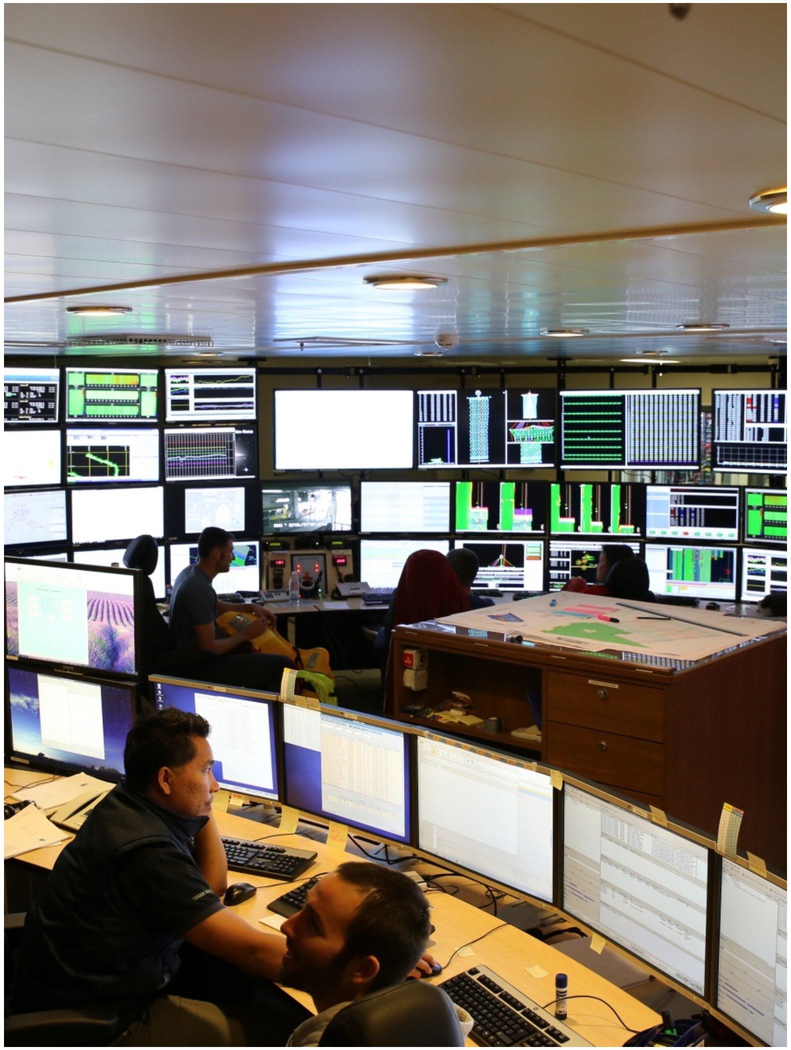
Unaudited Fourth Quarter and Preliminary Full Year 2013 Results

Oslo, February 13, 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 the press release for the fourth quarter and preliminary full year 2013 results and the disclosures therein

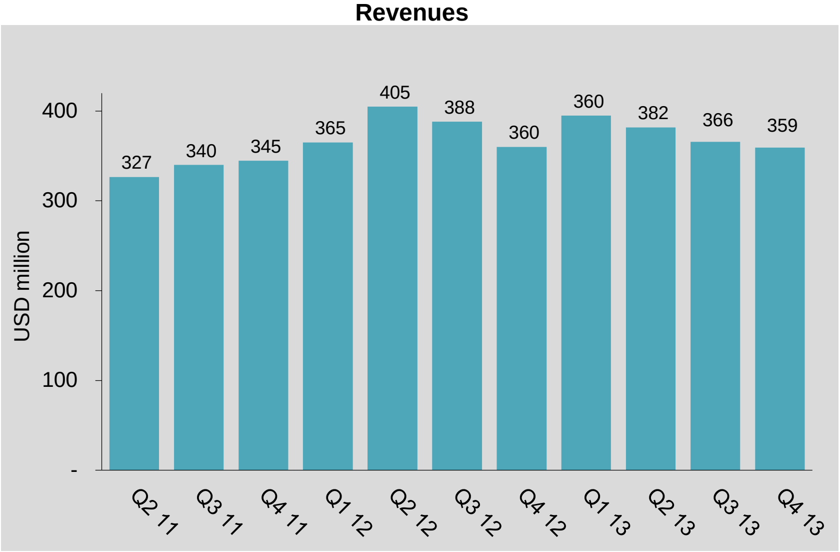
Improved Profitability

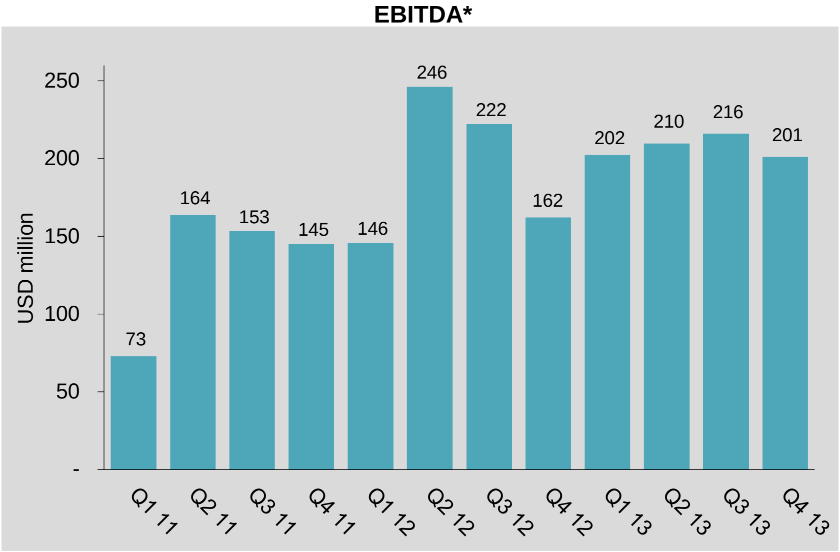


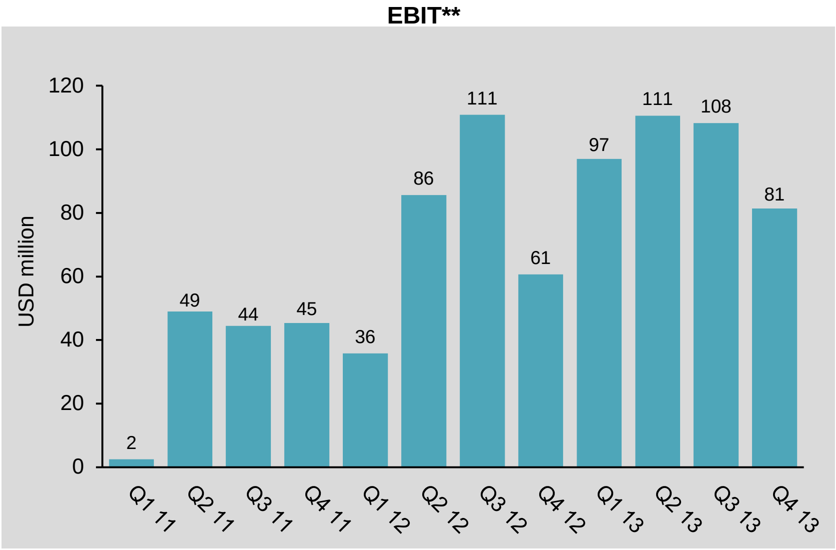
- 2013 financial performance:
  - EBIT of USD 382.1 million. A margin of 25%
  - CF from operations of USD 775.3 million
  - EPS of USD 1.11, up 29% from 2012
  - Record MultiClient late sales revenues
- Successful introduction of the new Ramform Titan–class vessels
- 2014 EBITDA guidance of USD 900-950 million reiterated

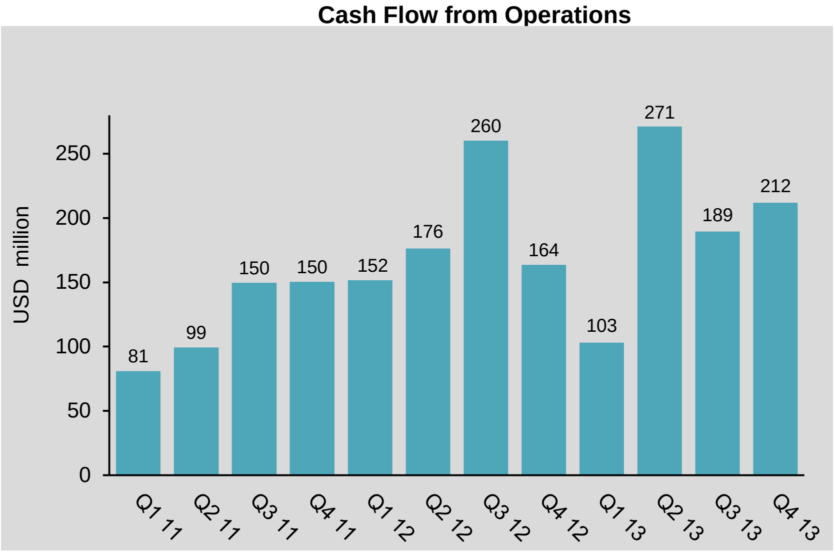
The Board will propose a dividend for 2013 of NOK 2.30 per share – up 39%

