



DEDICATED RELIABLE PIONEER

SEB Nordic 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

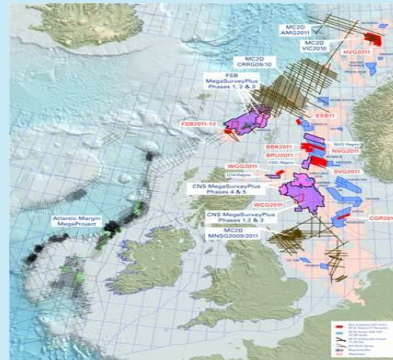


Marine market leadership

30%* of revenues YTD Q3 2016

Marine Contract delivers exclusive seismic surveys to oil and gas exploration and production companies

MultiClient



Diverse MultiClient library

60%* of revenues YTD Q3 2016

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

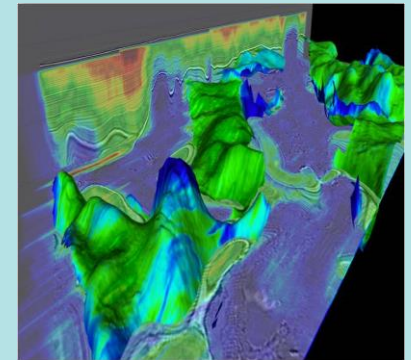
Operations



Productivity leadership

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

Imaging & Engineering



Technology differentiation

8%* of revenues YTD Q3 2016

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

*Remaining 2% relates to Other revenues.

Marine Seismic Market



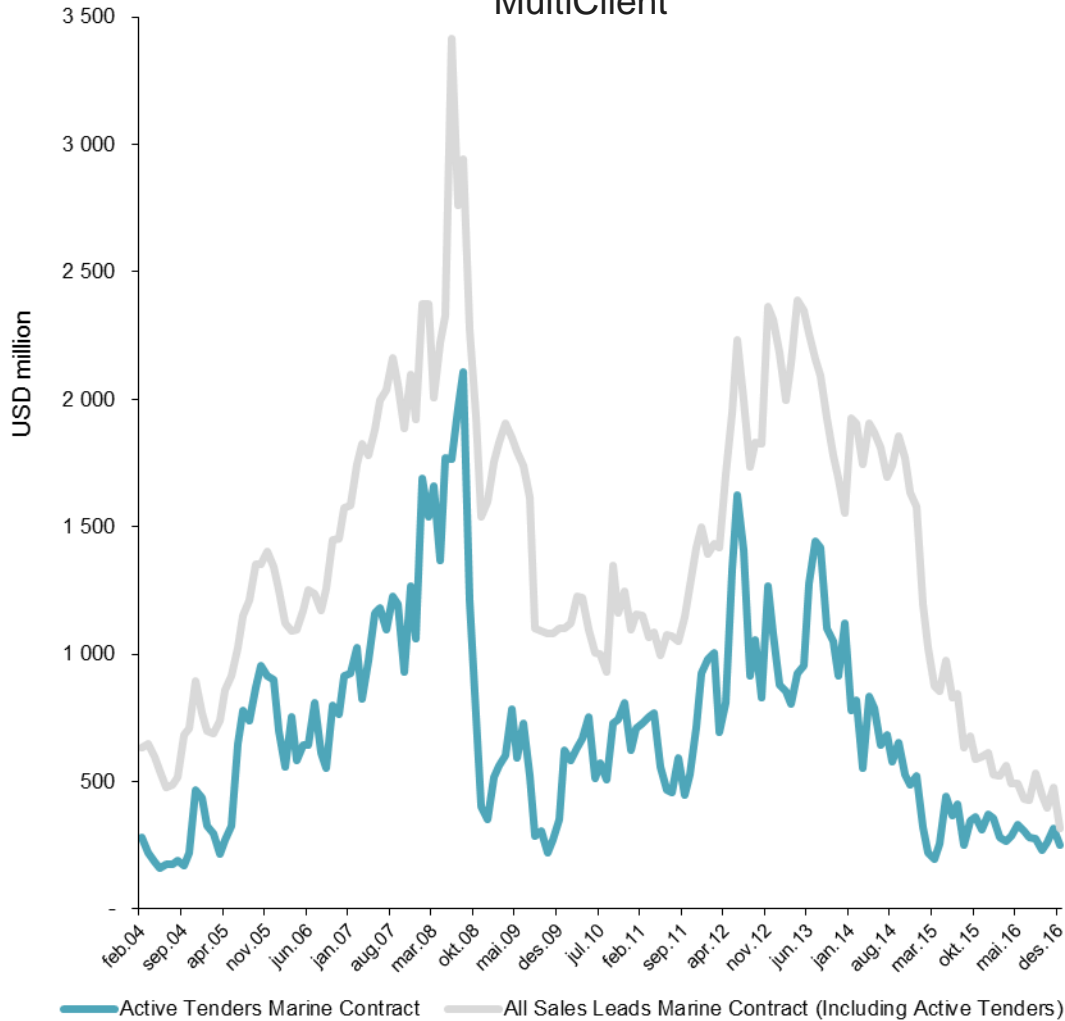
- Fundamentals benefiting from a higher and more stable oil price
 - Substantial improvement in oil companies' cash flow
 - However, continue to expect challenging market going forward

