



Pareto Securities 21st Oil & Offshore Conference

Oslo, September 10-11, 2014



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

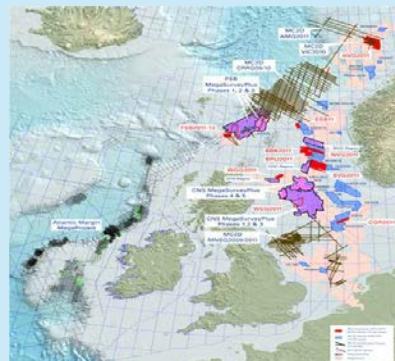


Marine market leadership

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

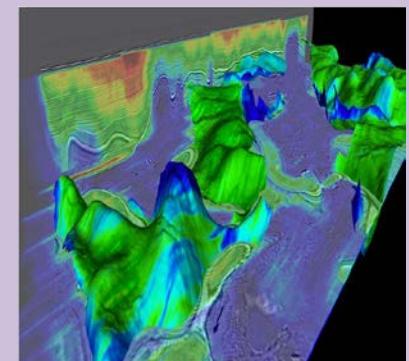
Operations



Productivity leadership

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

Imaging & Engineering



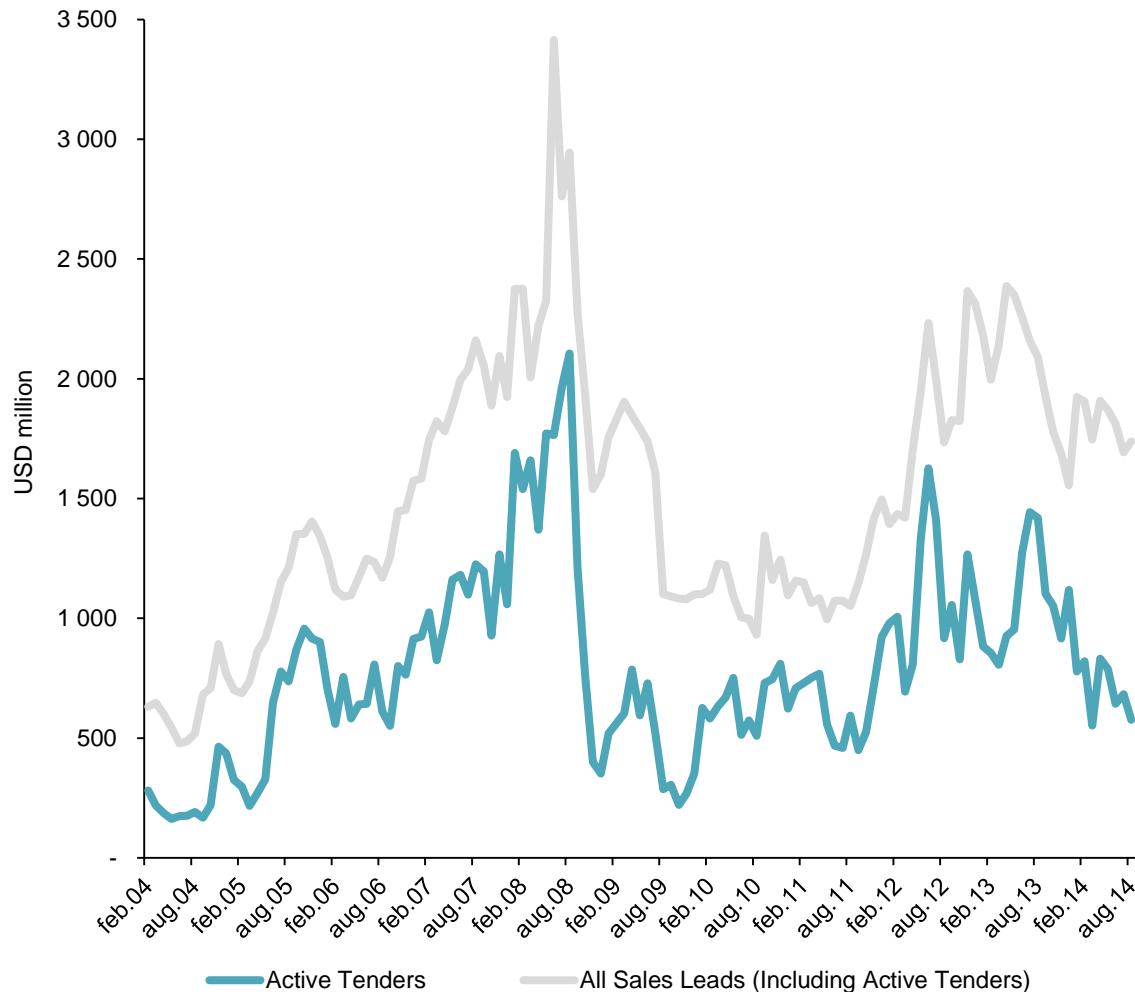
Technology differentiation

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

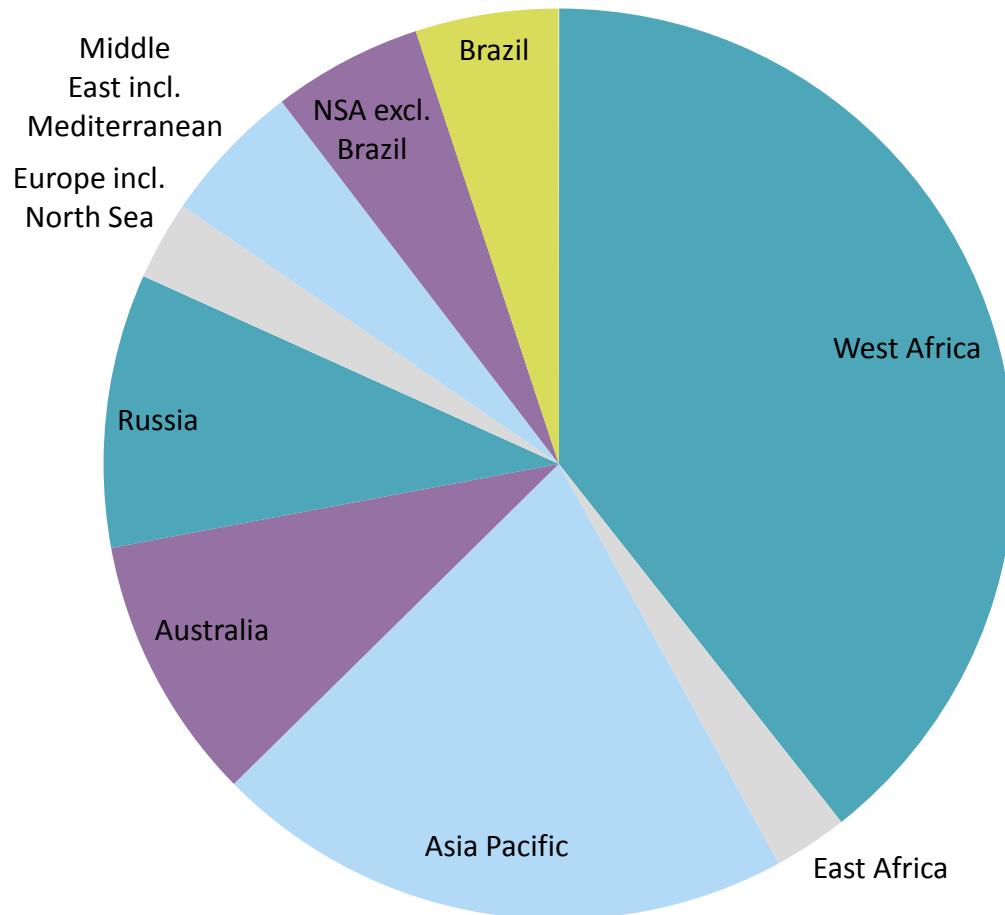
Client focus | Global presence | Innovation leadership

