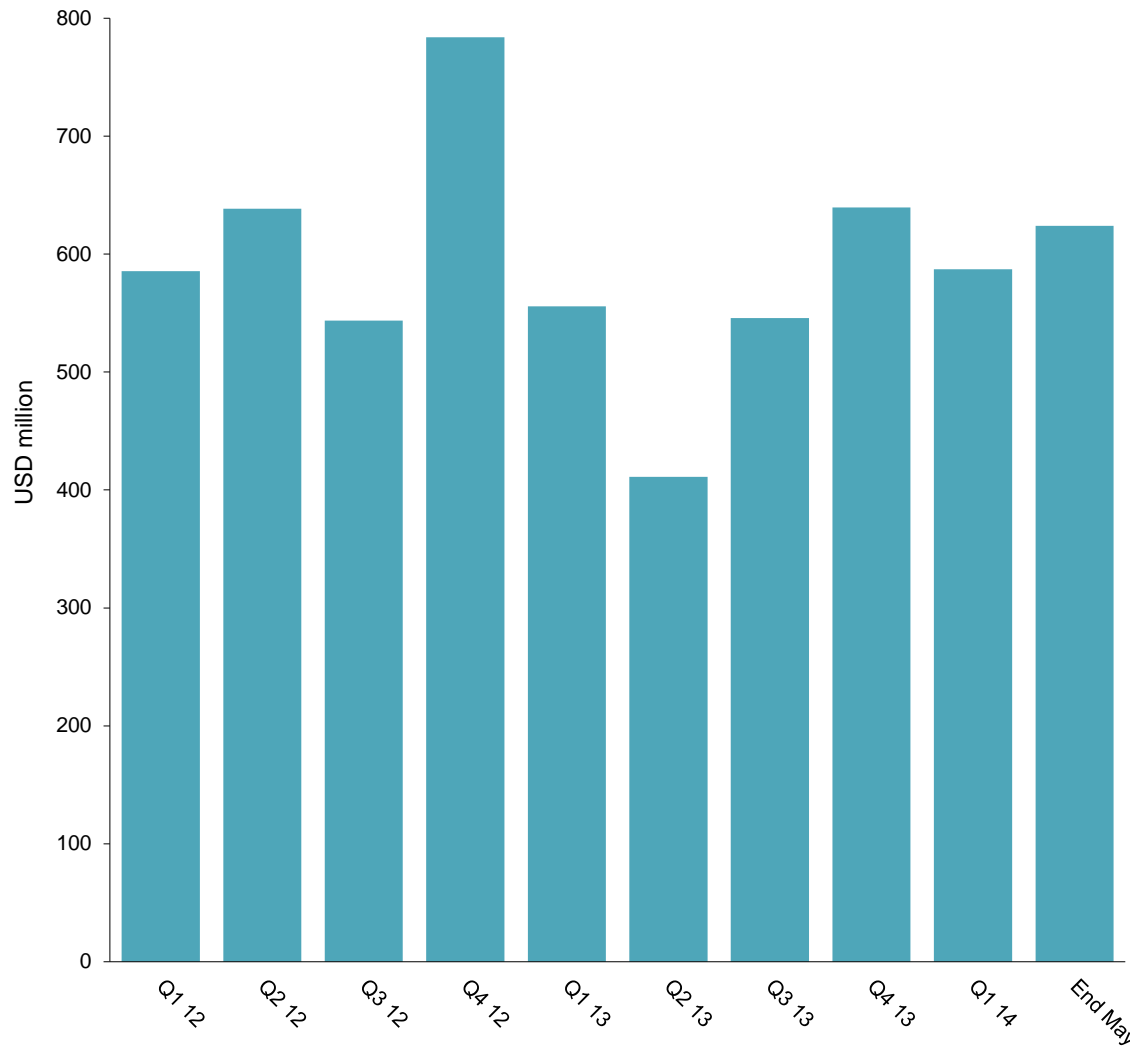
- Cash flow from operations covers MultiClient investments, maintenance CAPEX, interest & financing/debt service, dividends and a significant portion of new build CAPEX
- Excluding new build CAPEX the Company generates healthy free cash flow in the current market environment
- Completion of new build 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