Financial Summary



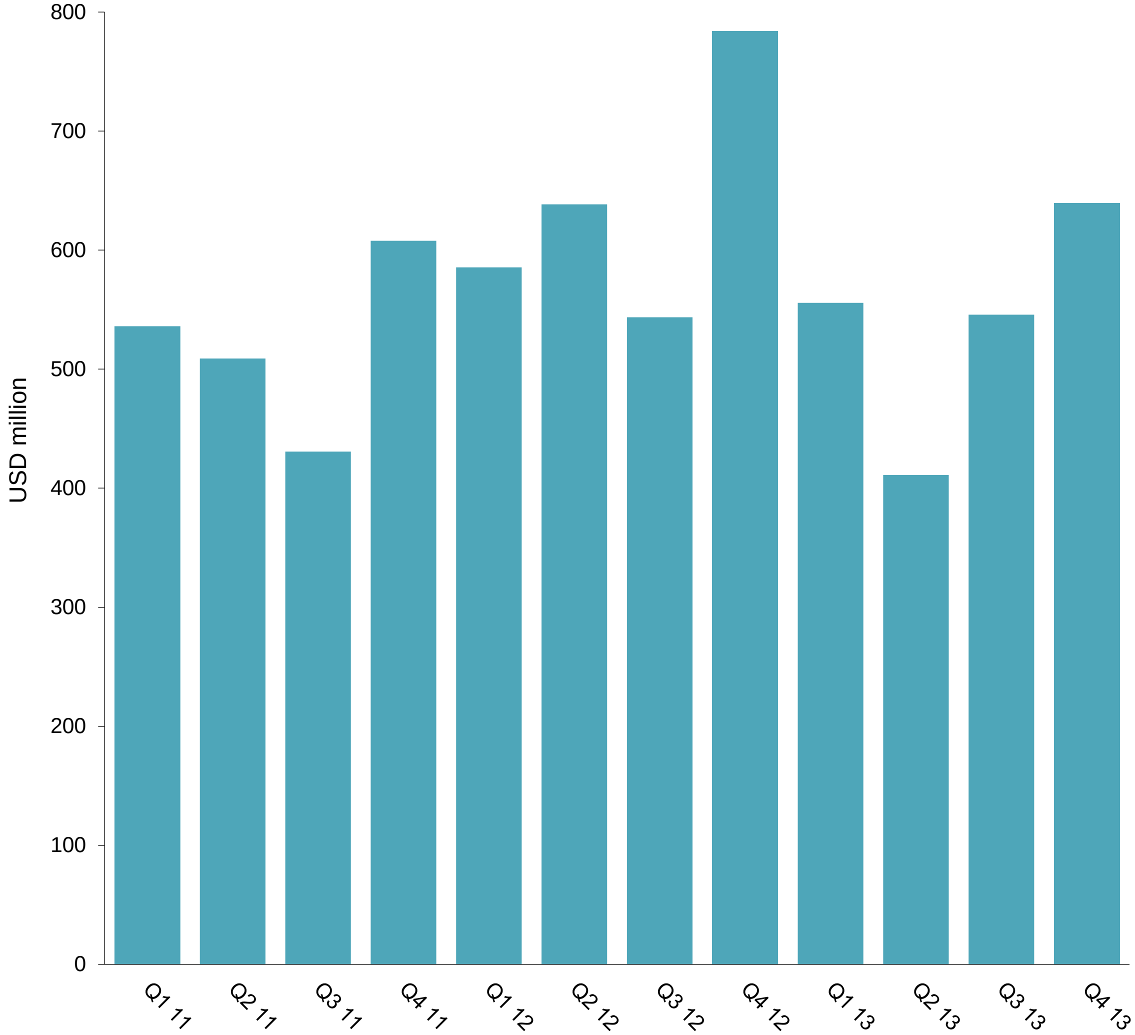






*EBITDA, when used by the Company, means EBIT less other operating (income) expense, impairments of long-term assets and depreciation and amortization.
**Excluding impairments of USD 15 million in Q4 2013, USD 0.1 million in Q4 2012, USD 2.6 million in Q4 2011 and reversal of impairment of USD 0.9 million in Q2 2012.

Strong Order Book



- Order book of USD 669 million by the end of Q4 2013
- Vessel booking*
  - ~100% booked for Q1 2014
  - ~90% booked for Q2 2014
  - ~65% booked for Q3 2014
  - ~20% booked for Q4 2014

Close to 70% of capacity booked for 2014

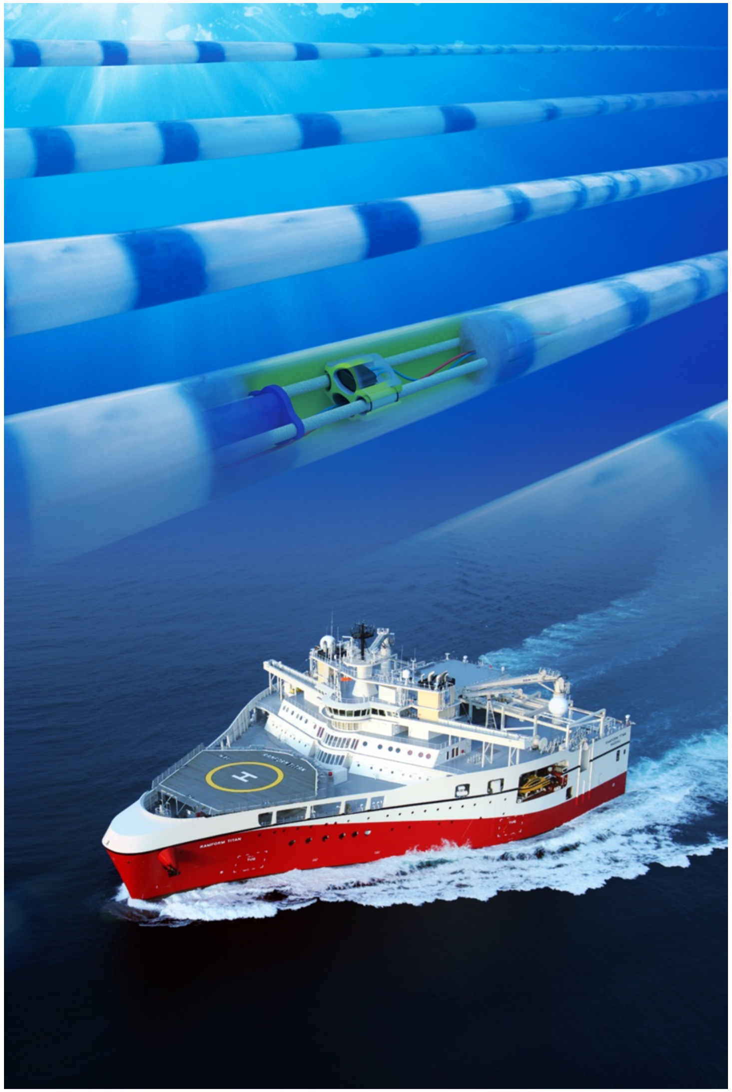
*As of February 4, 2014

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 streamer 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% (assuming certain retirements in rest of period)
- 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 increase of financial robustness and initiation of dividend payments

Increased productivity and technological differentiation

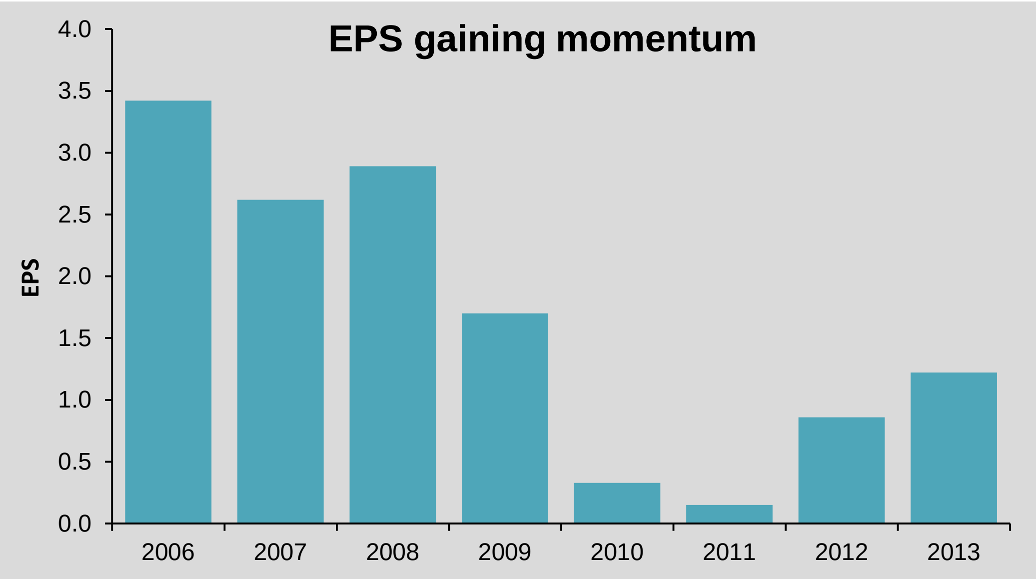
2016 and Beyond:
Becoming Fully Industrialized

