Unaudited First Quarter 2014 Results

Oslo, May 9, 2014

Picture: Edgard Escalona

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 first quarter 2014 results and the disclosures therein

Soft Quarter as Guided – Strong Cash Flow

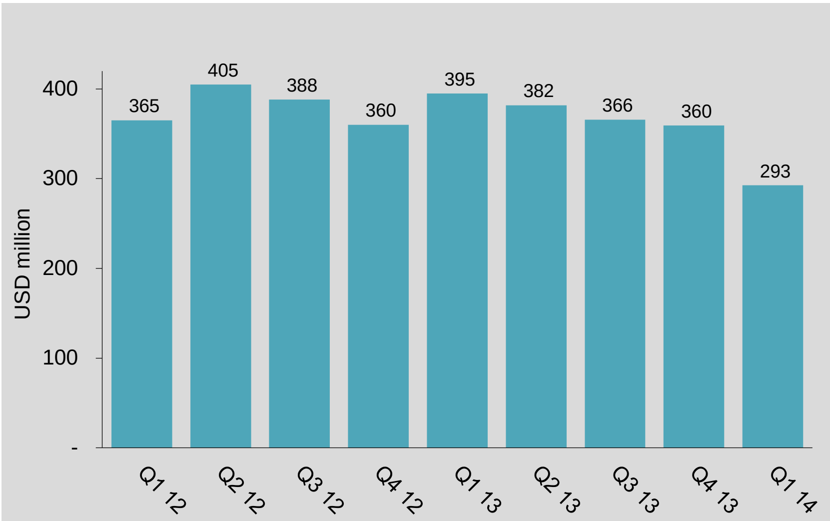
- Q1 2014 was negatively impacted by:
  - High MultiClient allocation combined with a lower than average MultiClient pre-funding level
  - Seasonally lower pricing in the marine contract market
  - High proportion of steaming and yard time
- Financial performance:
  - EBIT of USD 45.2 million. A margin of 15%
  - Strong cash flow from operations of USD 182.1 million
- *Ramform Atlas* delivered and *Ramform Sovereign* upgraded to GeoStreamer
- Solid funding position:
  - Amended and extended Term Loan B
  - Established Japanese export credit financing for the two last Ramform Titan-class vessels

