JPMorgan High Yield & Leveraged Finance Conference

Supporting Exploration, Optimizing Production

London, September 6, 2019
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

Revenues\(\textsuperscript{2}\): USD 834.5m

EBITDA\(\textsuperscript{2}\): USD 515.9m

Market Cap\(\textsuperscript{2}\): USD ~400m

Employees\(\textsuperscript{4}\): 1,242

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1. Based on number of active streamers.
3. Operates 8 active vessels during the summer season and plan to operate 7 during the winter season
4. As per January, 2019

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Market Share\(\textsuperscript{1}\):
~35%

Strong market position

MultiClient 3D Library:
850,000 km\(^2\)

Large and geographically diverse library

Active Vessels\(\textsuperscript{3}\):
8

Modern, flexible and productive fleet

GeoStreamers Since:
2007

Differentiating technology platform

A Global Marine Geophysical Company

Founded in 1991
## Competitive landscape – post CGG/Shearwater transaction:

### Structural Changes in the Marine Seismic Industry

<table>
<thead>
<tr>
<th>MultiClient Players</th>
<th>Integrated Service Offering</th>
<th>Contract Players</th>
</tr>
</thead>
<tbody>
<tr>
<td>TGS</td>
<td>PGS</td>
<td>SHEARWATER</td>
</tr>
<tr>
<td>CGG</td>
<td></td>
<td>Polarcus</td>
</tr>
<tr>
<td>WesternGeco</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Note: The diagram illustrates the structural changes post CGG/Shearwater transaction.*
## PGS Strategy:
**Marine Seismic Market Leadership Through Full Service Offering**

### Financial Strategy
- Profitability before growth
- Return on Capital Employed
- Capital structure to sustain future downturns

### Business Strategy
- MultiClient focus
- 4D leadership
- Reduce turnaround time
- Joint acquisition and imaging approach
- R&D focus on imaging and acquisition solutions
- Leveraging PGS fleet productivity and technology

> Leveraging digitalization to improve efficiency and reduce cost
Last Twelve Months Performance: Improving Market Fundamentals Reflected in Financials

- **EBIT**: Increasing from LTM Q2 18 to LTM Q2 19.
- **Cash flow before debt repayment**: Growth from LTM Q2 18 to LTM Q2 19.
- **Order Book**: 60% increase from Q2 18 to Q2 19.
- **Net debt (excluding IFRS 16 leases)**: 10% decrease from Q2 18 to Q2 19.

*Excluding impairments and Other charges.*
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 14 of the Q2 2019 earnings release.

**Excluding impairments and Other charges.
The accompanying unaudited financial information has been prepared under IFRS. This information should be read in conjunction with the unaudited second quarter 2019 results released on July 18, 2019.

- Gross interest bearing debt (ex. lease liabilities) of USD 1,111.7 million
  - Down USD 115.6 million YTD

- Net interest bearing debt (ex. lease liabilities) of USD 1,035.7 million
  - Down USD 73.9 million YTD

- Liquidity reserve of USD 208.2 million
  - Up USD 48.7 million YTD

- Total Leverage Ratio (as defined in credit agreement) of 2.85:1

<table>
<thead>
<tr>
<th>Balance Sheet Key Numbers</th>
<th>June 30</th>
<th>June 30</th>
<th>December 31</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019</td>
<td>2018</td>
<td>2018</td>
</tr>
<tr>
<td>Total assets</td>
<td>2,371.7</td>
<td>2,386.3</td>
<td>2,384.8</td>
</tr>
<tr>
<td>MultiClient Library</td>
<td>676.4</td>
<td>661.0</td>
<td>654.6</td>
</tr>
<tr>
<td>Shareholders’ equity</td>
<td>596.8</td>
<td>785.7</td>
<td>721.8</td>
</tr>
<tr>
<td>Cash and cash equivalents (unrestricted)</td>
<td>33.2</td>
<td>24.4</td>
<td>74.5</td>
</tr>
<tr>
<td>Restricted cash</td>
<td>42.8</td>
<td>44.1</td>
<td>43.2</td>
</tr>
<tr>
<td>Liquidity reserve</td>
<td>208.2</td>
<td>224.4</td>
<td>159.5</td>
</tr>
<tr>
<td>Gross interest bearing debt*</td>
<td>1,111.7</td>
<td>1,213.9</td>
<td>1,227.3</td>
</tr>
<tr>
<td>Gross interest bearing debt, including lease liabilities following IFRS 16*</td>
<td>1,332.2</td>
<td>1,145.3</td>
<td>1,109.6</td>
</tr>
<tr>
<td>Net interest bearing debt*</td>
<td>1,035.7</td>
<td>1,145.3</td>
<td>1,109.6</td>
</tr>
<tr>
<td>Net interest bearing debt, including lease liabilities following IFRS 16*</td>
<td>1,256.2</td>
<td>1,145.3</td>
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</tr>
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</table>
Free cash flow will improve further in a recovering seismic market