High Sales Leads - Low Bidding Activity



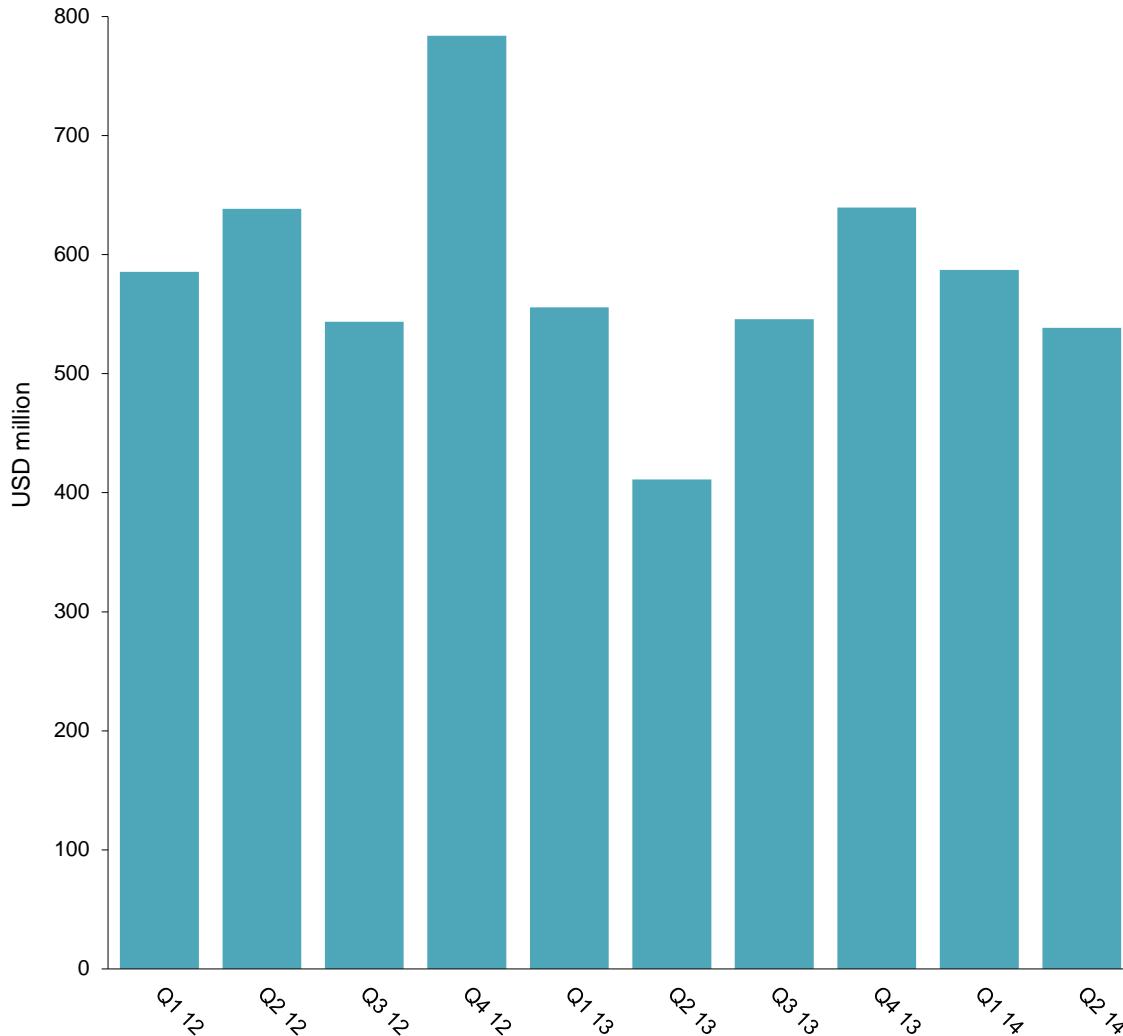
- Active Tenders currently at low levels
- Continued high value of all sales leads

Geographical Distribution of Sales Leads



- West Africa dominates the opportunity space
- Increasing value of sales leads in Asia Pacific
 - Especially in Myanmar and Malaysia
- Europe still low, but expected to increase soon as planning for 2015 North Atlantic season starts

