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
• 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>None, but incurrence test: total leverage ratio ≤ 3.00x*</td>
<td></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>None, but incurrence test for loan 3&amp;4: Total leverage ratio ≤ 3.00x* and Interest coverage ratio ≥ 2.0x*</td>
<td></td>
</tr>
<tr>
<td>December 2020 Senior Notes, coupon of 7.375%</td>
<td>USD 212.0m</td>
<td>None, but incurrence test: Interest coverage ratio ≥ 2.0x*</td>
<td></td>
</tr>
<tr>
<td>December 2018 Senior Notes, coupon of 7.375%</td>
<td>USD 26.0m</td>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

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

**Debt maturity profile:**

- **Japanese Export Credit**: 2018, 2019
- **Term Loan B**: 2020
- **Senior Notes**: 2021, 2022
• 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
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

Looking ahead: Energy Demand will Continue to Increase
Oil Companies Need to Explore

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

Change in 2017 vs. 2016

- 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
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
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

Maintaining a strong market position

Source: PGS internal estimate.
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.
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
Thank You – Questions?