Full Year 2014 Guidance Reiterated

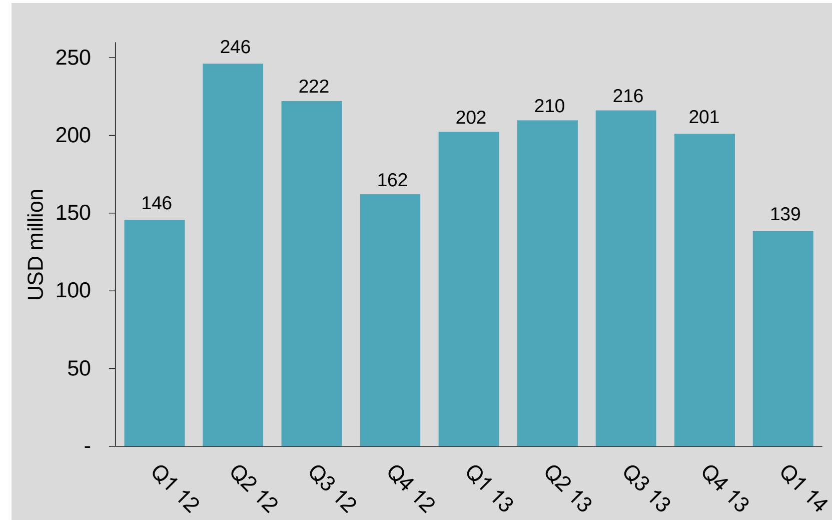
Financial Summary

PGS

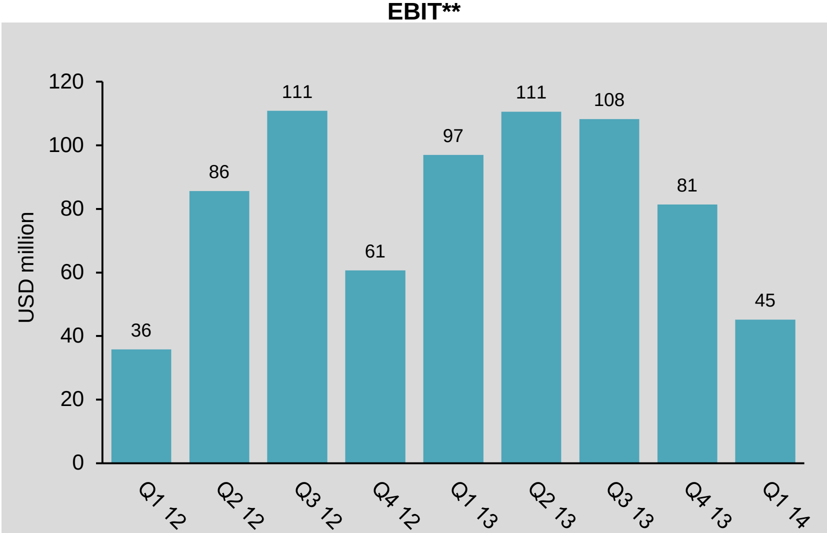
Revenues



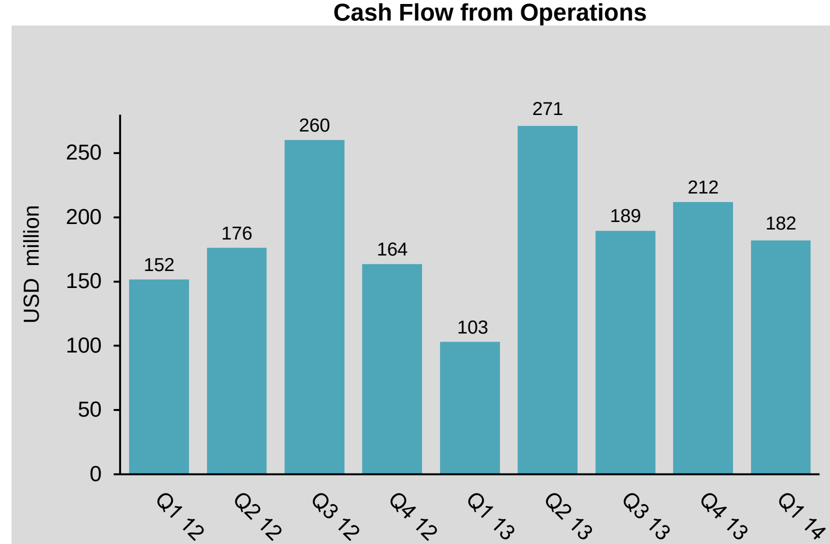
EBITDA*



EBIT**

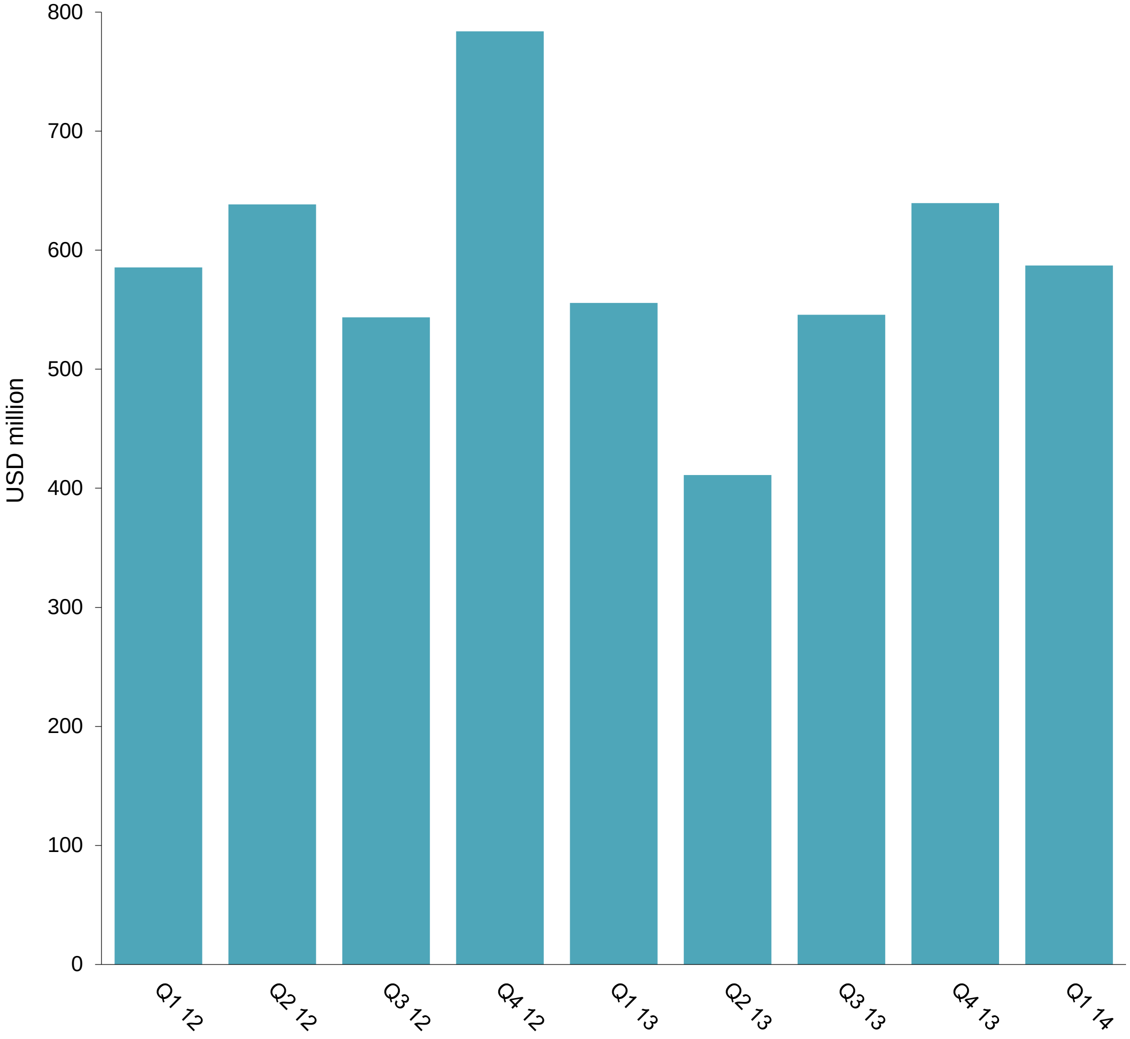


Cash Flow from Operations



*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.

Strong Order Book – Focus on Price Optimization



- Order book of USD 610 million by the end of Q1 2014
- Vessel booking*
  - ~100% booked for Q2 2014
  - ~85% booked for Q3 2014
  - ~30% booked for Q4 2014
  - ~10% booked for Q1 2015

