



EAGE Conference

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A Clearer Image | www.pgs.com



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

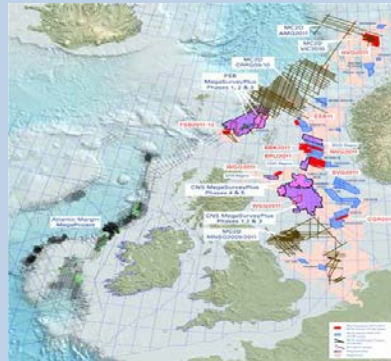


Marine market leadership

48% of 2014 revenues

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

MultiClient



Diverse MultiClient library

41% of 2014 revenues

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

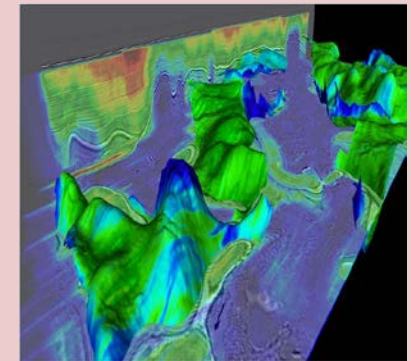
Operations



Productivity leadership

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

Imaging & Engineering



Technology differentiation

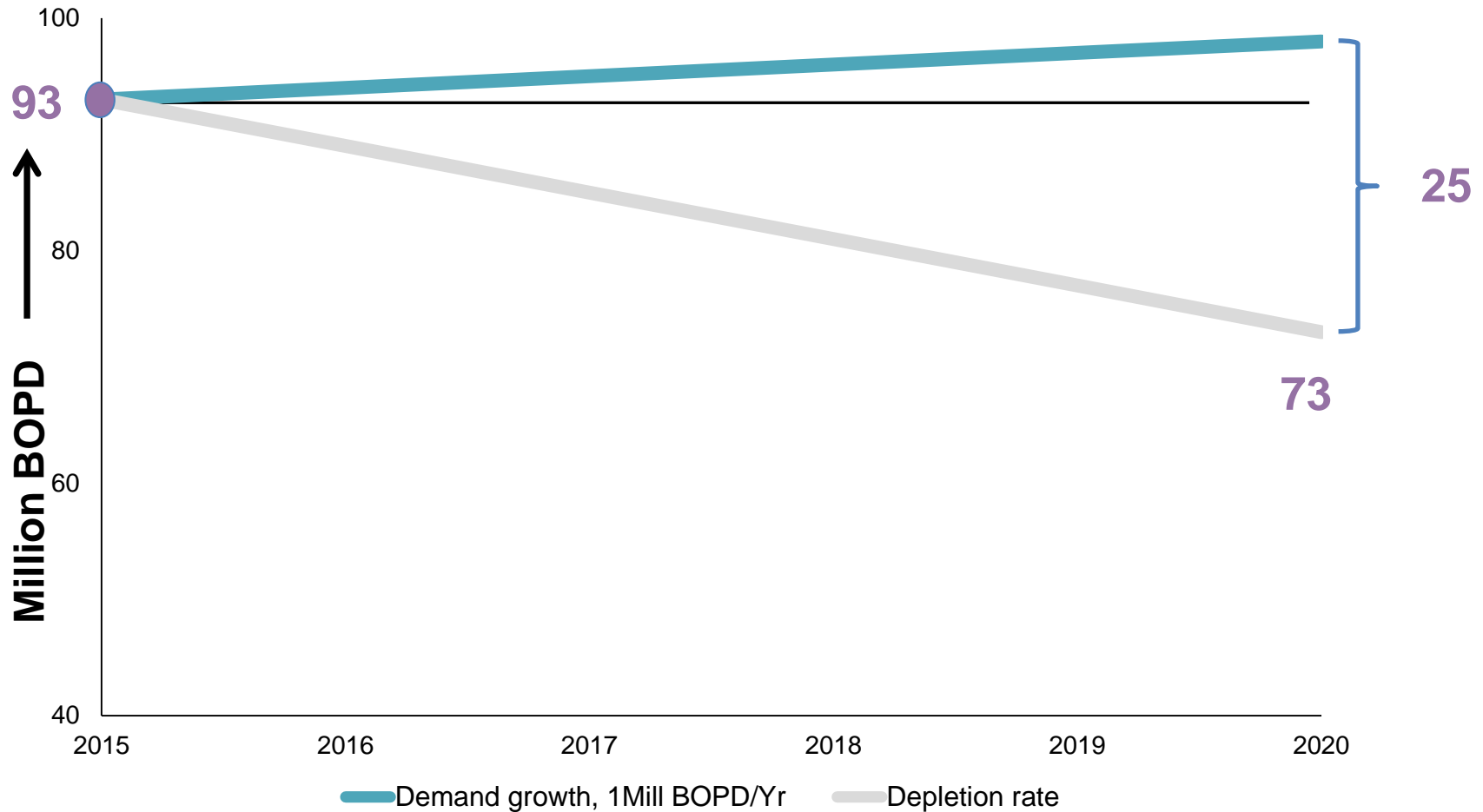
8% of 2014 revenues

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

The Decline Curve Never Sleeps

The global supply challenge

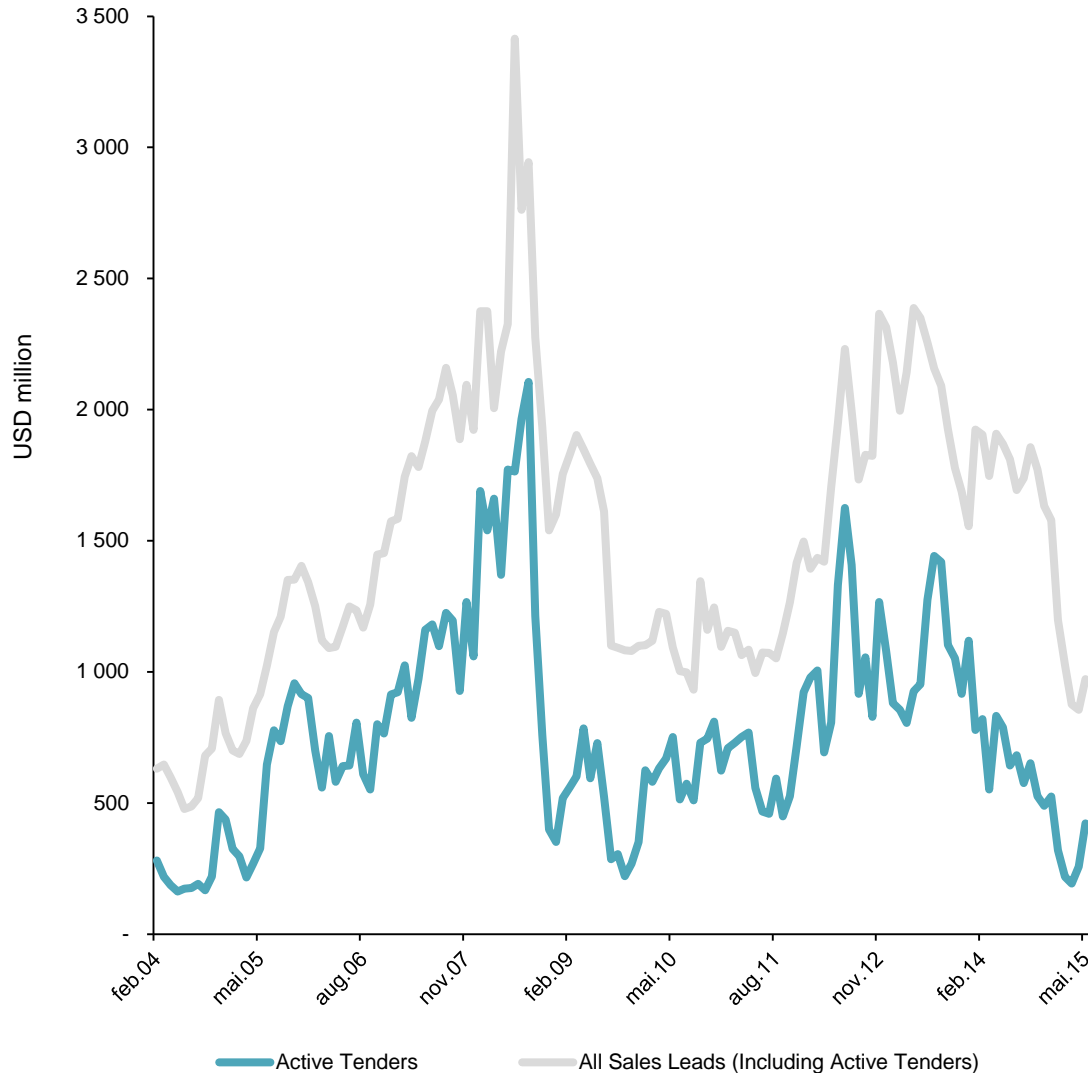


Current Market Characteristics



- Cautious spending pattern among oil companies continues to impact seismic demand