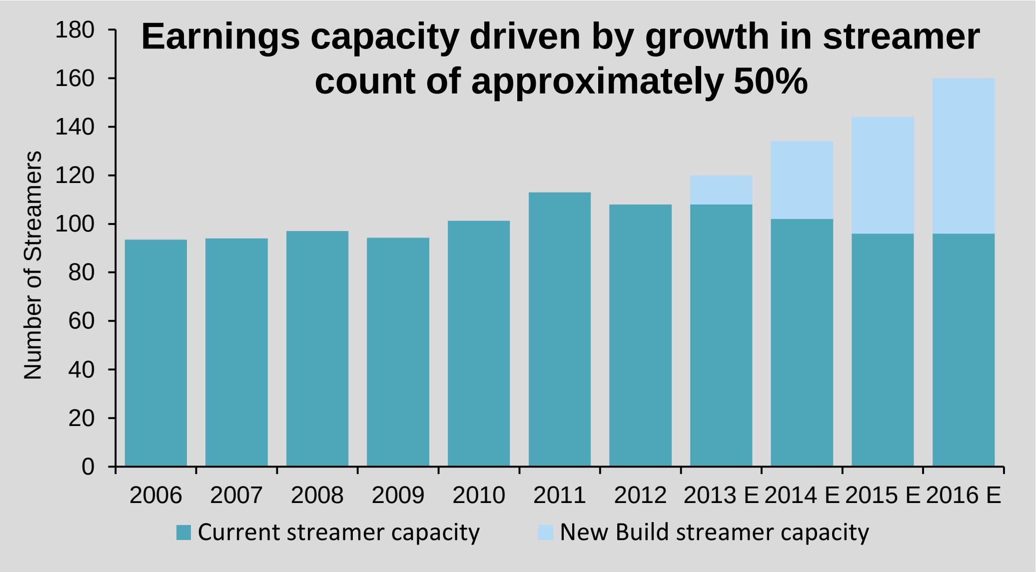


- Financial focus on profit, free cash flow and ROCE - not vessel market share growth
- Leveraging GeoStreamer equipped fleet and increased productivity differentiation
- Continued MultiClient revenue growth and focus on return on invested capital
- GeoStreamer Imaging as new differentiator
- Continued roll-out of new technologies
- HSE, Cost and Quality leadership

Increasing return on capital and dividend capacity

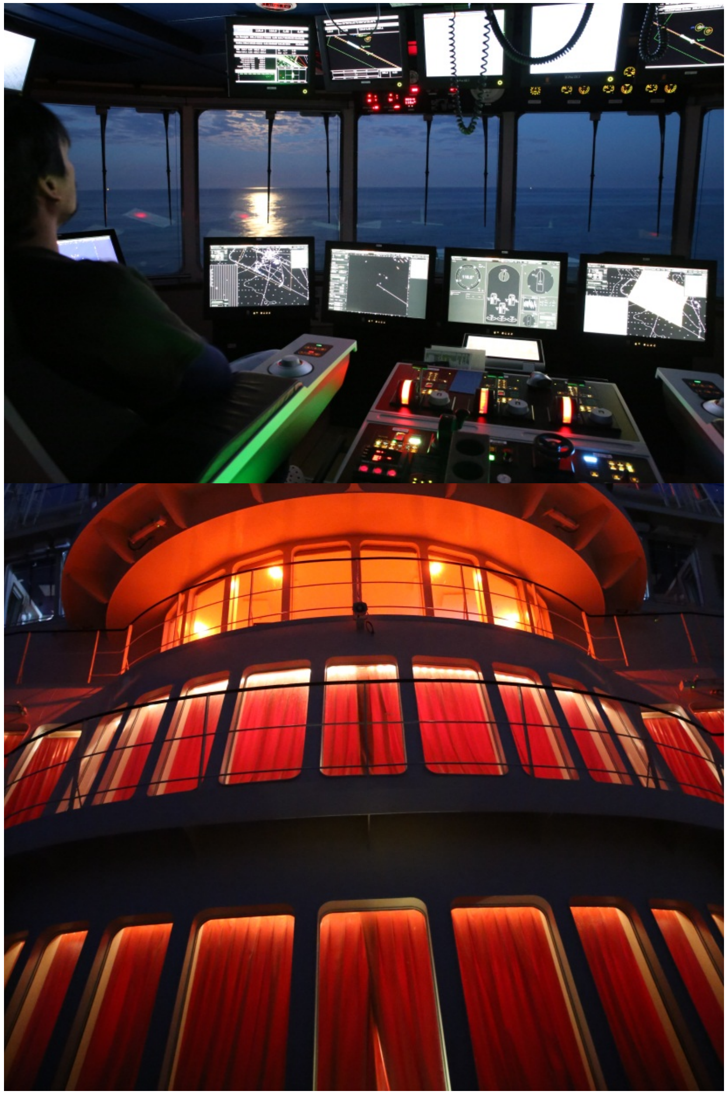
Investing in a Growth Case





- EPS growth in focus going forward
- Good potential for further growth in profitability from current levels
- Dividend growth will be a priority
- PGS well positioned to improve return on capital and dividend capacity by having:
  - A strong balance sheet
  - Increased earnings capacity from new builds
  - Technology differentiation

Ramform Titan-class Delivers Attractive Returns



- The *Ramform Titan* meeting expectations:
  - Performance and efficiency
  - Ability to fully exploit GeoStreamer technology
  - Safety
  - Crew comfort
- With 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

Financials

Unaudited Fourth Quarter and Preliminary Full year 2013 Results

Condensed Consolidated Statement of Operations Summary

USD million (except per share data)	Q4 2013	Q4 2012	% change	Full year 2013	Full year 2012	% change
Revenues	359.5	360.1	0 %	1501.6	1518.3	-1 %
EBITDA*	201.0	162.2	24 %	828.9	776.2	7 %
Operating profit (EBIT) ex impairment charges	81.4	60.7	34 %	397.1	293.0	36 %
Operating profit (EBIT)	66.4	60.6	10 %	382.1	293.8	30 %
Net financial items	(21.6)	(15.6)	-38 %	(54.2)	(65.3)	17 %
Income (loss) before income tax expense	44.8	45.0	0 %	327.9	228.5	44 %
Income tax expense (benefit)	14.7	4.8	206 %	89.6	42.9	109 %
Net income to equity holders	30.1	40.1	-25 %	238.3	185.5	28 %
EPS basic	$0.14	$0.19	-26 %	$1.11	$0.86	29 %
EBITDA margin*	55.9 %	45.0 %		55.2 %	51.1 %	
EBIT margin	18.5 %	16.8 %		25.4 %	19.4 %	

*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 fourth quarter and preliminary 2013 results, released on February 13, 2014.

Non Recurring Items Impacting Q4 2013

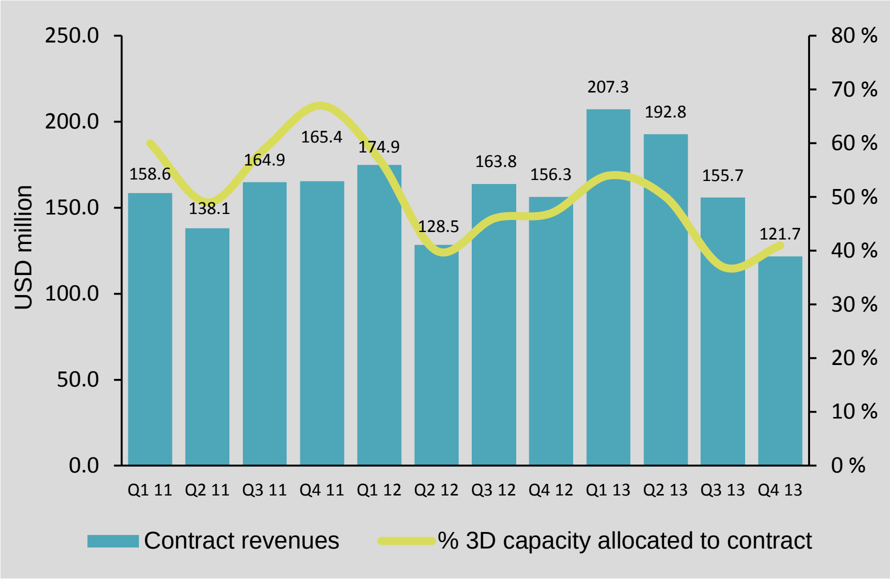
- USD 15 million impairment of source vessel *Polar Sea*