- Increasing interest for MultiClient data
 - Quarterly and regional variability is expected

- Contract market still characterized by low pricing
 - Low vessel utilization in Q4

Market Activity

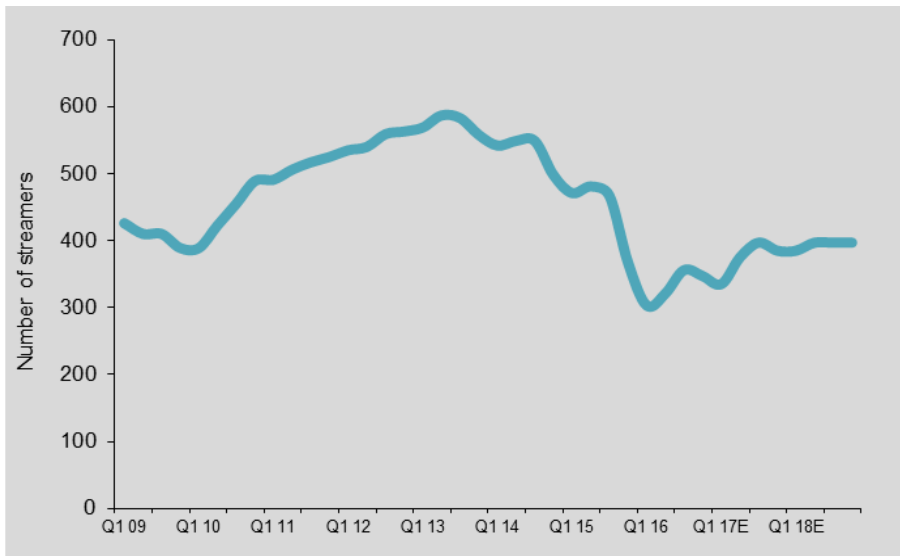
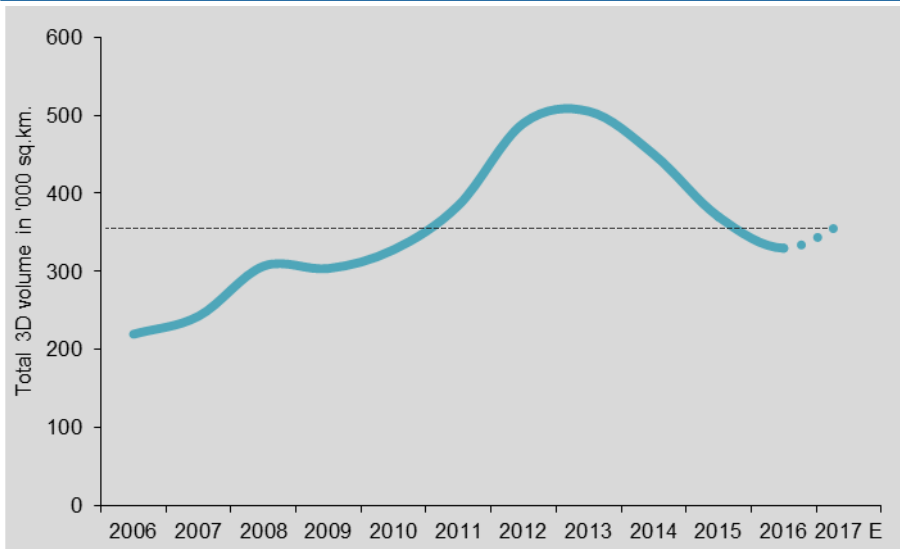
Bidding Activity for Marine Contract excluding MultiClient