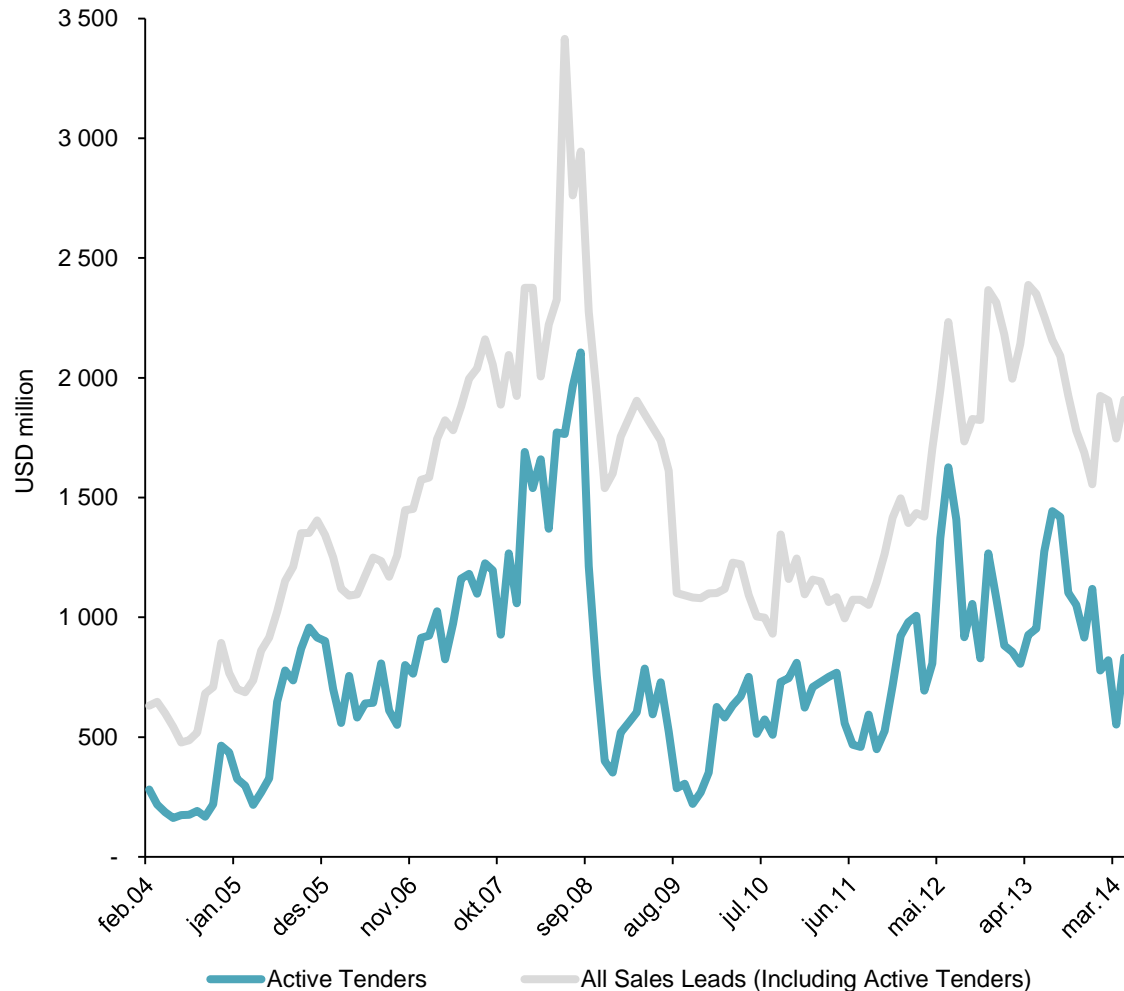
Strong Order Book – Focus on Price Optimization



- Order book of USD 644 million by the end of May 2014
- Vessel booking*
 - ~100% booked for Q2 2014
 - ~90% booked for Q3 2014
 - ~40% booked for Q4 2014
 - ~20% booked for Q1 2015

