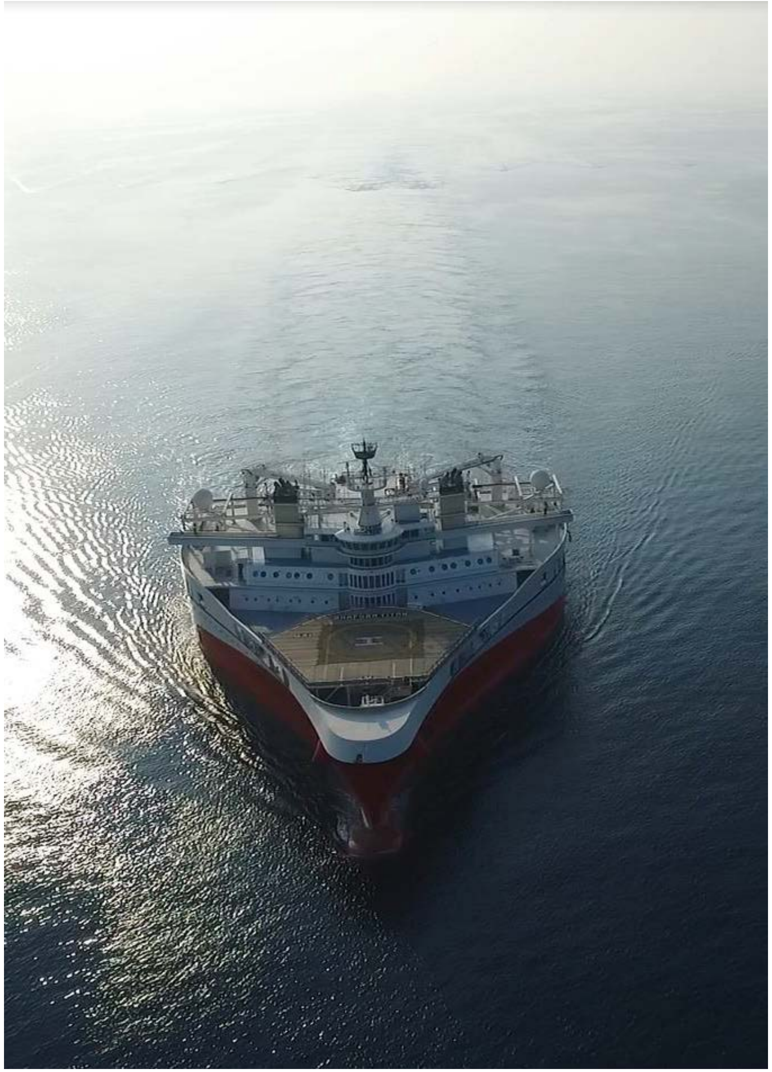
Fourth Quarter and Preliminary Full Year 2015 Results

Earnings Presentation

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 the press release for the fourth quarter and preliminary full year 2015 results and the disclosures therein

Resilient MultiClient Performance
Financial Position Further Strengthened

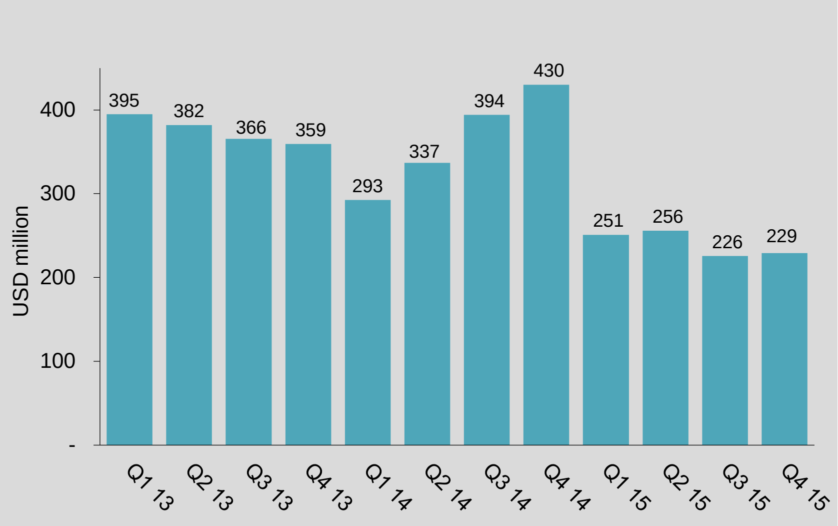


- Full year financial performance:
  - EBITDA USD 484.4 million
  - Total MultiClient revenues of USD 574.7 million
  - Pre-funding level of 125%
  - Liquidity reserve of USD 556.6 million
- Strong cash preservation, increased liquidity reserve
- Substantial cost and CAPEX reductions
- Proactive steps to address industry overcapacity
- Improved fleet productivity and flexibility
- Focus on sales, cost reduction, cash and capacity management

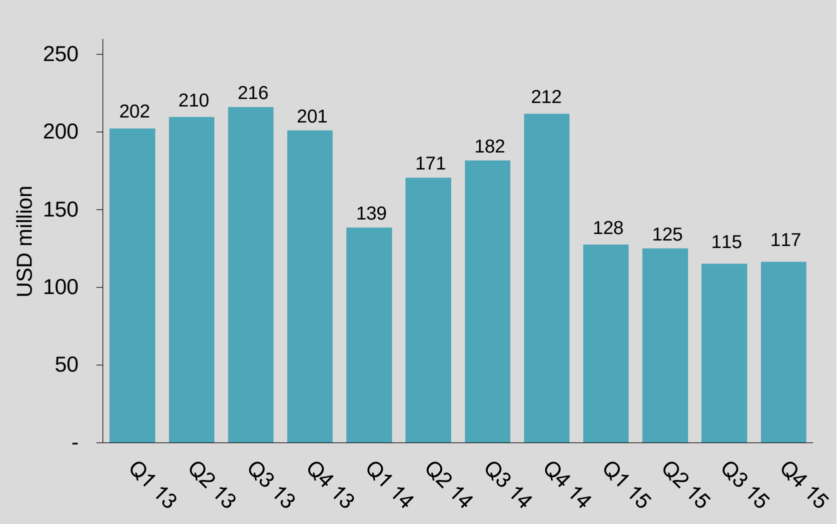
Competitively positioned to navigate current market environment