 - Some oil companies are advancing tenders to capture low rates
- Low visibility in all regions
- Very low prices for contract work
- Further capacity reduction needed to balance the market
- The weak market is expected to continue well into 2016

Marine Contract Bidding Activity

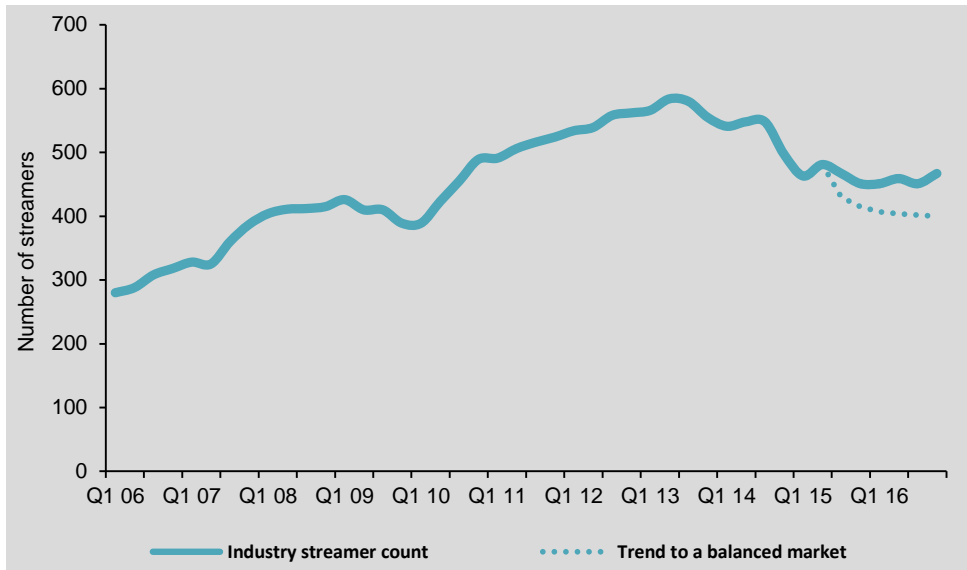
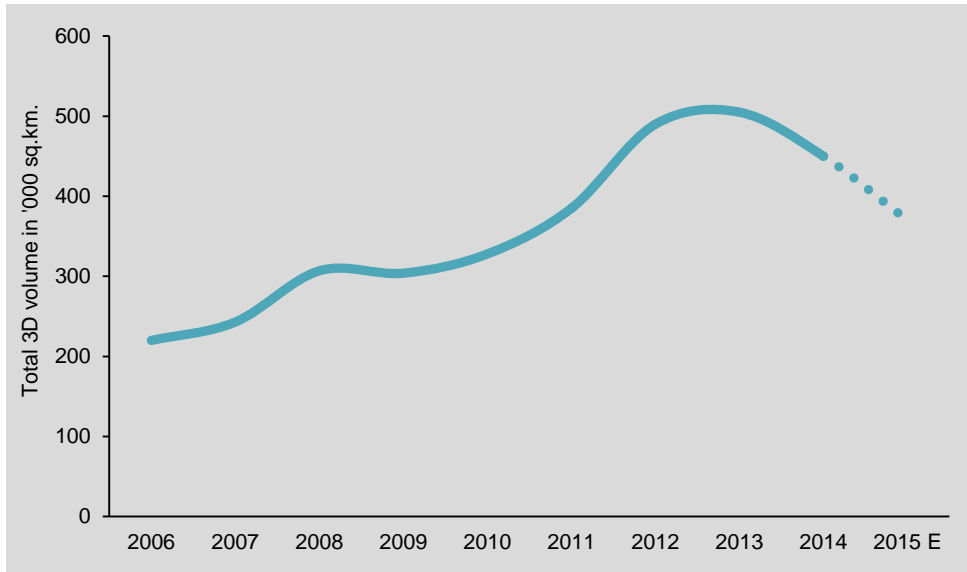


- Bidding activity driven by Asia Pacific, North and South America and West Africa
- Graph excludes an increasing share of MultiClient projects
- PGS continues to focus on building order book continuity
- Vessel booking*
 - ~95% booked for Q2 2015
 - ~90% booked for Q3 2015
 - ~30% booked for Q4 2015
 - ~15% booked for Q1 2016

Source: PGS internal estimate as of end May 2015. Value of active tenders and sales leads are the sum of active tenders and sales leads with a probability weight and represents Marine 3D contract seismic only.

