



Unaudited Third Quarter 2011 Results



Oslo October 28, 2011



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 third quarter 2011 results and the disclosures therein



MultiClient Drives Performance



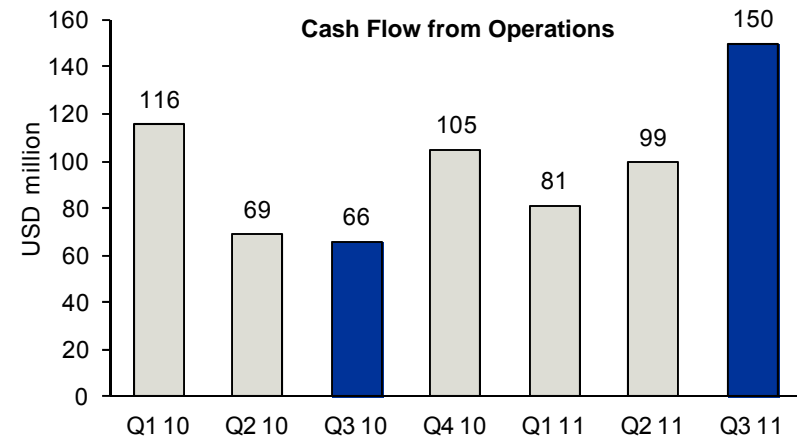
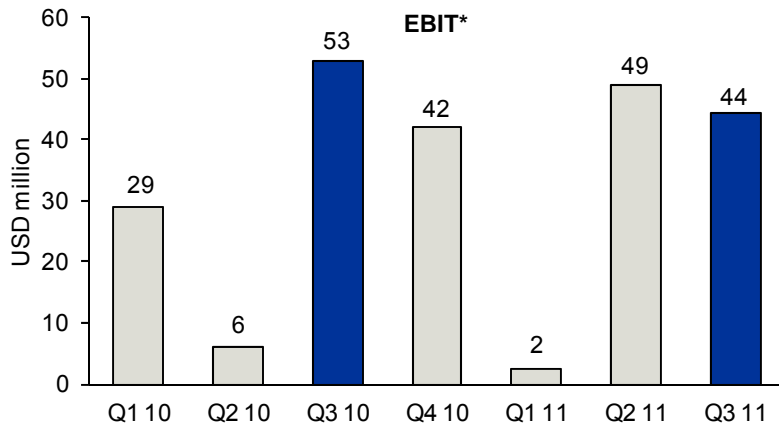
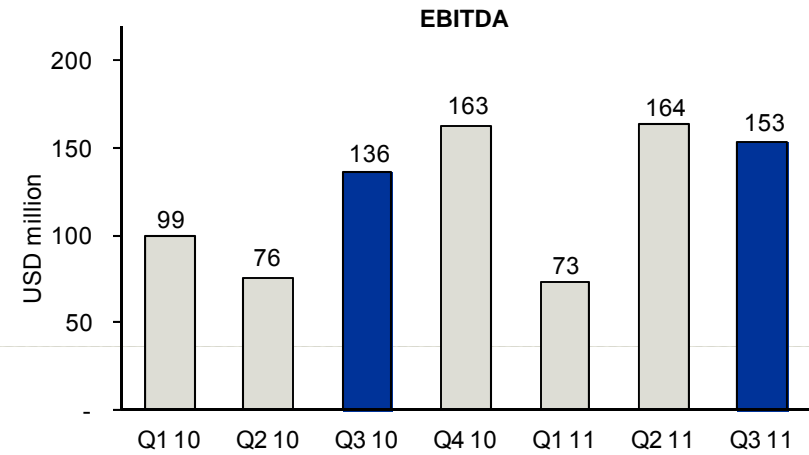
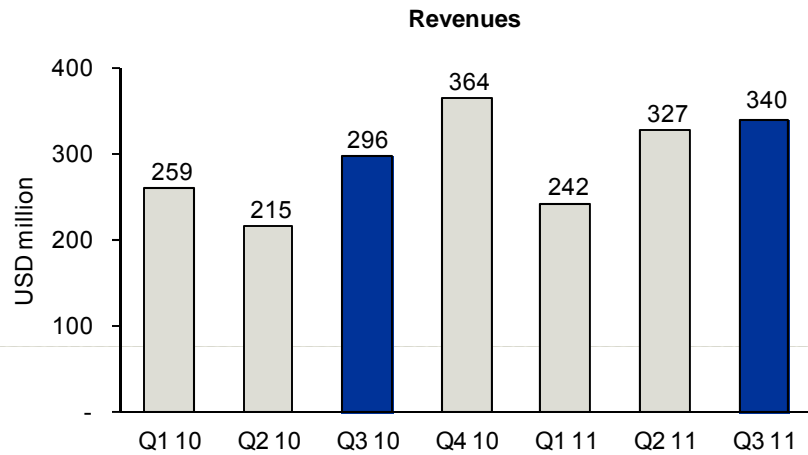
- Q3 financial performance:
 - EBITDA of USD 153.2 million
 - Cash flow from operations of USD 149.6 million
 - Strong MultiClient sales of USD 144.2 million
 - Marine contract EBIT margin of 4%
 - External Data Processing revenues of USD 27.5 million
 - EPS impacted by foreign exchange movements causing non cash financial and tax charges
- Guidance increased: 2011 EBITDA of approximately USD 525 million



Proactive Contract/MultiClient allocation optimizes overall performance



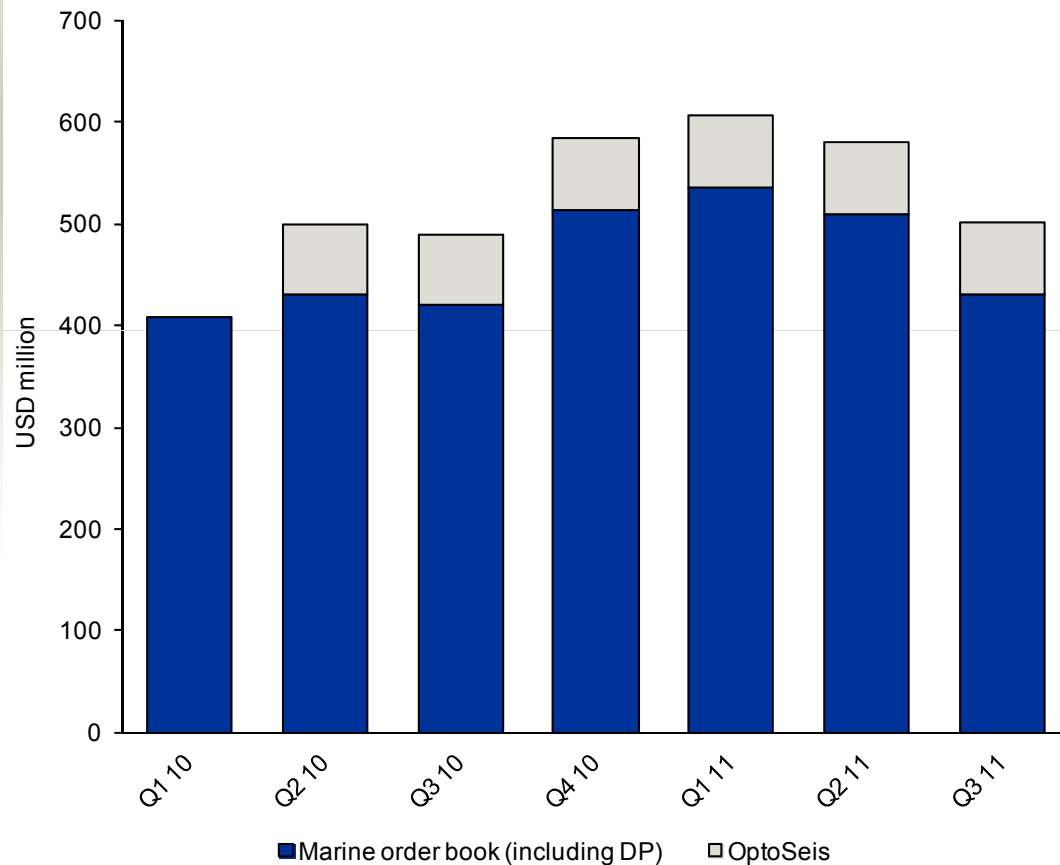
Financial Summary



Graphs show numbers for PGS continuing business. Figures for prior periods have been restated due to change in accounting policy
*Excluding reversal of impairment of USD 1.3 million in Q4 2010 and excluding impairments of USD 79.9 million in Q3 2010 and USD 0.5 million in Q1 2010.
EBITDA, when used by the Company, means income (loss) before income tax expense less, currency exchange gain (loss), other financial expense, other financial income, interest expense, income (loss) from associated companies, other operating income, impairment of long-lived assets and depreciation and amortization.