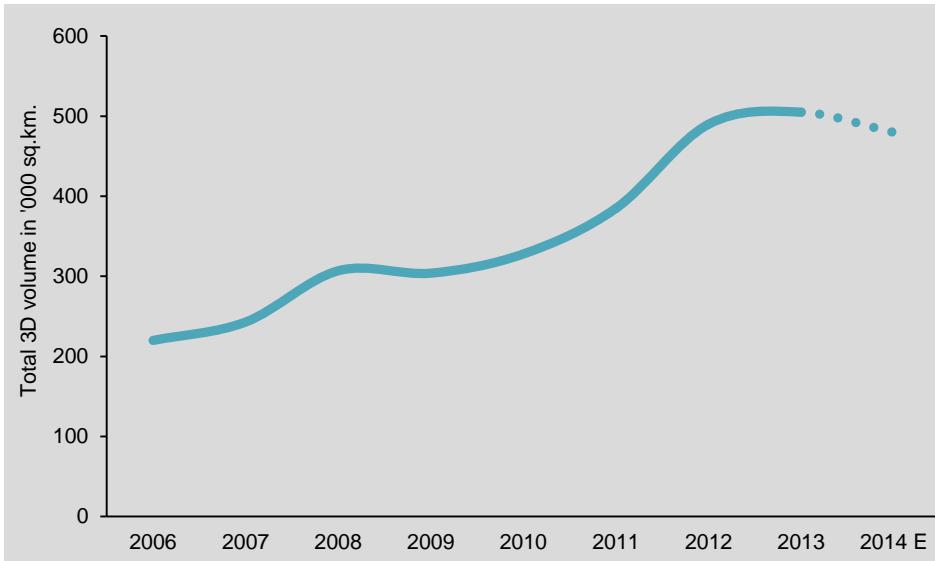
Improving Visibility



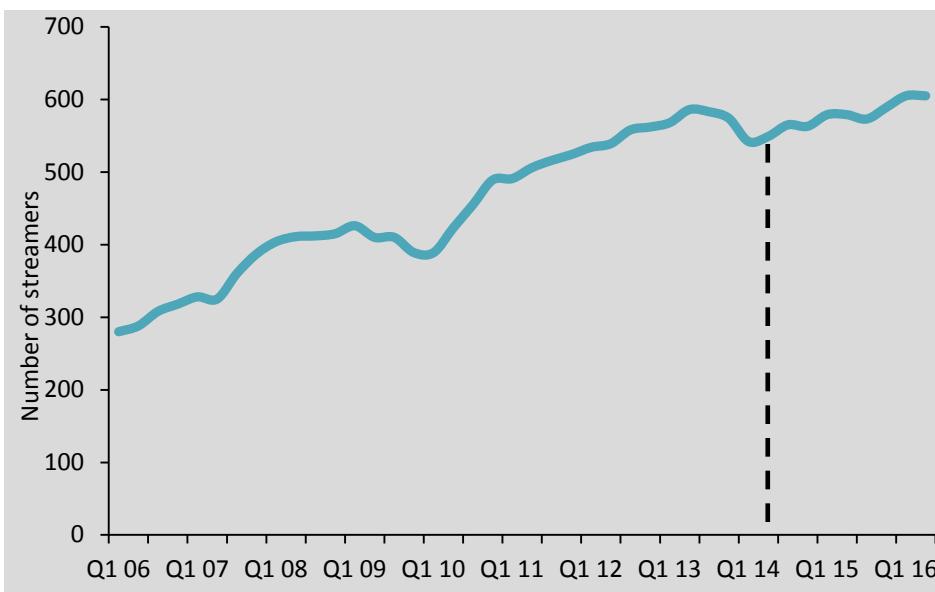
- Order book of USD 558 million by end Q2 2014
- Vessel booking*
 - ~100% booked for Q3 2014
 - ~70% booked for Q4 2014
 - ~35% booked for Q1 2015
 - ~20% booked for Q2 2015

Solid pricing for Q3 contract work with good performance

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 expected slightly down in 2014



- 2014 capacity coming down and modest streamer capacity growth expected thereafter

| Year | Yearly average streamer growth |
|------|--------------------------------|
| 2014 | -4% |
| 2015 | 5% |
| 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.

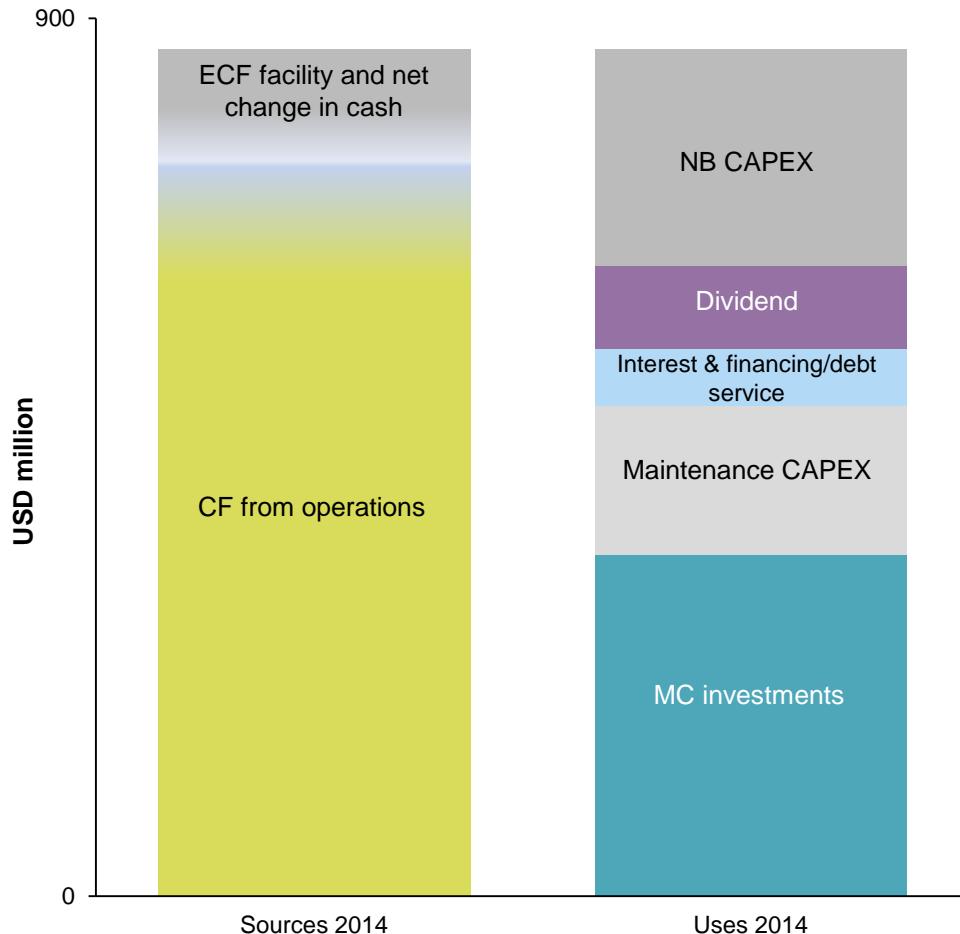
Response to a Softer Market – Fleet Adjustment and CAPEX Reduction



- *Pacific Explorer* and *Nordic Explorer* are stacked and will be considered scrapped or sold
- *Atlantic Explorer* will remain a 2D/source/EM vessel
- Shipyard has notified PGS that Ramform Titan-class vessels 3 and 4 will be delayed by 2 and 4 months
 - Now scheduled for late August 2015 and late January 2016 delivery
- New build capex expected to be reduced by ~USD 50 million in 2014
- Incremental quarterly cost saving of ~USD 10 million from Q4 2014
- Decided to sell PGS Khazar joint venture