Close to 80% of 2014 capacity booked

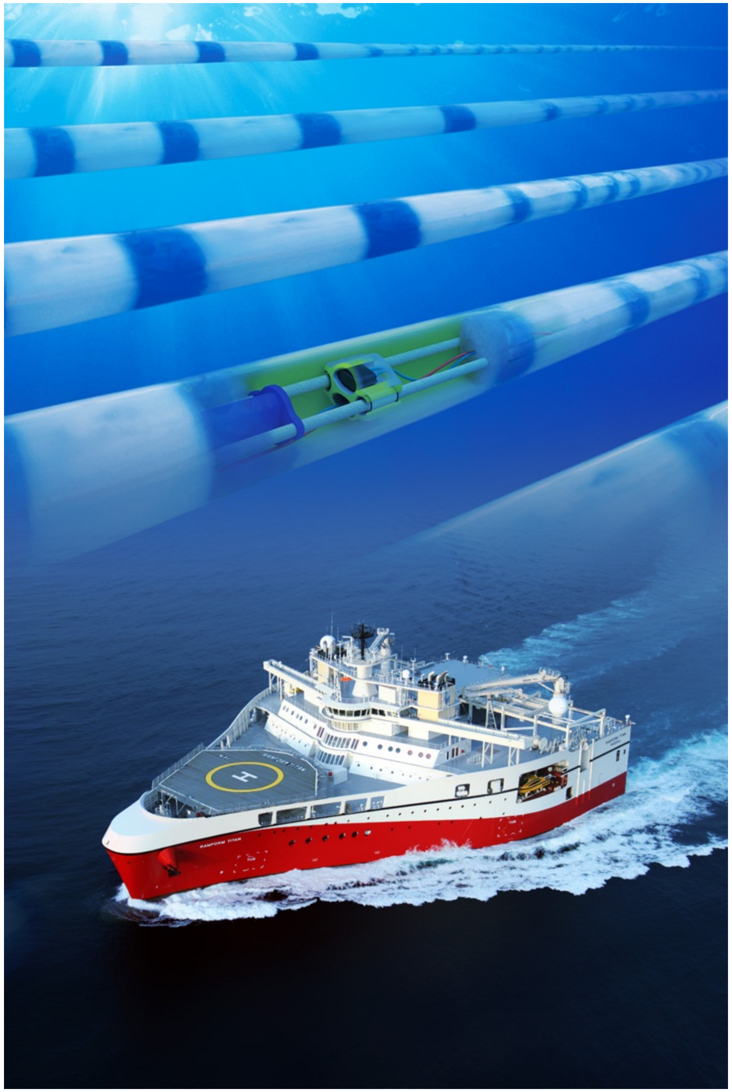
*As of April 15, 2014

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

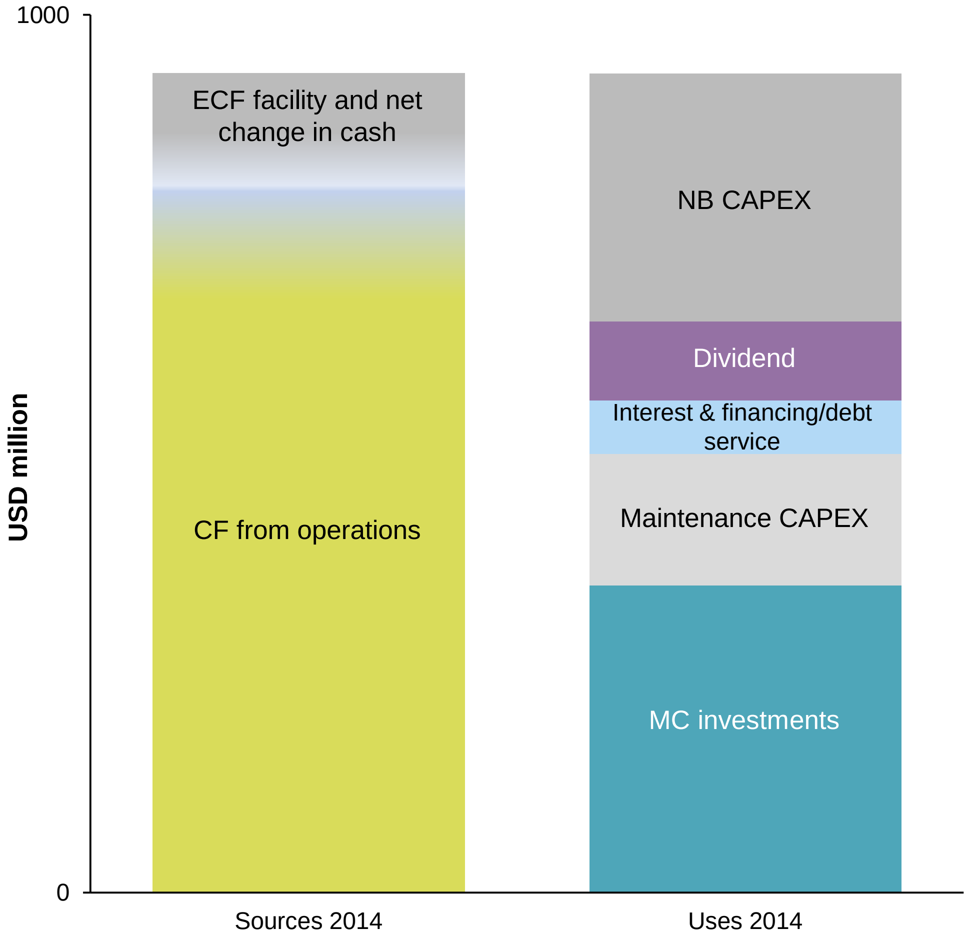
2016 and Beyond:
Becoming Fully Industrialized



- 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

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

Financials

Unaudited First Quarter 2014 Results

Condensed Consolidated Statement of Operations Summary

	Q1	Q1		Full year
USD million (except per share data)	2014	2013	% change	2013
Revenues	292.5	394.8	-26 %	1501.6
EBITDA*	138.5	202.3	-32 %	828.9
Operating profit (EBIT) ex impairment charges	45.2	96.8	-53 %	397.1
Operating profit (EBIT)	45.2	96.8	-53 %	382.1
Net financial items	(32.5)	(8.9)	-265 %	(54.2)
Income (loss) before income tax expense	12.7	87.9	-86 %	327.9
Income tax expense (benefit)	8.1	25.4	-68 %	89.6
Net income to equity holders	4.6	62.5	-93 %	238.3
EPS basic	$0.02	$0.29	-93 %	$1.11
EBITDA margin*	47.4 %	51.2 %		55.2 %
EBIT margin	15.5 %	24.5 %		25.4 %

- **Operational items impacting Q1 2014 results:**
  - High MultiClient allocation combined with a lower than average MultiClient pre-funding level
  - Seasonally lower pricing in the marine contract market
  - High proportion of steaming and yard time

*EBITDA, when used by the Company, means EBIT less other operating (income) expense, impairments 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 first quarter 2014 results, released on May 9, 2014.

Condensed Consolidated Statement of Operations Summary

USD million (except per share data)	Q1 2014	Q1 2013	% change	Full year 2013
Revenues	292.5	394.8	-26 %	1501.6
EBITDA*	138.5	202.3	-32 %	828.9
Operating profit (EBIT) ex impairment charges	45.2	96.8	-53 %	397.1
Operating profit (EBIT)	45.2	96.8	-53 %	382.1
Net financial items	(32.5)	(8.9)	-265 %	(54.2)
Income (loss) before income tax expense	12.7	87.9	-86 %	327.9
Income tax expense (benefit)	8.1	25.4	-68 %	89.6
Net income to equity holders	4.6	62.5	-93 %	238.3
EPS basic	$0.02	$0.29	-93 %	$1.11
EBITDA margin*	47.4 %	51.2 %		55.2 %
EBIT margin	15.5 %	24.5 %		25.4 %

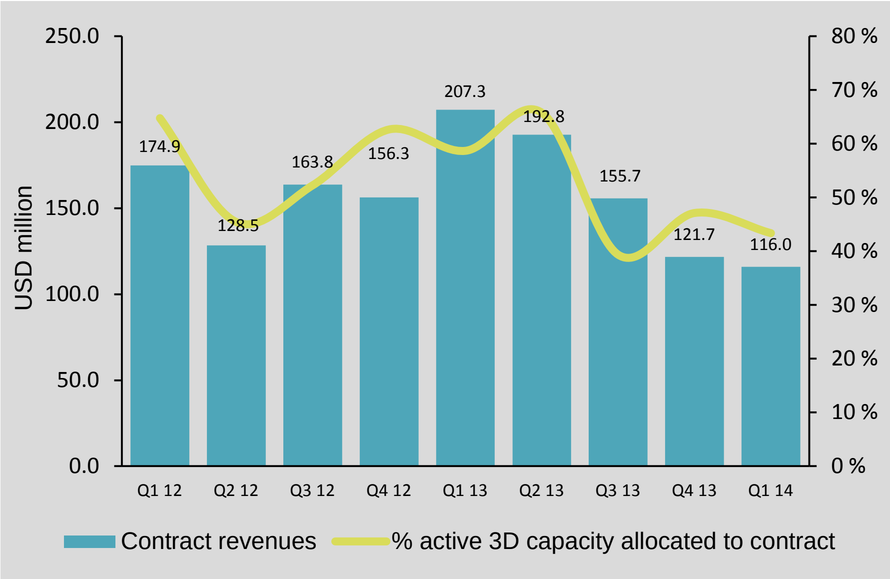
- **Financial/tax items impacting Q1 results:**
  - USD 15.6 million loss from associated companies
    - Driven by exploration costs charged to expense relating to Azimuth Ltd. (45% PGS ownership) and impairments
  - USD 8.8 million fair value adjustment of interest rate hedges and cost related to Term Loan B refinancing
  - High reported tax rate
    - No tax effect of reported loss from associated companies
    - USD 2.2 million of various adjustments, mainly to deferred tax assets
    - Higher relative impact of revenue based taxes

