Barclays CEO Energy-Power Conference
September 4, 2018
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
PGS in Brief

A Leading and Fully Integrated Marine Seismic Player

Market Share*: ~35%
Strong market position

MultiClient 3D Library:
790,000 km²
Large and geographically diverse library

Active Vessels***:
8
Modern, flexible and productive fleet

GeoStreamers Since:
2007
Differentiating technology platform

Revenues**:
USD 840.7m

EBITDA**:
USD 459.9m

Market Cap**:
USD ~1,300m

Employees**:
1,295

* Based on number of active streamers.
** Revenues and EBITDA are in USD and are based on the LTM as of Q2 2018. Market capitalization as of late August 2018, number of employees as of July, 2018.
*** Operates 8 active vessels during the summer season and plan to operate 6 during the winter season.
PGS Fleet: A Differentiated Market Leader

- A market leader with market share of ~35% in 2018

- The only fleet fully equipped with the latest technologies
  - Multicomponent streamers
  - Source steering
  - Streamer steering
  - 12+ streamer count

- Operates an active fleet of eight 3D vessels, of which two are used selectively
  - Address seasonal demand swings
  - On average, active vessel capacity in 2018 will be newer and more efficient than 2017

Source: PGS internal estimate.
PGS Active Fleet Is the Youngest

A world class fleet:
Average active vessel age of 5 years (Dec. 2017) and average streamer count 14.5

• Ramform Titan-class and Ramform S-class vessels are:
  – Superior for large exploration surveys
  – Superior for any survey with high streamer count
  – Competitive on all 4D surveys and conventional 3D surveys

• The conventional vessels in the PGS fleet are competitive for both exploration 3D and 4D

• Lowest average age of active fleet in the industry

Source: Company information 2018.
A Flexible Fleet – Throughout the Cycle

- PGS will have eight 3D vessels (“the active fleet”) fully equipped at all times, but during the low season we plan only to run six of these vessels.

- The cost base of the fleet is adjusted to six vessels as contract/part time crew will be used for the additional two vessels, providing a flexible element to the base cost.

- Six cold-stacked vessels position PGS well to take advantage of the next up cycle.
Robust MultiClient Operations

- 2017 MultiClient cash investments of USD 213.4 million with a pre-funding level of 140%

- Pre-funding (*) has historically tended to be in the high end or above the targeted 80-120% range due to incremental sales in the processing phase

* Calculated by dividing the MultiClient pre-funding revenues by the cash investment in MultiClient library.
** Peer Group – WG, CGG and TGS.
• Good geographical spread in new MultiClient activities during 2017
• 68,000 km2 of MC3D added to library during 2017
• Key reprocessing projects ongoing in Brazil, Egypt and Europe
• 21,000 km of MC2D added to library during 2017 (Canada)

*Sections highlighted blue represent PGS' areas of activity.
Strategic Focus – Marine Seismic Market Leadership

- Market is trending towards more MultiClient and 4D
- Improved imaging of subsurface will be increasingly important for customers
- Premium data and service quality key as “easy oil” has been found
- Cost focus will always be important, our fleet provides efficiency benefits and superior technology

A full service offering is the best way to take benefit of the market going forward

**Business Model Flexibility**
- Focusing on client needs
  - Flexible offering of MC and contract services or a combination
  - Tailored survey design and imaging

**Meet Client Needs**
- Meet needs on all aspects of marine seismic
  - 2D, 3D, 4D, reprocessing, processing, timing, survey design etc

**Continued Technology Development**
- Capacity for continued technology development to improve subsurface understanding
- Production seismic requires high resolution

**Value Chain**
- Control all aspects of seismic value chain and offering

Full Service Offering
- Acquisition
- MultiClient
- Imaging Solutions
- Interpretation
- R&D
## Improving Position Through Centralization and Simplification

### Quality
through Technology and Integration
- Integrated acquisition and processing design and solutions through **MultiClient** and **contract** business models
- GeoStreamer **imaging** technology solve complex subsurface challenges and gives better reservoir insight

### Profitability
through Optimization and Centralization
- Centralized and simplified organization for better and faster decision making
- Flexible resource allocation between Contract and MultiClient based on overall commercial benefits
- Strategic vessel scheduling minimizes transits and operating costs
- Standardized equipment pool and central inventory management extend asset utilization and useful life

### Reliability
through Specialization and Dedication
- Full fleet control enables reliable planning and successful execution of projects
- Safe and reliable project delivery through dedicated HSEQ processes from the back deck to the interpretation workstation
• Segment Revenues in 1H 2018 of USD 397.2 million
  – EBITDA of USD 228.4 million

• Solid MultiClient performance in 1H 2018:
  – Total Segment MultiClient revenues of USD 304.7 million
  – Late sales of USD 152.2 million, confirming strong sales trend
  – Pre-funding revenues of USD 152.5 million
  – Pre-funding level of 113%

• Q2 2018 recorded first positive EBIT in 2.5 years

• Marine contract market is improving, but still challenging
  – Value of bids and leads at highest level in more than three years
Financial Summary

Segment Revenues

Segment EBITDA*

Segment EBIT**

Cash Flow from Operations

*EBITDA, when used by the Company, means EBIT excluding Other charges, impairment and loss/gain on sale of long-term assets and depreciation and amortization as defined in Note 15 of the Q2 and first half 2018 earnings release.

**Excluding impairments and Other charges.
Focus on Cash Flow

Assuming flat revenues in 2018 vs 2017 PGS will generate positive cash flow after debt repayment.

- 2018 debt repayments include USD 51 million of amortizing loans and USD 26 million final maturity of the 2018 Senior Note.