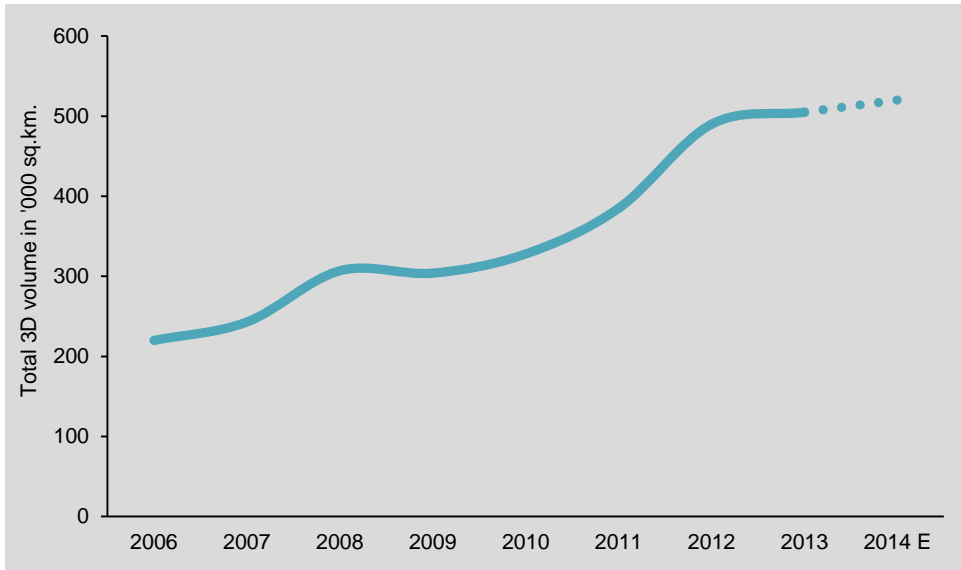
Satisfactory booking progress

Bidding Activity

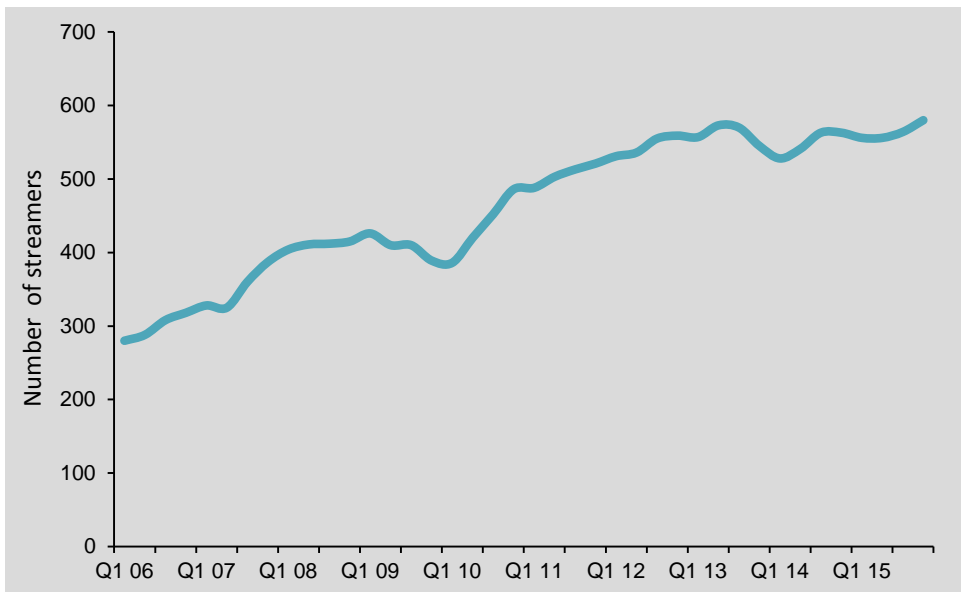


- Decline in Active Tenders and Sales Leads is primarily a seasonal effect post North Sea awards
- Recent uptick gives more confidence in decent bid volumes for winter season bidding
- Industry order book duration increased
- Survey size continues to favor the PGS Ramform fleet

Global Supply and Demand Trends



- From 2006 to end 2012 demand for seismic grew by approximately 120% measured in sq.km.
 - Annual average growth rate of 12%
- Growth in sq.km. flattened out from 2012 to 2013 and is expected to grow low single digit in 2014
 - In line with E&P spending