Reasonable Visibility



- Order book of USD 501 million
- North Sea season coming to an end
- Strong GeoStreamer momentum continues
- Flat prices for the general market



Attractive MultiClient pipeline



PGS and the Seismic Market



- Steady increase in total market demand year on year
- Healthy growth in MultiClient and Data Processing
- Bidding for 2012 North Sea season has started, too early to see any directional change in price
- Challenging contract market conditions in Q4 2011 and Q1 2012 due to excess capacity
- Differentiation increasingly important
 - Data quality
 - Productivity
- Strong GeoStreamer interest
 - Several good MultiClient and contract opportunities
 - Barents and North Sea discoveries trigger demand



Petroleum Geo-Services ASA

Petroleum Geo-Services ASA

Financials

Unaudited Third Quarter 2011 Results



Consolidated Statement of Operations Summary

USD million (except per share data)	Quarter ended September 30			Nine months ended September 30		
	2011	2010	% change	2011	2010	% change
Revenues	339.9	296.4	15 %	908.7	770.7	18 %
EBITDA*	153.2	136.4	12 %	389.7	312.1	25 %
Operating profit (EBIT)**	44.5	53.1	-16 %	95.9	88.8	8 %
Net financial items	(14.5)	(0.5)	n/a	(43.9)	(52.5)	16 %
Income (loss) before income tax expense	30.0	(27.3)	n/a	52.0	(44.0)	n/a
Income tax expense (benefit)	16.7	14.9	-12 %	23.2	17.1	36 %
Net income to equity holders	13.5	(40.4)	n/a	28.2	(50.9)	n/a
EPS basic	\$0.06	(\$0.20)	n/a	\$0.13	(\$0.26)	n/a
EPS diluted	\$0.06	(\$0.20)	n/a	\$0.13	(\$0.26)	n/a
EBITDA margin*	45.1 %	46.0 %		42.9 %	40.5 %	
EBIT margin	13.1 %	17.9 %		10.6 %	11.5 %	

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**Excluding impairment of long-lived assets

The accompanying unaudited financial information has been prepared under IFRS. This information should be read in conjunction with the unaudited third quarter 2011 results released on October 28, 2011.



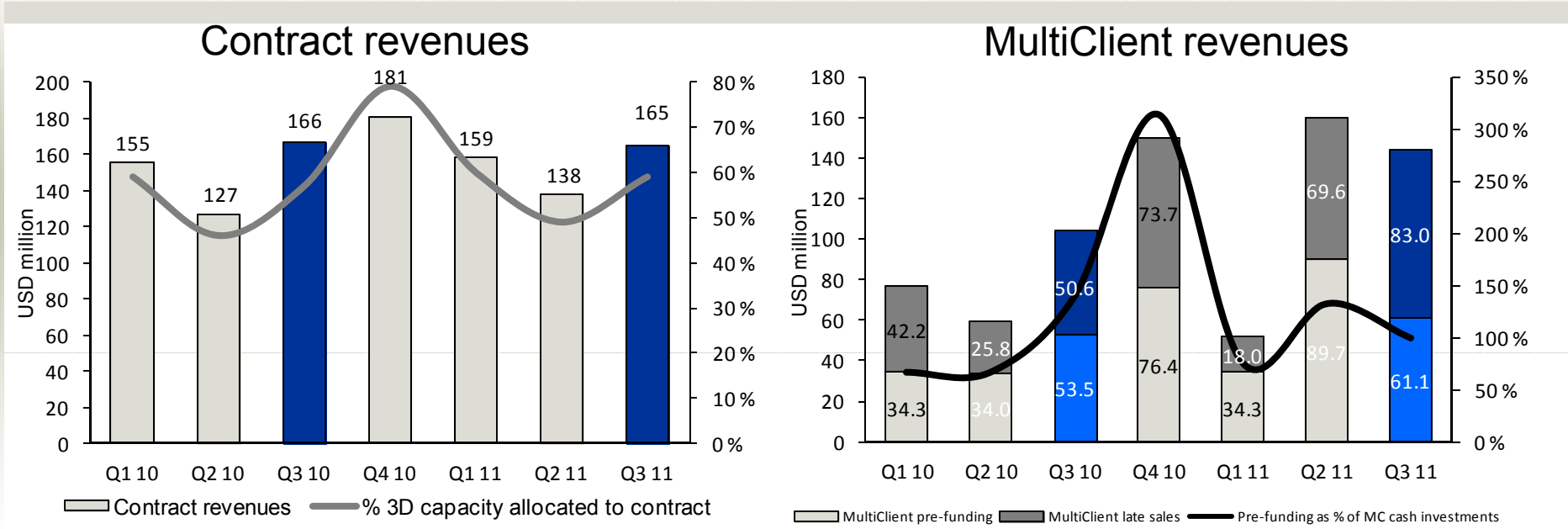
Financial Items and Non Cash Tax Expense Reducing Q3 EPS

- Significant financial items impacting Q3 2011
 - USD 7.4 million gain from sale of shares
 - USD 10.3 million currency loss, including translation of deposit account for ISS dispute in Brazil
 - USD 2.3 million loss from repurchase of USD 51.4 million of convertible notes
 - USD 2.8 million fair value adjustments of warrants in Geokinetics
- Q3 tax expense of USD 16.7 million impacted by currency translation
 - Deferred tax expense totaling USD 21.0 million
 - Norwegian and other non-US tax assets translated at higher USD rate
 - No tax asset recognized on foreign currency loss in Brazil
 - Modest current tax expense YTD of USD 5.2 million with a USD 4.3 million current tax benefit reported for Q3 2011

No further impairment taken in Q3 2011 on convertible loan to Seabird which is expected to be repaid or restructured.