* As of May 21, 2015. Excludes Ramform Explorer and Ramform Challenger from the time of cold.stacking

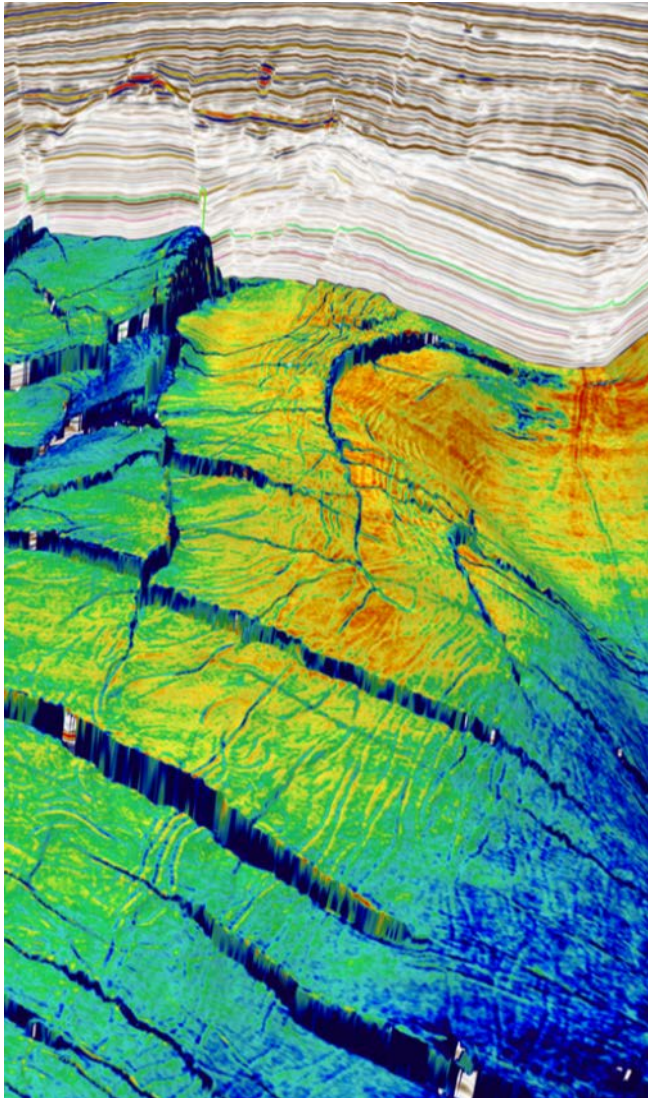
Global Supply and Demand Trends



- In 2014 sq.km acquired declined 11% compared to 2013
- 15-20% decline in sq.km acquired is expected in 2015, compared to 2014
- Average 2015 streamer capacity now expected to come down by 13%, compared to 2014
- Approximately 10% additional capacity from current level needs to be decommissioned to balance supply with near term market demand

Strategy for Taking the Lead

Lessons Learned from Previous Downturns

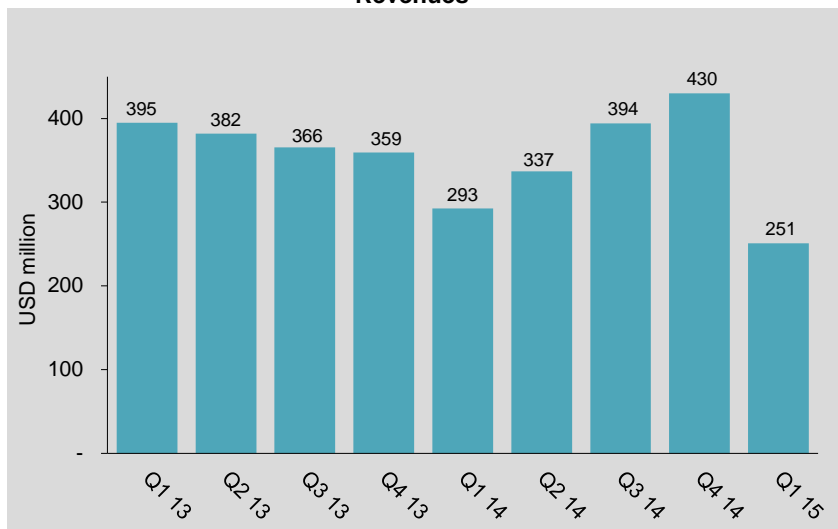


- Conservative financial gearing creates cyclical robustness
 - Long term financing in place
 - Preserving dividend capacity
- MultiClient reduces earnings volatility
- Conservative pre-funding requirements protect cash flow
 - Lower late sales risk
 - Reduce library build-ups and exposure
- New-build commitments fully funded
- Lowest cash cost wins
 - Invest for 25 years use of vessels
 - Focus on maximizing value over life of vessel
- Technology creates differentiation and downside protection
- Continuous cost focus
- Stay focused on core business
 - Divest non-core when possible (PGS Onshore 2009/2010)
- Avoid capital commitments that cannot be sustained in a downturn