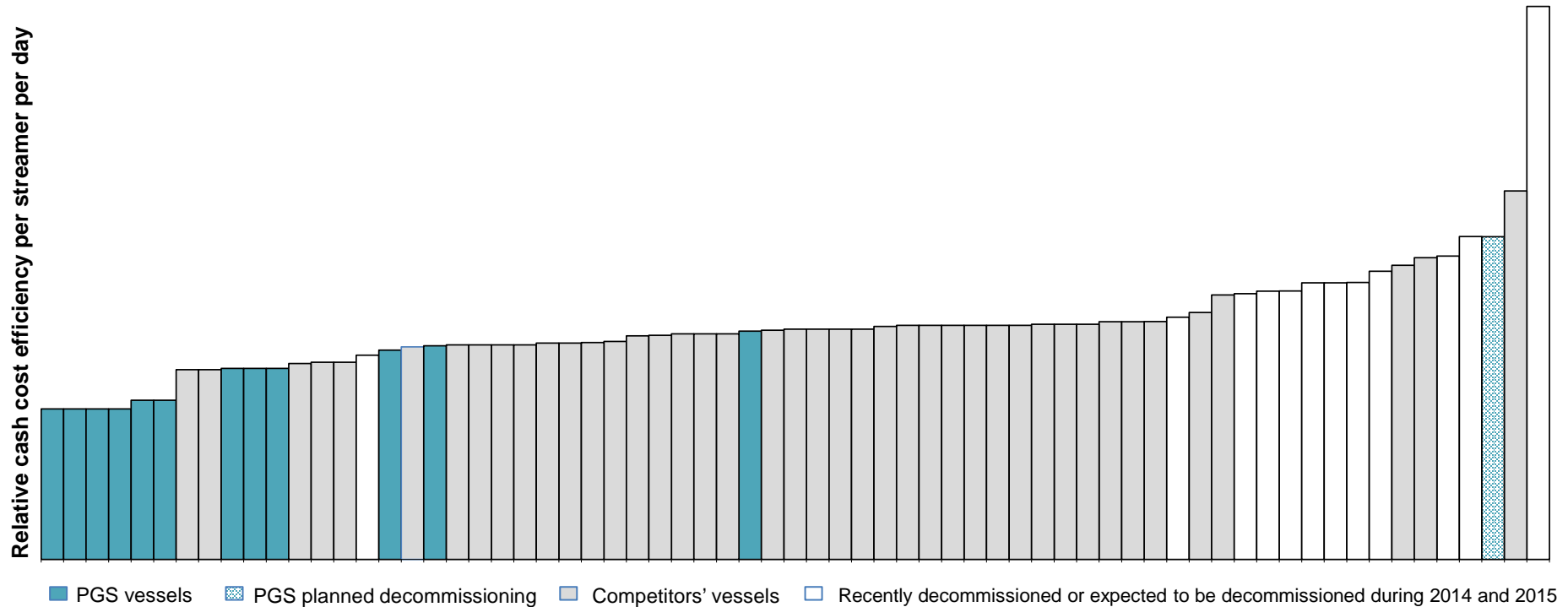


- Modest streamer capacity growth expected

| Year | Yearly streamer growth |
|------|------------------------|
| 2013 | 3% |
| 2014 | -2% |
| 2015 | 3% |
| 2016 | 4% |

Source of both graphs: PGS internal estimates. Capacity increases are calculated based on average number of streamers in one year compared to average number of streamers the previous year.