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

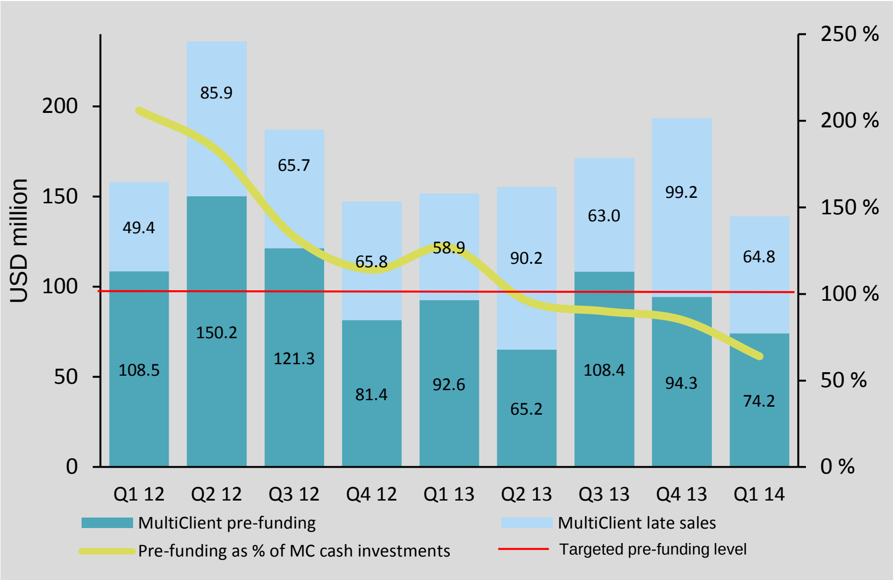
The accompanying unaudited financial information has been prepared under IFRS. This information should be read in conjunction with the unaudited first quarter 2014 results, released on May 9, 2014.

Q1 2014 Highlights

Contract revenues



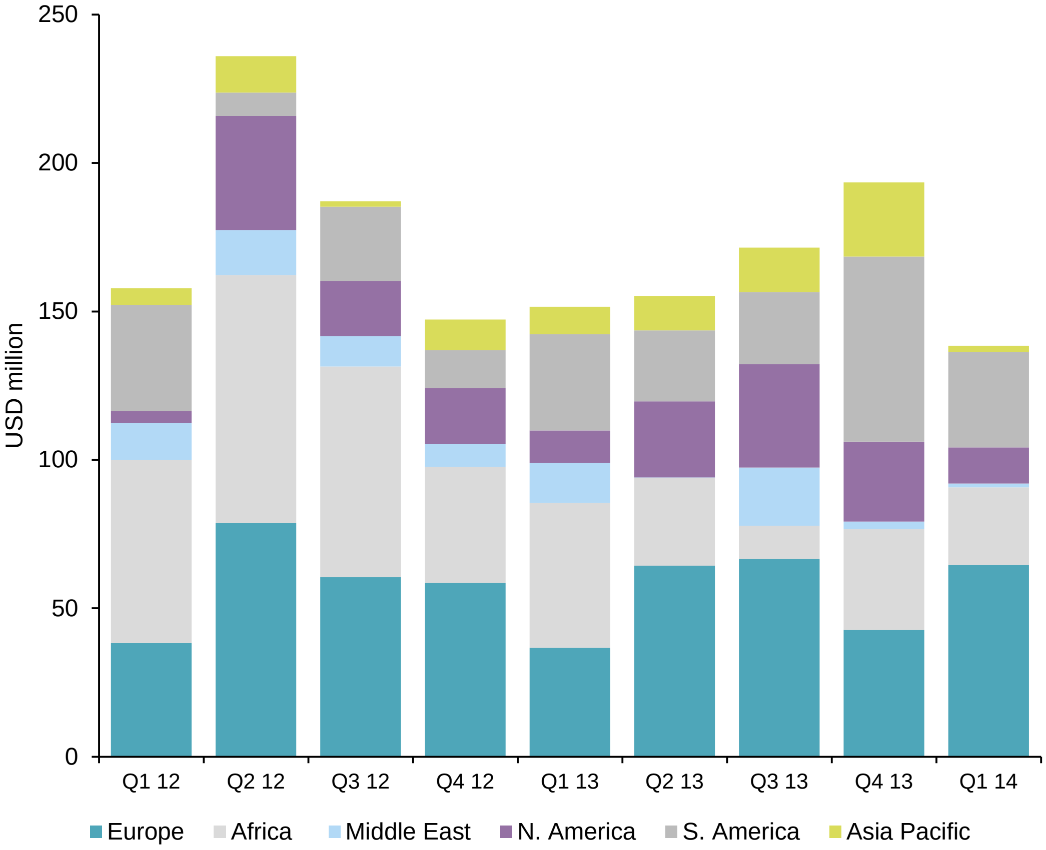
MultiClient revenues



- Marine Contract revenues of USD 116.0 million, with an EBIT margin of 15%
- Total MultiClient revenues of USD 139.0 million
  - Pre-funding level of 64% in Q1 2014 due to a higher share of MultiClient activity in Gulf of Mexico
  - Approximately 100% pre-funding level expected for the full year 2014, driven by pre-funding above 100% in 2H
- Record Q1 Imaging revenues of USD 28.0 million driven by high-end GeoStreamer and depth processing

MultiClient Revenues per Region

Pre-funding and Late Sales Revenues Combined



- Pre-funding revenues were highest in Europe, South America and Africa
- Strong late sales in Europe and South America