- Net financial items impacted by USD 5 million write down of associated companies

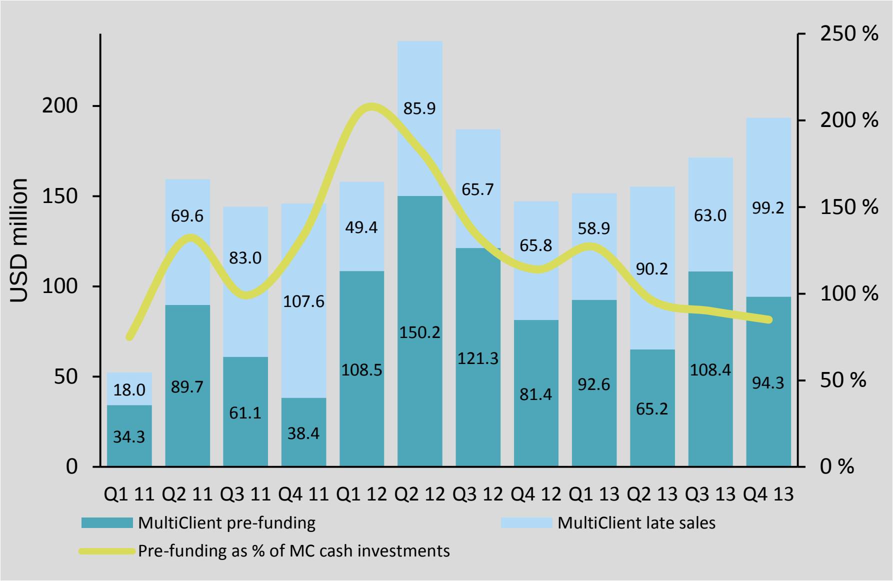
- Tax rate of 33% in Q4 2013, higher than trend line
  - No tax deduction on the *Polar Sea* impairment
  - USD 3.9 million deferred tax charge due to reduced corporate income tax rate in Norway
  - Foreign exchange movements

Q4 2013 Highlights

Contract revenues



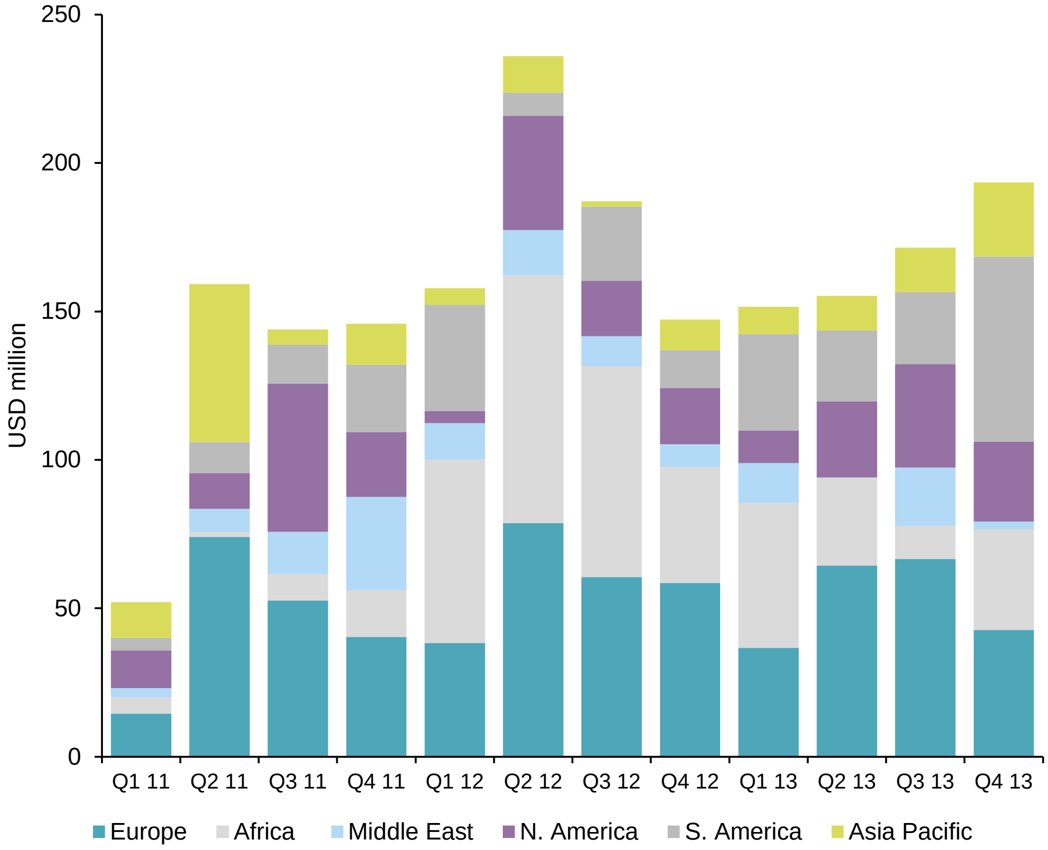
MultiClient revenues



- Marine Contract revenues of USD 121.7 million, with an EBIT margin of 22%
- Total MultiClient revenues of USD 193.5 million in Q4 2013
- Q4 pre-funding of 85% of MultiClient cash investment

MultiClient Revenues per Region

Pre-funding and Late Sales Revenues Combined

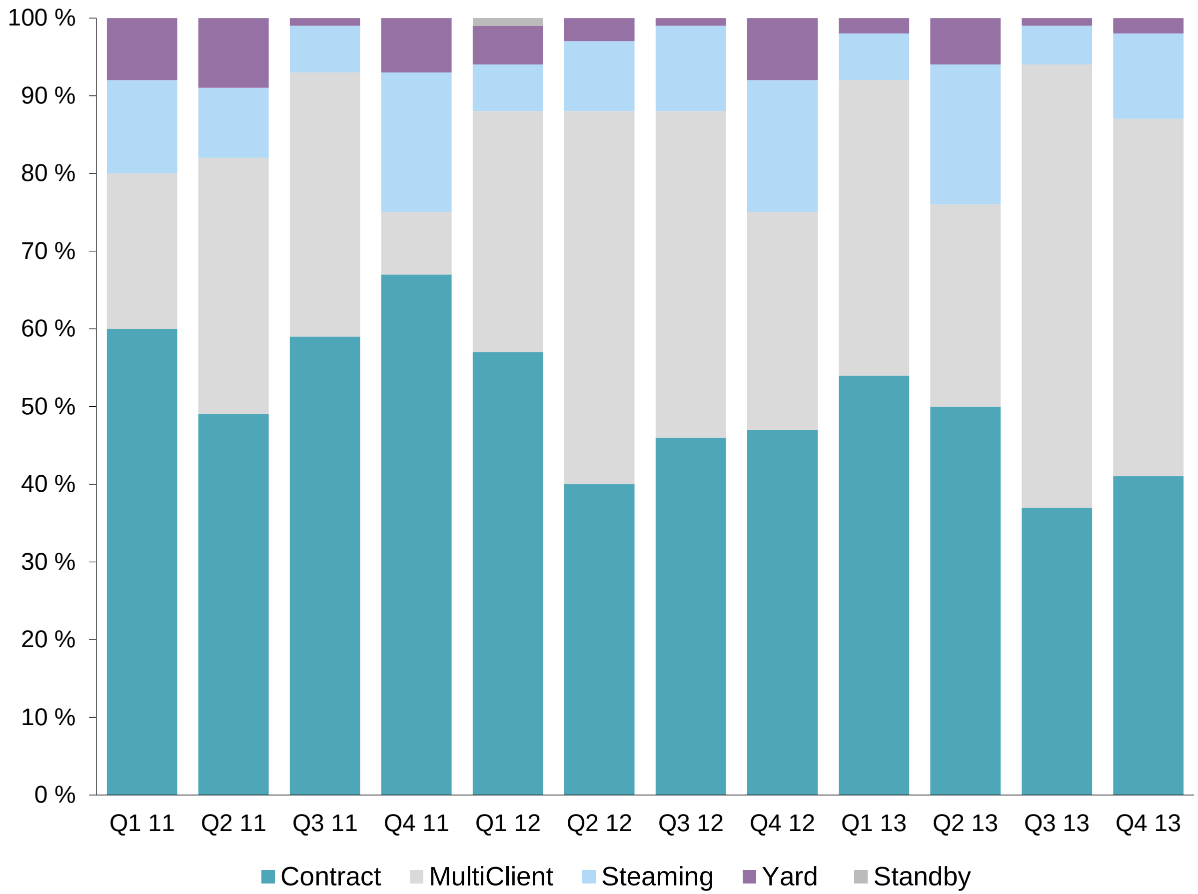


- Q4 2013:
  - Pre-funding revenues were highest in South America, Africa and Asia Pacific
  - Strong late sales in Europe, South America and North America
- Full year 2013:
  - Pre-funding level of 97%
  - Record MultiClient late sales revenues