Financial Summary

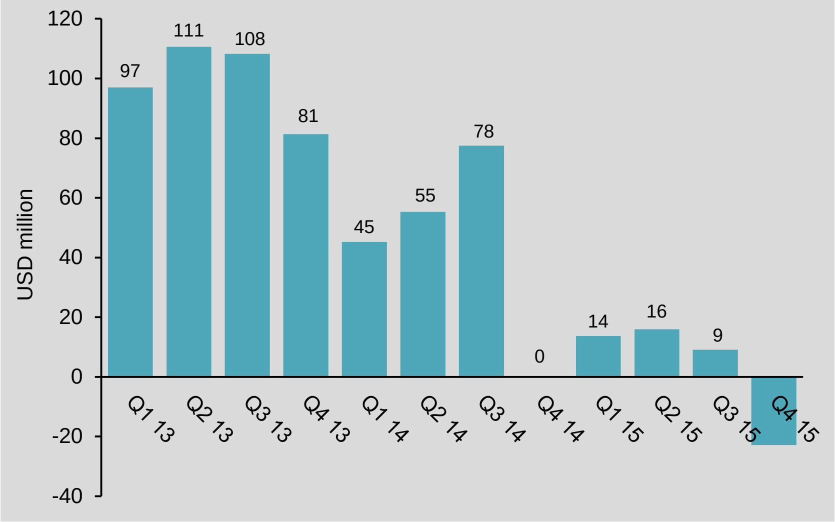
Revenues



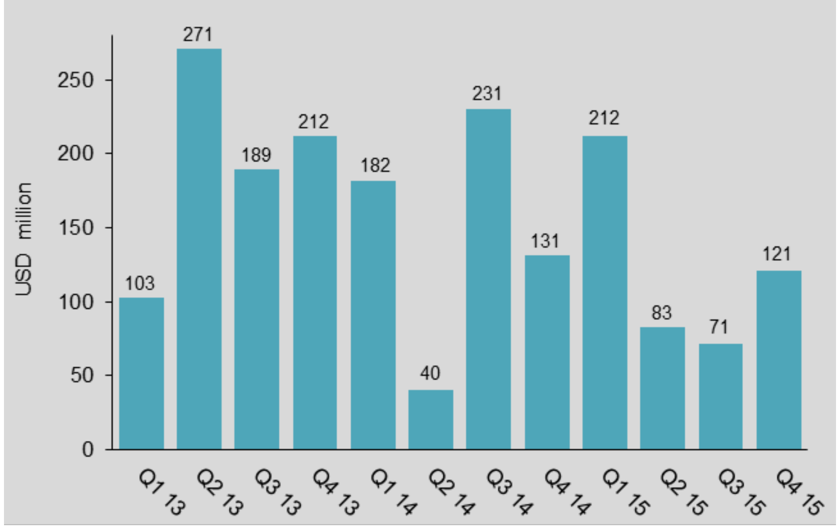
EBITDA*



EBIT**



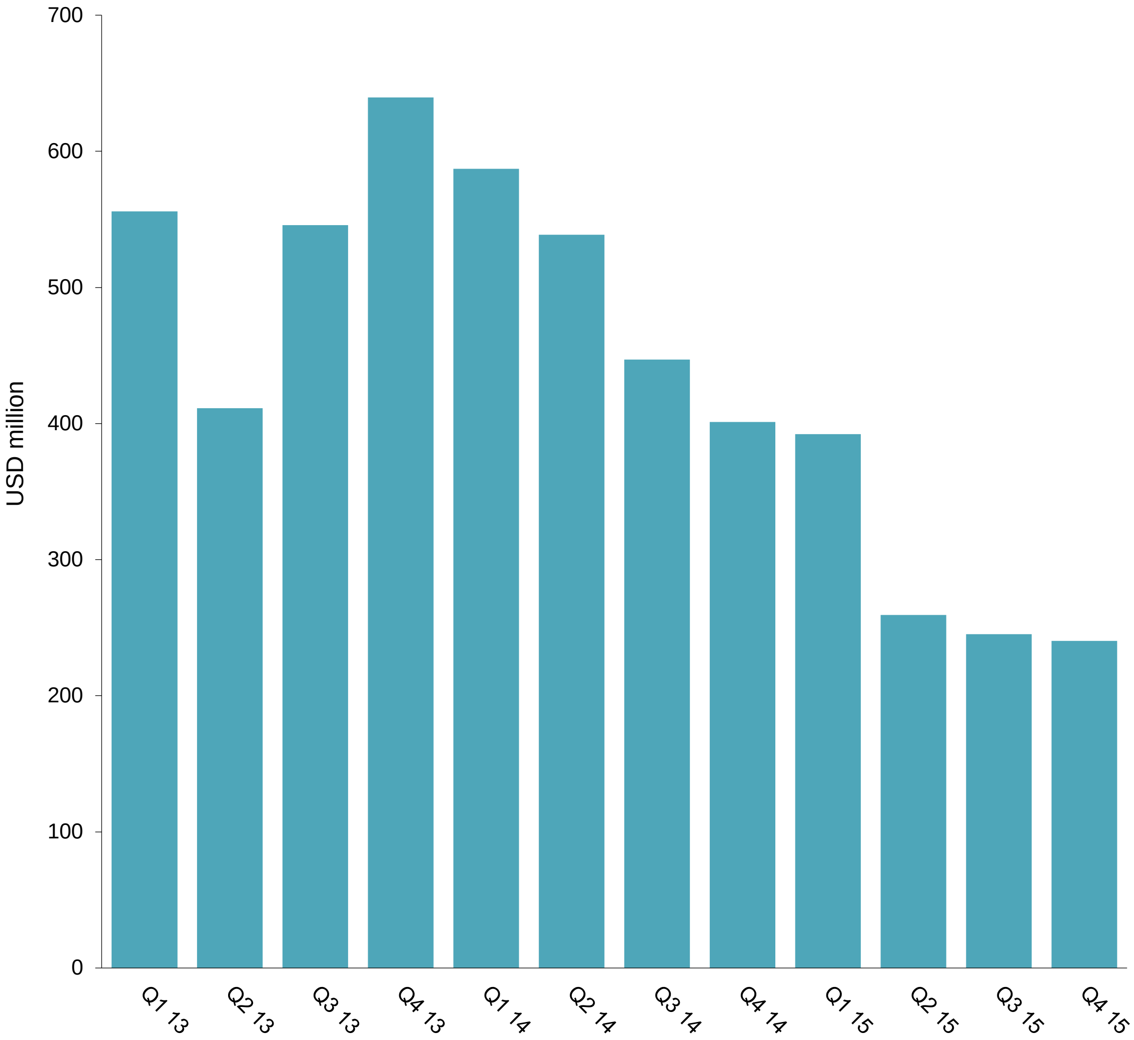
Cash Flow from Operations



*EBITDA, when used by the Company, means EBIT excluding other charges/(income), impairment and loss/gain on sale of long-term assets and depreciation and amortization.

**Excluding impairment and loss on sale of long-term assets of USD 15 million in Q4 2013, USD 9.1 million in Q2 2014, USD 25.0 million in Q3 2014, USD 39.7 million in Q4 2014, other charges of USD 2.7 million in Q1 2015, USD 4.7 million in other charges and an impairment charge of 56.5 million in Q2 2015, USD 6.5 million in other charges and an impairment of USD 65.3 million in Q3 2015, USD 35.1 million of other charges and an impairment charge of USD 274.9 million in Q4 2015.

Order Book – Improved Visibility



- Order book of USD 240 million by end Q4 2015
- Vessel booking*
  - ~100% booked for Q1 2016
  - ~80% booked for Q2 2016
  - ~50% booked for Q3 2016
  - ~5% booked for Q4 2016

*As of February 5, 2016, excluding cold-stacked vessels.

Financials

Unaudited Fourth Quarter and Preliminary Full Year 2015 Results

Condensed Consolidated Statement of Profit and Loss Summary

	Q4	Q4	Percent	Full year	Full year	Percent
USD million (except per share data)	2015	2014	change	2015	2014	change
Revenues	229.3	430.1	-47 %	961.9	1 453.8	-34 %
EBITDA*	116.5	211.8	-45 %	484.4	702.6	-31 %
Operating profit (EBIT) ex impairment and other charges	(22.9)	(0.2)		15.8	177.3	-91 %
Operating profit (EBIT)	(332.9)	(39.7)		430.4	104.2	
Net financial items	(24.2)	(18.3)		(75.1)	(87.5)	
Income (loss) before income tax expense	(357.1)	(58.0)		(505.5)	16.7	
Income tax expense (benefit)	(22.5)	35.6		22.4	67.6	
Net income to equity holders	(334.6)	(93.6)		(527.9)	(50.9)	
EPS basic	($1.48)	($0.44)		($2.43)	($0.24)	
EBITDA margin*	50.8 %	49.2 %		50.4 %	48.3 %	
EBIT margin ex impairment and other charges	-10.0 %	0.0 %		1.6 %	12.2 %	

- Market driven revenue decline of 34% in 2015
- 2015 cash cost reductions securing a stable EBITDA margin
- Significant non cash charges in Q4 2015 related to impairments of intangible assets and the MultiClient library

*EBITDA, when used by the Company, means EBIT excluding other charges/(income), impairment and loss/gain on sale of long-term assets and depreciation and amortization.

The accompanying unaudited financial information has been prepared under IFRS. This information should be read in conjunction with the unaudited Fourth quarter and preliminary full year 2015 results, released on February 15, 2016.