Q3 2011 Highlights

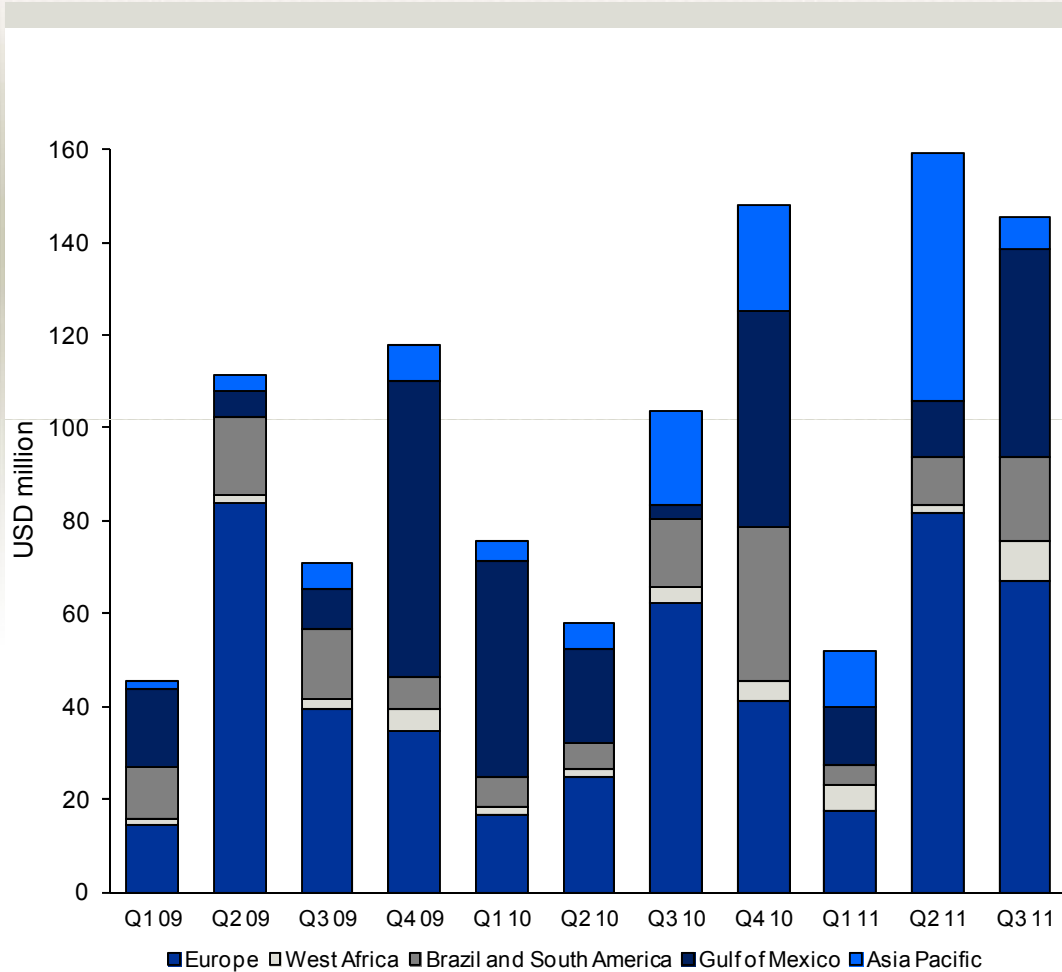


- Strong MultiClient revenues of USD 144.2 million
 - Pre-funding as % of MultiClient cash investments of 99%
- Marine Contract EBIT margin of 4%
 - The low margin is impacted by less GeoStreamer capacity allocated to contract activity, higher project costs and relatively weaker productivity
- External Data Processing revenues of USD 27.5 million, compared to USD 24.6 million in Q3 '10



MultiClient Revenues per Region

Pre-funding and Late Sales Revenues Combined



- Strong late sales driven by increased interest for Gulf of Mexico
 - Europe and Brazil also performed well
- Pre-funding revenues were primarily fueled by MultiClient GeoStreamer projects in the North Sea
- Pre-funding for the full year 2011 expected to be approximately 100% of capitalized cash investment

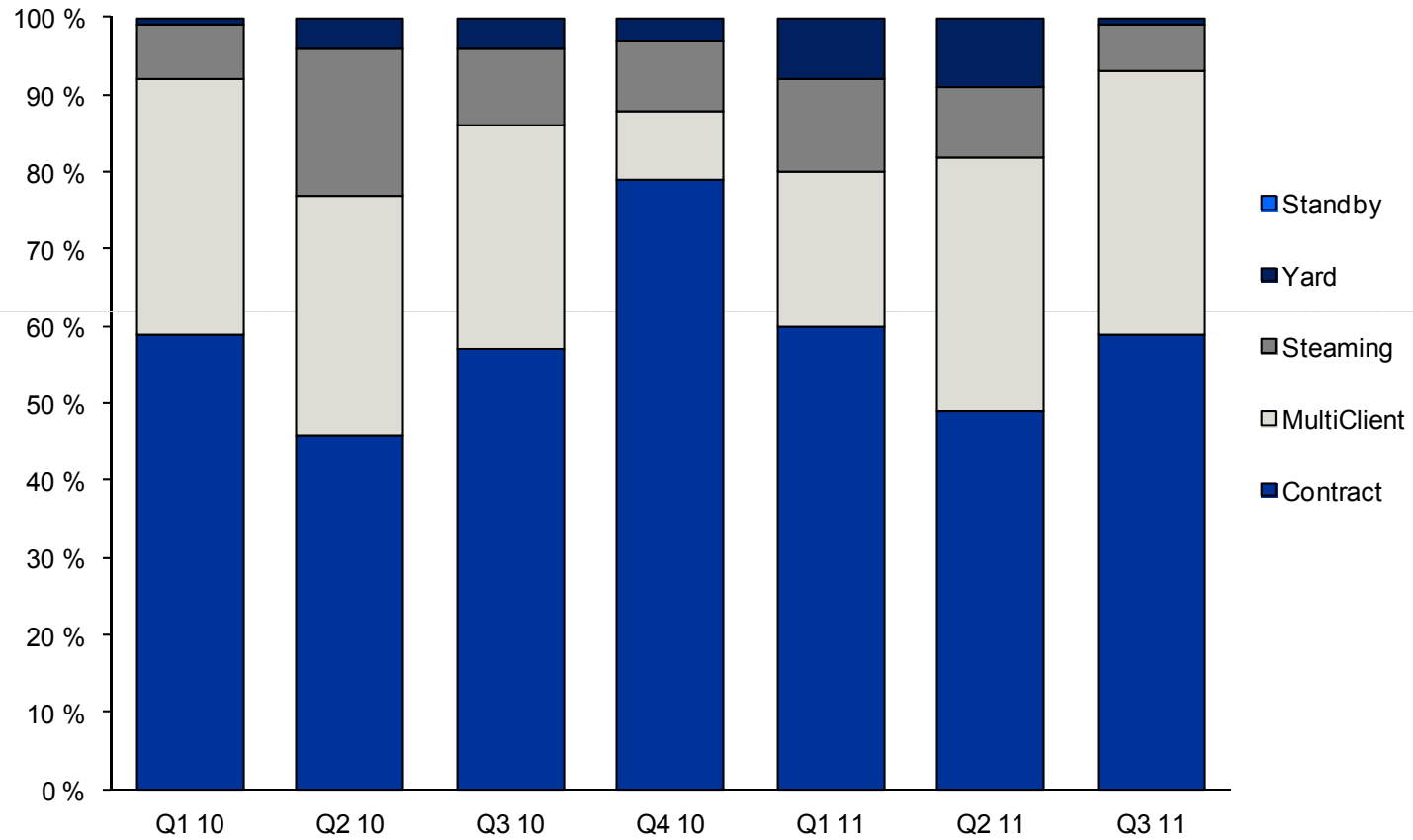


Approximately 30% of active vessel time expected to be used for MultiClient for full year 2011



Vessel Utilization

Seismic Streamer 3D Fleet Activity in Streamer Months



 93% active vessel time in Q3



Key Operational Figures

USD million	2011			2010			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Contract revenues	164.9	138.1	158.6	180.6	166.3	126.8	155.4
MultiClient Pre-funding	61.1	89.7	34.3	76.4	53.5	34.0	34.3
MultiClient Late sales	83.0	69.6	18.0	73.7	50.6	25.8	42.2
Data Processing	27.5	25.5	27.2	30.8	24.6	24.9	23.2
Other	3.3	3.7	4.0	2.9	1.4	3.5	4.3
Total Revenues	339.9	326.6	242.2	364.4	296.4	214.9	259.4
Operating cost	(186.7)	(163.0)	(169.3)	(201.1)	(160.0)	(138.5)	(160.0)
EBITDA	153.2	163.6	72.9	163.3	136.4	76.4	99.4
Other operating income	4.4						
Depreciation	(41.4)	(33.8)	(37.7)	(43.7)	(33.9)	(36.6)	(32.9)
MultiClient amortization	(71.8)	(80.8)	(32.7)	(77.7)	(49.3)	(34.1)	(36.5)
EBIT*	44.5	49.0	2.5	41.9	53.2	5.7	30.0
CAPEX	(40.9)	(110.5)	(81.3)	(61.0)	(56.9)	(52.7)	(48.0)
Cash investment in MultiClient	(61.5)	(68.4)	(45.6)	(24.3)	(38.6)	(51.7)	(52.1)
Order book	501	579	606	584	489	499	409