46% of total vessel time used for MultiClient in Q4 2013

Vessel Utilization

Seismic Streamer 3D Fleet Activity in Streamer Months



- Q1 2014 will see seasonal effect of moving vessels into the North Sea and steaming of *Ramform Atlas* from Japan to Europe
- Approximately 35% of active 3D vessel capacity allocated to MultiClient for the full year 2014
- More capacity allocated to MultiClient in Q1 vs. the consecutive quarters of 2014

87% active vessel time in Q4 2013

Key Operational Figures

	2013				2012			
USD million	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Contract revenues	121.7	155.7	192.8	207.3	156.3	163.8	128.5	174.9
MultiClient Pre-funding	94.3	108.4	65.2	92.6	81.4	121.3	150.2	108.5
MultiClient Late sales	99.2	63.0	90.2	58.9	65.8	65.7	85.9	49.4
Data Processing	32.6	34.3	28.8	27.1	32.3	33.1	31.7	27.3
Other	11.7	4.2	4.7	8.9	24.3	4.3	8.6	4.9
Total Revenues	**359.5**	**365.6**	**381.7**	**394.8**	**360.1**	**388.3**	**404.8**	**365.0**
Operating cost	(158.5)	(149.6)	(172.1)	(192.5)	(197.9)	(166.2)	(158.7)	(219.3)
EBITDA*	**201.0**	**216.0**	**209.6**	**202.3**	**162.2**	**222.1**	**246.2**	**145.7**
Other operating income	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.5
Impairment of long-term assets	(15.0)				(0.1)		0.9	
Depreciation	(27.2)	(27.2)	(38.8)	(37.5)	(37.7)	(33.0)	(31.4)	(37.6)
MultiClient amortization	(92.6)	(80.7)	(60.4)	(68.2)	(64.0)	(78.5)	(129.3)	(72.8)
EBIT	**66.4**	**108.3**	**110.6**	**96.8**	**60.6**	**110.9**	**86.5**	**35.8**
CAPEX, whether paid or not	(73.3)	(93.2)	(199.9)	(71.4)	(139.5)	(76.6)	(84.1)	(67.9)
Cash investment in MultiClient	(111.0)	(120.9)	(68.1)	(72.9)	(71.3)	(91.4)	(82.0)	(52.7)
Order book	**669**	**579**	**446**	**592**	**829**	**608**	**689**	**655**

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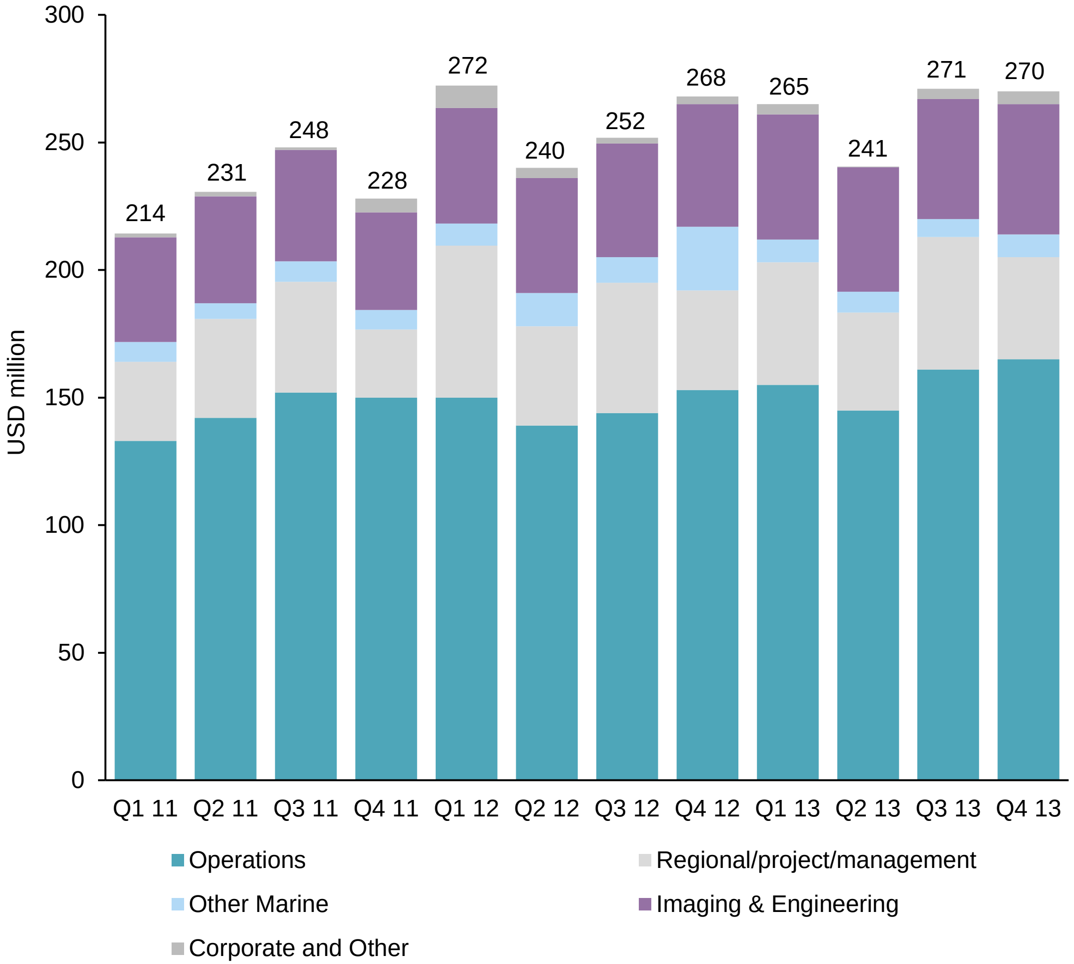
Group Cost* Development



- Cost focus delivering results
- Flat cost development from Q4 2012 despite *Ramform Titan* in full operation
- Q4 2013 benefiting from a net steaming cost deferral compared to Q3

Cost impact of 2014 capacity growth balanced by the Profit Improvement Program

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

Consolidated Statements of Cash Flows Summary

USD million	Q4 2013	Q4 2012	Full year 2013	Full year 2012
Cash provided by operating activities	211.9	163.6	775.3	752.9
Investment in MultiClient library	(111.0)	(71.3)	(373.0)	(297.4)
Capital expenditures	(86.0)	(131.5)	(438.5)	(358.5)
Other investing activities	(23.0)	(2.0)	(49.2)	(2.1)
Financing activities	(27.1)	141.2	(41.1)	(129.3)
Net increase (decr.) in cash and cash equiv.	**(35.2)**	**100.0**	**(126.5)**	**(34.4)**
Cash and cash equiv. at beginning of period	299.0	290.3	390.3	424.7
Cash and cash equiv. at end of period	**263.8**	**390.3**	**263.8**	**390.3**

- The increase in cash provided by operating activities in Q4 and full year 2013 was driven primarily by higher EBITDA
- 2013 CAPEX ended lower than the guided USD 450 – 470 million with a corresponding increase in 2014 guidance

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Strong Balance Sheet Position - Key Figures

	December 31	December 31
USD million	**2013**	**2012**
Total assets	3 544.3	3 275.6
MultiClient Library	576.9	382.3
Shareholders' equity	2 065.6	1 911.5
Cash and cash equiv.	263.8	390.3
Restricted cash	89.4	92.3
Liquidity reserve	763.8	740.3
Gross interest bearing debt	1 040.8	921.6
Net interest bearing debt	666.7	435.6

- The Board will propose an ordinary dividend for 2013 of NOK 2.30 per share, up 39% from previous year
- 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