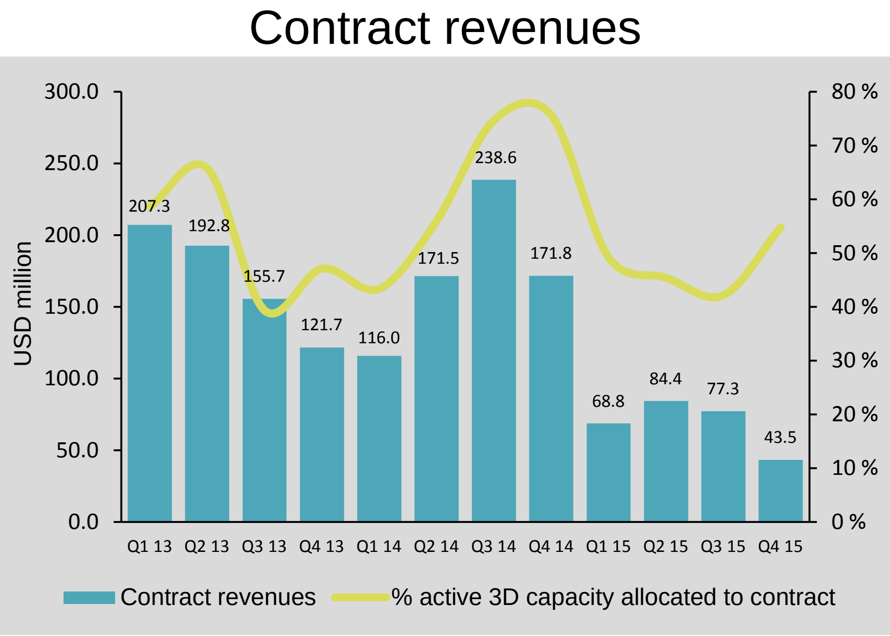
Non Cash Charges Recorded in Q4 2015

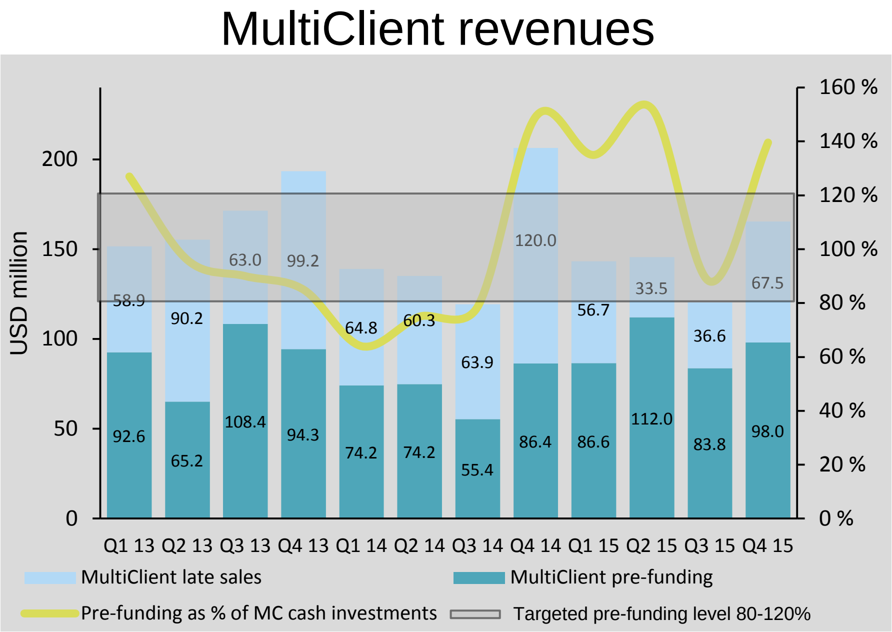
- Impairments of goodwill and intangible assets of USD 172.4 million
  - Primarily stemming from acquisitions made in a significantly stronger market
  - No remaining carrying value of goodwill at year-end 2015

- MultiClient library impairments of USD 102.5 million
  - Write downs generally relate to surveys where the Company is experiencing lower revenues and where total expected sales are reduced and/or pushed out in time
  - MultiClient book value of USD 695.0 million at year-end 2015

- Provision for onerous contracts of USD 11.1 million recorded in Q4 2015
  - Estimated loss in future periods relating to binding customer contracts where revenues are lower than the full cost of completing the contract

Q4 2015 Operational Highlights

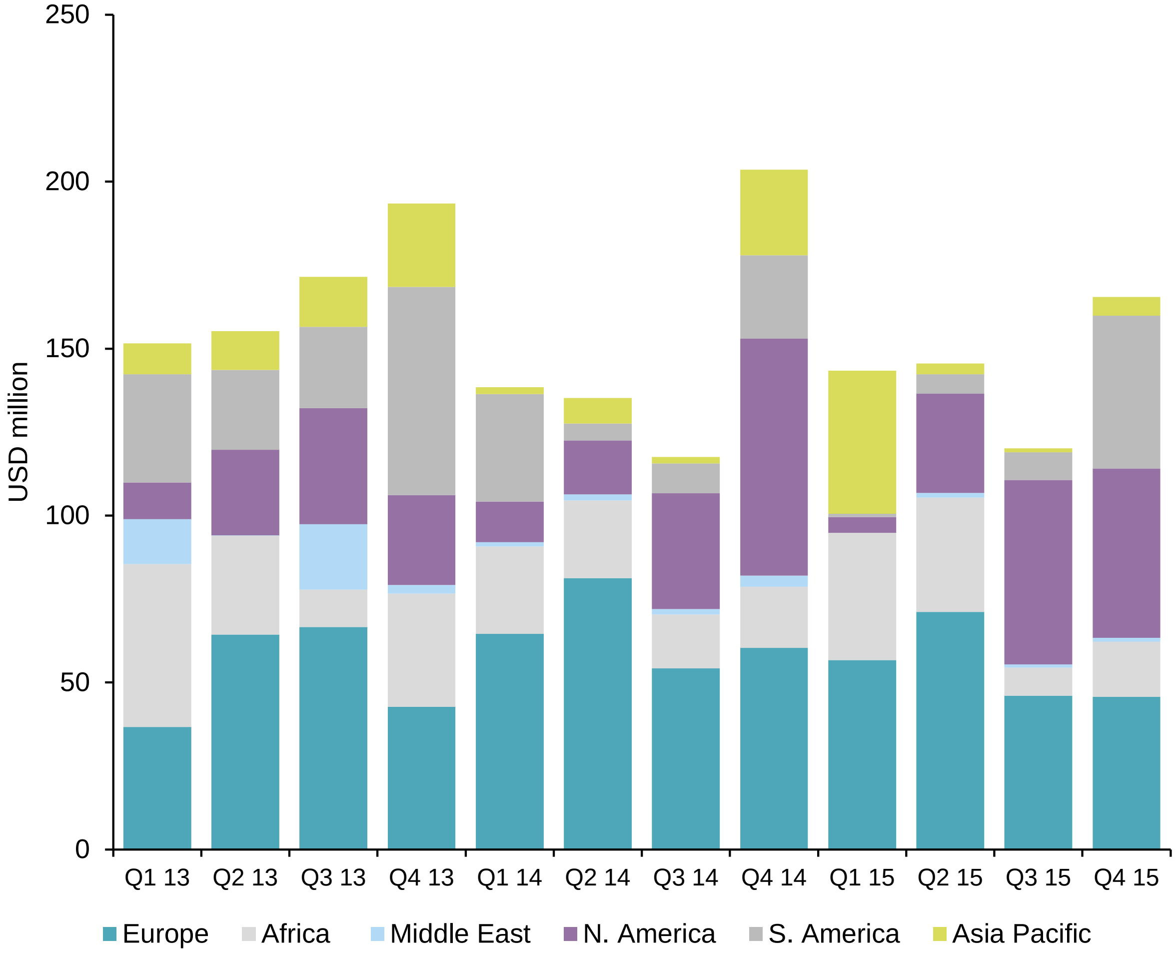




- Total MultiClient revenues of USD 165.5 million
  - Pre-funding revenues of USD 98.0 million
  - Pre-funding level of 140%
  - Late sales revenues of USD 67.5 million

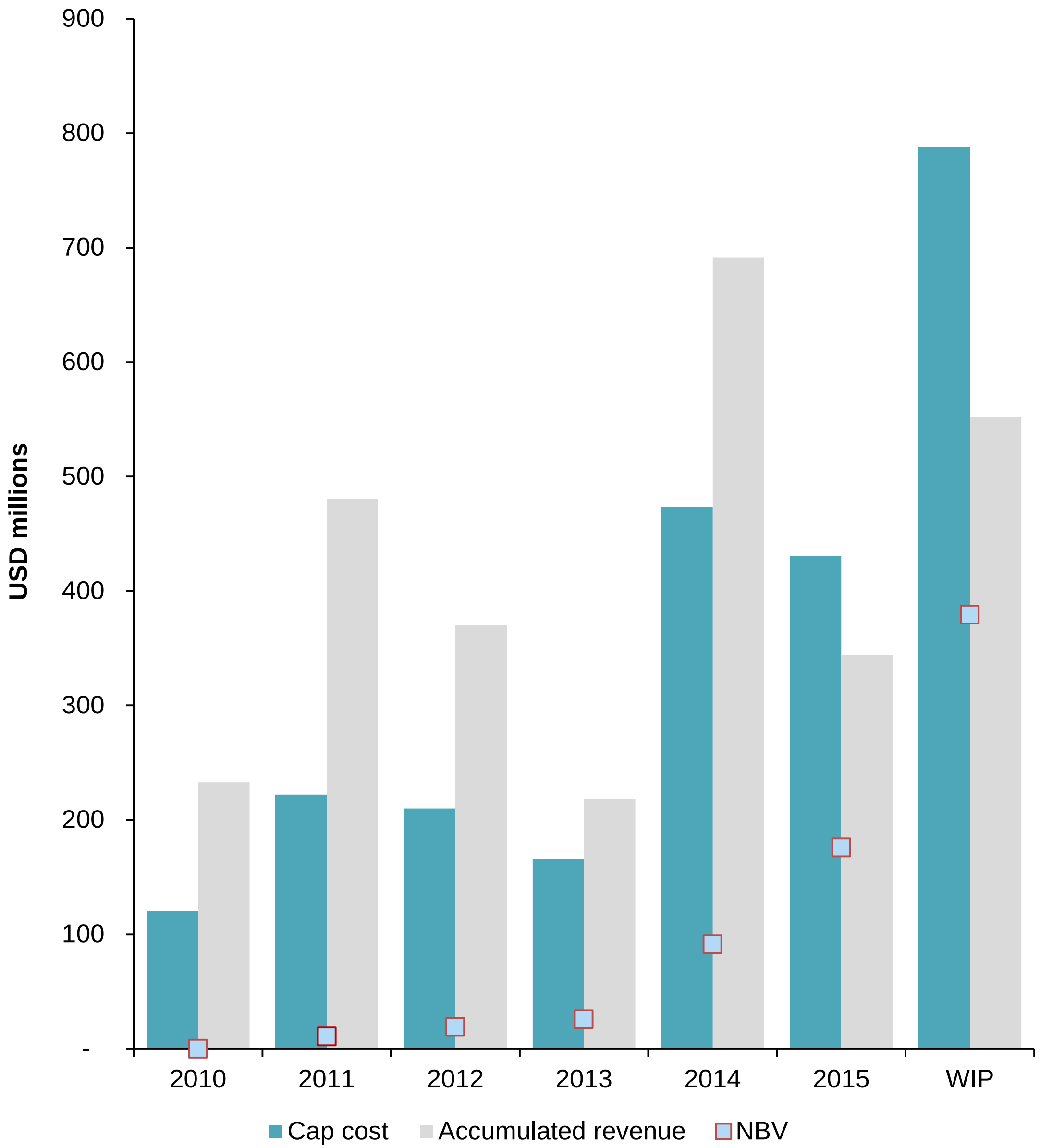
- Marine contract revenues of USD 43.5 million
  - Negatively impacted by low pricing, steaming and mobilization for new surveys, and a general reduction of operated capacity