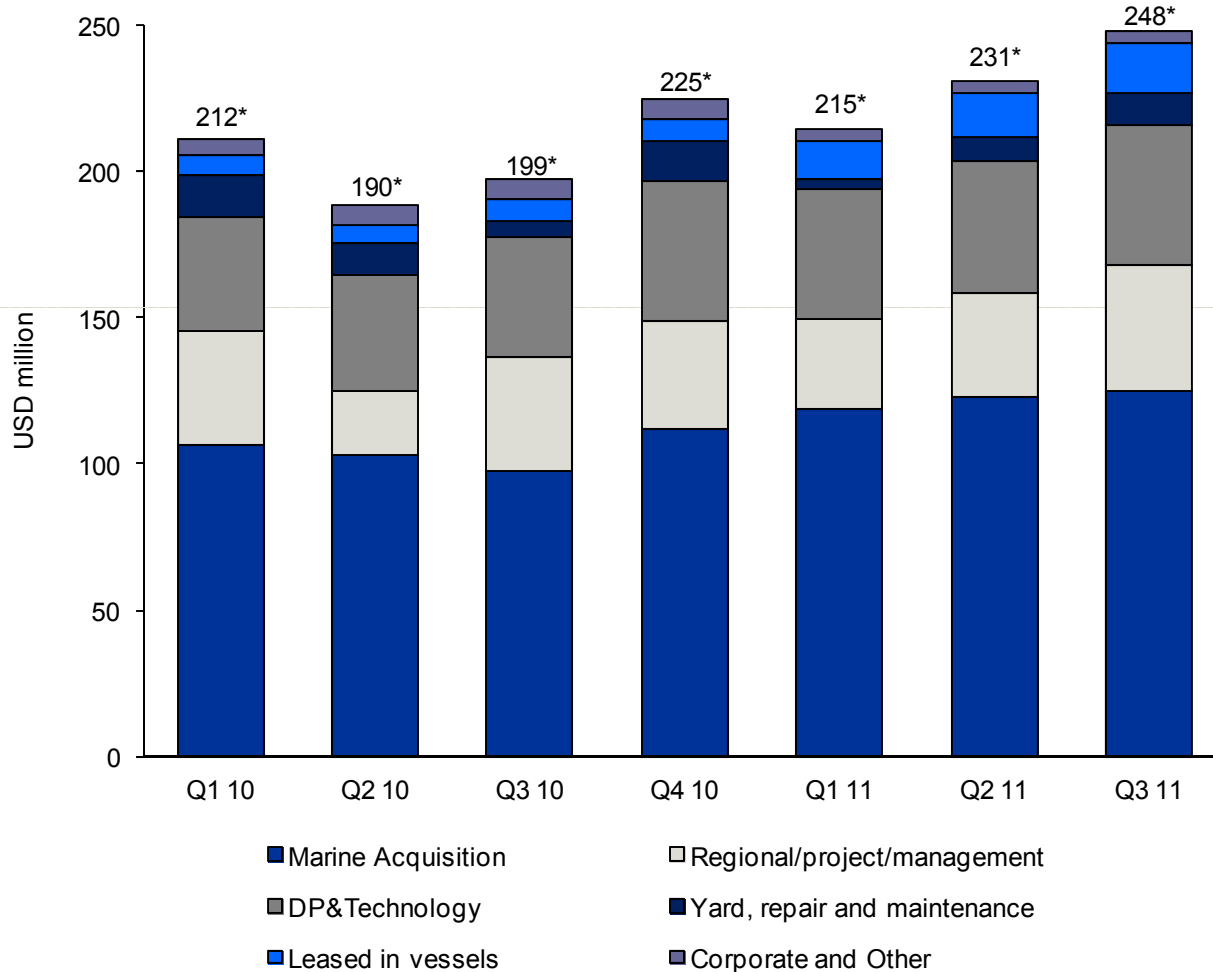
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Group Cost* Development



- Growth in processing and R&D from Q2
- Higher project variable cost relating to support vessels, crew boats, helicopter and security
- Reduced capitalization of vessel operating cost during yard stays compared to 1H
- USD 3 million increase in fuel cost
- USD 6 million net release of deferred steaming

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



Consolidated Statement of Cash Flows Summary

USD million	Quarter ended September 30		Nine months ended September 30	
	2011	2010	2011	2010
Cash provided by operating act.	149.6	65.9	329.9	250.1
Investment in MultiClient library	(61.5)	(38.6)	(175.4)	(142.4)
Capital expenditures	(59.4)	(56.9)	(247.3)	(162.5)
Other investing activities	(1.1)	44.6	(76.6)	258.7
Financing activities	(66.8)	(6.8)	(86.3)	(161.9)
Net increase (decr.) in cash and cash equiv.	(39.1)	8.1	(255.7)	42.0
Cash and cash equiv. at beginning of period	216.0	159.8	432.6	126.0
Cash and cash equiv. at end of period	176.9	168.0	176.9	168.0

- Strong cash flow from operating activities due to improved EBITDA and working capital
- Q3 cash used in financing activities includes USD 51.4 million of repurchase of convertible notes

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Strong Balance Sheet Position - Key Figures

USD million	Quarter ended September 30		December 31
	2011	2010	2010
Total assets	2 907.6	2 690.2	3 035.0
MultiClient Library	350.6	355.5	310.8
Shareholders' equity	1 757.9	1 435.1	1 755.3
Cash and cash equiv.	176.9	168.0	432.6
Restricted cash	93.3	16.4	71.2
Liquidity reserve	524.5	514.0	777.9
Gross interest bearing debt *	750.6	787.3	790.2
Net interest bearing debt	421.6	602.9	279.2

*Includes capital lease agreements

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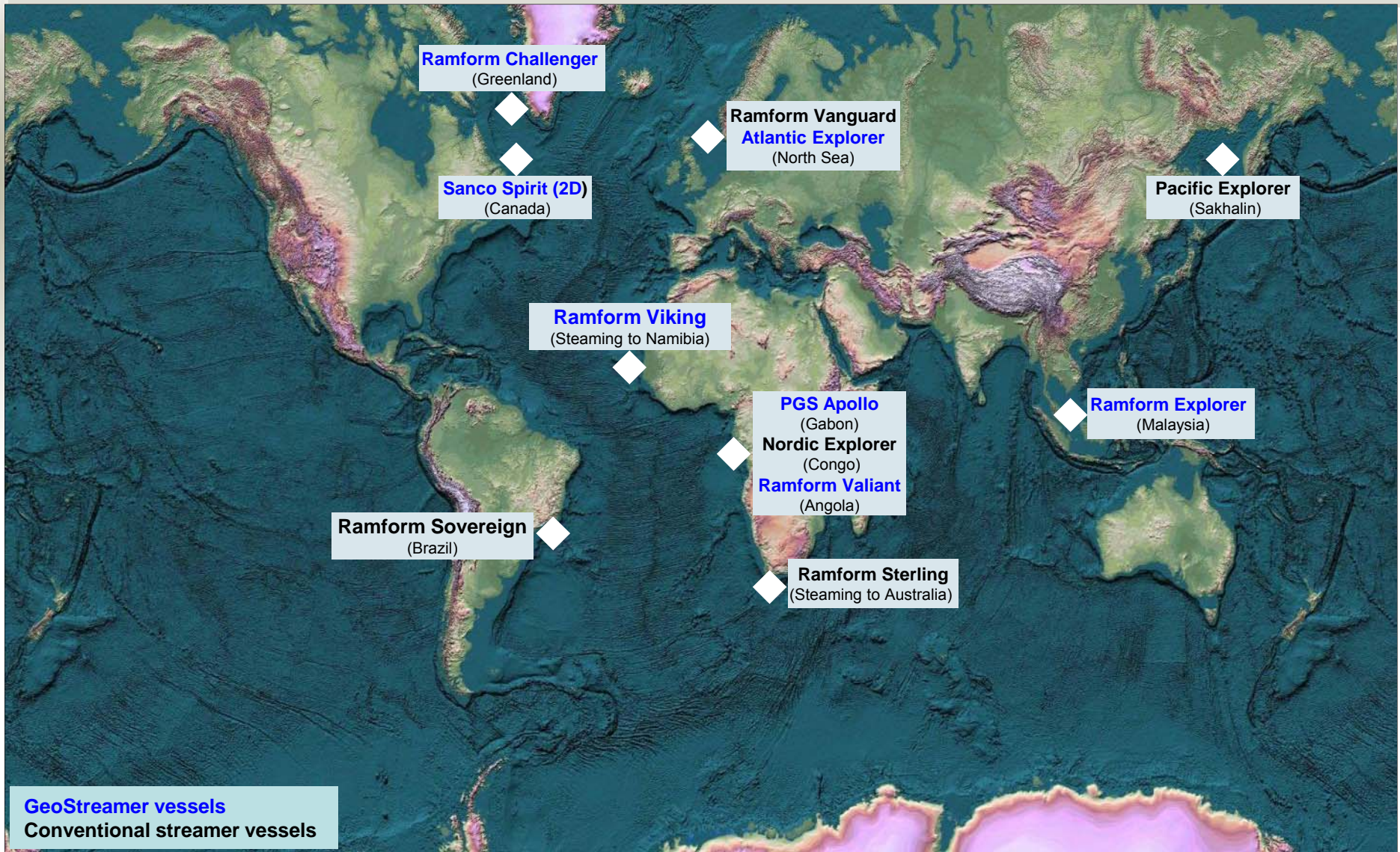
Petroleum Geo-Services ASA