*Overview from PGS Capital Markets Day based on prior guiding on cost.
Summary of Debt and Drawing Facilities

Debt and facilities as of June 30, 2018:

<table>
<thead>
<tr>
<th>Long-term Credit Lines and Interest Bearing Debt</th>
<th>Nominal Amount</th>
<th>Total Credit Line</th>
<th>Financial Covenants</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD 400.0m TLB, due 2021 Libor (minimum 0.75%) + 250 bps</td>
<td>USD 383.0m</td>
<td>USD 400.0m</td>
<td>None, but incurrence test: total leverage ratio ≤ 3.00x*</td>
</tr>
<tr>
<td>Revolving credit facility (&quot;RCF&quot;), due 2020 Libor + margin of 325-625 bps (linked to TLR) + utilization fee</td>
<td>USD 200.0m</td>
<td>USD 400.0m**</td>
<td>Maintenance covenant: total leverage ratio 4.25x Q1-18, thereafter reduced by 0.25x each quarter to 2.75x by Q3-19</td>
</tr>
<tr>
<td>Japanese ECF, 12 year with semi-annual instalments, 50% fixed/ 50% floating interest rate</td>
<td>USD 392.9m</td>
<td></td>
<td>None, but incurrence test for loan 3&amp;4: Total leverage ratio ≤ 3.00x* and Interest coverage ratio ≥ 2.0x*</td>
</tr>
<tr>
<td>December 2020 Senior Notes, coupon of 7.375%</td>
<td>USD 212.0m</td>
<td></td>
<td>None, but incurrence test: Interest coverage ratio ≥ 2.0x*</td>
</tr>
<tr>
<td>December 2018 Senior Notes, coupon of 7.375%</td>
<td>USD 26.0m</td>
<td></td>
<td>None</td>
</tr>
</tbody>
</table>

*Carve out for drawings under ECF and RCF
**Reducing to USD 350 million in September 2018.

Debt maturity profile:
Good Headroom to Maintenance Covenant

• Substantial reduction of Total Leverage Ratio ("TLR") during 2017 and first half 2018
  – Significant headroom to required level

• TLR of 2.83:1 as of June 30, 2018, compared to 4.39:1 as of June 30, 2017

• Expect to be in compliance going forward
Looking ahead: Energy Demand will Continue to Increase

Oil Companies Need to Explore

- Energy demand continues to grow due to increased world GDP
  - Driven by emerging markets
  - Projected 1.3% annual growth to 2035

- Fossil fuels remain the dominant source of global energy supplies

- Decline rates from producing fields are significant
  - Increased shale production is not enough to compensate
  - Offshore exploration and production has to increase

Source: both graphs: BP World Energy 2017
2017 - 2018: Discovery of Fossil Fuels Continues to Decline
Fewer Discoveries Made – Those Found are Smaller than Before

- Discoveries just 7.8 billion boe in 2017 (vs. 30 billion boe in 2012)
  - The 2017-level is the lowest since 1947
- Exploration spending and drilling have been significantly reduced
- Oil discovery levels are in the Company’s view unsustainable to meet future demand

Graph source: Rystad UCube data as of May 2018.
Integrated Oil Companies are Cash Flow Positive and Improving

- Integrated oil companies became cash flow positive after capex and dividend in 2017

- With oil price above USD 50 per barrel they are generating significant cash flow
  - Brent Blend currently trading between USD 70-80 per barrel

- Integrated oil companies are well positioned to increase spending

Graph source: Carnegie. The integrated companies included are ExxonMobil, RD Shell, BP, Chevron, Total, ENI, ConocoPhillips, Repsol and Statoil.
Market Overview
Seismic – Historically Early Cycle Indicator

• Seismic spending increased by 9% in 2017 compared to 2016, while offshore spending declined by 8%

• Historically seismic has been an early cycle indicator

* Seismic spending are actual revenues from PGS, CGG, WesternGeco, Polarcus, Spectrum and TGS.
** According to IHS.
Marine Seismic Market Outlook

• Higher oil price, improved cash flow among oil companies and an exceptionally low oil and gas discovery rate are expected to benefit marine 3D seismic market fundamentals

• Strong MultiClient sales trend over the last three quarters

• Marine contract market
  – Clear signs of improvement
  – High number of leads and bid opportunities, but low order book
  – Uncertainty remains regarding strength of market recovery
**Seismic Market Activity**

- Sales Leads and Active Tenders are at high levels compared to last three years
  - Some bids for 2019 Europe season out – significantly earlier than previous years

- Volume of acquired marine 3D seismic is expected to be somewhat higher in 2018 vs. 2017
  - Better vessel utilization likely to compensate for less active capacity

*Internal estimates as of end August, 2018.*
Marine Seismic Supply

- Average streamer capacity in 2018 is close to 50% lower than 2013
- Flexible winter capacity causes supply swings
- Shearwater’s acquisition of Schlumberger’s seismic business likely to add limited capacity in 2019

Limited excess supply in 2018

Source: PGS internal estimates.
Order Book

- Order book of USD 187 million by end Q2 2018
- 3D vessel booking of 40 vessel months*
  - Q3: 24 vessel months
  - Q4: 12 vessel months
  - Q1 2019: 4 vessel months
- Expect to achieve acceptable utilization in Q4
  - Focus on vessel utilization and profitability for the core fleet before flexible capacity is considered

*As of August 28, 2018.
In Conclusion:
On Track to be Cash Flow Positive after Debt Servicing

- Fully Integrated Marine Seismic Company focusing on quality, profitability and reliability
- Good MultiClient sales trend over the last three quarters
- Marine contract market is improving, but still challenging
- First positive EBIT in 2.5 years reported in Q2 2018
- Tight overall cost control remains a priority