MultiClient Revenues per Region
Pre-funding and Late Sales Revenues Combined



- Pre-funding revenues were highest in North and South America in Q4 2015
- Europe was the main contributor to late sales in the quarter

MultiClient Vintage Distribution



- The MultiClient library was written down by USD 102.5 million in Q4 to a net book value (NBV) of USD 695.0 million
- Moderate (NBV) for surveys completed 2010-2015
- New MultiClient amortization policy
  - 2016 amortization expense estimated to approximately USD 300 million based on forecasted vessel allocation and pre-funding levels

Key Operational Numbers

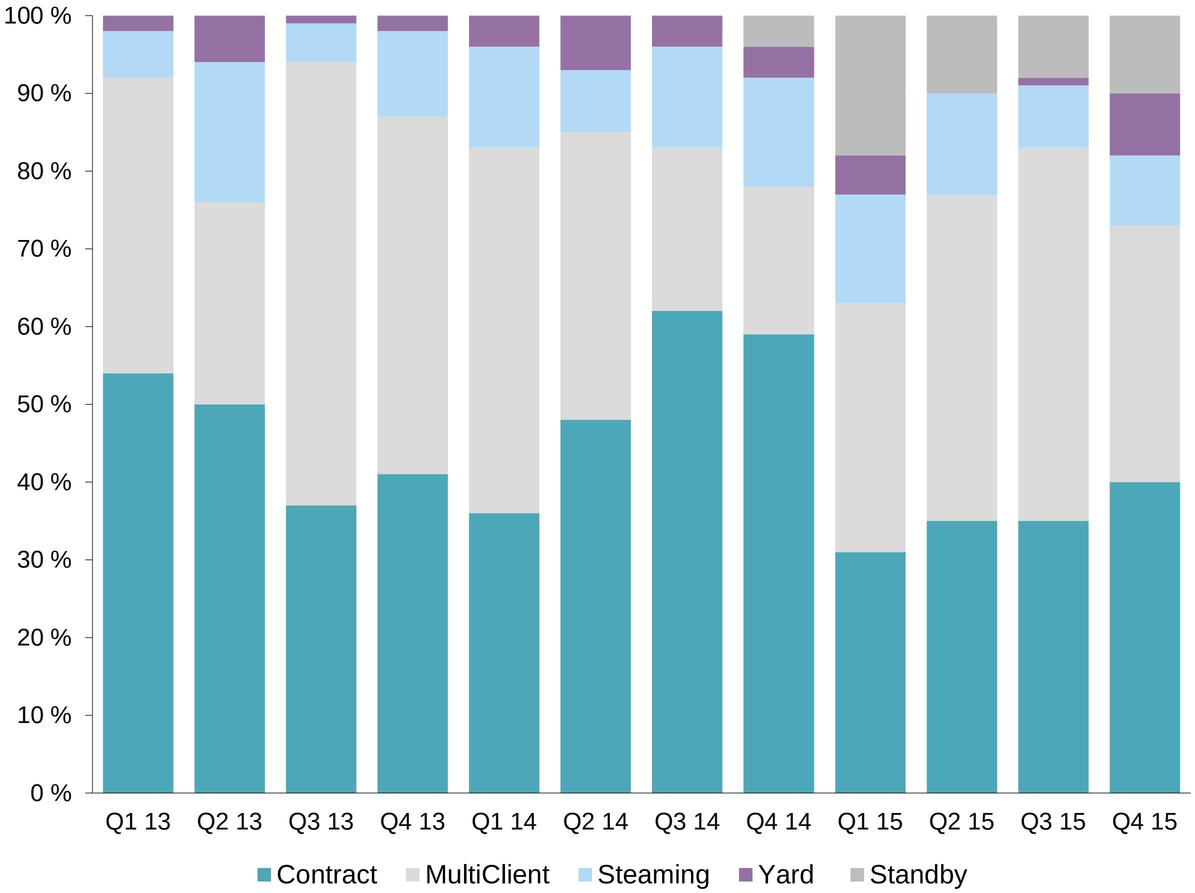
	2015				2014			
USD million	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Contract revenues	43.5	77.3	84.4	68.8	171.8	238.6	171.5	116.0
MultiClient Pre-funding	98.0	83.8	112.0	86.6	86.4	55.4	74.8	74.2
MultiClient Late sales	67.5	36.6	33.5	56.7	120.0	63.9	60.3	64.8
Imaging	18.2	21.7	23.5	30.3	36.2	30.6	24.3	28.0
Other	2.2	6.3	2.4	8.7	15.7	5.7	6.1	9.5
Total Revenues	**229.3**	**225.7**	**255.8**	**251.1**	**430.1**	**394.2**	**337.0**	**292.5**
Operating cost	(112.8)	(110.4)	(130.7)	(123.6)	(218.3)	(212.5)	(166.4)	(154.0)
EBITDA*	**116.5**	**115.3**	**125.1**	**127.5**	**211.8**	**181.7**	**170.6**	**138.5**
Depreciation	(37.6)	(27.4)	(34.5)	(41.6)	(56.8)	(50.5)	(44.0)	(29.8)
MultiClient amortization	(101.8)	(78.7)	(74.6)	(72.5)	(155.1)	(53.9)	(71.6)	(63.7)
Impairment and loss on sale of long-term assets	(274.9)	(65.3)	(56.9)	0.0	(39.7)	(25.0)	(9.1)	0.0
Other charges/income	(35.1)	(6.5)	(4.7)	(2.7)	0.2	0.2	0.3	0.2
EBIT	**(332.9)**	**(62.7)**	**(45.7)**	**10.9**	**(39.7)**	**52.5**	**46.2**	**45.2**
CAPEX, whether paid or not	(41.7)	(17.0)	(63.3)	(41.5)	(36.9)	(53.1)	(149.4)	(131.9)
Cash investment in MultiClient	(70.2)	(95.5)	(73.6)	(64.0)	(57.9)	(70.4)	(99.6)	(116.2)
Order book	**240**	**245**	**259**	**394**	**410**	**466**	**558**	**610**

- Other charges/income in Q4 includes USD 24.7 million of restructuring cost and a provision for onerous contracts of USD 11.1 million
- Full year 2015 restructuring cost of USD 38.6 million

**EBITDA, when used by the Company, means EBIT excluding other charges/(income), impairment and loss/gain on sale of long-term assets and depreciation and amortization.
The accompanying unaudited financial information has been prepared under IFRS. This information should be read in conjunction with the unaudited forth quarter and preliminary full year 2015 results released on February 15, 2016.