47% of 3D vessel capacity allocated to MultiClient in Q1 2014

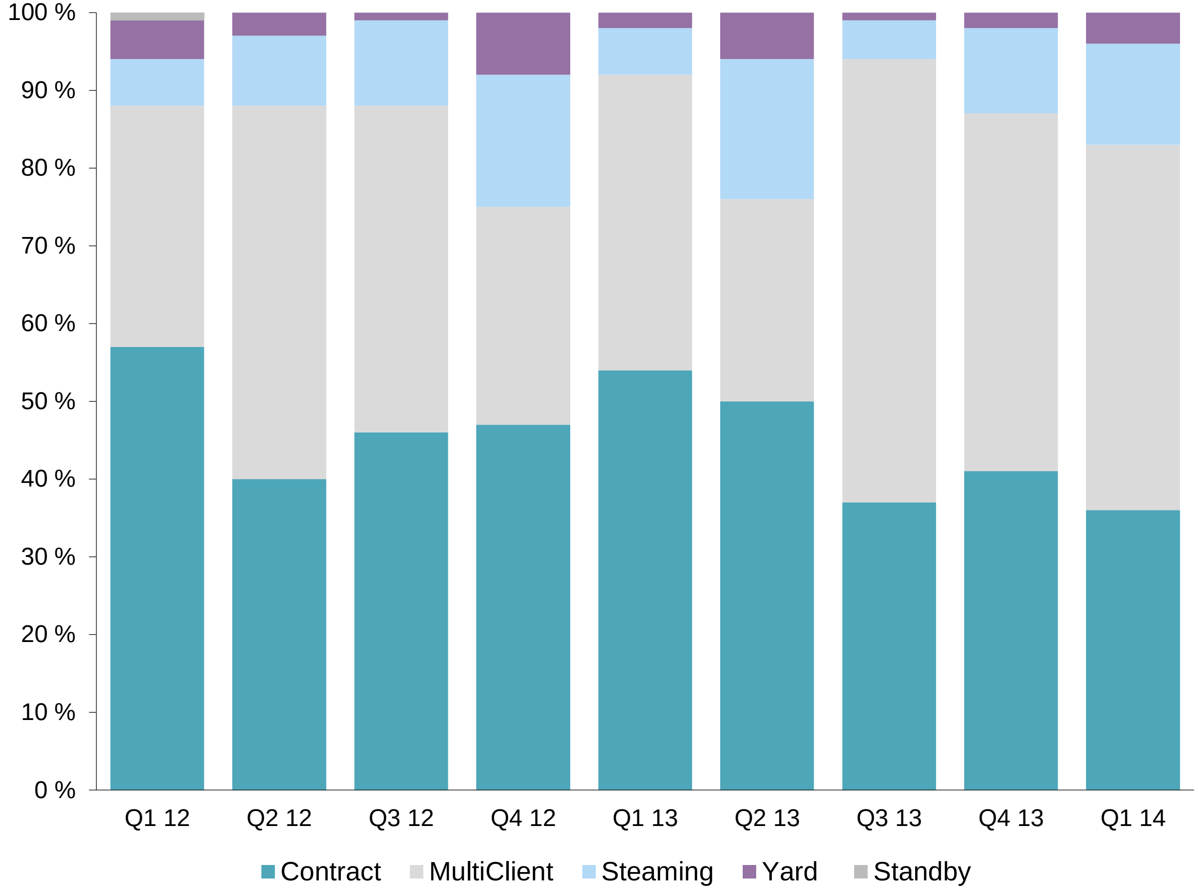
Key Operational Numbers

	2014	2013			
USD million	Q1	Q4	Q3	Q2	Q1
Contract revenues	116.0	121.7	155.7	192.8	207.3
MultiClient Pre-funding	74.2	94.3	108.4	65.2	92.6
MultiClient Late sales	64.8	99.2	63.0	90.2	58.9
Imaging	28.0	32.6	34.3	28.8	27.1
Other	9.5	11.7	4.2	4.7	8.9
Total Revenues	**292.5**	**359.5**	**365.6**	**381.7**	**394.8**
Operating cost	(154.0)	(158.5)	(149.6)	(172.1)	(192.5)
EBITDA*	**138.5**	**201.0**	**216.0**	**209.6**	**202.3**
Other operating income	0.2	0.2	0.2	0.2	0.2
Impairment of long-term assets		(15.0)			
Depreciation	(29.8)	(27.2)	(27.2)	(38.8)	(37.5)
MultiClient amortization	(63.7)	(92.6)	(80.7)	(60.4)	(68.2)
EBIT	**45.2**	**66.4**	**108.3**	**110.6**	**96.8**
CAPEX, whether paid or not	(131.9)	(73.3)	(93.2)	(199.9)	(71.4)
Cash investment in MultiClient	(116.2)	(111.0)	(120.9)	(68.1)	(72.9)
Order book	**610**	**669**	**579**	**446**	**592**

**EBITDA, when used by the Company, means EBIT less other operating (income) expense, impairments 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 first quarter 2014 results released on May 9, 2014.

Vessel Utilization
Seismic Streamer 3D Fleet Activity in Streamer Months



- Approximately 35% of active 3D vessel capacity allocated to MultiClient for the full year 2014
- Approximately 40% of active vessel time will be used for MultiClient in Q2 2014
- Yard stays in Q2 2014 will account for approximately 5-7% of total vessel time

83% active vessel time in Q1 2014

Group Cost* Development

- Cost focus delivers results
- Flat cost development from 2012 levels despite *Ramform Titan* in full operation
- Limited cost impact of *Ramform Atlas* in Q1
- Cost to increase somewhat in coming quarters with corresponding positive impact on revenue generation
- Cost reduction program targeting USD 30 million run rate by end 2014 is on track

Strong cost focus – Satisfactory cost development

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

Consolidated Statements of Cash Flows Summary

USD million	Q1 2014	Q1 2013	Full year 2013
Cash provided by operating activities	182.1	102.7	775.3
Investment in MultiClient library	(116.2)	(72.9)	(373.0)
Capital expenditures	(144.2)	(78.1)	(438.5)
Other investing activities	(5.2)	(8.1)	(49.2)
Financing activities	28.3	(22.3)	(41.1)
Net increase (decr.) in cash and cash equiv.	**(55.2)**	**(78.7)**	**(126.5)**
Cash and cash equiv. at beginning of period	263.8	390.3	390.3
Cash and cash equiv. at end of period	**208.6**	**311.6**	**263.8**

- Strong cash provided by operating activities in Q1
  - Driven by a favorable working capital development
- Q1 capital expenditure primarily relates to the Ramform Titan-class new builds and GeoStreamer upgrade of *Ramform Sovereign*
  - New build capital expenditure of USD 77.0 million in Q1 driven by delivery of *Ramform Atlas*

The accompanying unaudited financial information has been prepared under IFRS. This information should be read in conjunction with the unaudited first quarter 2014 results released May 9, 2014.

Strong Balance Sheet Position - Key Numbers

USD million	March 31 2014	March 31 2013	Full year 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

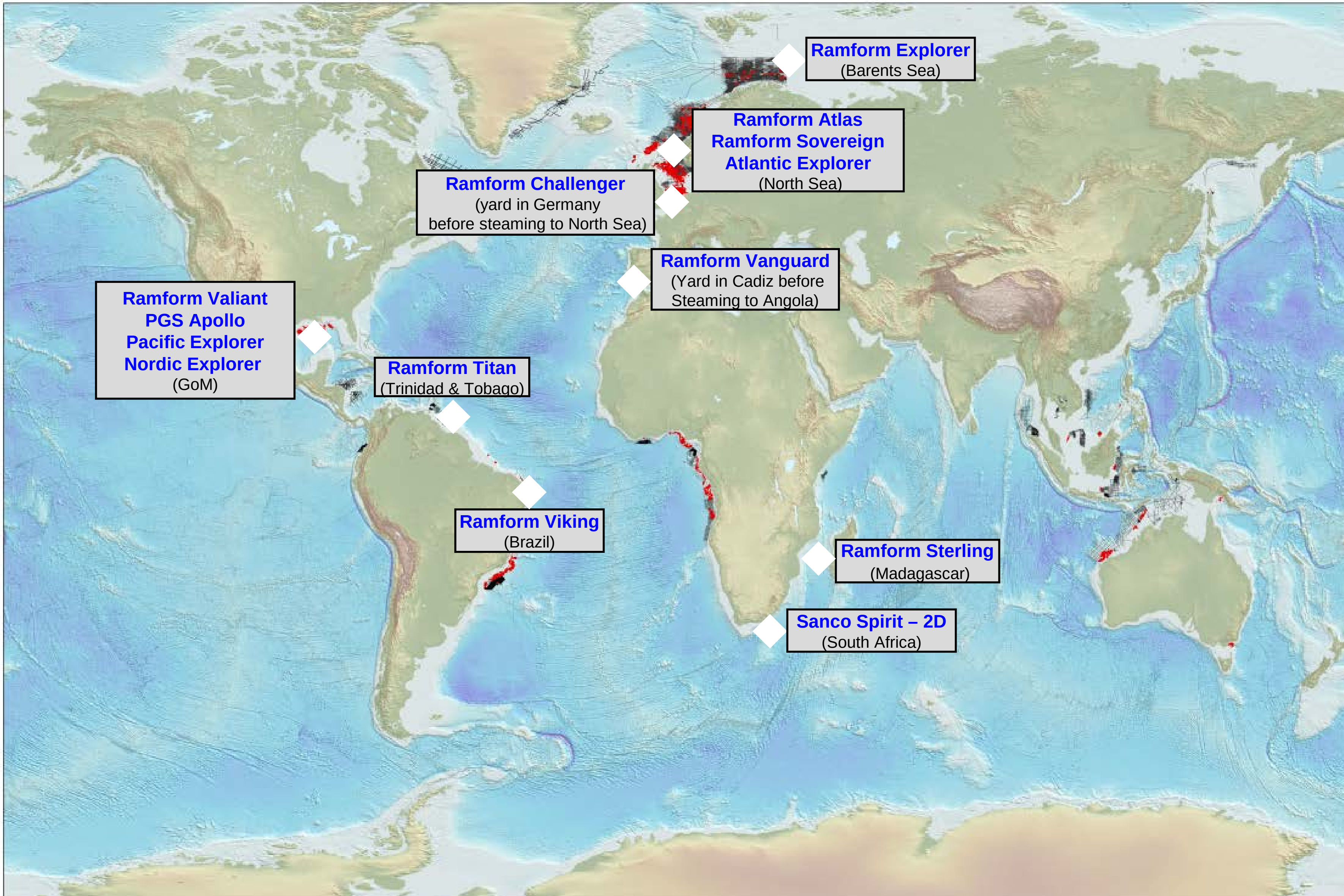
- Debt profile further strengthened, with average remaining time to maturity of debt and committed facilities increased to 5.7 years
  - Term Loan B balance reduced to USD 400 million and maturity extended to 2021 (from USD 470 million maturing in 2015)
  - Established USD 305 million Export Credit Financing 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