- Seismic demand primarily driven by:
 - Positioning for strategically important license rounds
 - Seismic commitments in E&P licenses
 - Production seismic
 - Some opportunistic spending

- MultiClient market share expected to increase

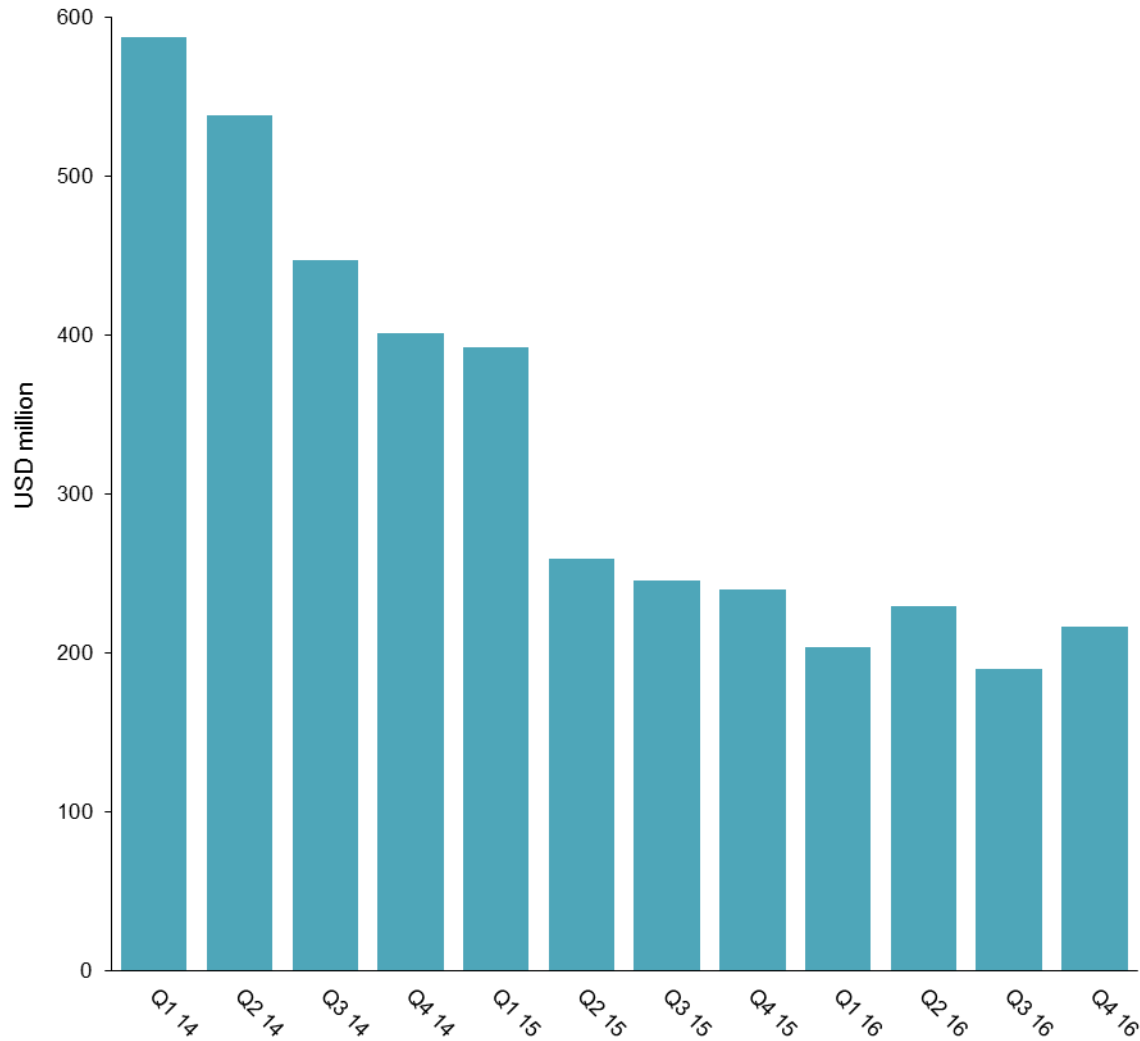
Marine Seismic Market Volume and Supply



- Industry acquired approx. 330,000 sq.km of seismic in 2016
- Industry expected to acquire approx. 365,000 sq.km of seismic in 2017
- Streamer capacity is currently approx. 45% lower than at the 2013 peak
 - Approx. 35% lower in 2017 summer season