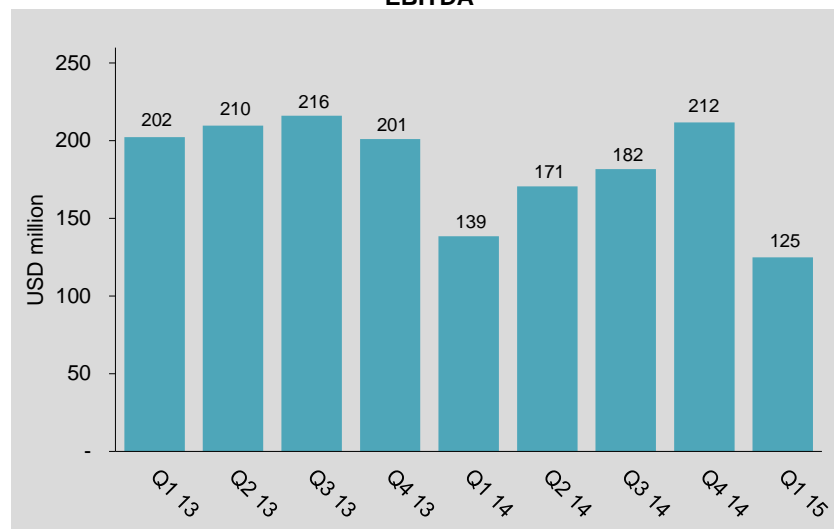
Every Downturn Creates Opportunities

Financial Summary – Q1 2015

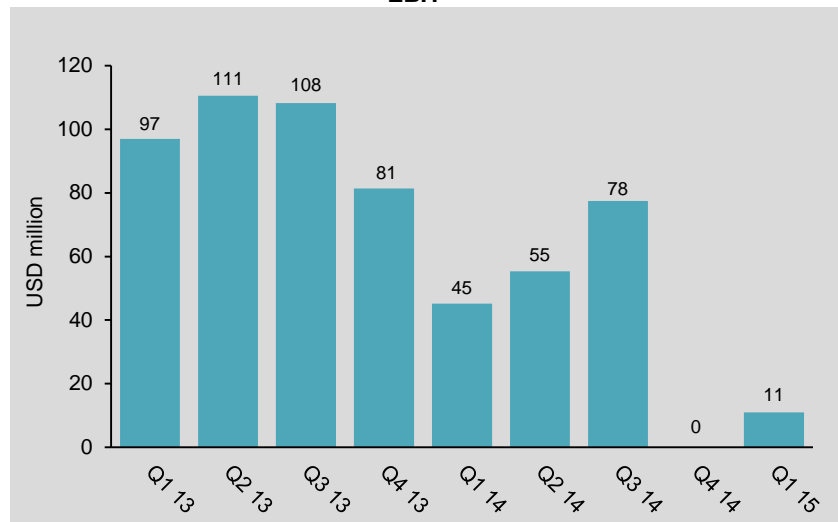
Revenues



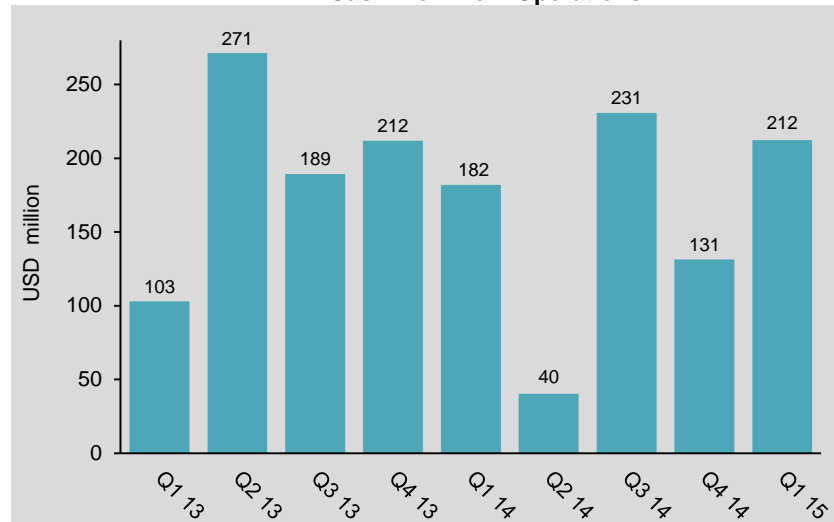
EBITDA*



EBIT**



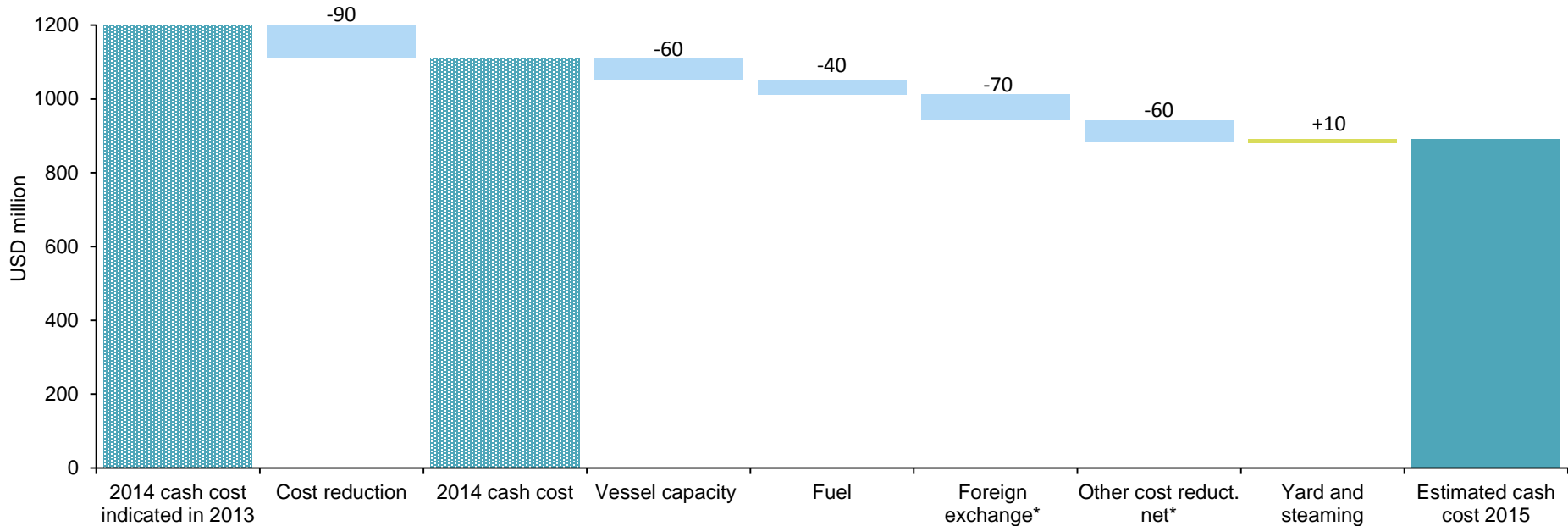
Cash Flow from Operations



*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 39.7 million in Q4 2014, USD 25.0 million in Q3 2014, USD 9.1 million in Q2 2014, 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.