The accompanying unaudited financial information has been prepared under IFRS. This information should be read in conjunction with the unaudited first quarter 2014 results released on May 9, 2014.

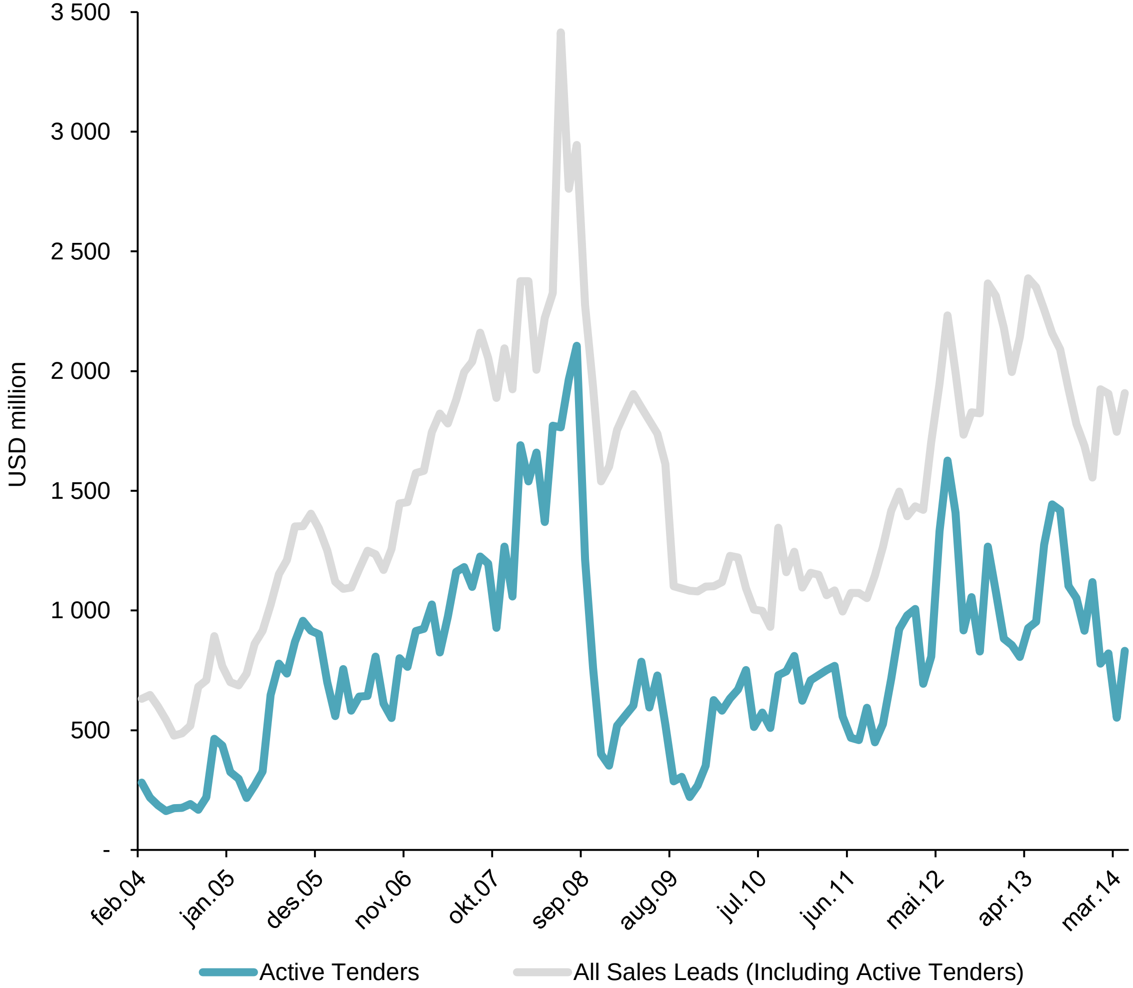
Operational Update and Market Comments

Unaudited First Quarter 2014 Results

Streamer Operations May 2014



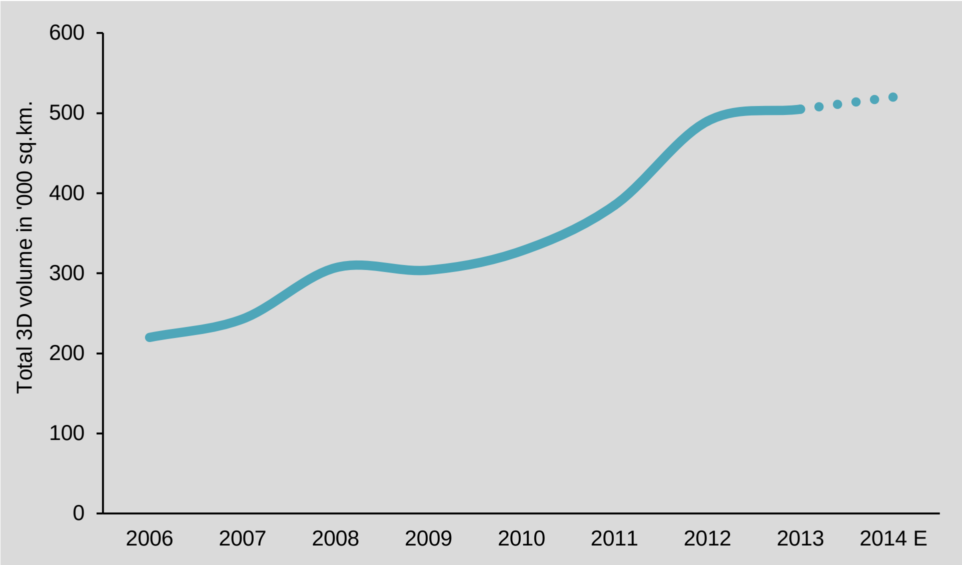
Bidding Activity

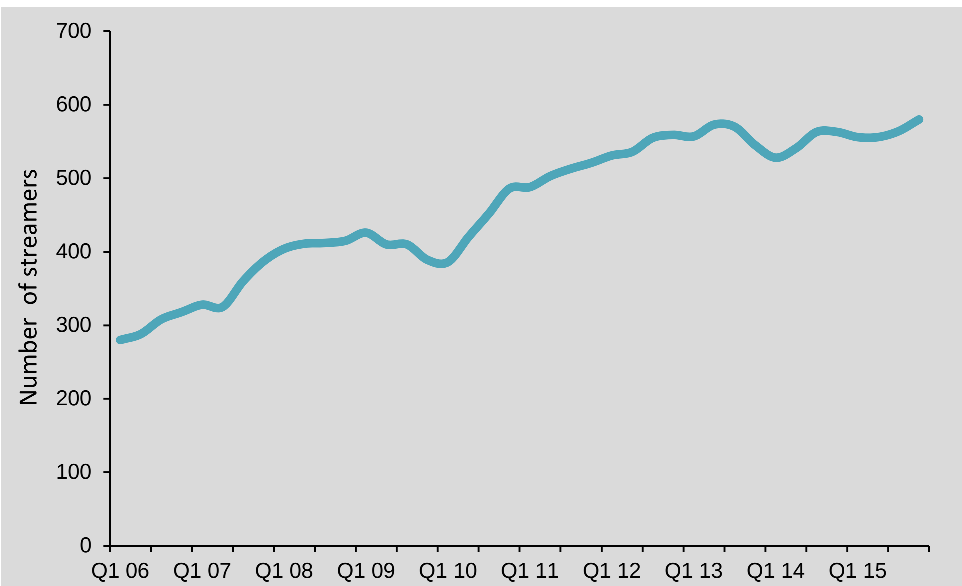


- Decline in Active Tenders and Sales Leads is primarily a seasonal effect post North Sea awards
- Recent uptick gives more confidence in decent bid volumes for winter season bidding