Vessel Utilization*

Seismic Streamer 3D Fleet Activity in Streamer Months

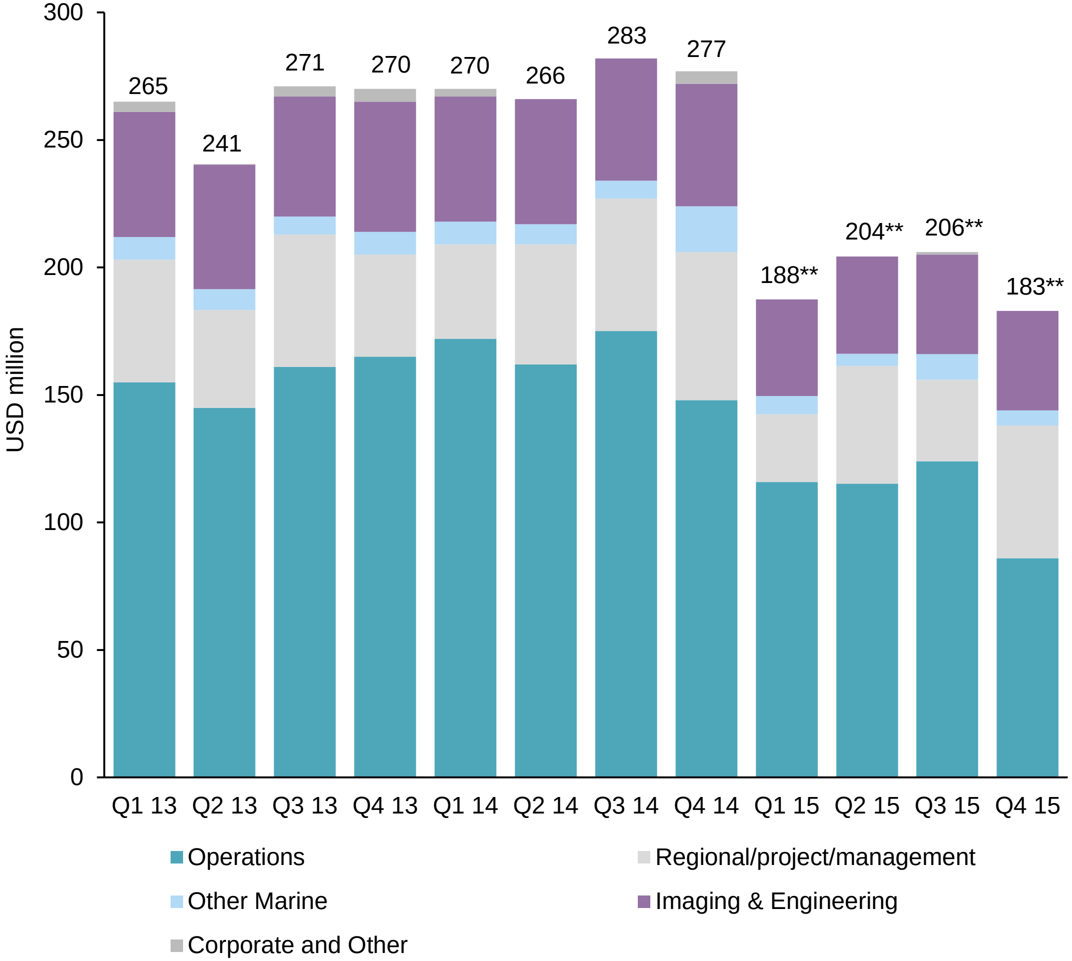


- 52% of active 3D capacity was used for MultiClient in 2015
- The Q4 2015 vessel utilization excludes cold-stacked vessels
- Approximately 50% of 2016 active 3D fleet capacity planned for MultiClient
  - Lower allocation to MultiClient in Q1

73% active vessel time in Q4 2015

* The Q4 2015 vessel allocation excludes cold-stacked vessels, a 30% reduction of total PGS 3D capacity compared to Q3 2015.

Group Cost* Focus Delivers Results

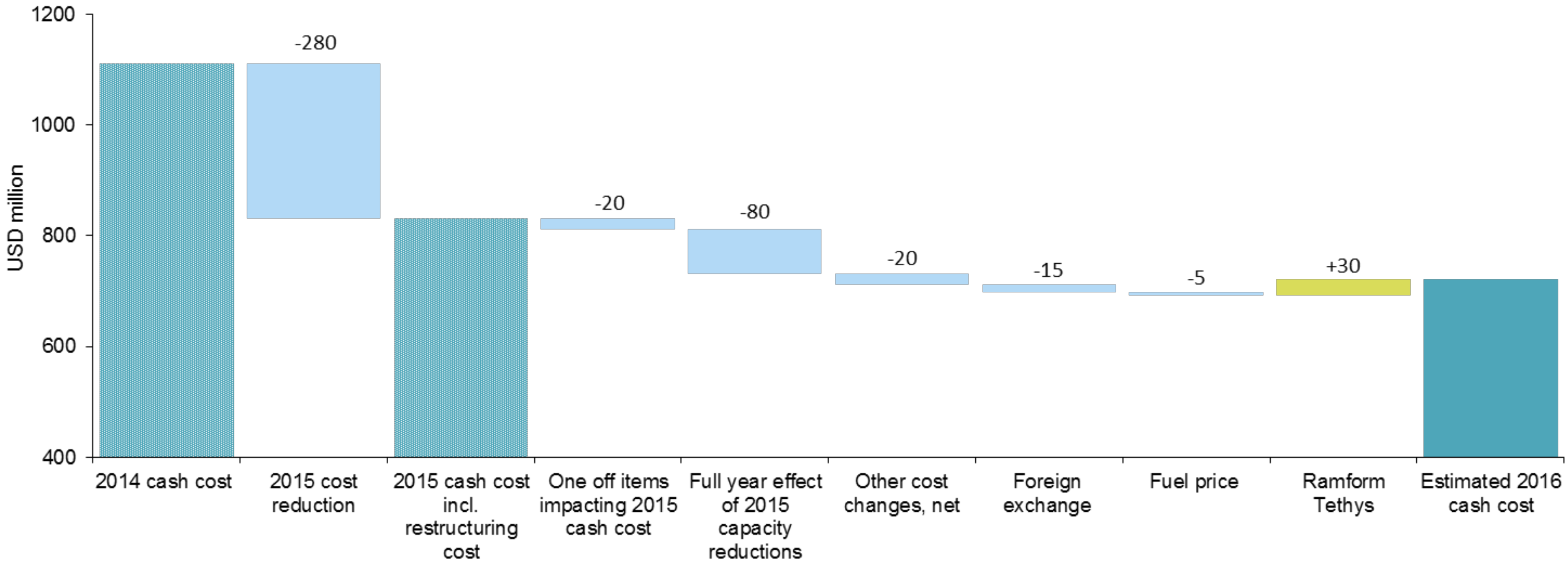


- Full year 2015 cash cost base down 29% compared to 2014
- Cost reduction in Q4 2015 primarily due to vessel stacking, partially offset by certain non recurring cost increases

Quarterly cost materially down in 2015 compared to 2013 and 2014

*Amounts show the sum of operating cost and capitalized MultiClient cash investment.
**Excludes restructuring costs.

Proactive Cost Reductions Continue in 2016



- 2015 cash cost reductions of approximately USD 280 million, including restructuring cost (approximately USD 320 million if restructuring cost is excluded)
- Further significant cost reductions to bring 2016 cash cost down to approximately USD 725 million
  - Tight cost control continues
  - Initiatives implemented in 2015 to take full effect in 2016
  - Delivery of Ramform Tethys in Q1 2016 adding to the cost base
- Cost discipline has high priority in 2016 with potential for further cost reduction
  - With current oil price and exchange rates, 2016 cash cost is likely to end USD 10-15 million lower than indicated

Consolidated Statements of Cash Flows Summary

USD million	Q4 2015	Q4 2014	Full year 2015	Full year 2014
Cash provided by operating activities	121.0	131.3	487.9	584.3
Investment in MultiClient library	(70.2)	(57.9)	(303.3)	(344.2)
Capital expenditures	(47.2)	(45.5)	(164.0)	(383.4)
Other investing activities	(14.0)	(14.0)	40.4	(58.7)
Net cash flow before financing activities	**(10.4)**	**13.9**	**61.0**	**(202.0)**
Financing activities	9.7	(49.6)	(34.1)	(7.1)
Net increase (decr.) in cash and cash equiv.	**(0.7)**	**(35.7)**	**26.9**	**(209.1)**
Cash and cash equiv. at beginning of period	82.3	90.4	54.7	263.8
Cash and cash equiv. at end of period	**81.6**	**54.7**	**81.6**	**54.7**

- Strong cash provided by operating activities both for Q4 and full-year 2015
  - Benefited from favorable working capital development
- Full-year 2015 ended cash flow positive before financing activities
  - Includes USD 116.6 million of new build CAPEX
- USD 104.2 million of net proceeds from private placement in Q4

The accompanying unaudited financial information has been prepared under IFRS. This information should be read in conjunction with the unaudited fourth quarter and preliminary full year 2015 results released February 15, 2016.

Balance Sheet Key Numbers

USD million	December 31 2015	December 31 2014
Total assets	2 914.1	3 563.0
MultiClient Library	695.0	695.2
Shareholders' equity	1 463.7	1 901.6
Cash and cash equiv.	81.6	54.7
Restricted cash	71.6	92.2
Liquidity reserve	556.6	454.7
Gross interest bearing debt	1 147.2	1 209.0
Net interest bearing debt	994.2	1 048.0

- Net interest bearing debt reduced; USD 994.2 million at year-end
- Liquidity reserve increased; USD 556.6 million at year-end
- The new builds are fully funded with USD 228.5 million of undrawn facilities to cover remaining yard payments
- Shareholders' equity at 50% of total assets

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 fourth quarter and preliminary full year 2015 results released on February 15, 2016.