*Includes payment of leasing liabilities which are reported as finance activity from January 1, 2019.
Summary of Debt and Drawing Facilities

Debt and facilities as of June 30, 2019:

<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 March 2021 Libor (minimum 0.75%) + 250 bps</td>
<td>USD 379.0m</td>
<td>USD 379.0m</td>
<td>None, but incurrence test: total leverage ratio ≤ 3.00x*</td>
</tr>
<tr>
<td>Revolving credit facility (&quot;RCF&quot;), due September 2020 Libor + margin of 325-625 bps (linked to TLR) + utilization fee</td>
<td>USD 175.0m</td>
<td>USD 350.0m</td>
<td>Maintenance covenant: total leverage ratio 3.00x Q2-19, reduced 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 345.7m</td>
<td>USD 345.7m</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>USD 212.0m</td>
<td>None, but incurrence test: Interest coverage ratio ≥ 2.0x*</td>
</tr>
</tbody>
</table>

Debt maturity profile:

Expect to refinance in 2H 2019
- Positioned to execute on short notice
- Timing and structure dependent on market conditions

*Carve out for drawings under ECF and RCF
Seismic – Early Cycle Indicator with Potential for More

- Seismic spend increases Y-o-Y
  - MultiClient started to improve in 2017
  - Contract market on the rise in 2019

- Contract market trends
  - Higher activity
  - Higher prices
  - Increased share of 4D

Source: Rystad Energy and Nordea.
Order Book

- Order book USD 300 million* at June 30, 2019
  - Contract order book back to pre-downturn levels

- Vessel booking**
  - Q3 19: 24 vessel months
  - Q4 19: 21 vessel months
  - Q1 20: 7 vessel months

- Good progress securing projects for remaining Q1 2020 capacity
  - Still considering to operate 8 vessels during winter season

* The order book as of June 30, 2019, includes $27 million related to a service and support agreement in Japan up to the next annual renewal.
**As of July 15, 2019.
More than 35% higher prices on 2019 contract work booked to date vs. average 2018 rate

PGS booking of Q4/Q1 work significantly ahead of last year

High bidding activity with leads and bids for new work on a positive trend

Expect higher contract activity level and fleet utilization this winter season compared to last

*Contract bids to go (in-house PGS) and estimated $ value of bids + risk weighted leads up to August 30, 2019. Source: PGS internal estimates.
The 4D market is growing faster than the general market - yielding enhanced returns

Increasingly important with multi-sensor streamer offering
- More than 70% market share in 2019

2020 likely to see the highest number of 4D jobs
- 26 projects identified with potential for more

PGS’ 4D offering is driven by strong differentiation:
- Multi-sensor and steerable streamer and source technology on all vessels
- Large, high density streamer spreads
- Only player with integrated development of acquisition and imaging tools for 4D/reservoir seismic
MultiClient in Fundamental Growth

- Substantial MultiClient investment during downturn

- PGS late sales revenues
  - Strong quarterly fluctuations
  - Last Twelve Months (“LTM”) June 30, 2019 up more than 20% vs. LTM June 30, 2018
  - LTM June 30, 2018 up slightly less than 20% vs. LTM June 2017
  - Large opportunity basket for 2H19

- PGS prefunding revenues
  - Stronger internal competition for capacity in a recovering contract market
  - Targeting a prefunding level of 80-120%, expect to be in upper half for full year 2019
Significant Supply Reduction

- 2019 average capacity close to 50% lower than average capacity in 2013
  - Net capacity increase in 2019 is marginal vs. 2018

- Full utilization of industry capacity during summer season
  - Expect lower seasonal supply swings owing to higher demand

Source: PGS internal estimates
Summary

- Seismic market in recovery
  - Fundamental MultiClient growth
  - Strong and continuing growth in 4D market
  - Significant improvement in contract pricing

- Expect lower seasonal demand swings owing to higher demand

- Strong improvement in LTM financial results
  - Improving cash flow and reducing debt

Taking leadership position through fully integrated offering
Thank You – Questions?