- Industry order book duration significantly increased
- Survey size continues to favor the PGS Ramform fleet

Source: PGS internal estimate as of end April 2014. 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.

Global Supply and Demand Trends



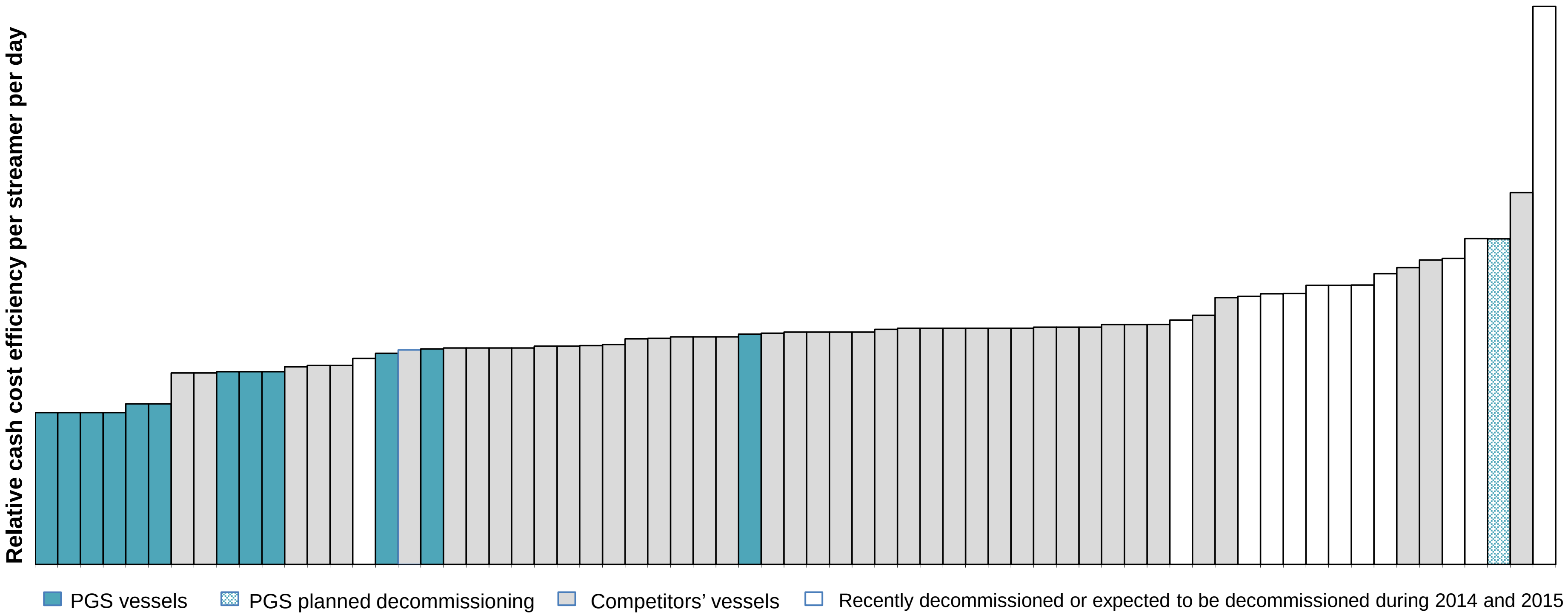


- From 2006 to end 2012 demand for seismic grew by approximately 120% measured in sq.km.
  - Annual average growth rate of 12%
- Growth in sq.km. flattened out from 2012 to 2013 and is expected to grow low single digit in 2014
  - In line with E&P spending
- Modest streamer capacity growth expected