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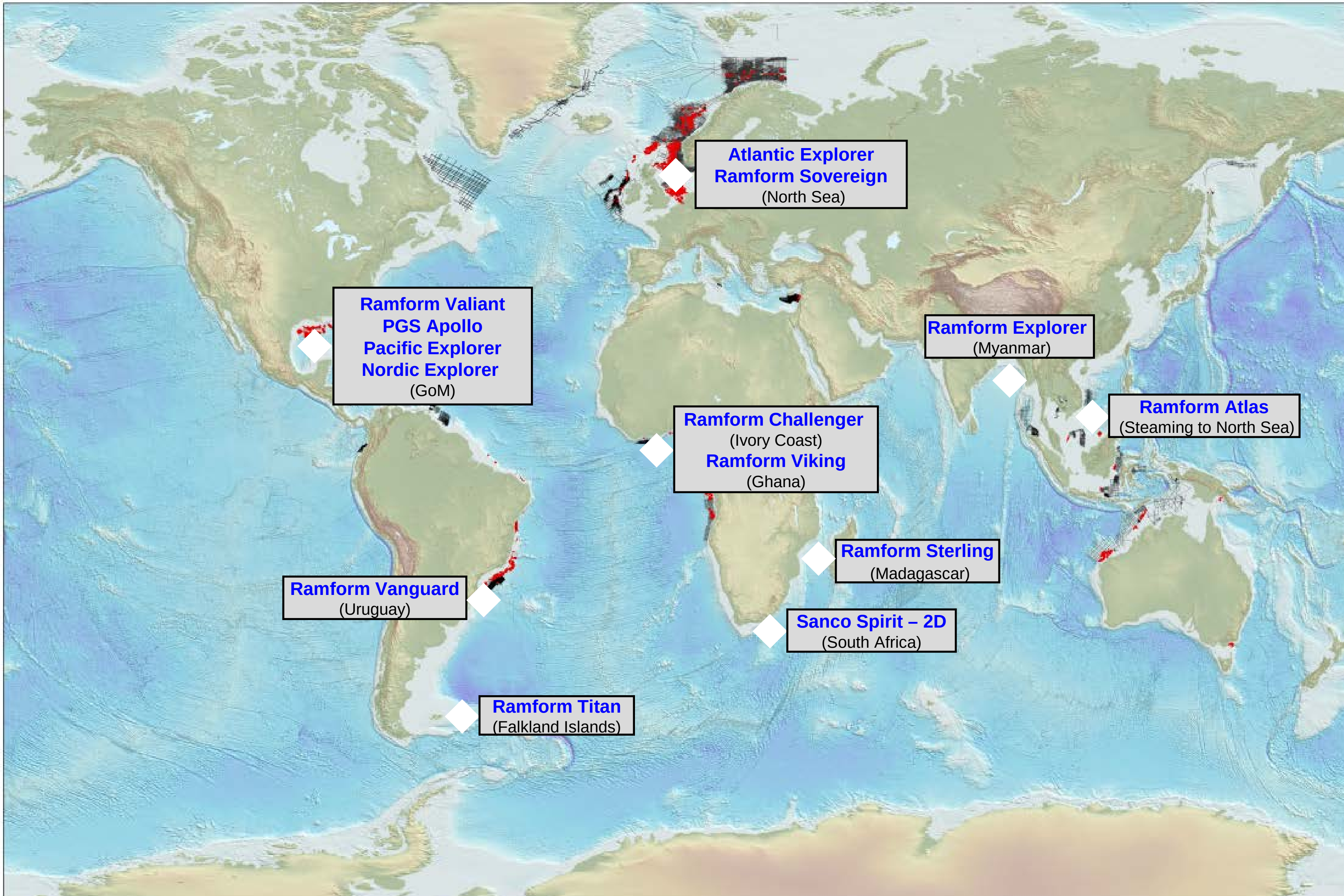
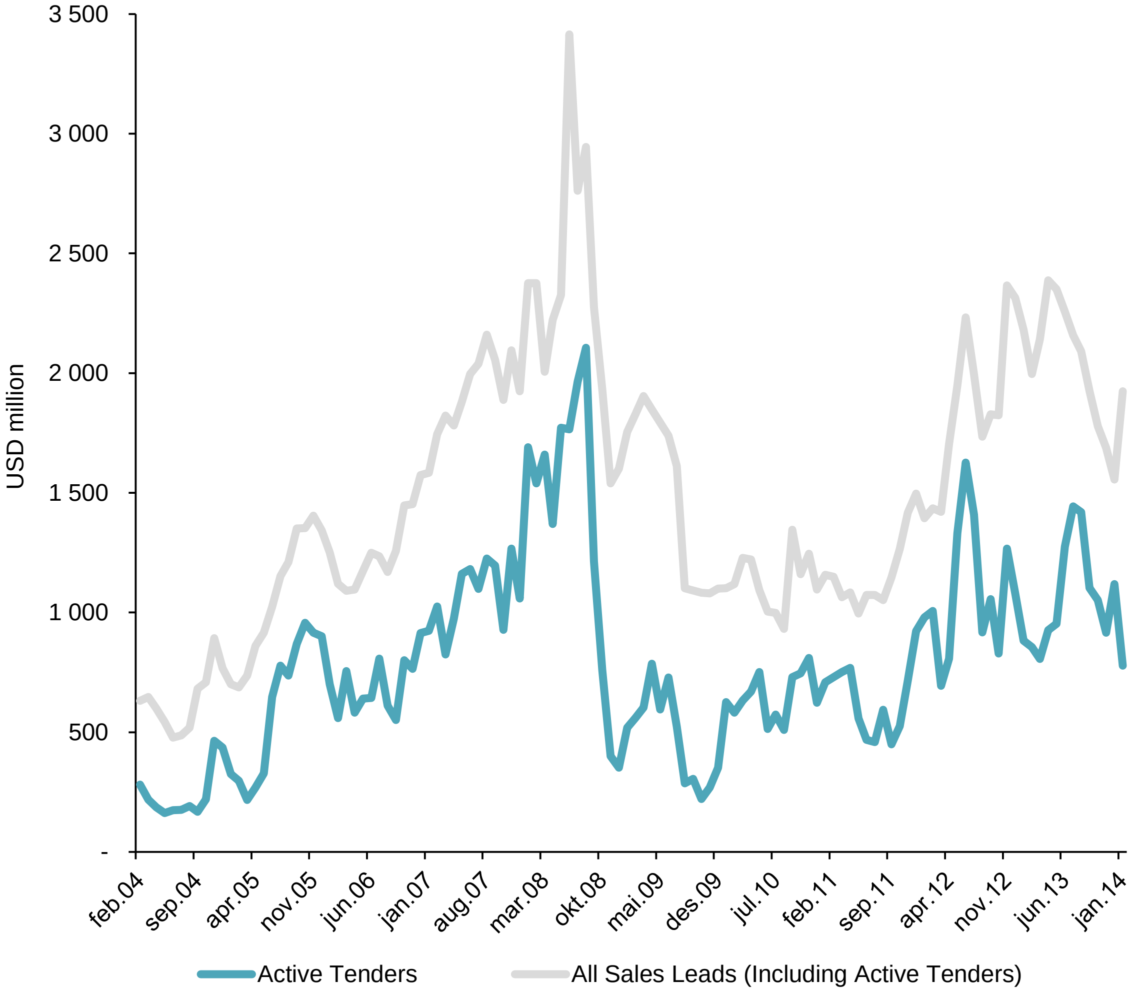
Operational Update and Market Comments

Unaudited Fourth Quarter and Preliminary Full year 2013 Results

Streamer Operations February 2014



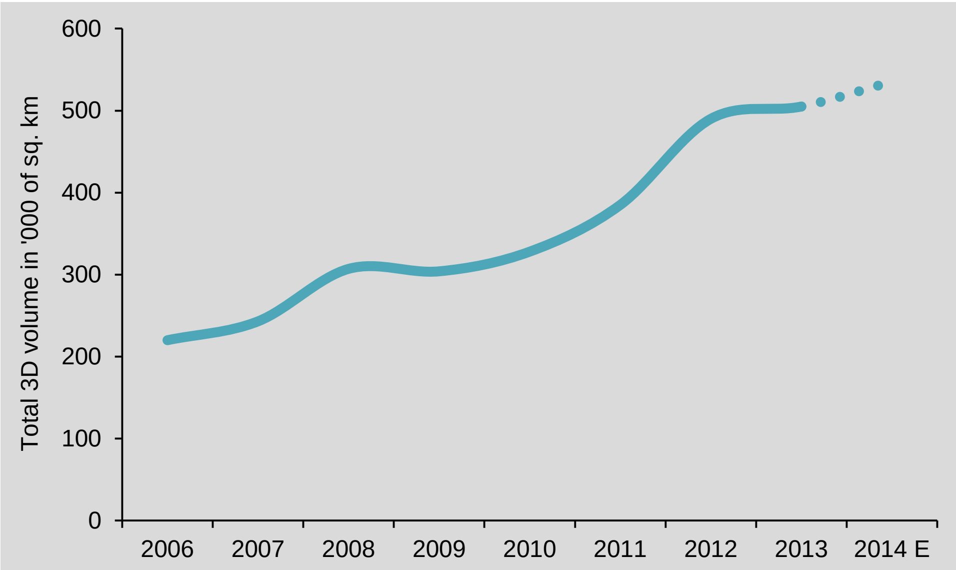
Bidding Activity

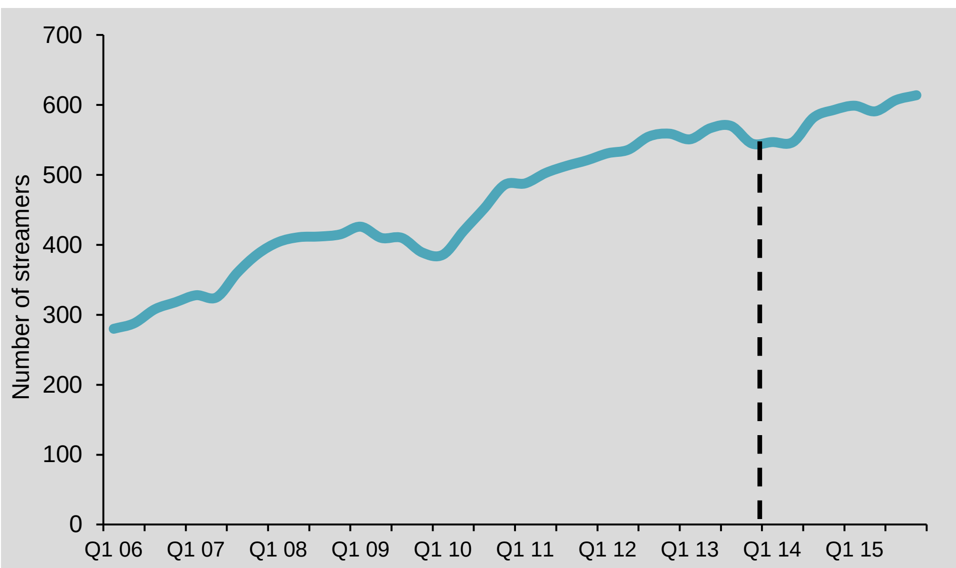


- Increase in All Sales Leads
  - Expected to impact the Active Tenders positively
- Industry order book duration significantly increased
- Survey size continues to favor the PGS Ramform fleet