PGS response – Focus on sales, operations, cost and cash flow discipline

Order Book

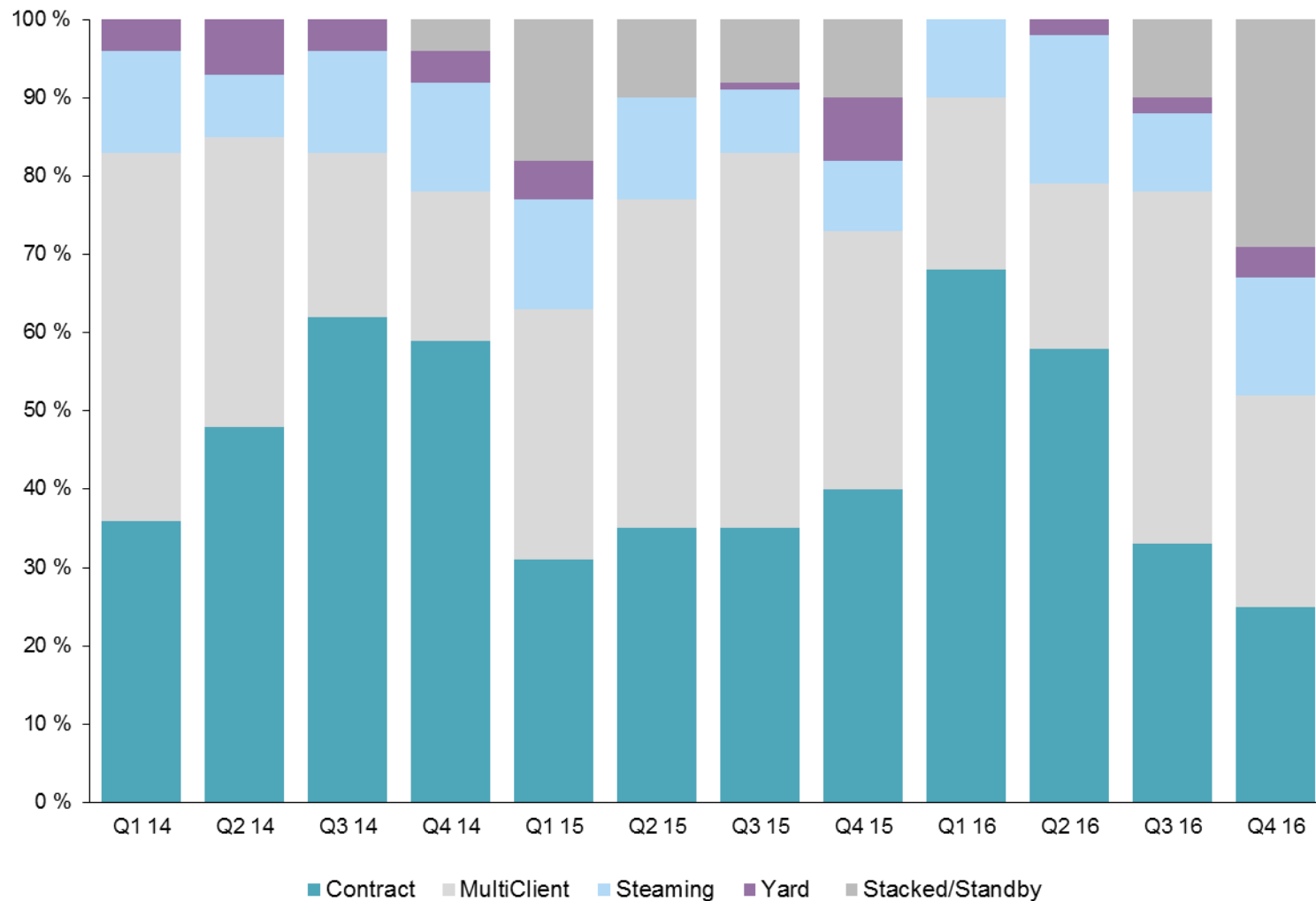


- Order book of approx. USD 215 million by end Q4 2016
- Vessel booking*
 - ~95% booked for Q1 2017
 - ~60% booked for Q2 2017
 - ~15% booked for Q3 2017
 - ~15% booked for Q4 2017

*As of December 31, 2016, based on 7 active vessels in Q1, 9 active vessels in Q2, Q3 and Q4.

Vessel Utilization*

Seismic Streamer 3D Fleet Activity in Streamer Months