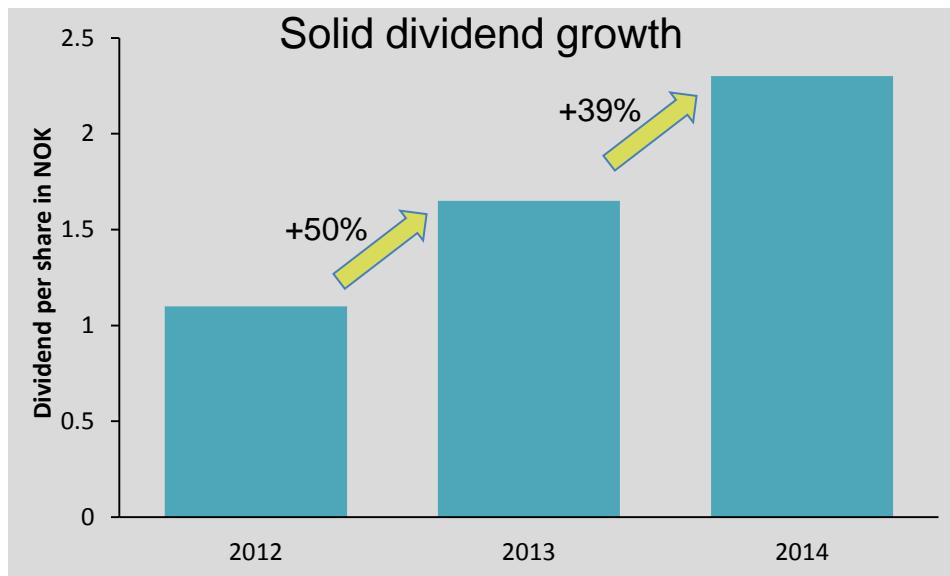
Measures protects and increases PGS dividend capacity for 2014/15

Significant Free Cash Flow Potential



- Illustration revised to reflect updated 2014 guidance and CAPEX
- 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 makes the foundation for significant increase in free cash flow

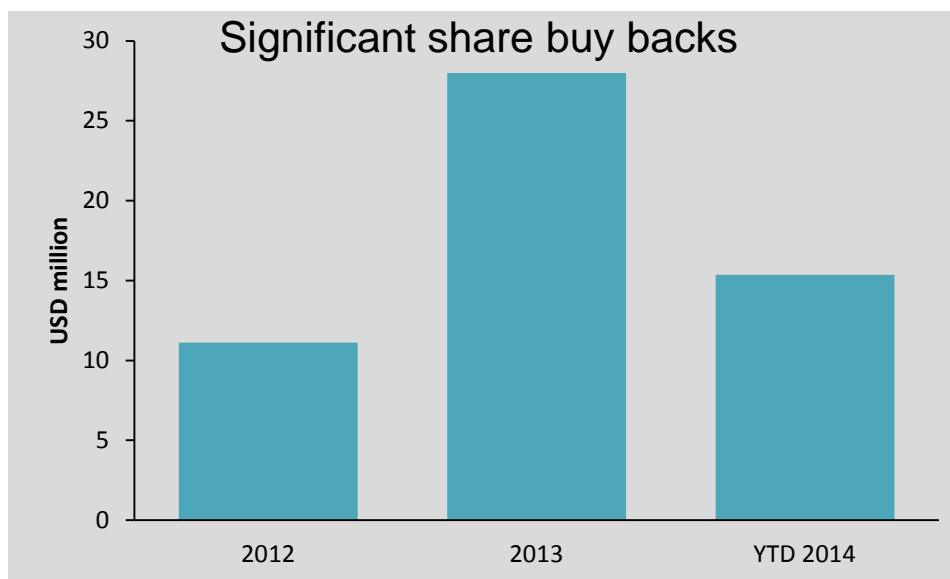
Returning cash to Shareholders



- Solid dividend growth since dividend policy was introduced in 2011

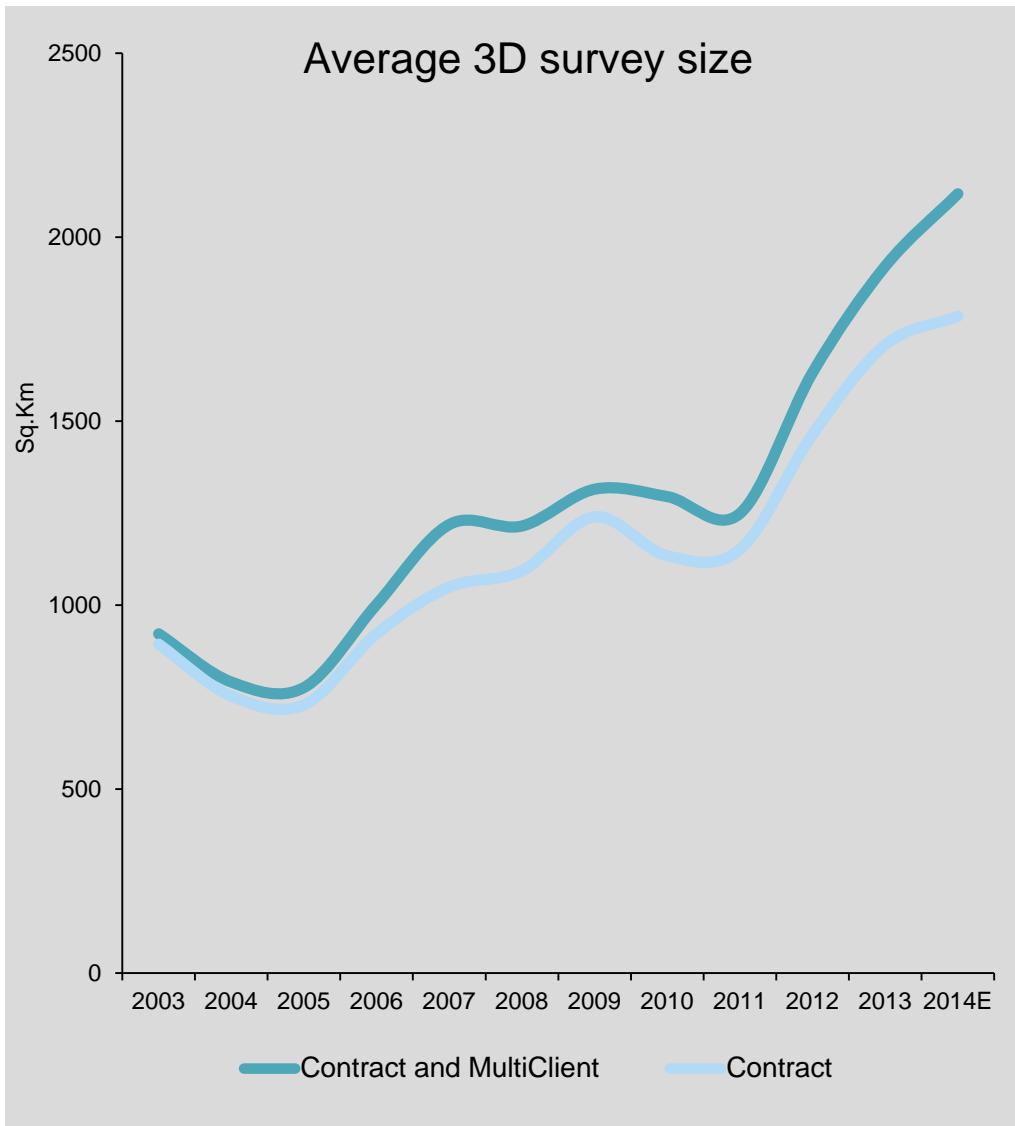
- Payout ratio approximately in middle of the dividend policy range