Source: PGS internal estimate as of end January 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





- Growth in sq.km. flattened out from 2012 to 2013
- From 2006 to end 2013 demand for seismic grew by approximately 120% measured in sq.km.
  - Annual average growth rate of 11%
- Expected streamer capacity
  - 3% decrease in 2013
  - 9% increase in 2014
  - 4% increase in 2015
  - No known capacity scheduled for 2016 and beyond

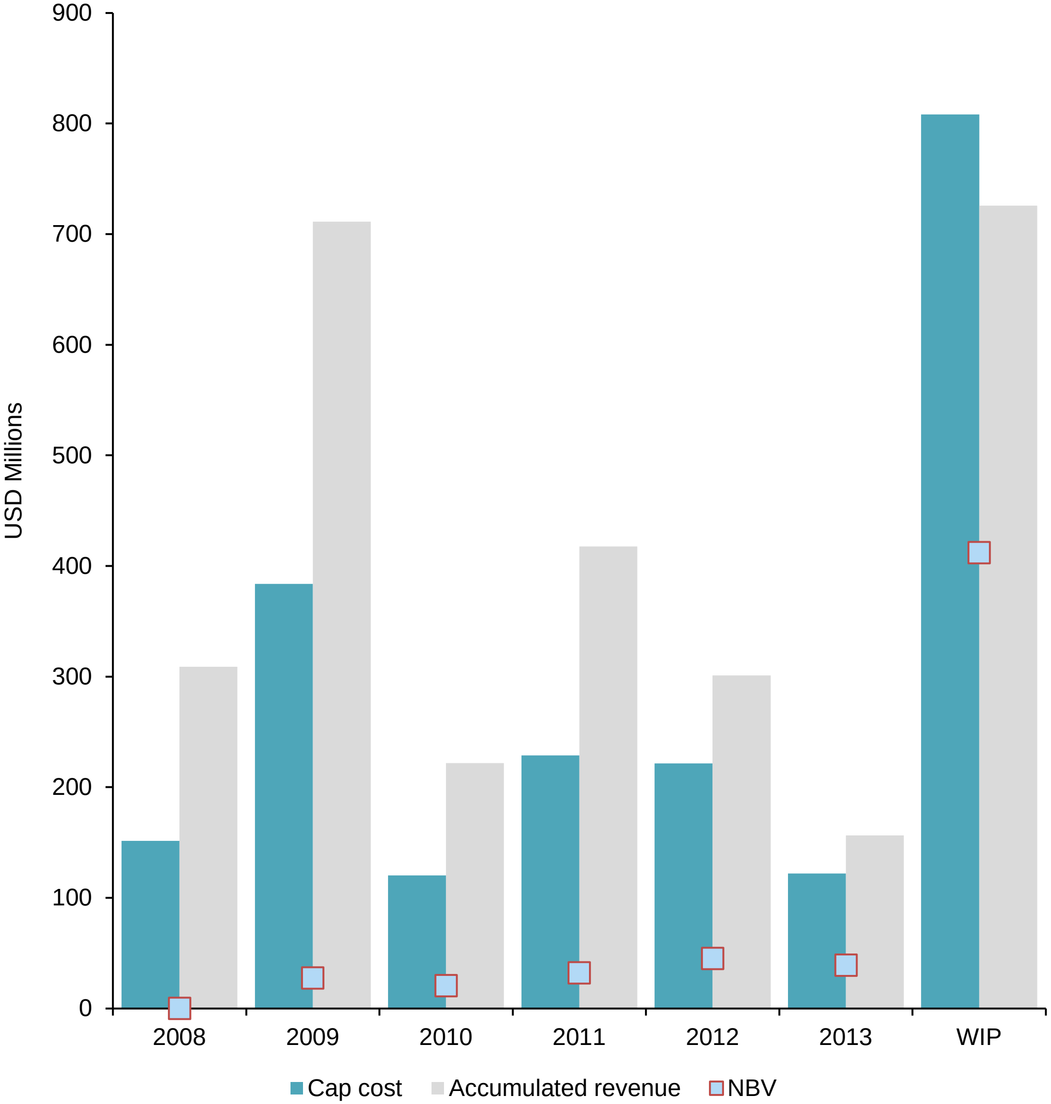
Source to both graphs: PGS internal estimates. Capacity increases are calculated based on change from Q4 one year to Q4 the previous year.

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

Good MultiClient Sales Performance from All Vintages

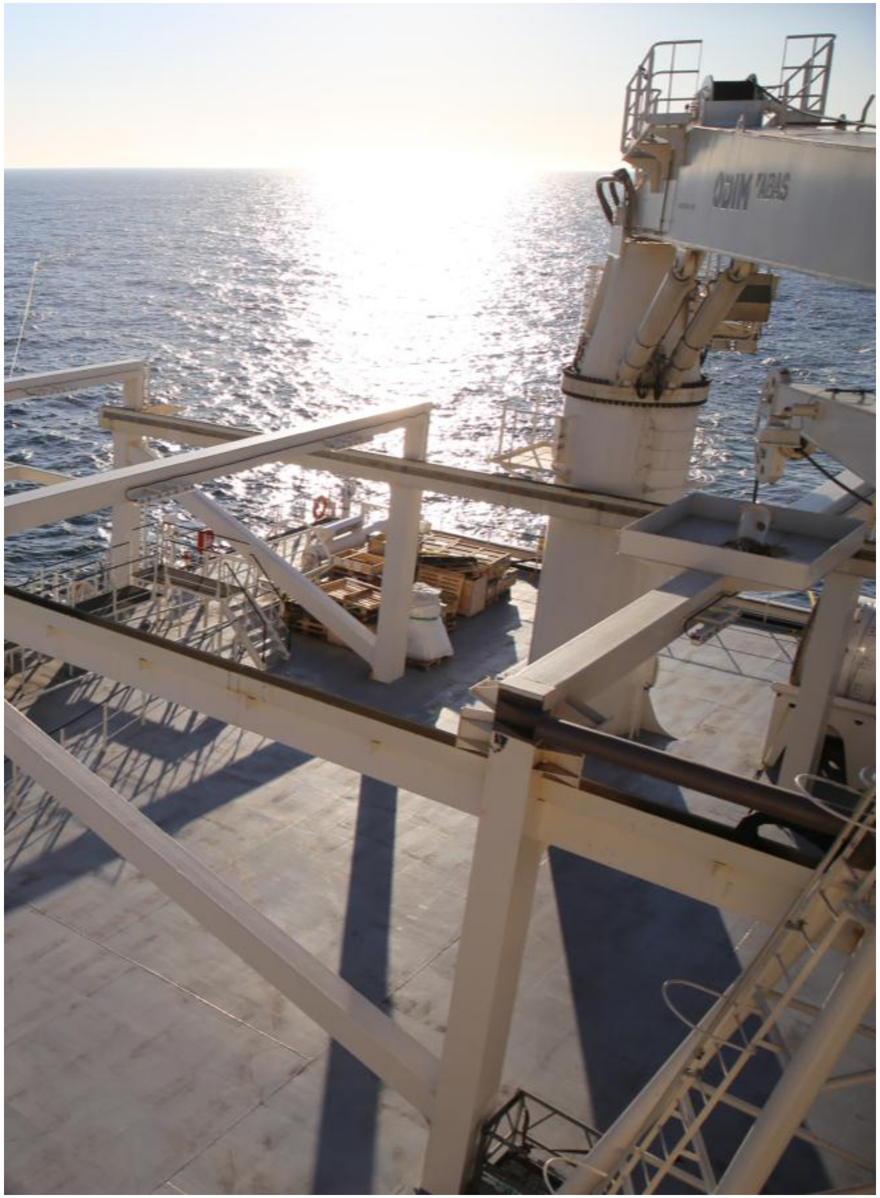


- Strong sales progress for all vintages

- Moderate net book values (NBV) for surveys completed 2008-2013

- Amortization is primarily based on the ratio of cost to forecasted sales

Market Outlook



- Sustainable high oil price
- Deep water attractive for E&Ps
  - Playing to PGS' strengths
- Customer focus on preserving dividend capacity
- Pricing for booked 2014 work is unchanged from average 2013 level, with the exception of recent Q1 bookings
- Healthy market conditions for Q2 and Q3 driven by North Atlantic summer season