Attractive Debt Structure – No Maturities Before 2018

Long term Credit Lines and Interest Bearing Debt	Nominal Amount as of December 31, 2015	Total Credit Line	Financial Covenants
USD 400.0 million Term Loan ("TLB"), Libor (minimum 0.75%) + 250 basis points, due 2021	USD 393.0 million		None, but incurrence test: total leverage ratio ≤ 3.00x*
Revolving credit facility ("RCF"), due 2018 40% of applicable margin in commitment fee on undrawn amount Libor + margin of 200-325 bps + utilization fee	USD 25.0 million	USD 500.0 million	Maintenance covenant: total leverage ratio ≤ 4.00x, to Q1-2017, thereafter reduced by 0.25x each quarter to 2.75x
Japanese ECF, 12 year with semi-annual installments. 50% fixed/ 50% floating interest rate	USD 279.2 million	USD 507.7 million	None, but incurrence test for loan 3&4: Total leverage ratio ≤ 3.00x* and Interest coverage ratio ≥ 2.0x*
2018 Senior Notes, coupon of 7.375% and callable from 2015	USD 450.0 million		None, but incurrence test: Interest coverage ratio ≥ 2.0x*

* Carve out for drawings under ECF and RCF

Operational Update and Market Comments

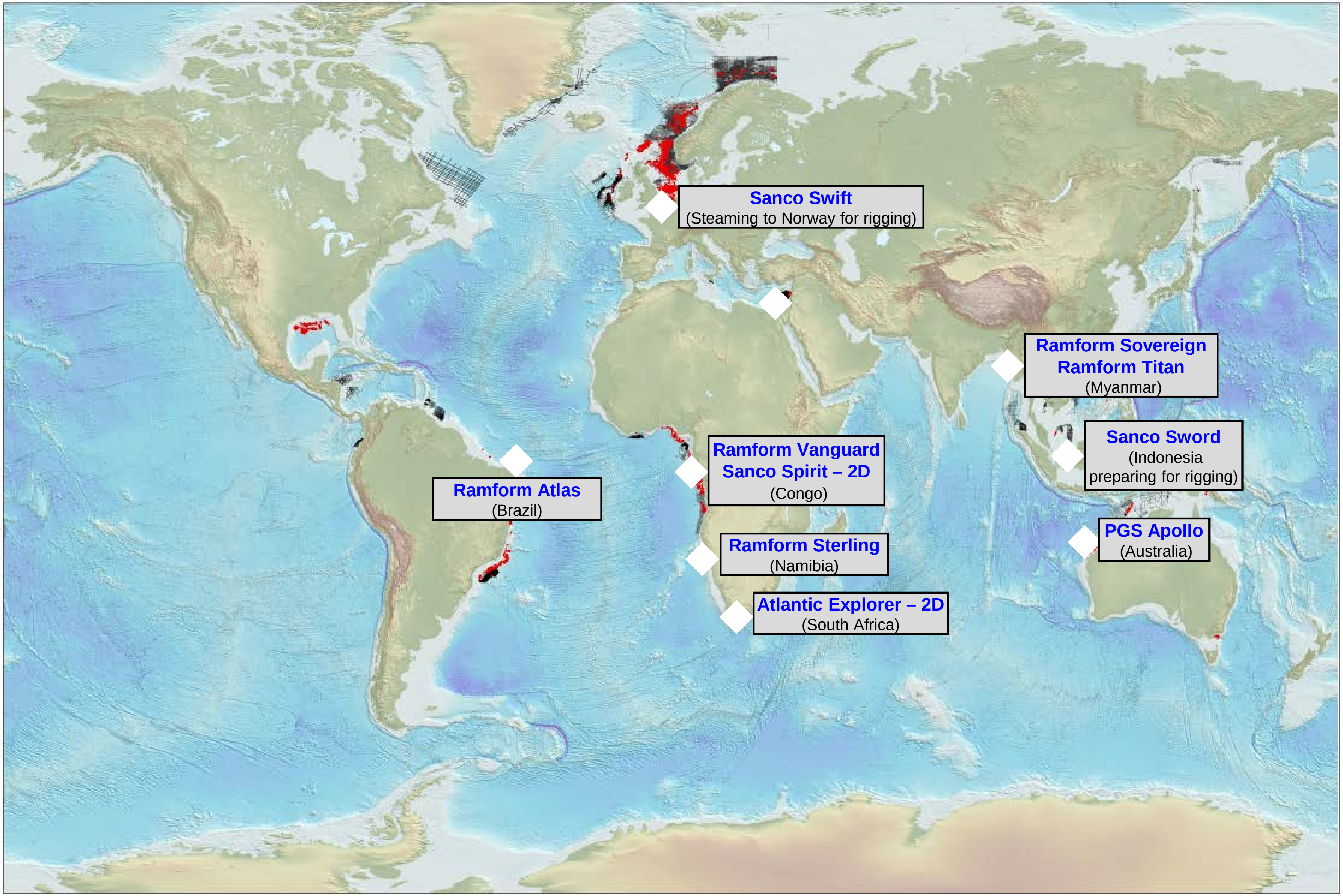
Unaudited Fourth Quarter and Preliminary Full Year 2015 Results

Strategy for Taking the Lead:
Competitively Positioned in a Challenging Market

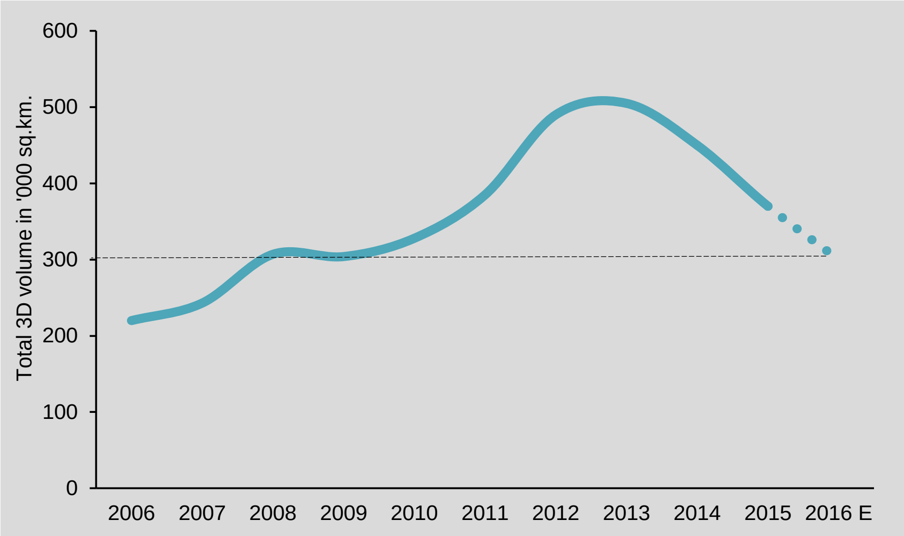
- Proactive financial management creates cyclical robustness
- Solid MultiClient performance reduces earnings volatility
- Conservative pre-funding requirements protect cash flow
  - Lower late sales risk
  - Reduce library build-ups and exposure
- New-builds fully funded
- Lowest cash cost is a winning formula (delivering market share leadership)
  - Invest for 25 years use of vessels
  - Focus on maximizing value over life of vessel
  - Improving fleet flexibility by blending in competitive chartered capacity
- Technology leadership creates differentiation and downside protection
- Continuous cost focus
- Focus on core business
- Avoid capital commitments that cannot withstand a downturn

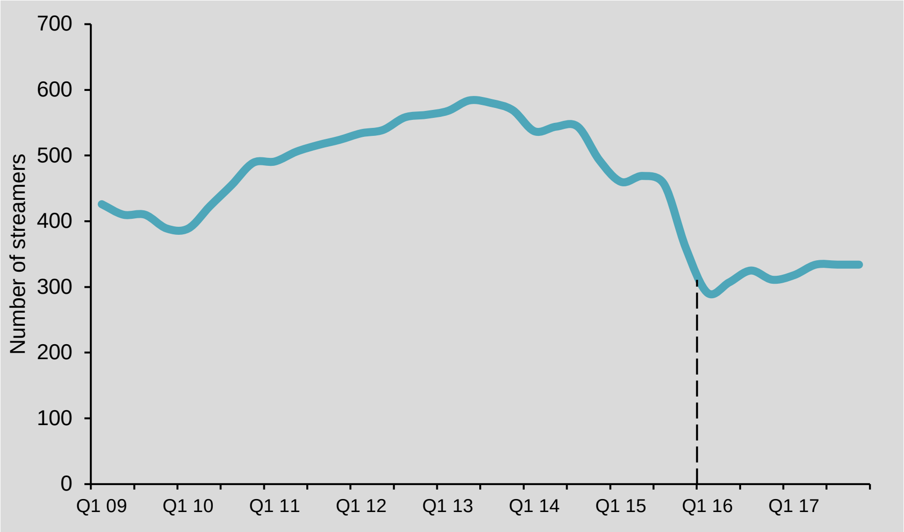
Competitively positioned to navigate current market environment