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

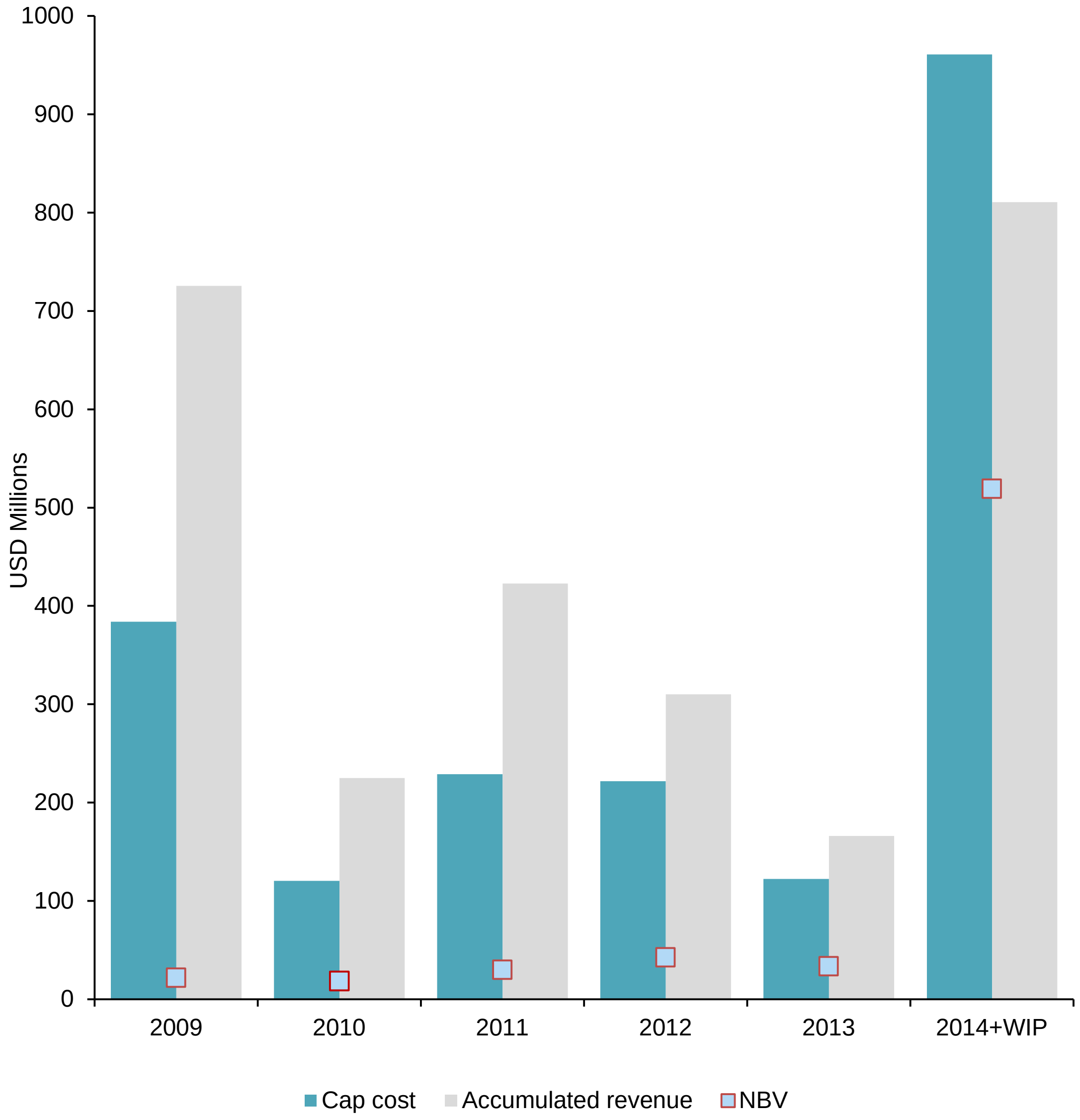


Expected vessel decommissioning reduces streamer capacity by 13%*

* 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

Enhanced illumination and clearer earth model

A clearer image for reduced sub-surface risk

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

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

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

Full Waveform Inversion (**FWI**) combined with **SWIM**

Leading Broadband Technology

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

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
- Some opportunistic seismic spending due to declining rig rates impacts demand positively
- Low single digit demand growth for 2014
- Average 2014 pricing expected slightly below average 2013 level
- Stable current pricing environment
- 80% of 2014 capacity booked

2014 Guidance Reiterated

EBITDA in the range of USD 900-950 million

MultiClient cash investments of approximately USD 350 million

- Pre-funding level of approximately 100%

Capital expenditures of approximately USD 450 million

- Approximately USD 275-300 million are related to the new-build program

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

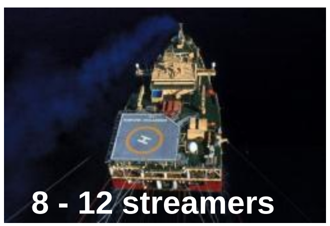
Thank you – Questions?

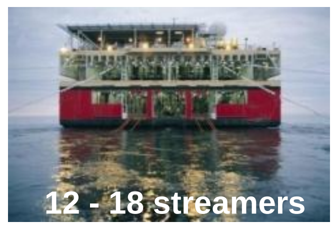
Appendix:
Continuously Ahead of Competition

1992 - 1996 | **1998 - 1999** | **2007 - 2009** | **2012 - 2014**

Competition

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 – 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

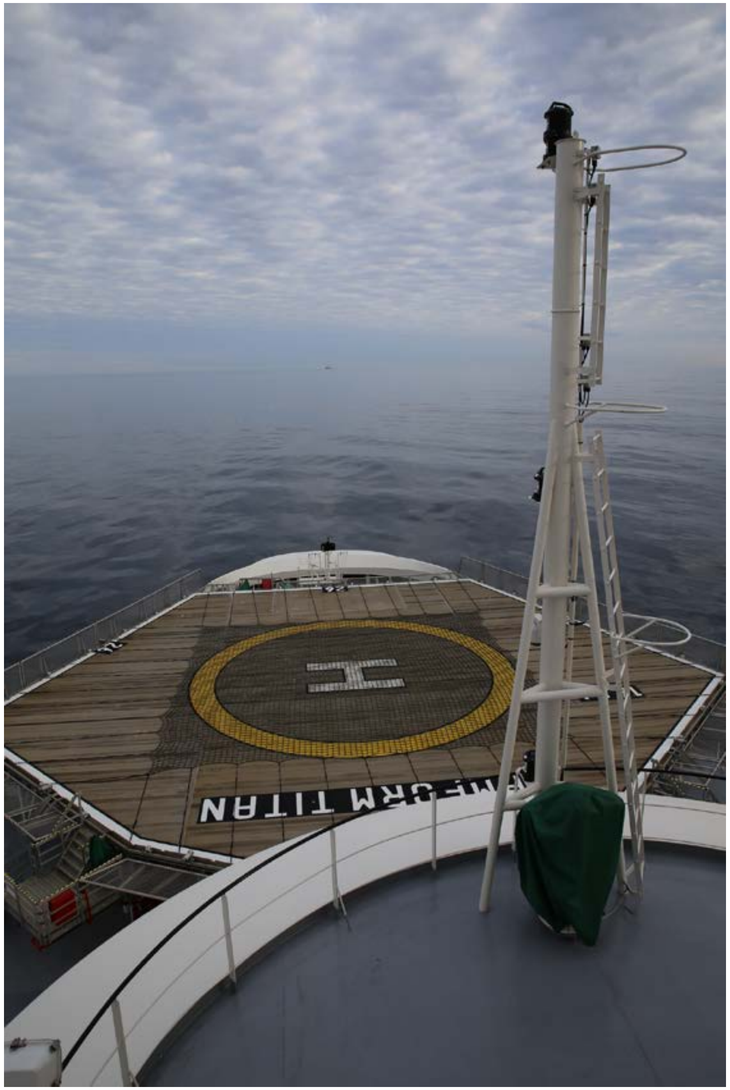
Nordic Explorer

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

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

*Pre tax

Main Yard Stays Next 6 Months

Vessel	When	Expected Duration	Type of Yard Stay
Ramform Vanguard	April 2014	Approximately 23 days	Renewal class
Ramform Challenger	April 2014	Approximately 10 days	Intermediate class
Ramform Sterling	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