Barclays CEO Energy-Power Conference

September 4, 2018

Refocused eNergized

PGS

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

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

A Global Marine Geophysical Company

FOUNDED IN 1991

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

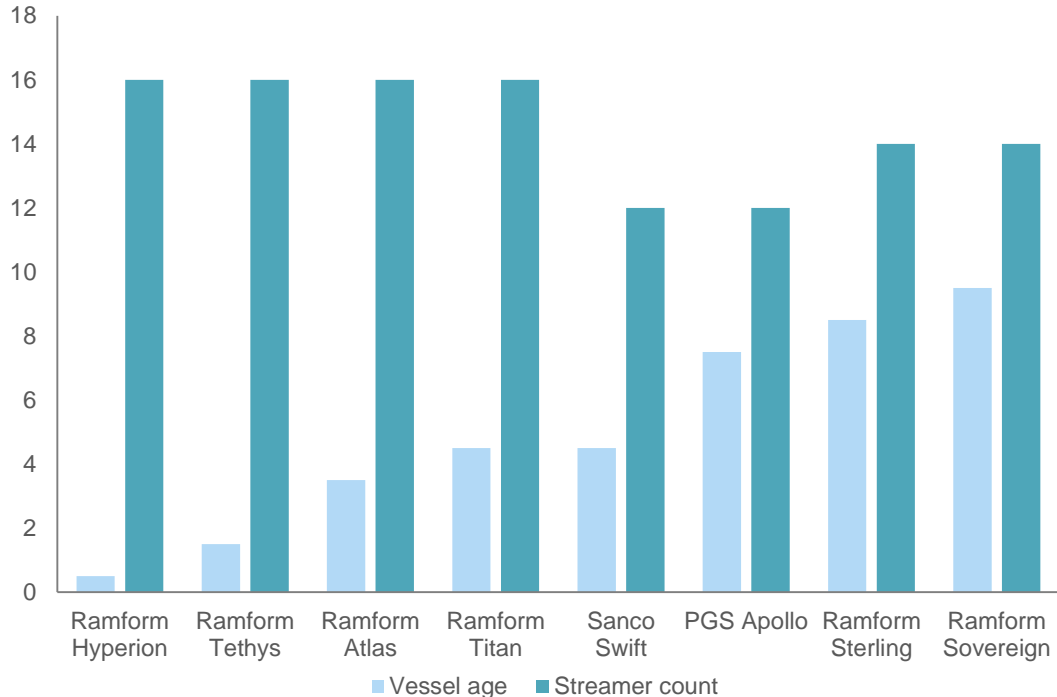**Active streamers by acquisition companies**
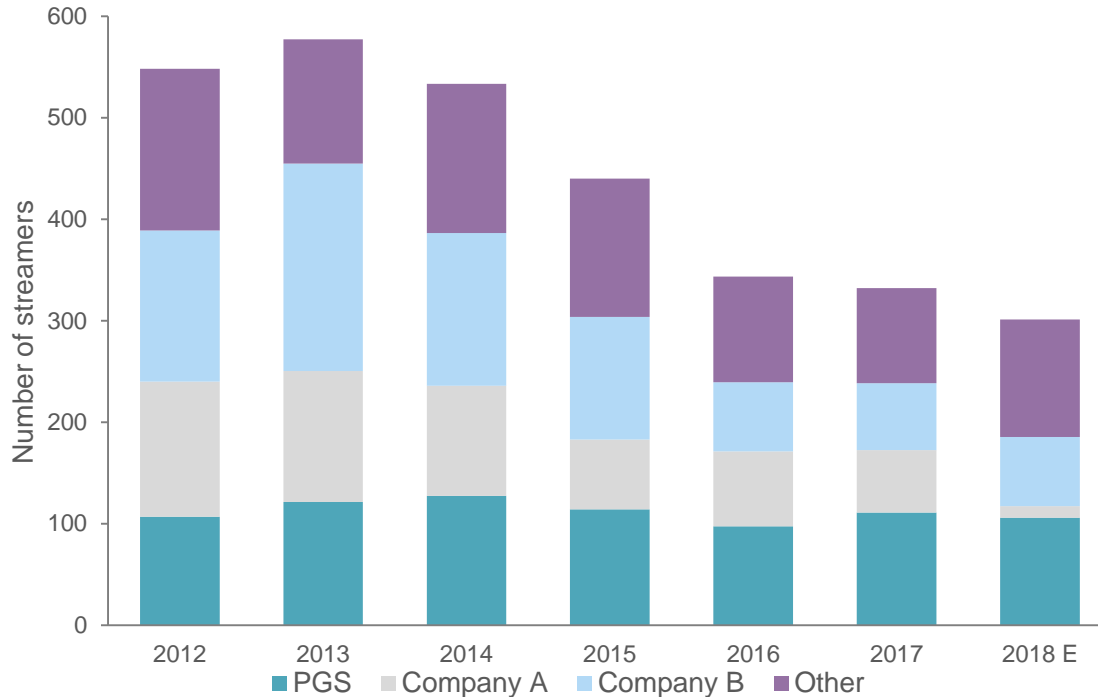
- A market leader with market share of ~35% in 2018