- Dividend capacity is a priority - PGS plans to maintain or increase dividend going forward



- Significant share buy backs
 - Close to USD 30 million in 2013
 - More than USD 15 million YTD in 2014

Size Matters – High Capacity Vessels are the Winners



- Average survey size continues to grow driven by:
 - Shorter license periods
 - Need for full block overview early on
 - Good value of seismic data
- High capacity vessels are, and will be the winners in the seismic market
- PGS has done nine 14 streamer jobs and one 16 streamer job so far in 2014

Continuously Ahead of Competition The Market is Coming Our Way...

Competition

1992 - 1996



1998 - 1999



2007 - 2009



2012 - 2015

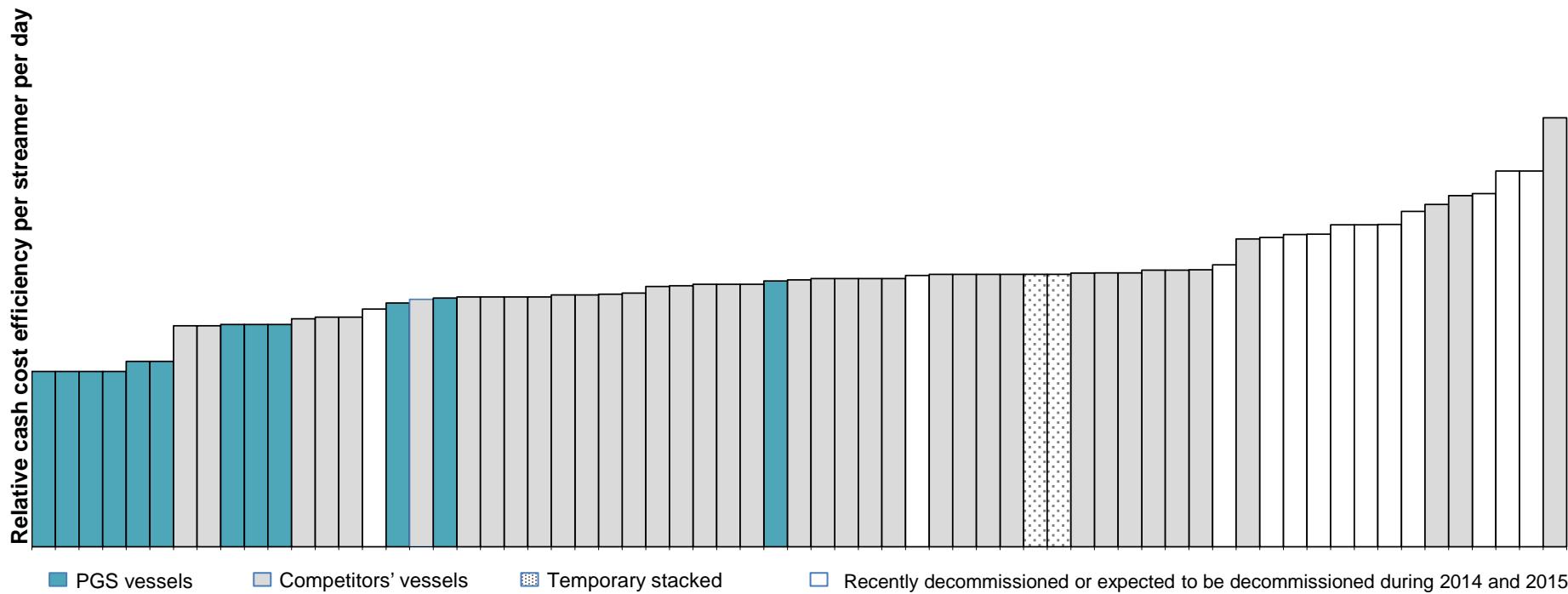


PGS



- 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

Productivity Leadership is Key for Differentiation Vessel Decommissioning Supportive for Supply/Demand Balance



Expected vessel decommissioning reduces streamer capacity by 13%*

*Anticipated vessel decommissioning reduces current expected streamer capacity by end Q4 2015 by 13% versus Q3 2013 expectations.

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.

The GeoStreamer Technology Platform: Much More than Broadband



**GeoStreamer® with
GeoSource™**
The full deghosting
solution

Reliable
Quantitative
Interpretation (**QI**)
and rock properties

Leading Broadband Technology

Enhanced
illumination and
clearer earth
model

GeoStreamer®
enabled separated
wavefield imaging
(**SWIM**)