Vessel Decommissioning Limits Capacity Growth

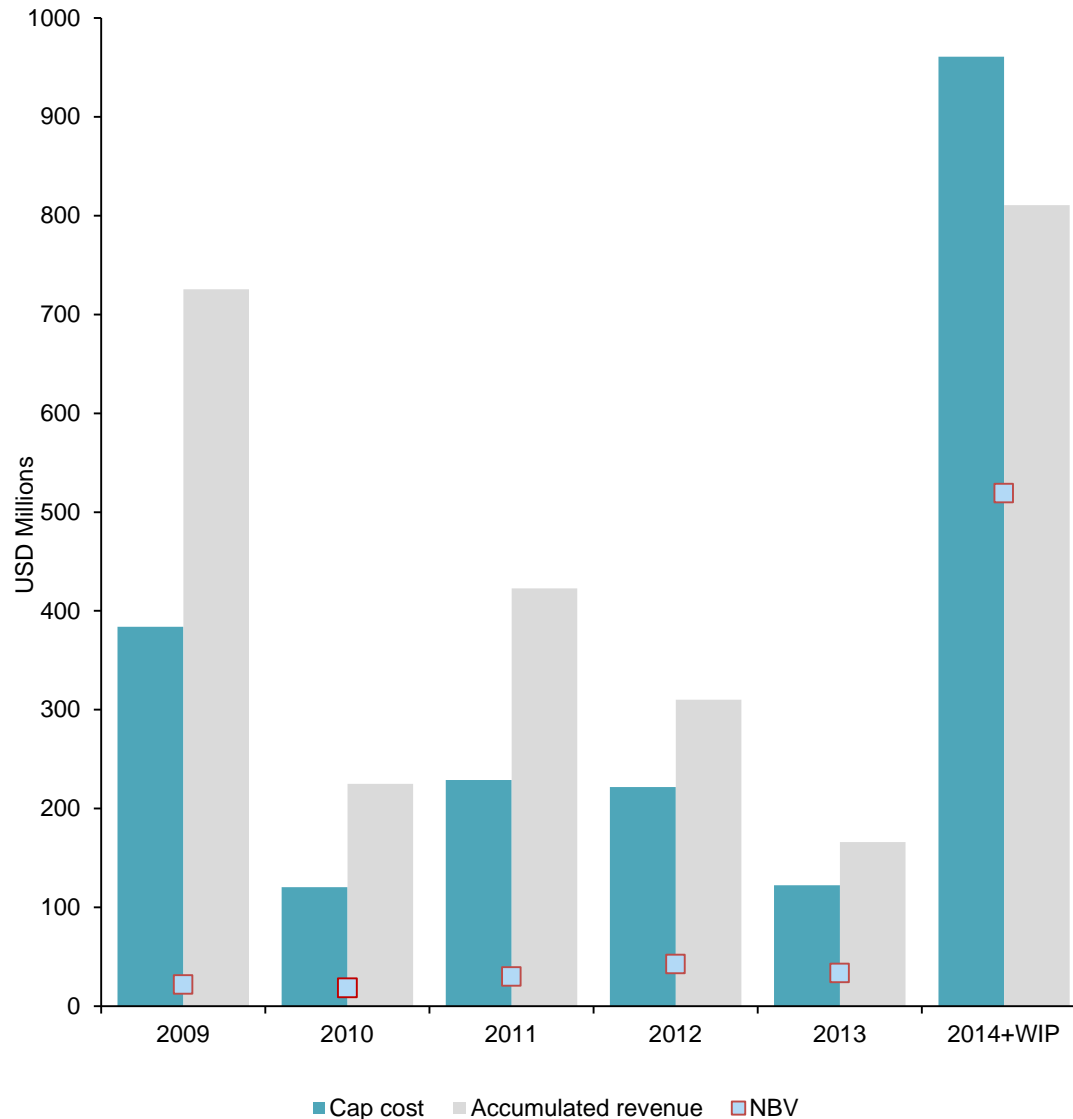


Expected vessel decommissioning reduces streamer capacity by 13%*

* Expectations as of end Q3 2013 compared to expectations as of end Q1 2014.