Petroleum Geo-Services ASA

Operational Update and Market Comments



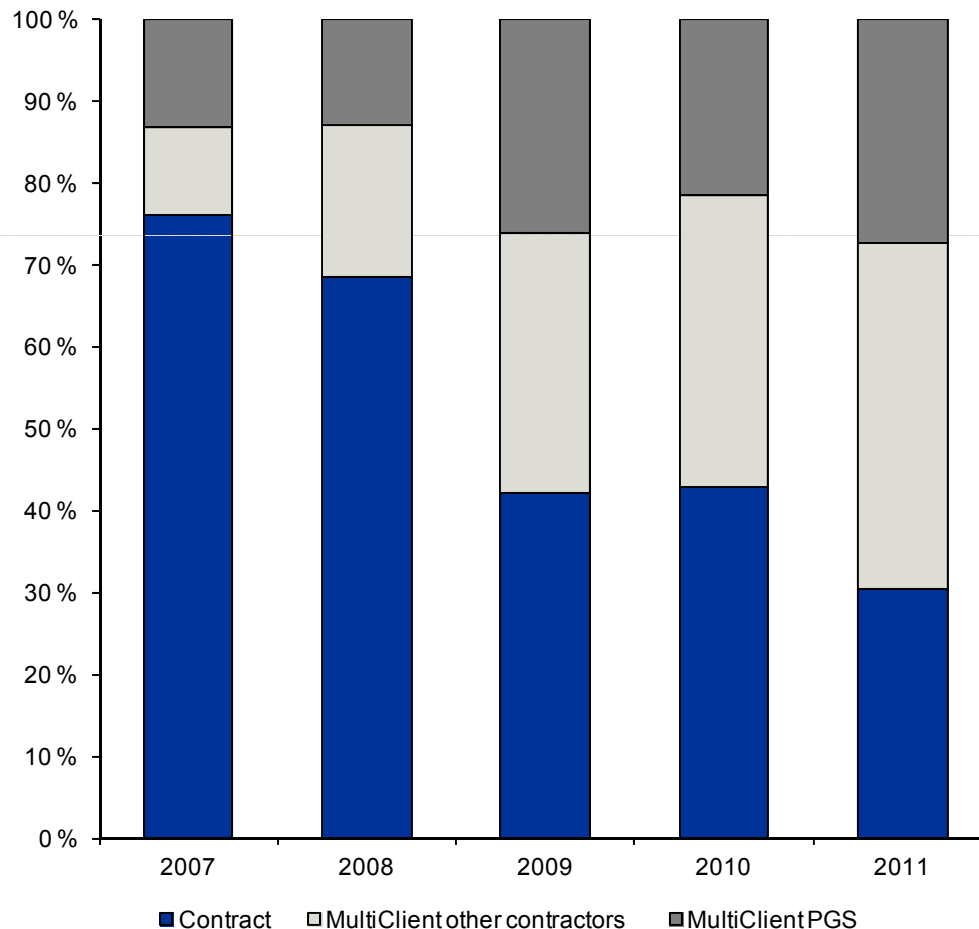
Streamer Operations Mid October 2011





The North Sea – Increasing MultiClient Focus

Contract/MultiClient split in the North Sea*

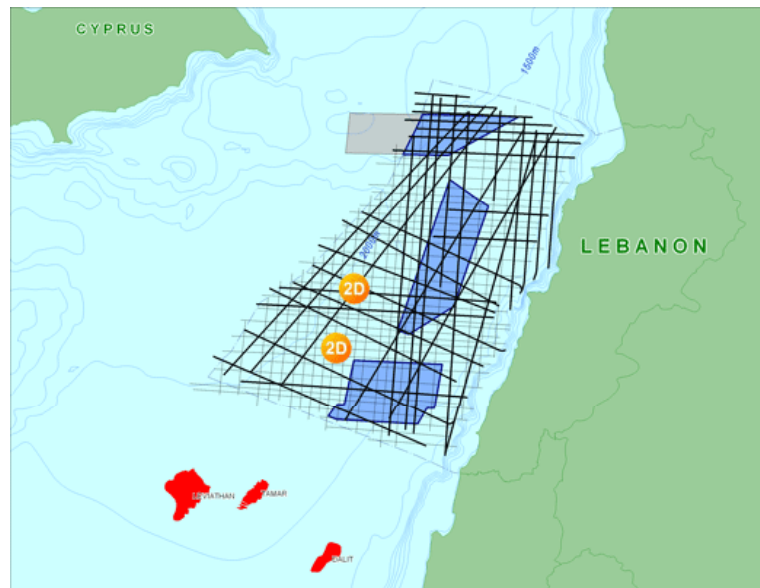
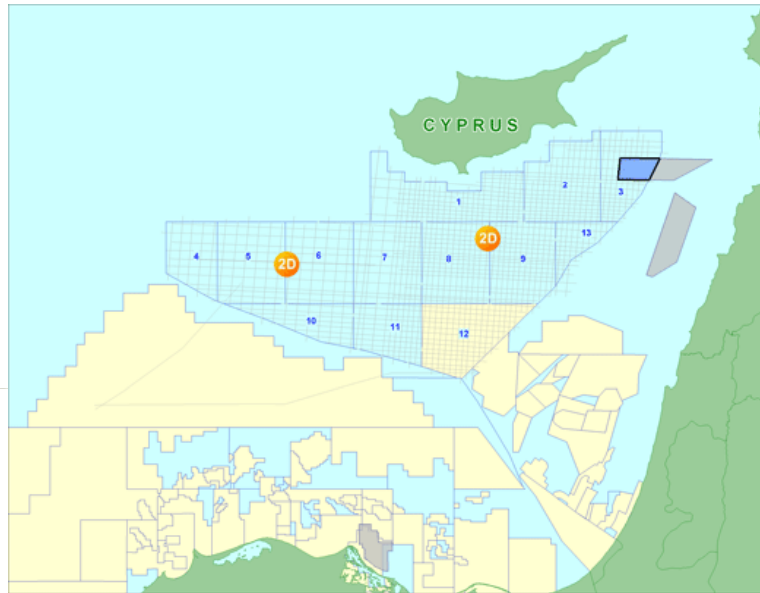


- MultiClient had 100% GeoStreamer allocated in Q3 2011
- Significant increase in North Sea MultiClient activity
 - Bodes well for continued GeoStreamer MultiClient projects in the North Sea going forward
- PGS about to complete 3rd year of GeoStreamer MultiClient campaigns in the North Sea with a strong market share in the region

*Includes continental shelf of Norway, UK, Denmark and Germany. -19-



Other Attractive MultiClient Opportunities



- Opportunities in relation to license rounds in Eastern Mediterranean
- Significant pipeline of MultiClient opportunities in West Africa
- Crystal IV in Gulf of Mexico (“GoM”)
- Clarity on GoM license rounds from 2012 should provide renewed growth prospects in this key area