* The vessel allocation excludes cold-stacked vessels.

Leading Marine Geophysical Company

Ambition to be Number 1 in All Business Areas



Marine Contract

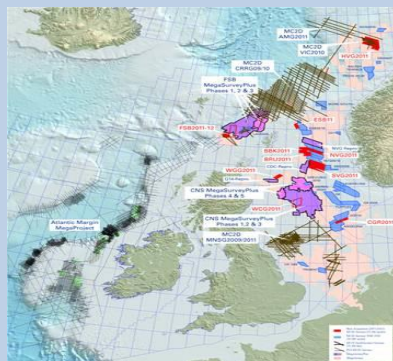


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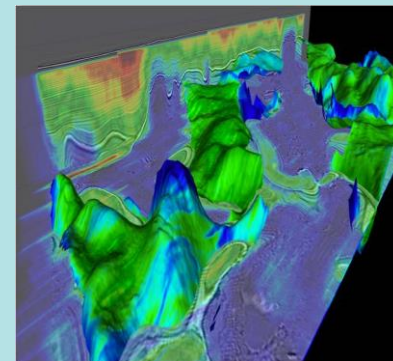
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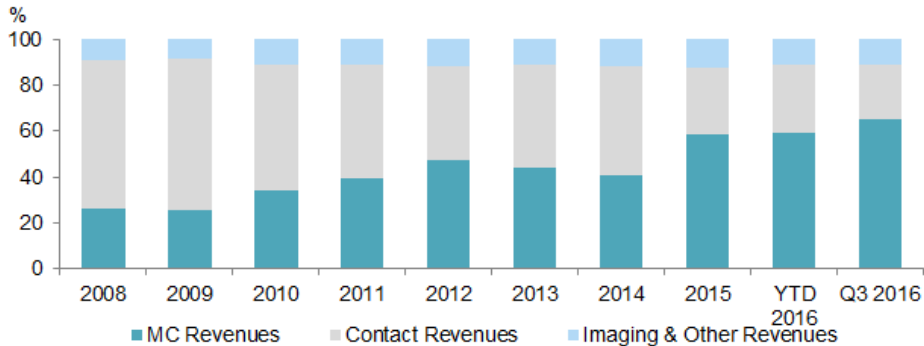
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- Using downturn to improve relative position
- Industry leading MultiClient performance