Streamer Operations February 2016



Marine Seismic Market Perspectives



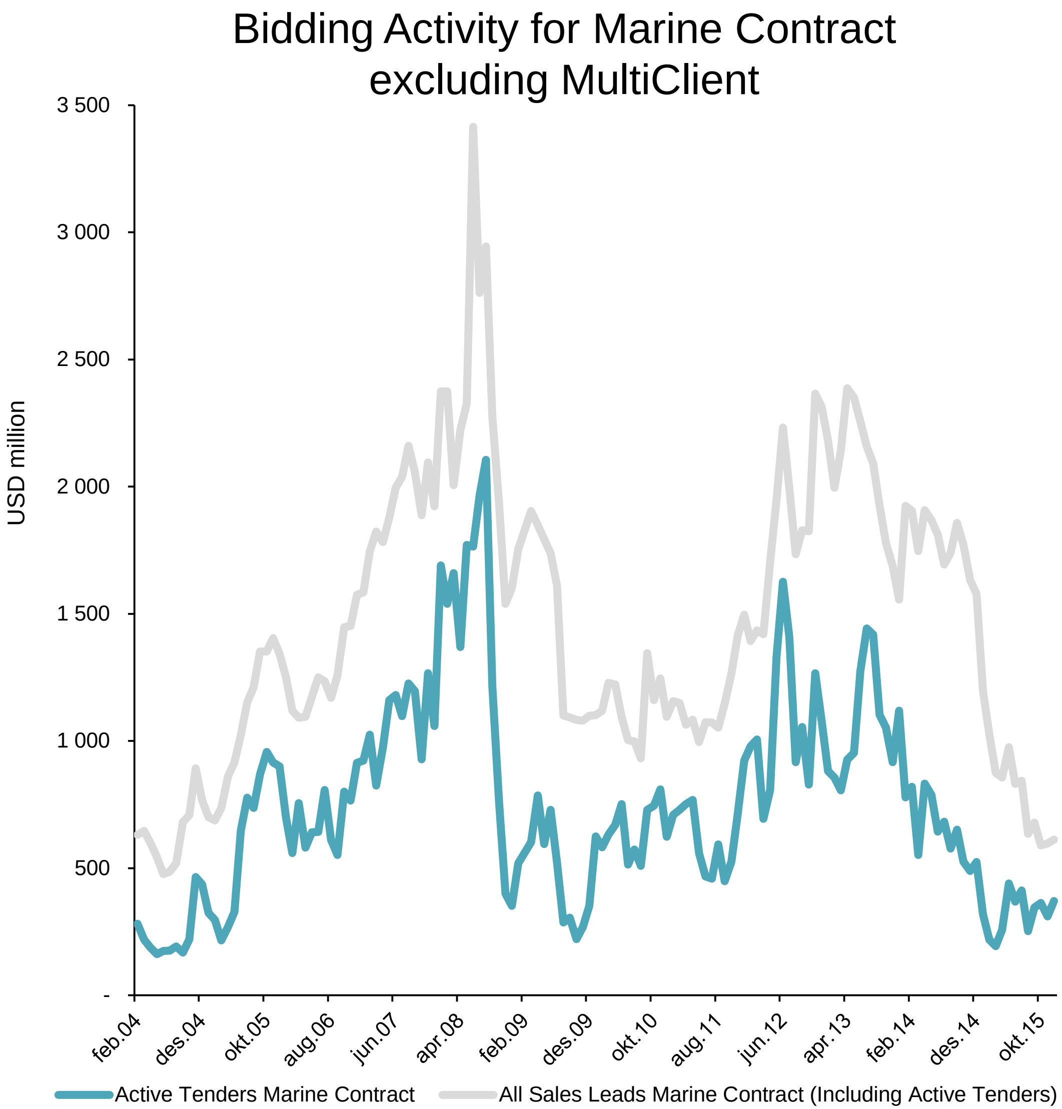


- Sustained oil price weakness and cautious spending pattern among oil companies continue to impact seismic demand
  - Seismic spending expected to be reduced further in 2016 compared to 2015
  - Low visibility in all regions
- Streamer capacity is approximately 50% lower than at the 2013 peak – positive for supply/demand balance
- The weak market is expected to continue through 2016

PGS response – sales focus, cost reduction, cash and capacity management

Source of both graphs: PGS internal estimates.

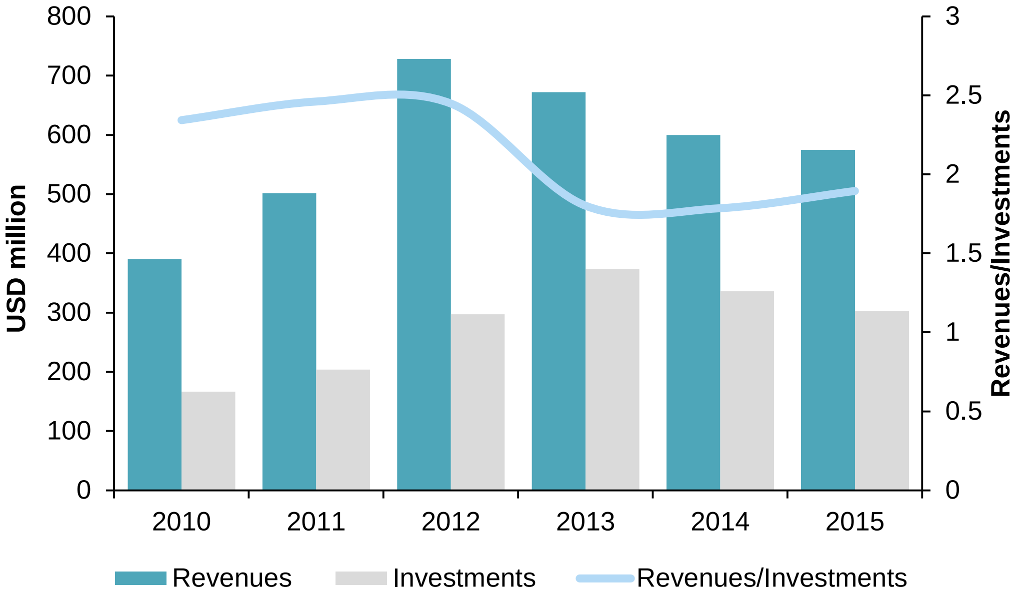
Market Activity

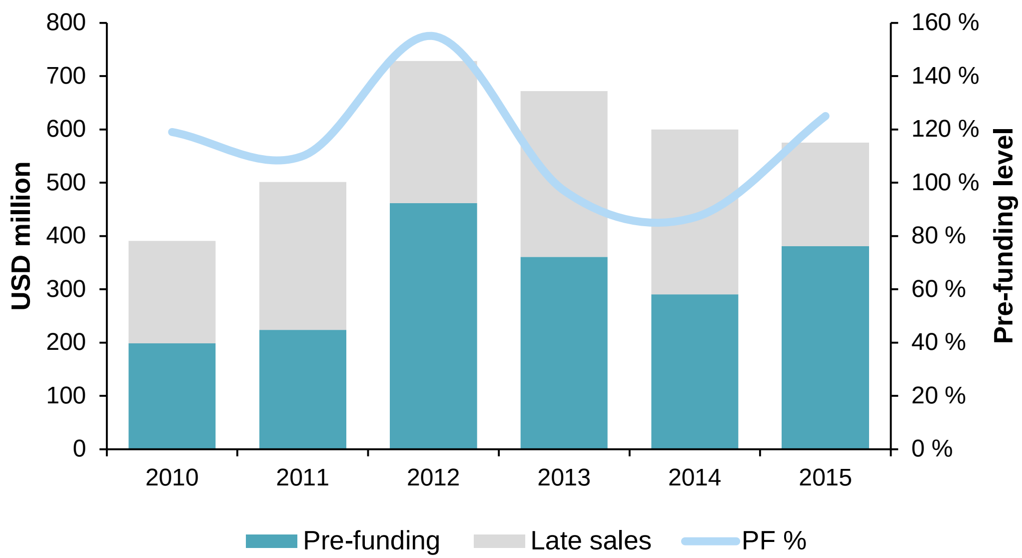


- Seismic demand primarily driven by:
  - Positioning for strategically important license rounds
  - Seismic commitments in E&P licenses
  - Some opportunistic spending
  - Production seismic
- Best contract opportunities are currently in South America and Africa
  - Emerging opportunities in Europe for the summer season

Source: PGS internal estimate as of end December 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.

Solid and Stable MultiClient Performance

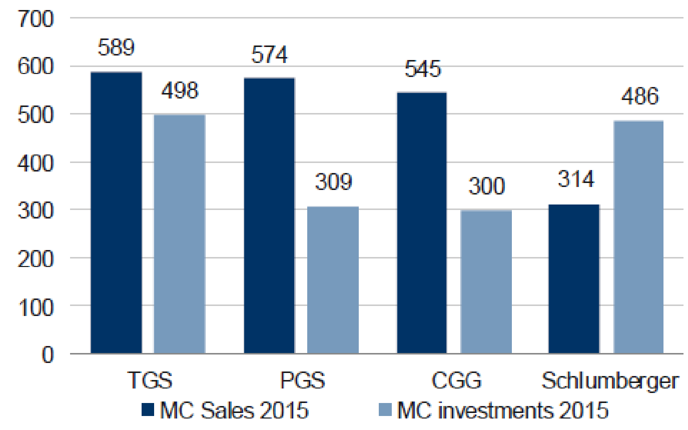




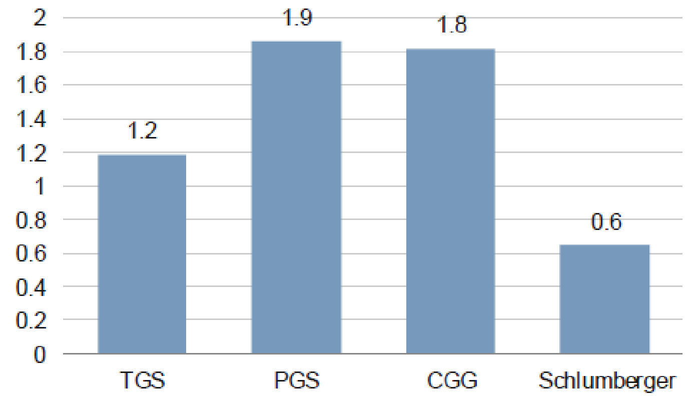
- Stable Revenue/Investment ratios maintained over the past three years
- Declining investment level primarily due to cost reductions
- Healthy pre-funding secures cash generation