Q3 Marine Contract

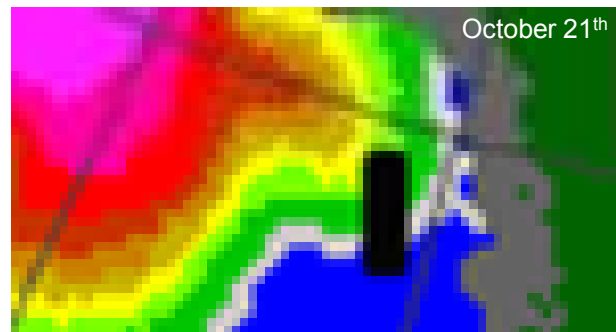
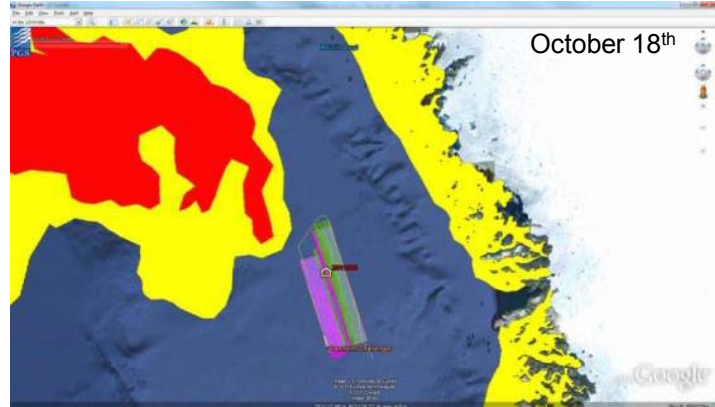
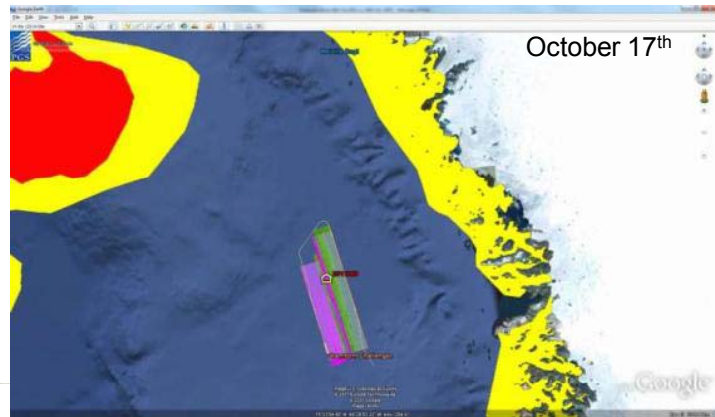


- 29% of Contract capacity was GeoStreamer in Q3
- Only one vessel used for contract in the North Sea
 - Conventional, solid streamer
- Northernmost 3D survey ever offshore Greenland
 - 4th year in a row in the Arctic with GeoStreamer
 - Operational challenges due to challenging conditions
 - Challenging safety conditions
 - Productivity impact with important learnings for the future
- Lower profitability on long term contracts
- Low end 6 streamer vessels with negative EBIT margins
 - Market weakness
 - Performance impacted by vessel age



GeoStreamer Expanding the Weather Window

Survey Offshore Greenland Completed Just in Time



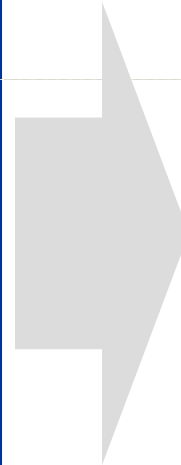
- Increasing challenges related to temperature impacting equipment and personnel
- Sea water temperature was around -1°C and Baffin Bay about to freeze over at completion
- Without GeoStreamer this year's campaign could not have been completed in one season



On Track Towards Full GeoStreamer Deployment

Current GeoStreamer operations

- **3D**
 - *Atlantic Explorer*
 - *Ramform Challenger*
 - *Ramform Valiant*
 - *Ramform Explorer*
 - *Ramform Viking*
 - *PGS Apollo*
- **2D**
 - *Sanco Spirit*



Planned GeoStreamer rollout

- Additional 3D vessels
 - *Ramform Vanguard* scheduled for GeoStreamer upgrade H1 2012
 - New 5th generation Ramform, Q1 2013
 - New 5th generation Ramform, Q4 2013
 - *Ramform Sterling* 2014

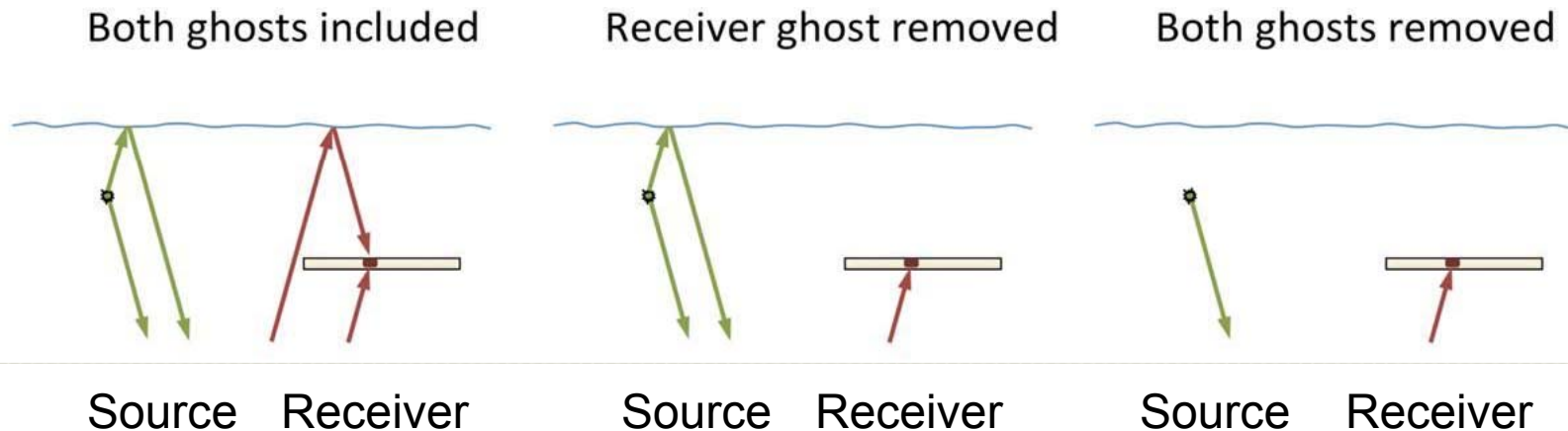


Strong demand drives GeoStreamer rollout



GeoStreamer GS™

A Second Layer of Differentiation



- High client interest at the SEG conference
- Significant bid request for GeoStreamer GS coming through
- CAPEX for modifying source arrays to be GeoStreamer GS compatible is approximately USD 1 million per vessel
- End 2012 all GeoStreamer vessels will be equipped with GeoSource (GS)

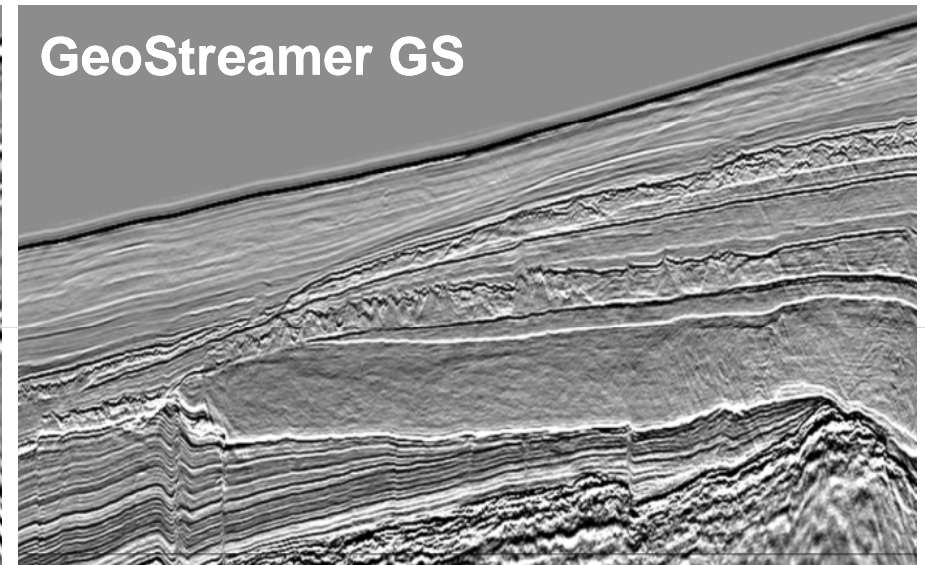
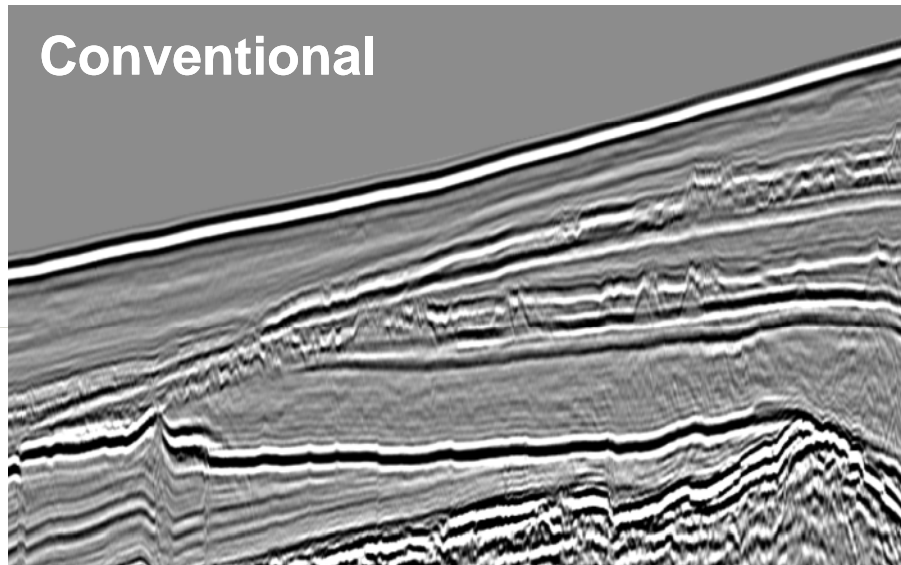