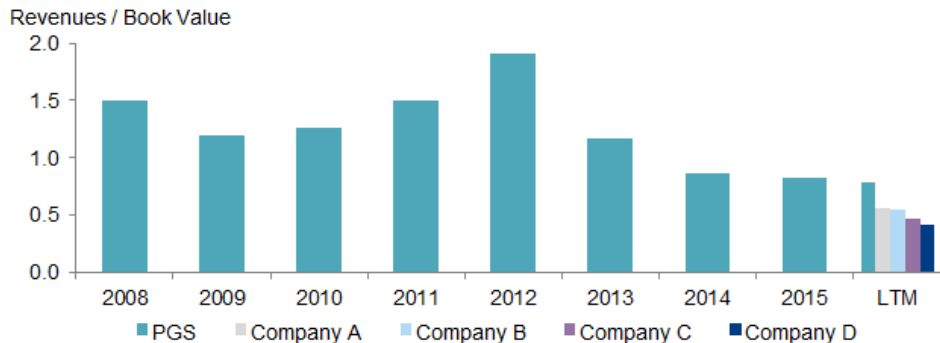
- Client feedback increasingly positive for Imaging capabilities and at par with industry best performance

*Remaining 2% relates to Other revenues.

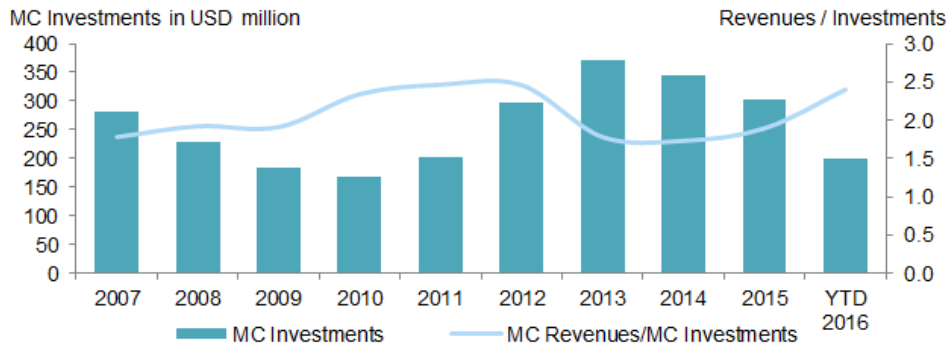
Industry Leading MultiClient Performance



- Strategy to increase MultiClient business from 2010 level
 - Performance stabilization in a highly cyclical market
 - MultiClient share of total market will continue to increase going forward



- PGS revenues dominated by MultiClient
 - 66% of revenues in Q3 2016
 - Most of EBITDA is generated by the MultiClient activities
 - GeoStreamer, leading productivity and advanced, high quality imaging drives higher returns from library



- Retains flexibility to leverage a recovery in the marine contract market
 - Marine contract player with differentiating productivity and technology

Source: Companies' annual reports.

Created Runway to 2020



Proactive measures taken

- Managing operating costs and capital expenditures to mitigate impact of weak market conditions
- Further initiatives undertaken to strengthen liquidity and balance sheet position
 - Liquidity management through sale and lease back of *PGS Apollo*
 - Raised USD 104 million in November 2015 from equity issuance and sale of treasury shares

PGS and its Board established a staged plan to create runway to 2020



Step 1: Liquidity reserve secured to 2020

- Completion of two year extension of RCF to 2020
 - Unchanged security package
 - Covenant reset to retain availability of liquidity reserve going forward
 - Resized RCF to match ongoing liquidity needs (i.e. reduction to USD 400 million initially and then to USD 350 million in September 2018)
 - RCF extension conditional on completion of the Equity Raise and Bond Exchange Offer



Step 2: Transactions addressing 2018 Notes and delever

- PGS has completed a capital raise (the “Equity Raise”) of approx. NOK 1.9 billion (USD ~225 million) to facilitate an exchange of 2018 Notes into a 2020 maturity (the “Bond Exchange Offer”)
- The transactions improve balance sheet flexibility and increase long term financial visibility, through:
 - Reduced financial risk profile
 - Reduced interest costs
 - Delever the balance sheet
 - Maintaining a robust liquidity position

In Conclusion:

Competitively Positioned to Navigate Current Market Environment



- Reduced debt and strengthened the equity base and maturity profile of debt and credit facilities
- Improved cash flow post delivery of *Ramform Hyperion*
- Substantial cost reductions continue
- Industry leading MultiClient performance
- Industry leading fleet with lowest cash cost per streamer
- Significantly improved Imaging performance and technology

Focus on sales, operations, cost and cash flow discipline

Thank you – Questions?