Nordea Markets:
"PGS has delivered best among its peers in 2015 with a MC ratio of 1.9x"

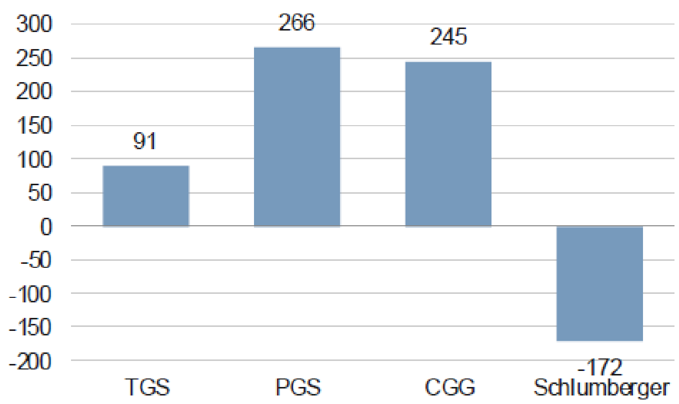
MC sales and investments in 2015 per company



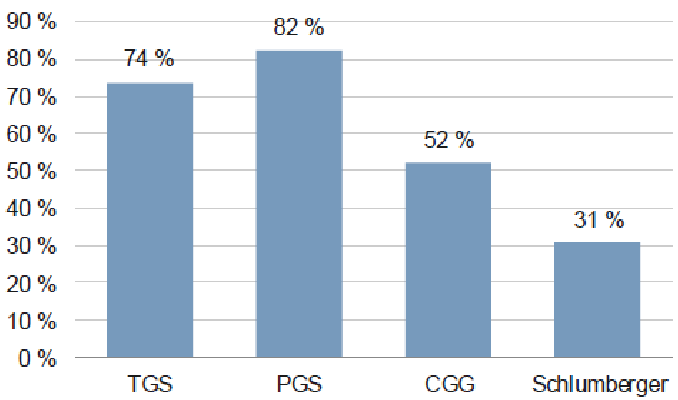
MC ratio 2015 (sales divided by investments)



MC free cash flow (MC sales minus MC investments)



MC book ratio (MC sales divided by MC book value)



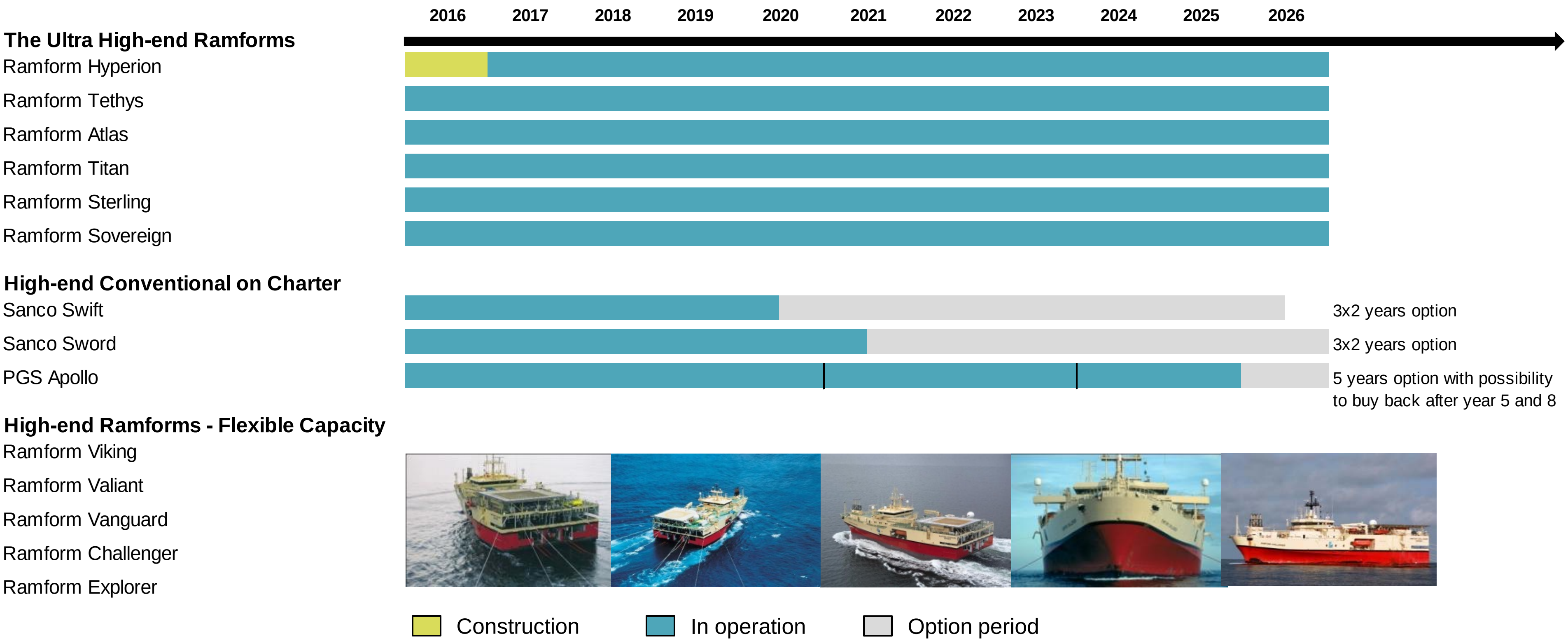
Source: Company data and Nordea Markets

The World's Largest Streamer Spread – by Ramform Titan

- Deployed the world's largest spread offshore Myanmar in December 2015
  - 18 streamers x 7.05 kilometers length with 100 meter separation
- 127 kilometers of streamers in the water
- Daily production so far up to 175 sq.km
- Excellent production since deployment
- Benefits of Ramform Titan-class vessels:
  - Productivity, safety, stability and redundancy
  - High streamer count gives both good data quality through dense X-line sampling and cost efficient acquisition through wide tows

Significantly more streamers in the water than any competitor

Chartered Conventional Capacity Improves Fleet Flexibility



- Combination of chartered high capacity conventional 3D vessels and temporarily cold-stacked first generations Ramform vessels improves fleet flexibility, gives a competitive edge in the current market and positions PGS well to take advantage of a market recovery

- The first generation Ramform vessels are very well maintained, very competitive and likely to have a useful life throughout another up cycle

2016 Guidance

- **Group cash cost of approximately USD 725 million**
  - Of which approximately USD 250 million to be capitalized as MultiClient cash investments
- **MultiClient cash investments of approximately USD 250 million**
  - Pre-funding level of approximately 100%
  - Approximately 50% of active vessel time planned for MultiClient
- **Capital expenditures of approximately USD 250 million**
  - Of which new build capex of approximately USD 180 million

In Conclusion:
Proactive Management in an Uncertain Market

- Best in class MultiClient sales performance
- Improving fleet flexibility and productivity
- Priority given to cash flow and maintaining solid liquidity reserve
- Proactively addressing short-term overcapacity and improving PGS' long-term fleet flexibility
- Focus on sales, cost reduction, cash and capacity management

Competitively positioned to navigate current market environment

Thank you – Questions?

Appendix

Active vessels = Ultra High-end Ramforms and High-End Conventional Vessels

The Ultra High-end Ramforms

Ramform Titan

Ramform Atlas

Ramform Tethys
Scheduled delivery Q1 2016

Ramform Hyperion
Scheduled delivery Q1 2017

Ramform Sterling

Ramform Sovereign

High-end Conventional on Charter

PGS Apollo

Sanco Swift
Delivery Q1 2016

Sanco Sword
Delivery Q1 2016

2D/EM/Source

Sanco Spirit

Atlantic Explorer

High-end Ramforms – Flexible Capacity

Ramform Explorer
(cold stacked Q3 2015)

Ramform Challenger
(cold stacked Q4 2015)

Ramform Valiant
(cold stacked Q4 2015)

Ramform Viking
(cold stacked Q4 2015)

Ramform Vanguard
(planned cold stacking Q4 2016)

All vessels equipped with GeoStreamer,
3.5 years average vessel age of active vessels

Appendix
Main Yard Stays* Next 12 Months

Vessel	When	Expected Duration	Type of Yard Stay
Atlantic Explorer	April / November 2016	Approximately 8 days in total	Intermediate class
Ramform Titan	June 2016	Approximately 3 days during transit or portcall	Intermediate class

*Yard stays are subject to changes.