A step change in bringing higher resolution and better seismic images to clients



GeoStreamer GS: The only Ghost Free Acquisition Solution

Unprecedented bandwidth 2-220 Hz





A Clearer Image



Committed to Growth

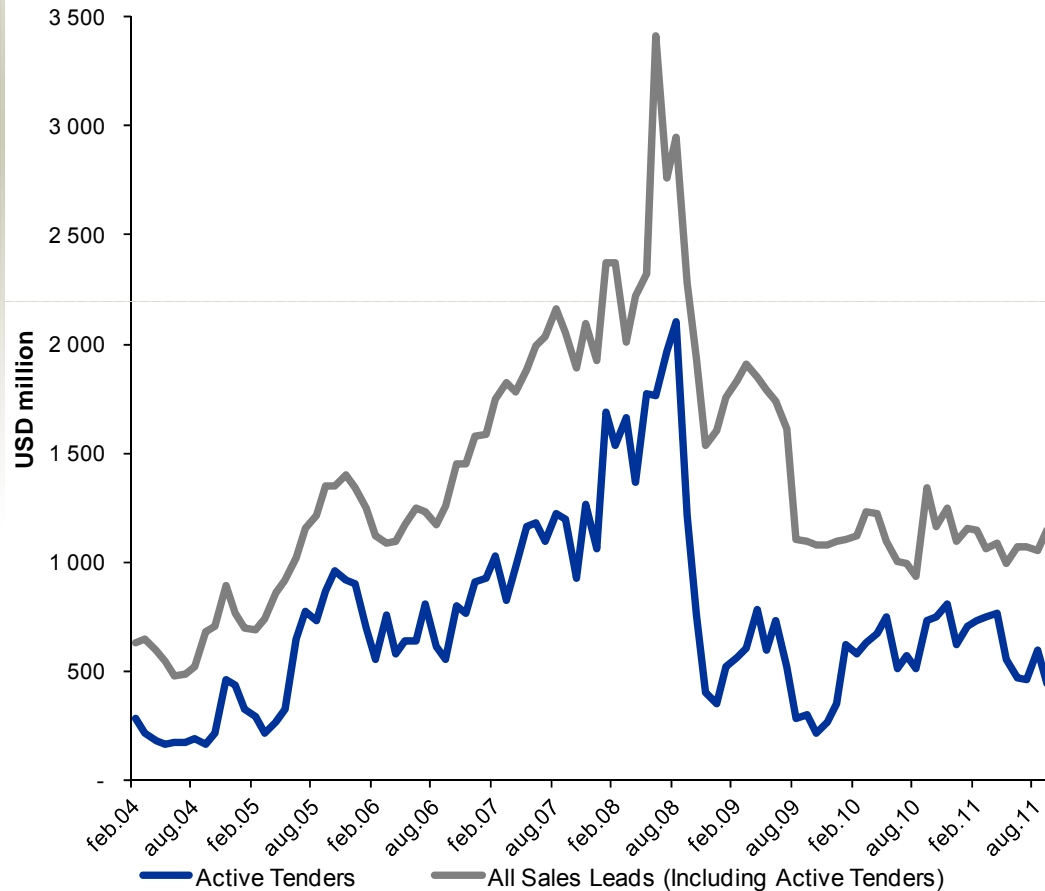
Continuously Ahead of Competition

	1992 - 1996	1998 - 1999	2007 - 2009	2012 - 2014
Competition	 4 - 6 streamers	 6 - 8 streamers	 8 - 12 streamers	 10 - 14 streamers
PGS	 8 & 12 streamers	 16 - 18 streamers	 22 streamers	 24 streamers

Improved safety and cost efficiency
More streamers, longer streamers and wider & denser streamer spreads
Optimized to meet HD3D market growth and GeoStreamer demand