A more precise
image for
reduced sub-
surface risk

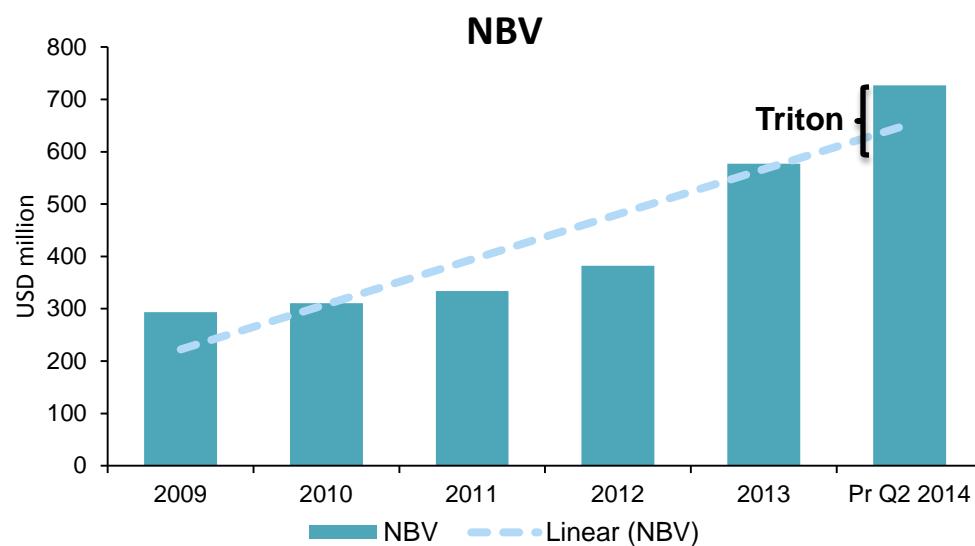
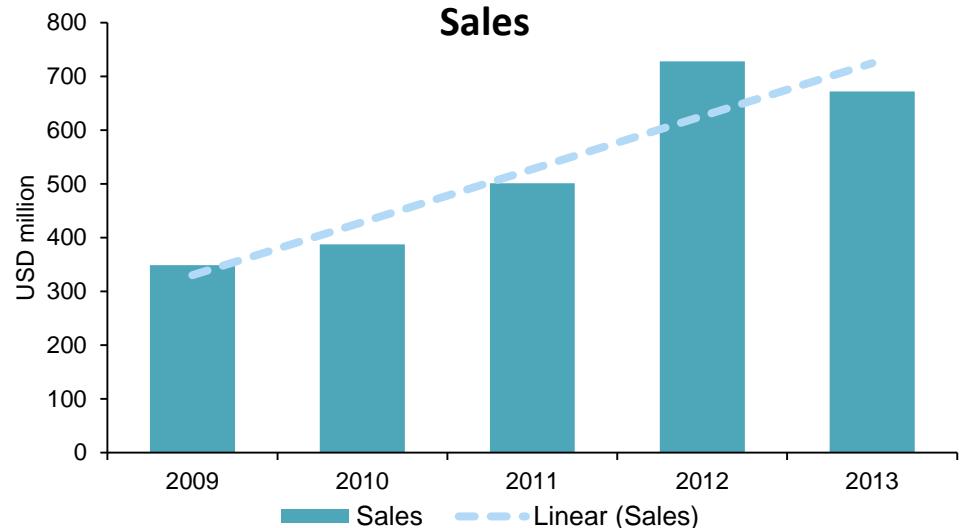
Complete
Wavefield
Imaging (**CWI**)

Moving Beyond Broadband

GeoStreamer – The New Business and Technology Platform

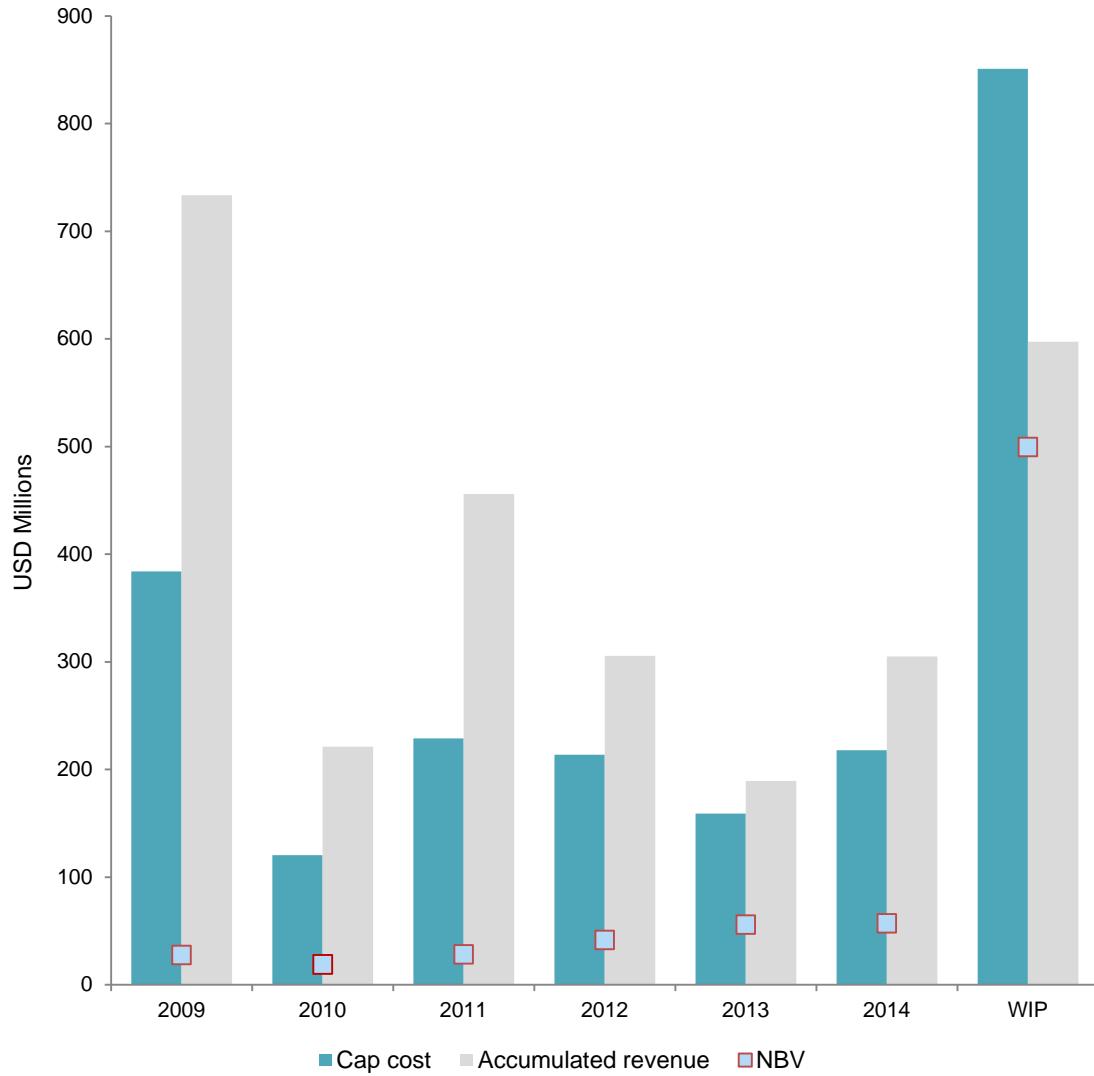
- Enhanced resolution, better depth imaging and improved operational efficiency
- Enables the best sub-surface image for reservoir understanding and well placement