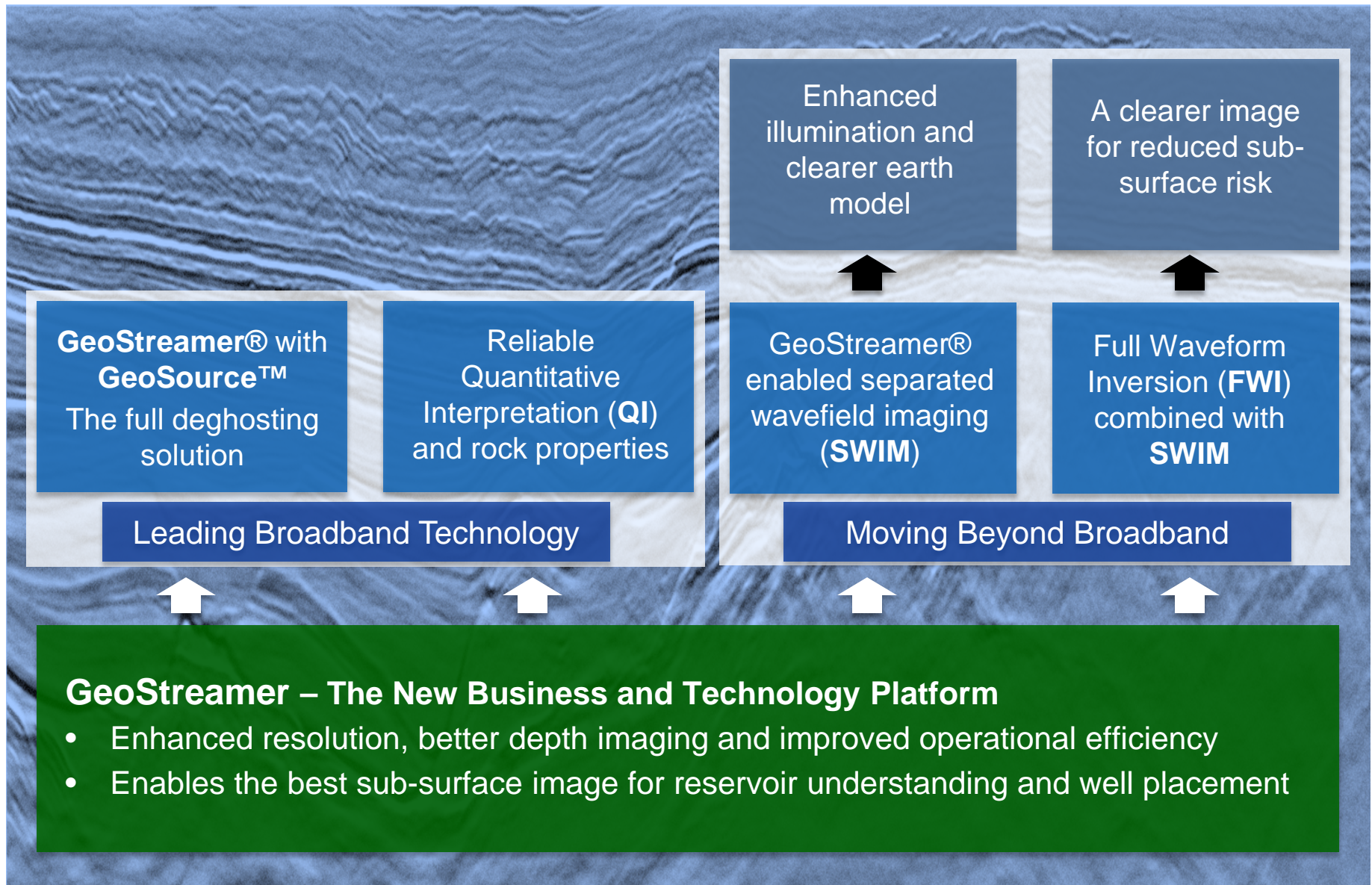
Source: The cash cost curve is based on PGS' internal estimates and typical number of streamer towed, and excludes GeoStreamer productivity effect. The graph shows all seismic vessels operating in the market and announced new-builds. The Ramform Titan-class vessels are incorporated with 15 streamers,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