Market Activity

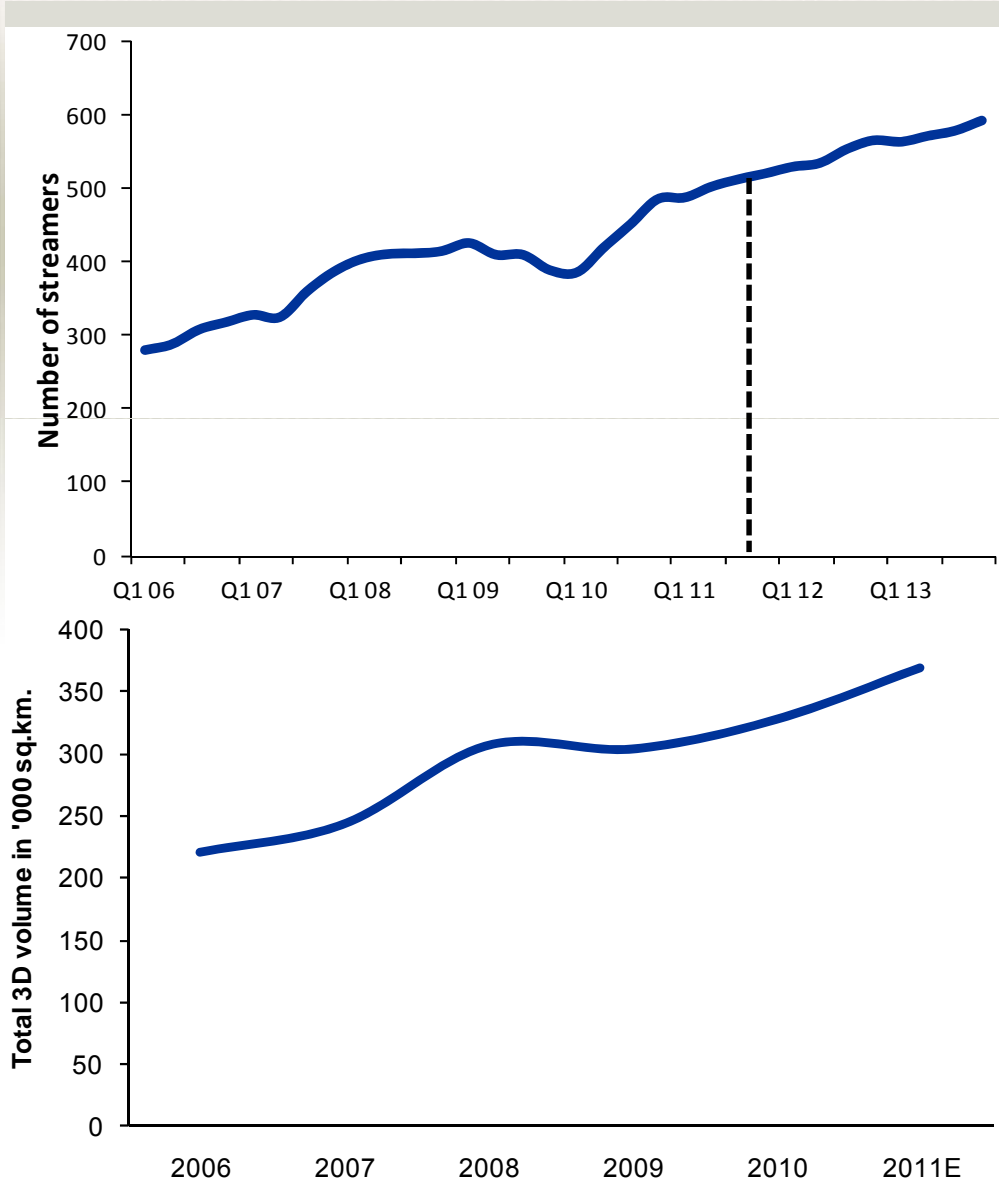


- Bid activity remains at low levels
 - Slow pick up in North Sea bidding so far
 - Strong interest for continuation of 2011 MultiClient North Sea GeoStreamer campaigns
- Significant bid opportunities in West Africa and Brazil
- Strong GeoStreamer interest

Source: PGS internal estimate as of end September 2011. 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.



E&P Spending Robust and Capacity Growth Tapering Off



- Expected capacity increases
 - 7% increase in 2011
 - 7% increase in 2012
 - 5% increase in 2013
- Continued E&P spending results in sq.km growth of 12-13% in 2011 over 2010



New Commercial Products Pipeline

Towed EM

- Great technical results
 - Operationally
 - Data quality
- Increasing customer interest
- Attractive and capital light cost base
- EM market is improving
- Going commercial during 2012

OptoSeis Permanent Monitoring

- Jubarte pilot to be installed 2012
- The only deepwater certified system
- New leads emerging



Perspectives 2011

- Full year 2011 MultiClient share of steamer capacity approximately 30%
- Q4 MultiClient revenues expected down from Q3
 - GOM uncertainty on new license rounds
 - Lower MultiClient acquisition activity means lower pre-funding revenues
- Increased steaming in Q4 vs. Q3, and several minor yard stays scheduled
- Marine contract EBIT margin expected to be approximately 10% for full year 2011
- Strong Data Processing growth momentum continues



Full Year 2011 Guidance

- Increased EBITDA of approximately USD 525 million
 - Macro / Oil price represents uncertainty
 - MC sales from GOM sensitive to new license rounds
- CAPEX, including new builds, of approximately USD 275 million
- MultiClient cash investment of approximately USD 200 million
 - MultiClient pre-funding level of approximately 100%



Unaudited Third Quarter 2011 Results



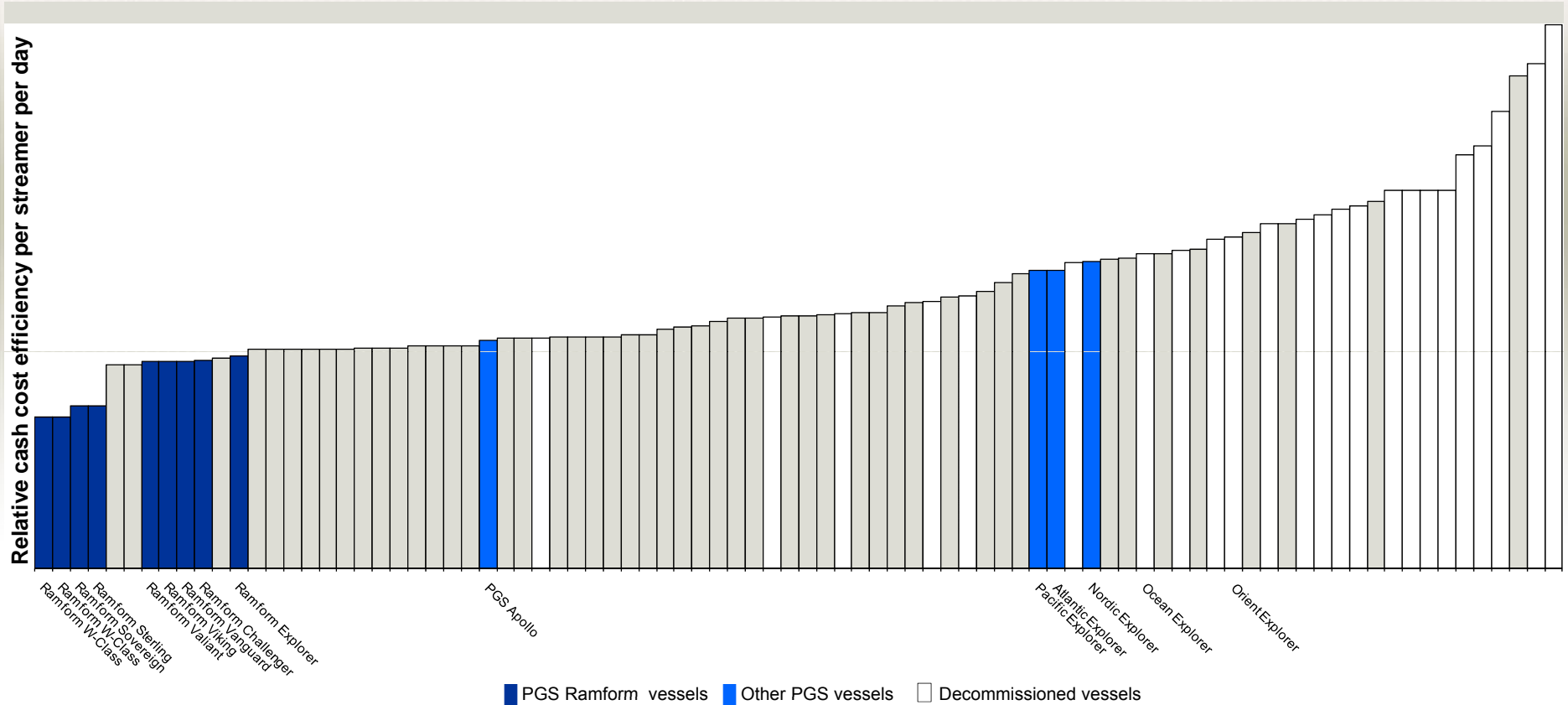
Oslo October 28, 2011



Appendix

Favorably Positioned on the Industry Cost Curve

Excluding GeoStreamer productivity effect



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 in the market, both existing and new-builds. The Ramform W-Class is incorporated with 15 streamers, S-class with 14 streamers and the V-class with 12 streamers.



Main Yard Stays for 3D Vessels Next six Months



Vessel	When	Expected Duration	Type of Yard Stay
<i>Atlantic Explorer</i>	Scheduled October and November, 2011	Approximately 21 days	Intermediate classing
<i>Ramform Challenger</i>	Scheduled November, 2011	Approximately 9 days	Engine overhaul
<i>Ramform Explorer</i>	Scheduled November, 2011	Approximately 6-7 days	Bottom inspection and engine overhaul
<i>Nordic Explorer</i>	Scheduled December, 2011	Approximately 8 days	Engine overhaul
<i>Ramform Sovereign</i>	Q1/Q2 2012	Approximately 16 days	Maintenance
<i>Ramform Vanguard</i>	Scheduled April 2012	Approximately 18 days	Intermediate classing, and upgrading with Geostreamers



Robust Financing with good Maturity Profile

Long term Interest Bearing Debt	Balance as of September 30, 2011	Total Credit Line	Financial Covenants
USD 600 million Term Loan ("TLB"), Libor + 175 basis points, due 2015	USD 470.5 million		Incurrence test: total leverage ratio < 3.00:1
Revolving credit facility ("RCF"), Libor + 225 basis points, due 2015	USD 0 million	USD 350 million	Maintenance covenant: total leverage ratio < 2.75:1
USD 400 million convertible bond due 2012, coupon of 2.7% with strike NOK 216.19	USD 279.9 million*		None

*USD 293.1 million of nominal value outstanding after repurchase