Strong Correlation in MultiClient Sales vs. Net Book Value



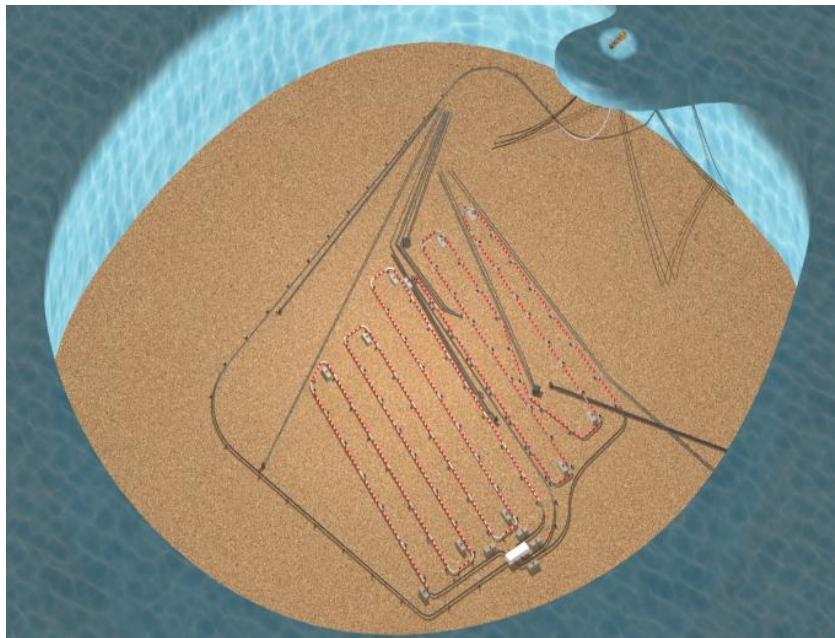
- MultiClient business growing in sales and profitability
- Corresponding NBV growth
 - Impacted by annual pre-funding rate
- NBV variation in 2014 is mainly driven by Triton
 - Pre-funding excluding Triton is 150%
- Flatlining MultiClient investments in current environment
 - High pre-funding requirements

Good MultiClient Sales Performance from All Vintages



- Strong sales progress for all vintages
- Moderate net book values (NBV) for surveys completed 2009-2014
- High pre-funding on new investments
- No current impairment indicators
- Amortization is primarily based on the ratio of cost to forecasted sales
 - Full year 2014 amortization rate expected to be approximately 50%

OptoSeis Marine – Proven PRM Technology



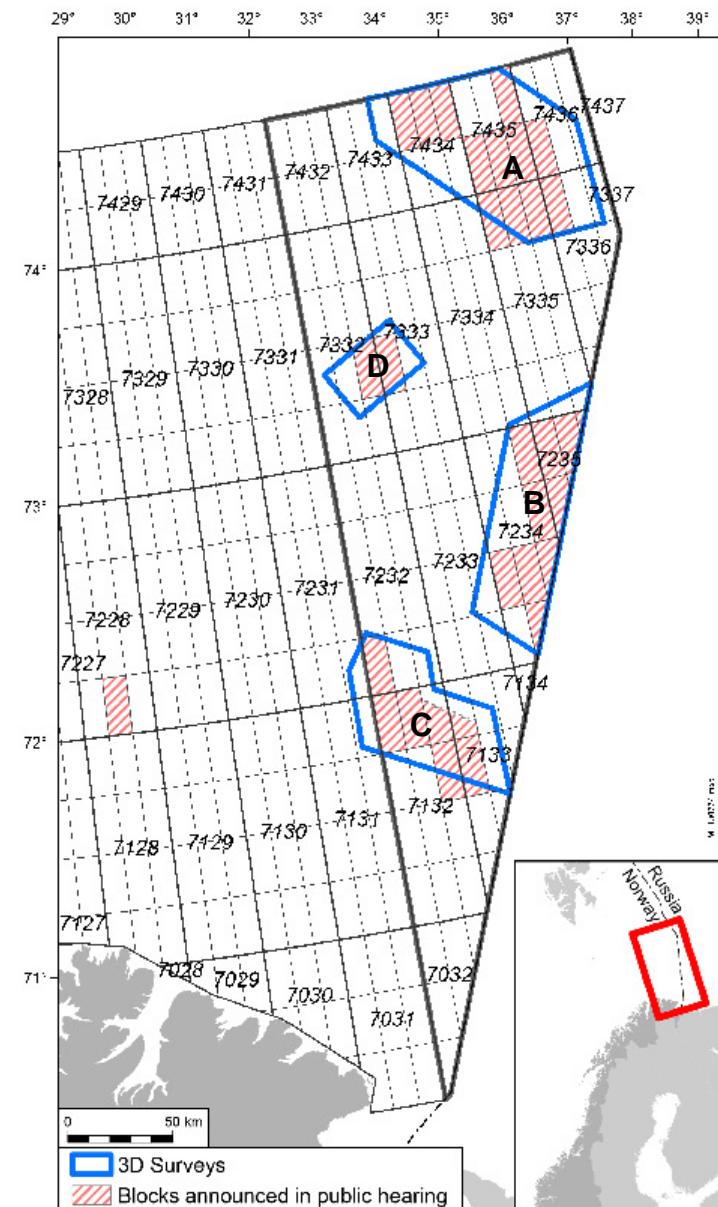
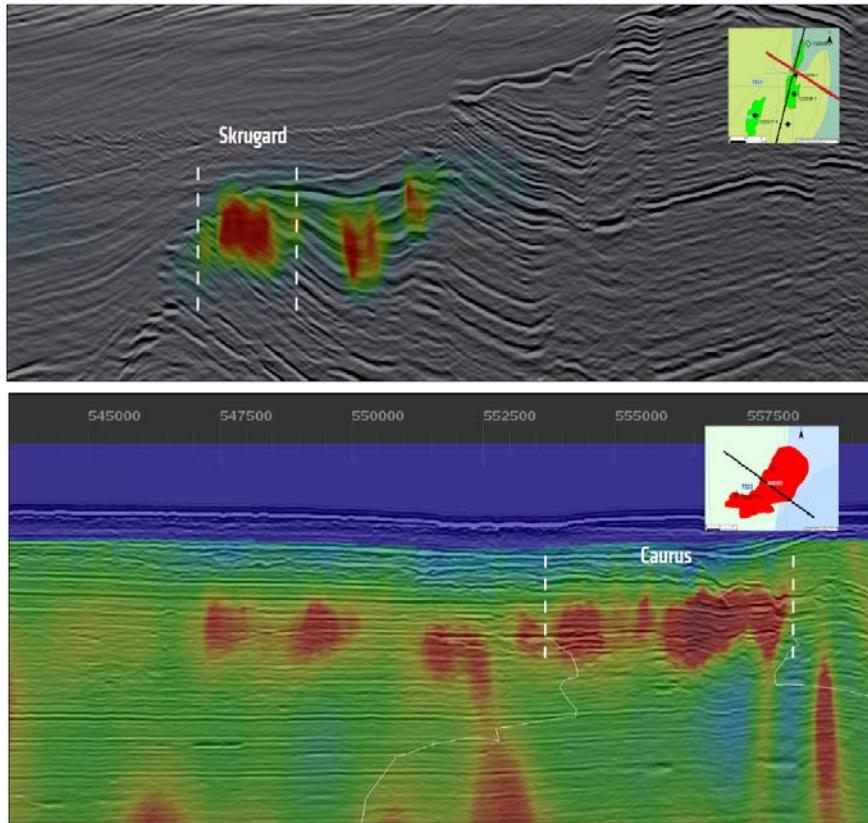
Timeline:

- 2010: Initial topside installation
- 2011: Cable production
- 2012: Installation
- 2012-2014: Acquisition & Processing

- PGS was awarded a Permanent Reservoir Monitoring (PRM) contract with Petrobras over parts of the Jubarte field in 2010
- PGS OptoSeis technology is now well proven with outstanding results
- Several active tenders and leads now in the market
- PGS in a strong position to take advantage of a growing PRM market

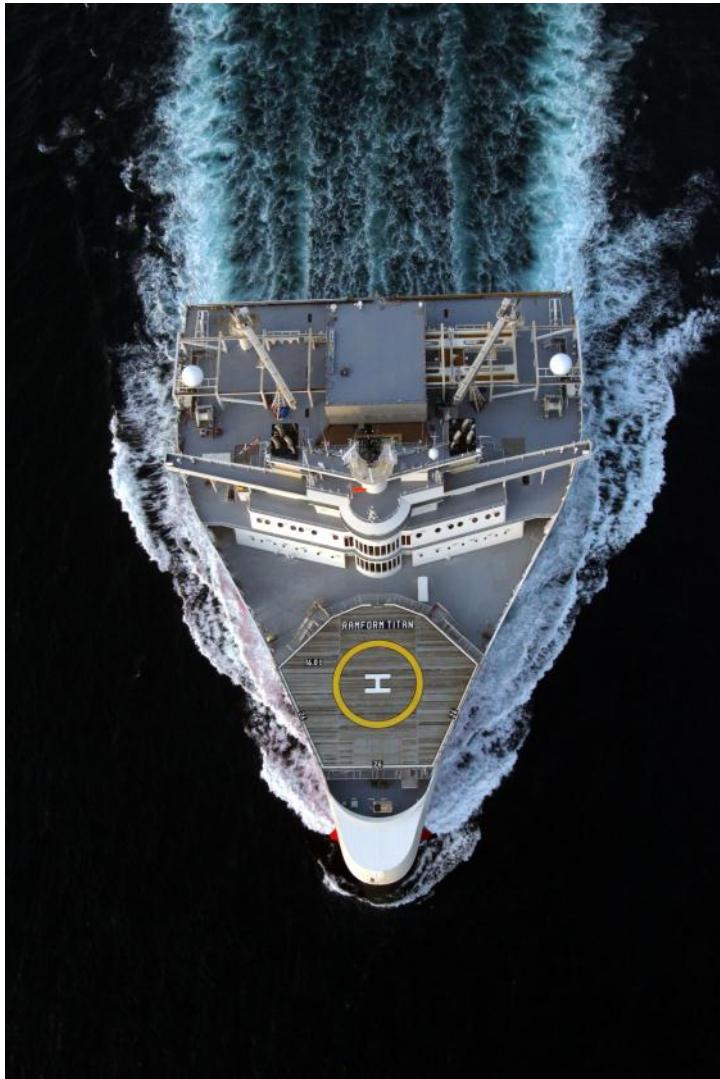
Towed Streamer EM - Barents Sea South East Survey 2014

- MultiClient survey over all nominated blocks
 - Data will complement 3D seismic acquired during the summer 2014



Source: Statoil

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



- 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?



Ramforms

Titan-class



S-class



V-class



Other vessels

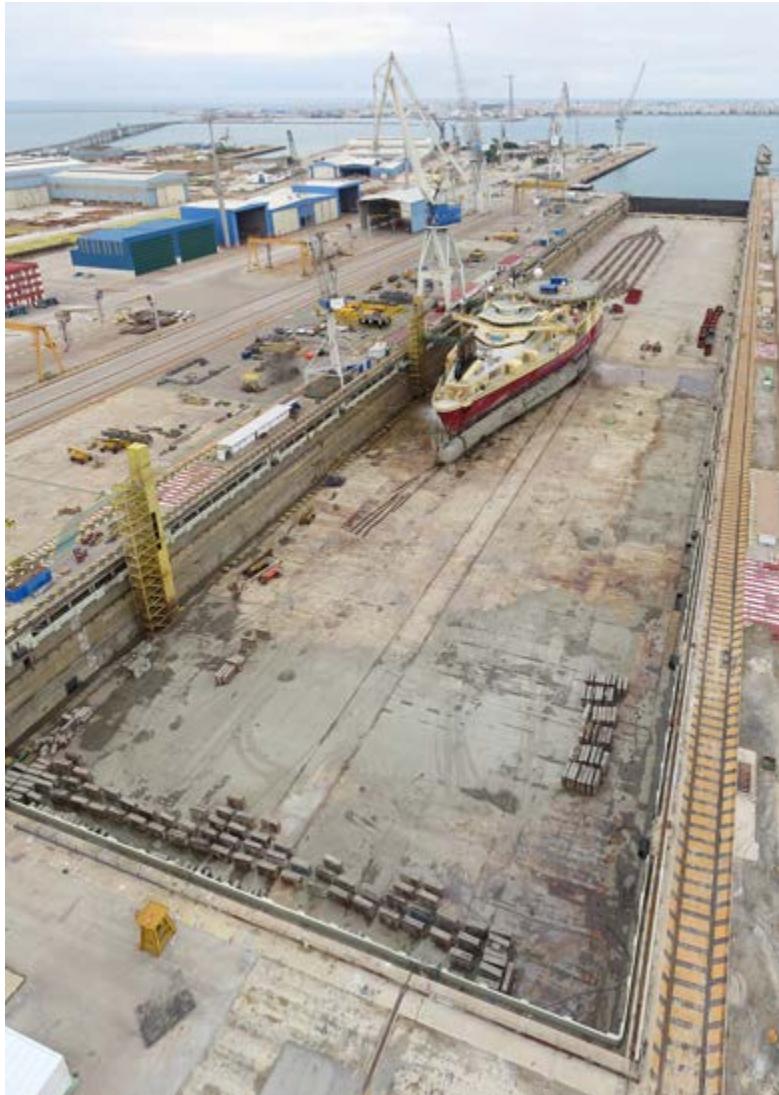


2D



- Ramform Titan-class vessels accretive to returns
- GeoStreamer contributes to productivity leadership
- Industrialized approach to fleet renewal
- Fleet upgrade and renewal coming to an end in 2015/2016

Ramform productivity is a key differentiator



| Vessel | When | Expected Duration | Type of Yard Stay |
|------------|-----------------------|-----------------------|-------------------|
| PGS Apollo | January/February 2015 | Approximately 20 days | Renewal class |

| Long term Credit Lines and Interest Bearing Debt | Nominal Amount as of end June, 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 | USD 160.0 million | 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 234.3 million | USD 539.3 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 |