Proactive Cost Reductions Continue in 2015

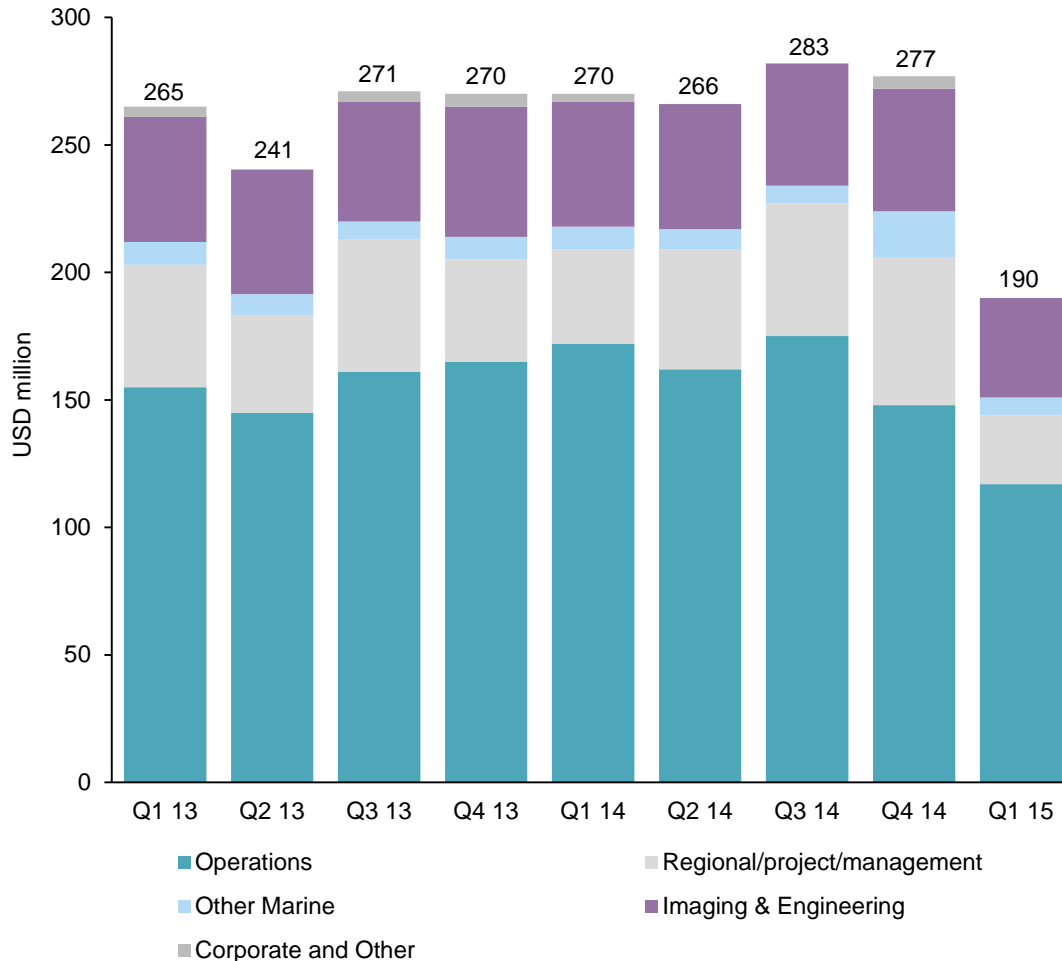


*Based on NOK/USD 8.0

- Cash cost in 2015 is now expected to be approximately USD 220 million lower than in 2014
 - PGS previously targeted a reduction of USD 150 million
 - Cold-stacking of Ramform Explorer and Ramform Challenger, foreign exchange, a more wide-ranging reduction in staff and lower variable project costs contribute to a further reduction in costs
 - Net staff reduction of more than 200 in 2015

*Other cost reductions net includes effects of office closures/relocations, staff reductions, other initiatives and lower project management costs, partly offset by increased cost from planned growth measures in 2015, compared to 2014.

Group Cost* Focus Delivers Results



- Substantial cost reduction from:
 - Cost savings initiatives
 - Currency and fuel price
- Q1 cost lower than trendline due to:
 - Lower cost for vessels stacked, at yard or on standby
 - Deferral of cost on a project where revenue will be recognized in later quarters
 - Net deferral of steaming cost
 - One off effects from changes to benefit plans
- With higher fleet utilization and reversal of cost deferrals, cost level expected to increase by approximately USD 40 million in Q2

Quarterly cost significantly down in 2015 compared to 2013 and 2014

Balance Sheet Key Numbers – Strong Financial Position

| | March 31 | March 31 | December 31 |
|-----------------------------|----------|----------|-------------|
| USD million | 2015 | 2014 | 2014 |
| Total assets | 3 501.0 | 3 562.0 | 3 563.0 |
| MultiClient Library | 715.2 | 666.3 | 695.2 |
| Shareholders' equity | 1 881.0 | 2 069.3 | 1 901.6 |
| Cash and cash equiv. | 148.9 | 208.6 | 54.7 |
| Restricted cash | 79.3 | 97.8 | 92.2 |
| Liquidity reserve | 558.9 | 708.6 | 454.7 |
| Gross interest bearing debt | 1 192.8 | 1 089.8 | 1 209.1 |
| Net interest bearing debt | 955.9 | 760.4 | 1 048.0 |

- Liquidity reserve of USD 558.9 million
 - In addition the new builds are fully funded with USD 266.5 million of undrawn facilities to cover remaining yard payments
- Conservative policy to plan for net debt below 1xEBITDA in a strong market and 2xEBITDA in a weak market
- Shareholders' equity at 54% of total assets

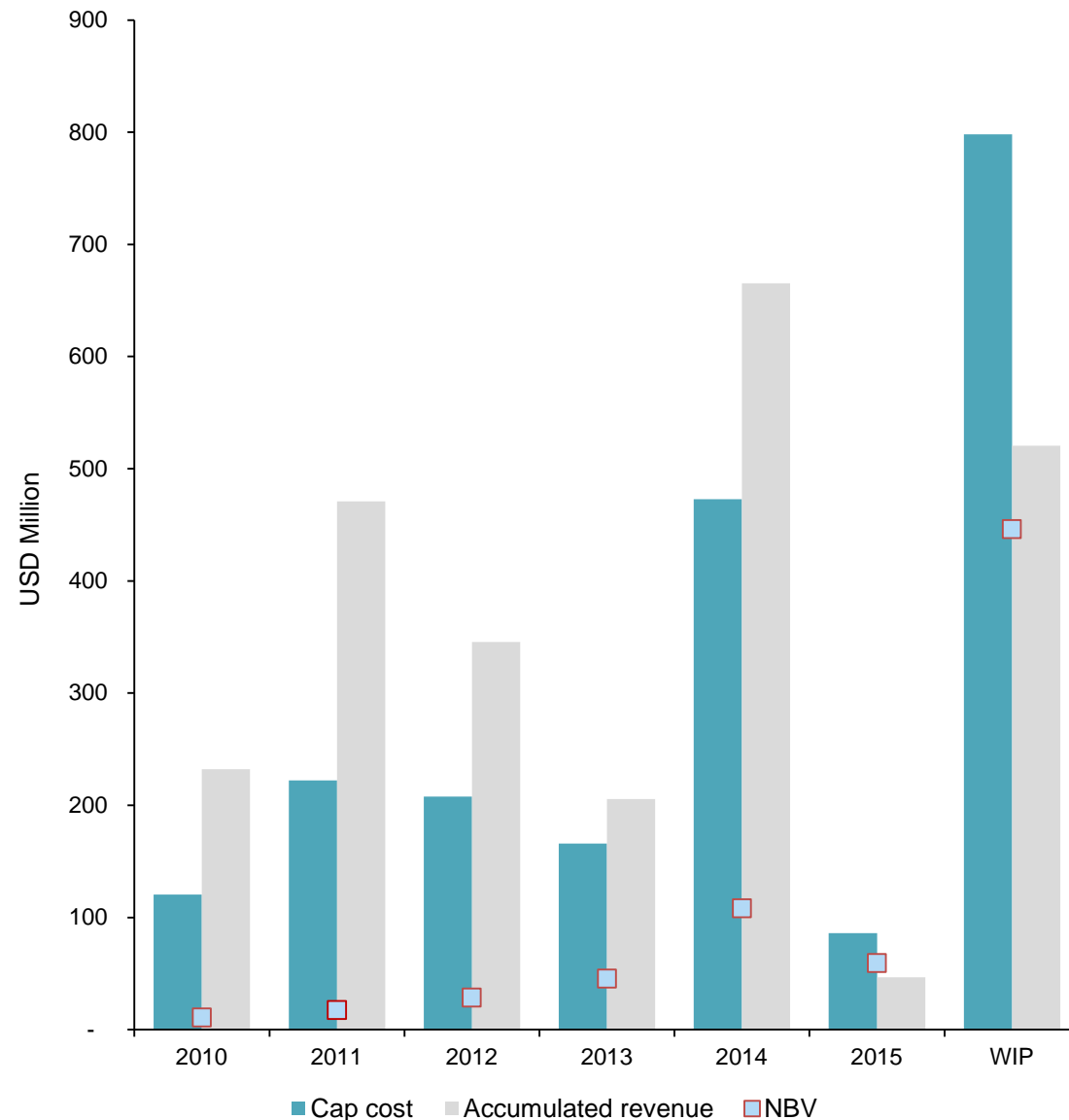
Strong balance sheet – well positioned to handle the challenging market

The accompanying unaudited financial information has been prepared under IFRS. This information should be read in conjunction with the unaudited first quarter 2015 results released on April 30, 2015.