2014 Guidance

EBITDA in the range of USD 900-950 million

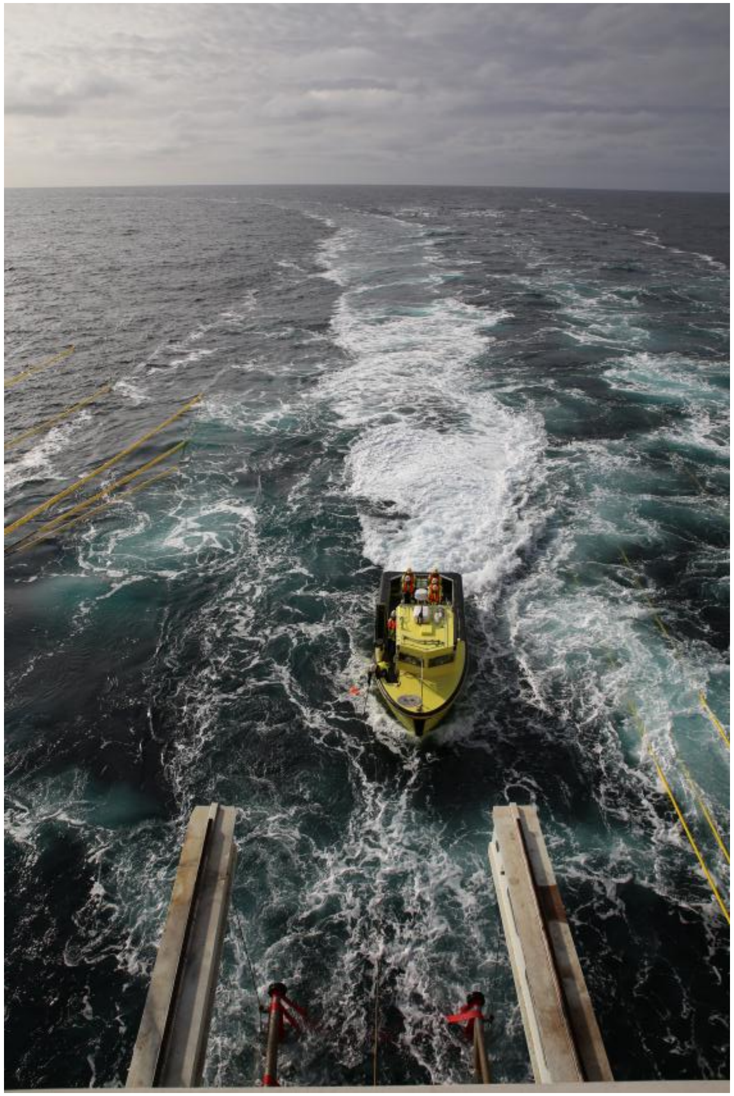
MultiClient cash investments of approximately USD 350 million

- Pre-funding level of approximately 100%

Capital expenditures of approximately USD 450 million

- Adjusted to include a USD 25 million reduction from Q4 2013
- Approximately USD 275-300 million are related to the new-build program

2013 In Conclusion:
A Well Positioned Focused Marine Seismic Company



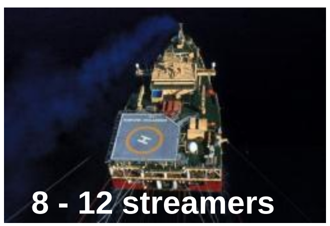
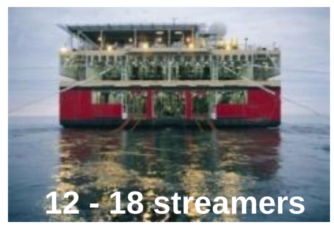
- Improving profitability
- Record MultiClient late sales revenues
- Increasing financial flexibility
- Continuously focusing on cost, quality and returns
- Proposed a dividend of NOK 2.30 per share
- Successful introduction of the new Ramform Titan–class vessels
- Breakthrough for new imaging technologies

Competitively Positioned – Performance Through the Cycle

Thank you – Questions?

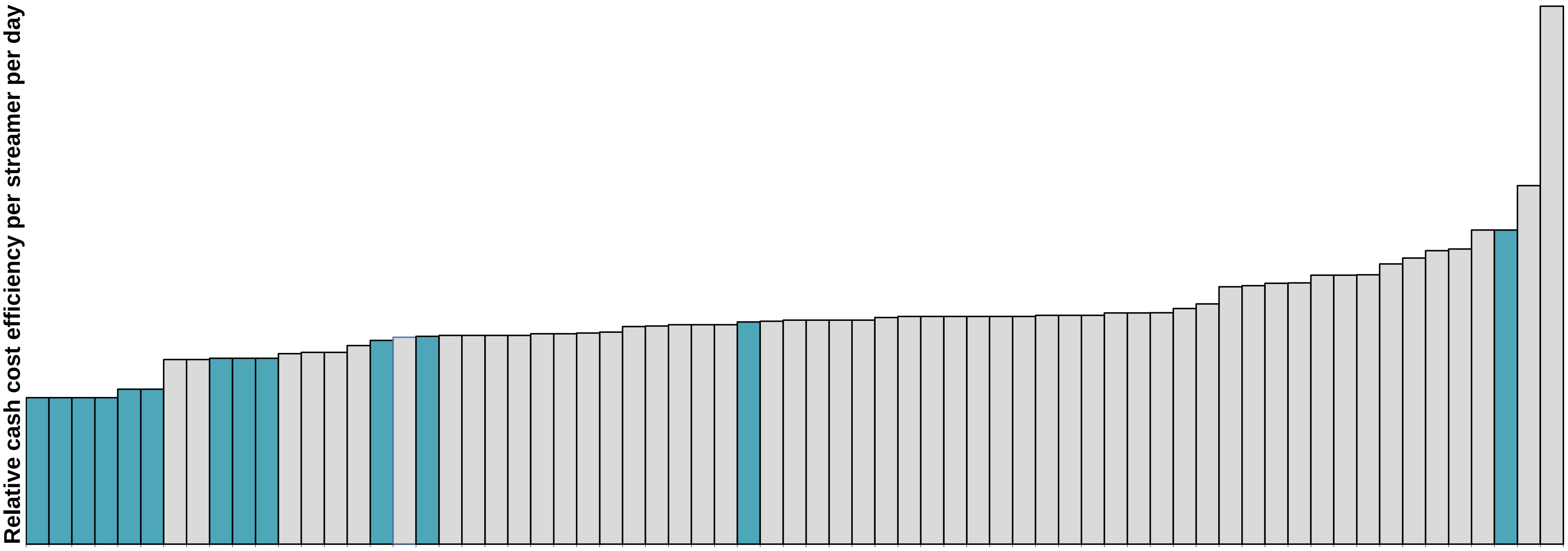
PGS

Appendix:
Continuously Ahead of Competition

	1992 - 1996	1998 - 1999	2007 - 2009	2012 - 2014
Competition	 4 – 6 streamers	 6 – 8 streamers	 8 - 12 streamers	 10 - 20 streamers
PGS	 8 - 12 streamers	 12 - 18 streamers	 12 – 22 streamers	 14 - 24 streamers

- 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

Favorably Positioned on the Industry Cost Curve



PGS fleet is positioned to generate the industry’s best margins

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 PGS Fleet:
Delivers Productivity Leadership

Ramforms

Titan-class

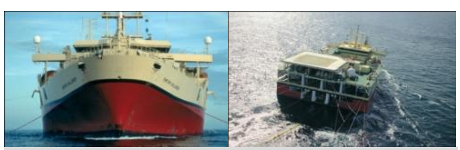
Ramform Titan | Ramform Atlas | 2 Titan Class for 2015 delivery

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

Main Yard Stays Next 6 Months

Vessel	When	Expected Duration	Type of Yard Stay
Ramform Sovereign	March 2014	Approximately 10 days	Upgrade to GeoStreamers
Ramform Vanguard	April 2014	Approximately 20 days	Renewal class
Ramform Challenger	April 2014	Approximately 8 days	Intermediate class
Ramform Sterling	June 2014	Approximately 25 days	Renewal class

Attractive Debt Structure

Long term Credit Lines and Interest Bearing Debt	Nominal Amount at December 31, 2013	Total Credit Line	Financial Covenants
USD 470.5 million Term Loan (“TLB”), Libor + 175 basis points, due 2015	USD 470.5 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 million	Maintenance covenant: total leverage ratio < 2.75:1
Japanese ECF, 12 year with semi-annual installments. 50% fixed/ 50% floating interest rate	USD 125 million	USD 250 million	None
2018 Senior Notes, coupon of 7.375%	USD 450 million		None, but incurrence test: Interest coverage ratio > 2.0:1