Good MultiClient Sales Performance from All Vintages

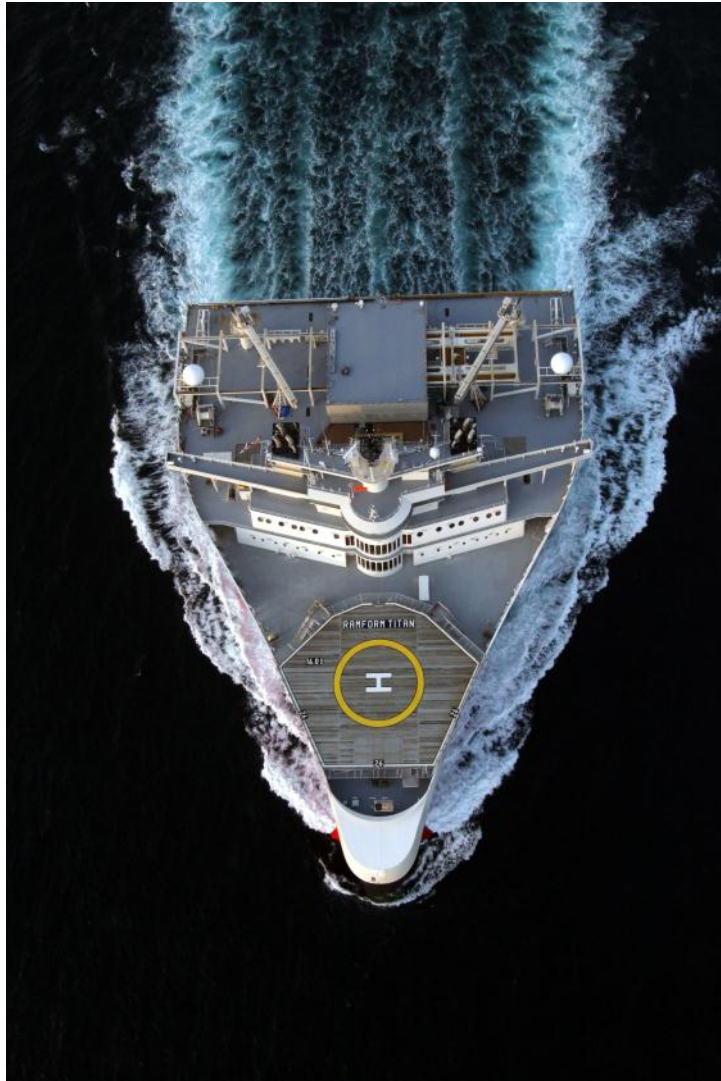


- Strong sales progress for all vintages
- Moderate net book values (NBV) for surveys completed 2009-2013
- Amortization is primarily based on the ratio of cost to forecasted sales

The GeoStreamer Technology Platform: Much More than Broadband



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

Near Term Outlook



Picture: Johannes Homuth

- Sustained high oil price
- Deep water attractive for E&Ps
- Low single digit demand growth for 2014
- Average 2014 pricing expected slightly below average 2013 level
- Stable current pricing environment
- Satisfactory booking progress

In Conclusion: **Well Positioned for the Future**











- Differentiating technology
- Cost effective operations
- Improved productivity
- Solid financial position
- Significant free cash flow potential
- Returning cash to shareholders

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



Ramform Titan

Ramform Atlas

2 Titan Class for 2015 delivery

S-class



Ramform Sterling

Ramform Sovereign

V-class



Ramform Valiant

Ramform Viking

Ramform Vanguard



Ramform Challenger

Ramform Explorer

Other vessels



PGS Apollo



Atlantic Explorer

2D



Pacific Explorer

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

Strong Balance Sheet Position - Key Numbers

| | March 31 | March 31 | Full year |
|-----------------------------|----------|----------|-----------|
| USD million | 2014 | 2013 | 2013 |
| Total assets | 3 562.0 | 3 301.0 | 3 544.3 |
| MultiClient Library | 666.3 | 410.5 | 576.9 |
| Shareholders' equity | 2 069.3 | 1 964.9 | 2 065.6 |
| Cash and cash equiv. | 208.6 | 311.6 | 263.8 |
| Restricted cash | 97.8 | 98.1 | 89.4 |
| Liquidity reserve | 708.6 | 661.7 | 763.8 |
| Gross interest bearing debt | 1 089.8 | 921.1 | 1 040.8 |
| Net interest bearing debt | 760.4 | 504.5 | 666.7 |

- Debt profile further strengthened, with average remaining time to maturity of debt and committed facilities increased to 5.7 years
 - Term Loan B balance reduced to USD 400 million and maturity extended to 2021 (from USD 470 million maturing in 2015)
 - Established USD 305 million Export Credit Financing commitment for the two last Ramform Titan-class vessels
- Net debt well below threshold of 1x EBITDA in a strong market and 2x EBITDA in a weak market
- Shareholders' equity at 58% of total assets

Main Yard Stays Next 6 Months



| Vessel | When | Expected Duration | Type of Yard Stay |
|---------------------------|----------------|-----------------------|--------------------|
| <i>Ramform Vanguard</i> | April 2014 | Approximately 23 days | Renewal class |
| <i>Ramform Challenger</i> | April 2014 | Approximately 10 days | Intermediate class |
| <i>Ramform Sterling</i> | June/July 2014 | Approximately 25 days | Renewal class |

Attractive Debt Structure

| Long term Credit Lines and Interest Bearing Debt | Nominal Amount as of end March, 2014 | Total Credit Line | Financial Covenants |
|---|--------------------------------------|-------------------|---|
| USD 400.0 million Term Loan ("TLB"), Libor (minimum 0.75%) + 250 basis points, due 2021 | USD 400.0 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 500.0 million | Maintenance covenant: total leverage ratio < 2.75:1 |
| Japanese ECF, 12 year with semi-annual installments. 50% fixed/ 50% floating interest rate | USD 239.5 million | USD 544.1 million | None, but incurrence test for loan 3&4: Total leverage ratio < 3.00:1 and Interest coverage ratio > 2.0:1 |
| 2018 Senior Notes, coupon of 7.375% and callable from 2015 | USD 450.0 million | | None, but incurrence test: Interest coverage ratio > 2.0:1 |