Attractive Debt Structure – No Maturities Before 2018

| Long term Credit Lines and Interest Bearing Debt | Nominal Amount as of March 31, 2015 | Total Credit Line | Financial Covenants |
|---|-------------------------------------|-------------------|---|
| USD 400.0 million Term Loan (“TLB”), Libor (minimum 0.75%) + 250 basis points, due 2021 | USD 396.0 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 90.0 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 256.8 million | USD 523.3 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 |

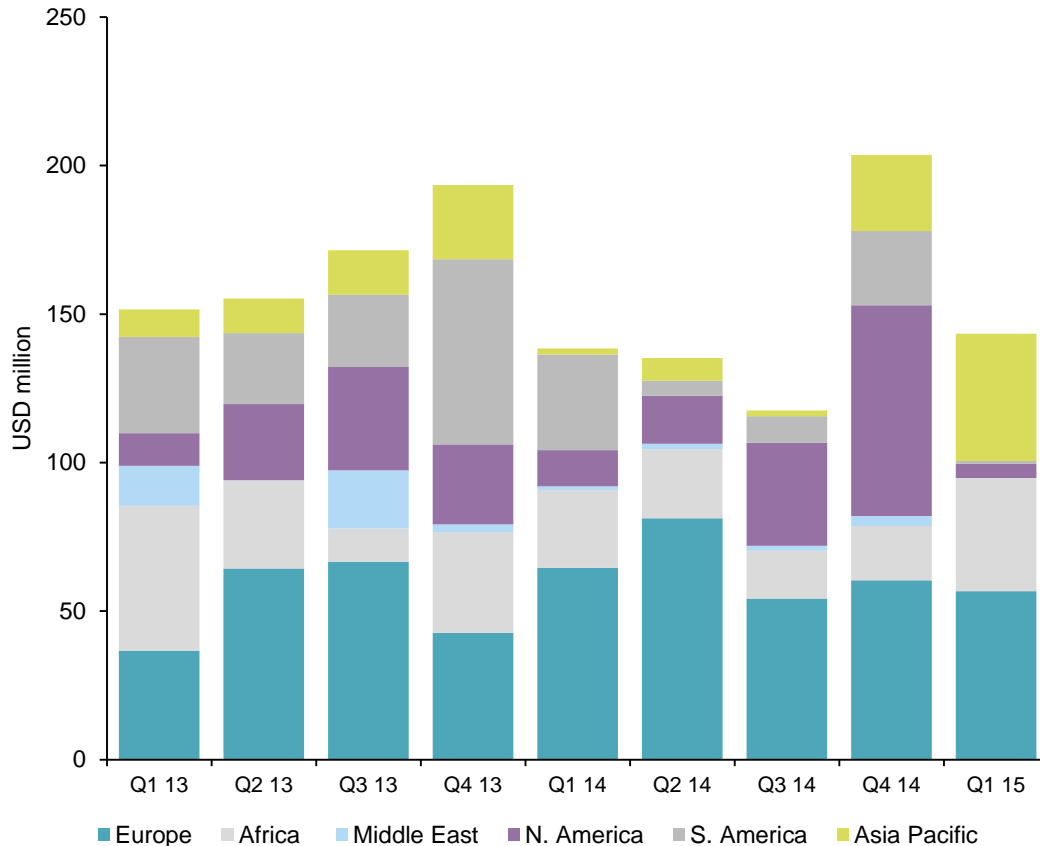
Good MultiClient Sales Performance from All Vintages



- Strong sales progress for all vintages
- Moderate net book values (NBV) for surveys completed 2010-2015
- Work In Progress (WIP) approximately two years on average
- Amortization is primarily based on the ratio of cost to forecasted sales
- Full year 2015 amortization rate expected to be approximately 55%

MultiClient Revenues per Region

Pre-funding and Late Sales Revenues Combined

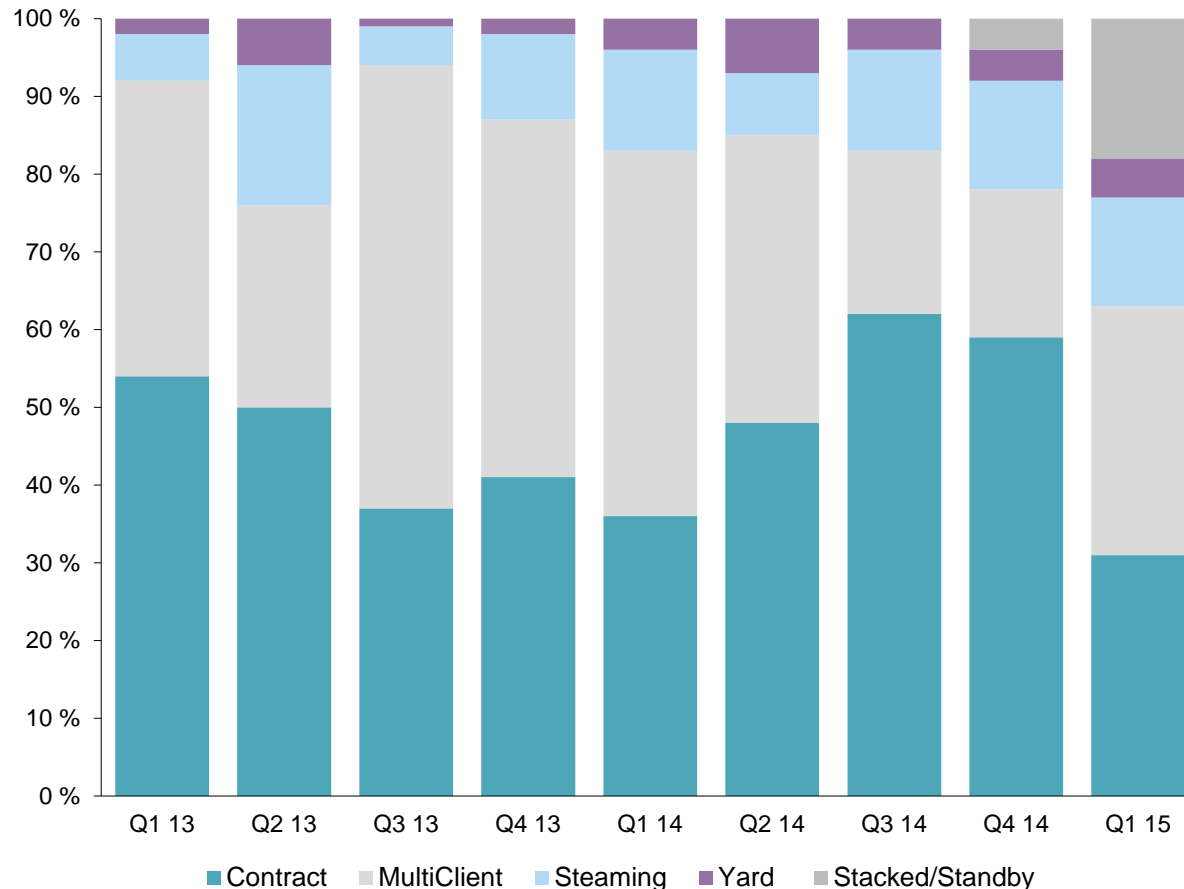


- Robust MultiClient sales performance in Q1 2015
- Pre-funding revenues were highest in Asia Pacific and Africa, driven by three highly pre-funded projects
- Europe was the main contributor to late sales, supported by Asia Pacific and Africa

51% of active 3D vessel capacity allocated to MultiClient in Q1 2015

Vessel Utilization

Seismic Streamer 3D Fleet Activity in Streamer Months



- Active time in Q2 2015 expected to be approximately 80%, due to idle time, permit delays and steaming
- Approximately 45% of active 3D capacity now expected to be used for MultiClient projects for the full year 2015

63% active vessel time in Q1 2015

PGS Seismic Fleet

Ramforms

Titan class



Ramform Titan

Ramform Atlas

Delivery 2016



Ramform Tethys

Ramform Hyperion

S class



Ramform Sterling

Ramform Sovereign

V class



Ramform Valiant

Ramform Viking

Ramform Vanguard



Ramform Explorer –
to be cold stacked in
2H 2015

Ramform Challenger –
to be cold stacked in 2H
2015

Conventional



PGS Apollo

2D/EM/Source



Sanco Spirit



Atlantic Explorer

PGS fleet – Flexible, with high towing capacity

Cold-Stacking Ramform Explorer and Ramform Challenger



- Ramform Explorer and Ramform Challenger are booked through the North Sea season and will be cold-stacked thereafter
- Will improve fleet performance and utilization
- Quarterly cost savings in the range of USD 15-20 million
- GeoStreamer equipment will be used to upgrade Ramform Sterling
 - Reduces 2016 CAPEX for in sea equipment
- Rollover of crew to Ramform Tethys, scheduled for delivery Q1 2016

Full GeoStreamer Fleet Coverage in Q4 2015



Main yard stays next 12 months

| Vessel | When | Expected Duration | Type of Yard Stay |
|-------------------------|---------------|-----------------------|--|
| <i>Sanco Spirit</i> | June 2015 | Approximately 10 days | Renewal class (vessel owner Sanco's cost) |
| <i>Ramform Sterling</i> | October 2015 | Approximately 14 days | Upgrade to GeoStreamers |
| <i>Ramform Valiant</i> | December 2015 | Approximately 14 days | Intermediate class |

Utilization:

- Active time in Q2 2015 expected to be approximately 80%, up from 63% in Q1 2015
- Utilization expected to further improve in Q3

Azimuth Ltd



- Occasionally oil companies want to exchange license acreage in return for data or services
- To free up capital and avoid sitting in a license, PGS divests its E&P assets to Azimuth under commercial terms
- Azimuth is a private equity backed fund (Seacrest Capital), comprising high quality largely US based investors
- PGS has a minority ownership position in Azimuth

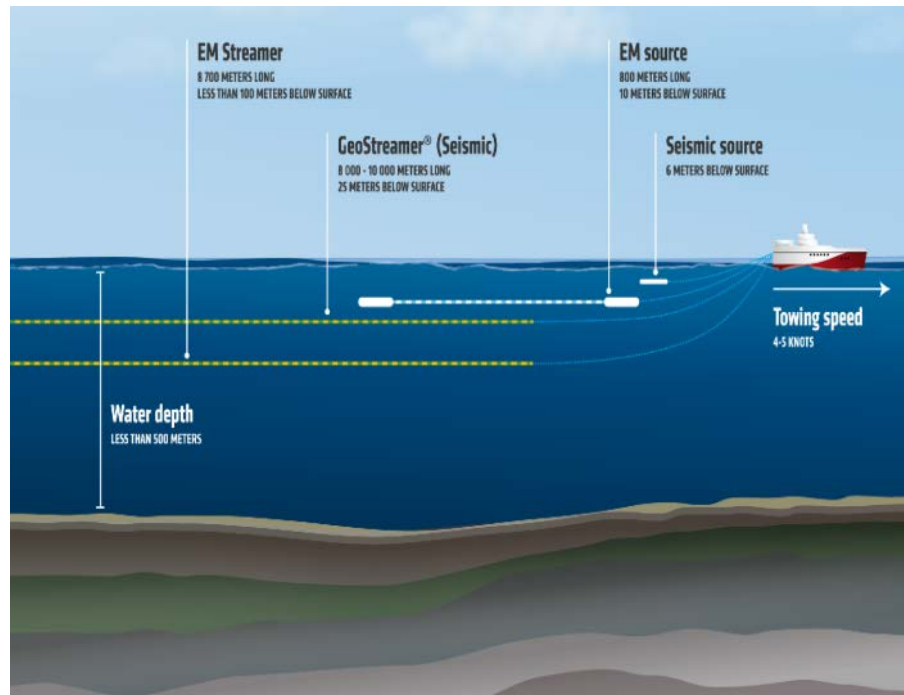
Drives further value potential from the MultiClient library – at arms length terms

The Azimuth Global Portfolio: 6 Regional Exploration Companies

AZIMUTH



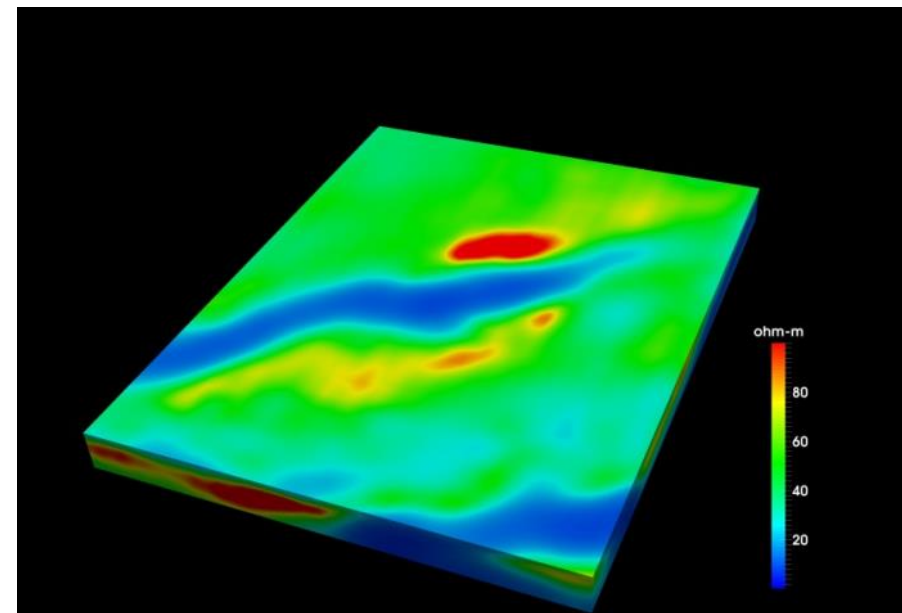
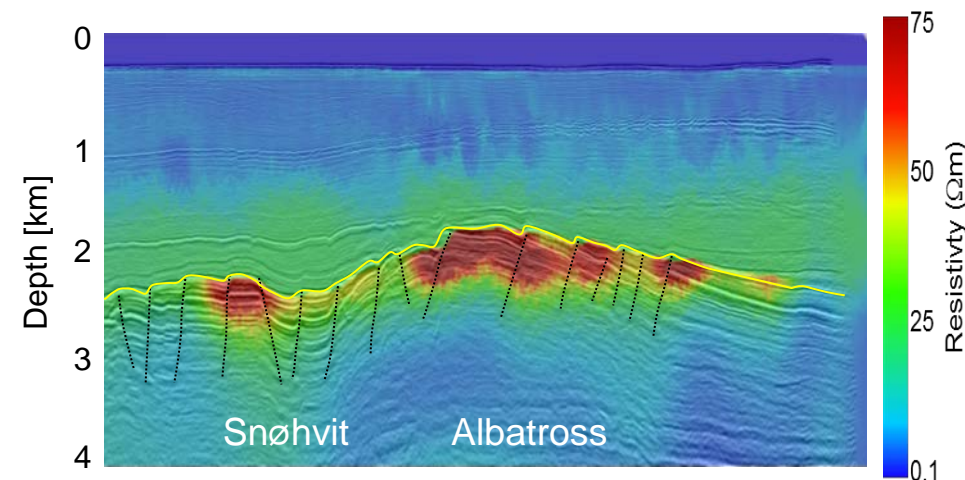
Towed Streamer EM – Mapping Resistivity of the Sub-surface



- Complementary to seismic
- Growing acceptance from oil companies
- Step change in efficiency compared to node based acquisition
- Superior data density resulting in more robust results and higher resolution images

2014 EM campaign:

- ❑ 11,000 sq. km of data acquired in Barents South East
- ❑ Pre-funding from clients
- ❑ Data now ready for delivery



In Conclusion:

Well positioned to Navigate Through the Challenging Market



- Robust balance sheet
- No debt maturities before 2018
- Reducing costs further
- Cost effective operations
- Improved productivity
- Attractive MultiClient library
- Satisfactory contract bid success rate
- Asset light growth opportunities

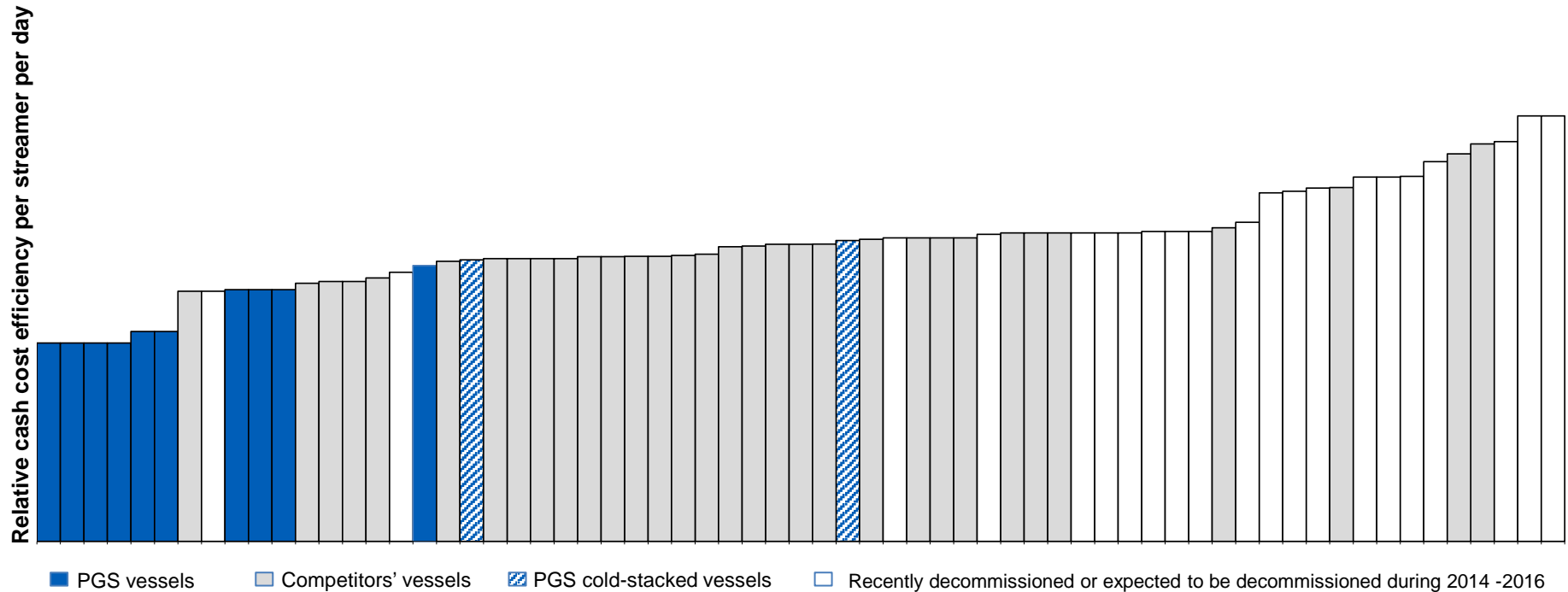
Competitively Positioned – Performance Through the Cycle

Thank you – Questions?



Appendix

Productivity Leadership is Key for Differentiation



Significant vessel decommissioning

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.

Appendix

Rescheduled Delivery Times for New Builds



- Delivery times for Ramform Tethys and Ramform Hyperion rescheduled to Q1 and Q3 2016
- Reduces 2015 CAPEX by at least USD 160 million compared to previous baseline
- No cost impact for PGS