- 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

PGS Active Fleet Is the Youngest

Age and Standard Streamer Count PGS 3D Vessels

Legend: ■ Vessel age ■ Streamer count

Categories (x-axis): Ramform Hyperion, Ramform Tethys, Ramform Atlas, Ramform Titan, Sanco Swift, PGS Apollo, Ramform Sterling, Ramform Sovereign

- 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

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

A Flexible Fleet – Throughout the Cycle

RAMFORM **Hyperion**

RAMFORM **Tethys**

RAMFORM **Atlas**

RAMFORM **Titan**

RAMFORM **Sterling**

RAMFORM **Sovereign**

PGS **Apollo**

SANCO **Swift**

- 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

Sales to Investment Ratio of 2.5x

- Sales
- Investments
- Sale/ Cash Investments
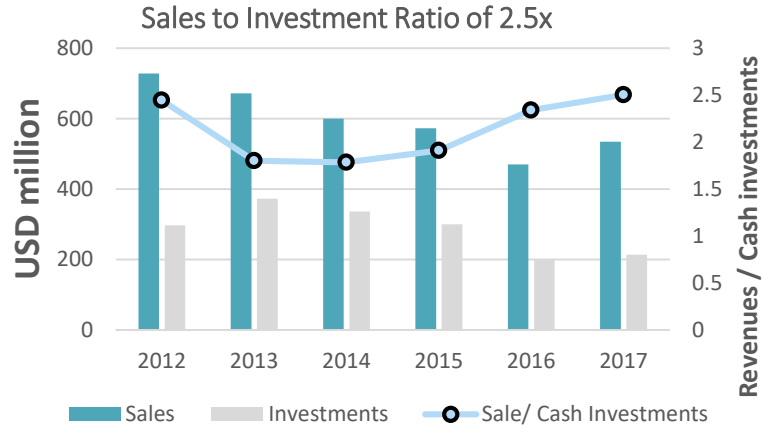
- 2017 MultiClient cash investments of USD 213.4 million with a pre-funding level of 140%

Strong Pre-funding Levels

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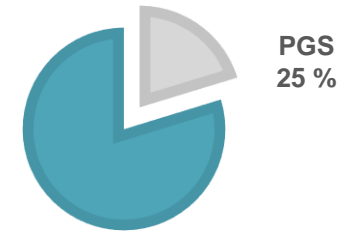- Late sales
- PF %
- Targeted pre-funding level 80-120%
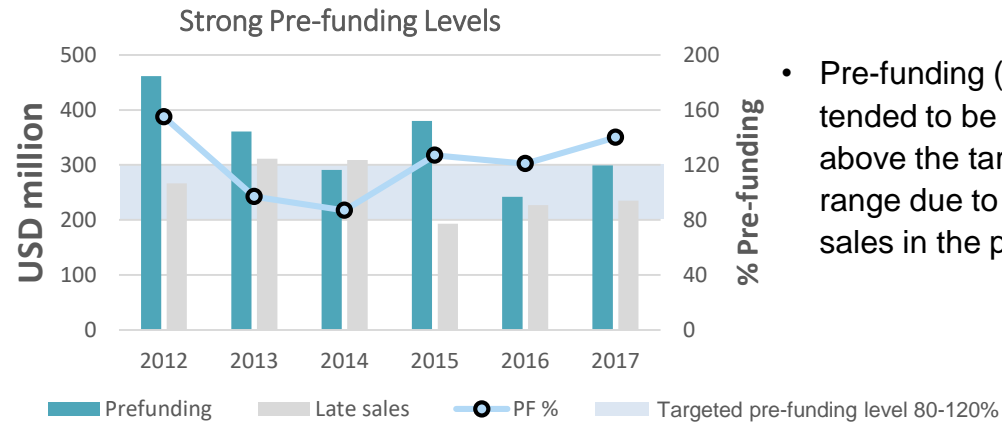
- Pre-funding (*) has historically tended to be in the high end or above the targeted 80-120% range due to incremental sales in the processing phase

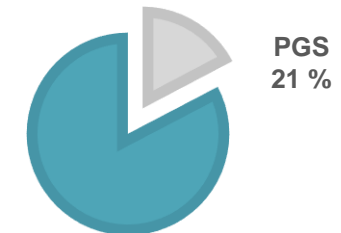## A Leading MultiClient Library Generating Relatively High Revenues

Peer Group (**) Net Book Value

PGS 18 %
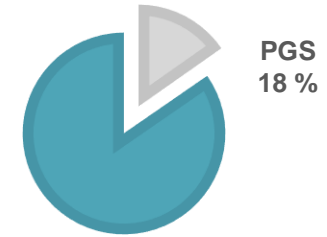
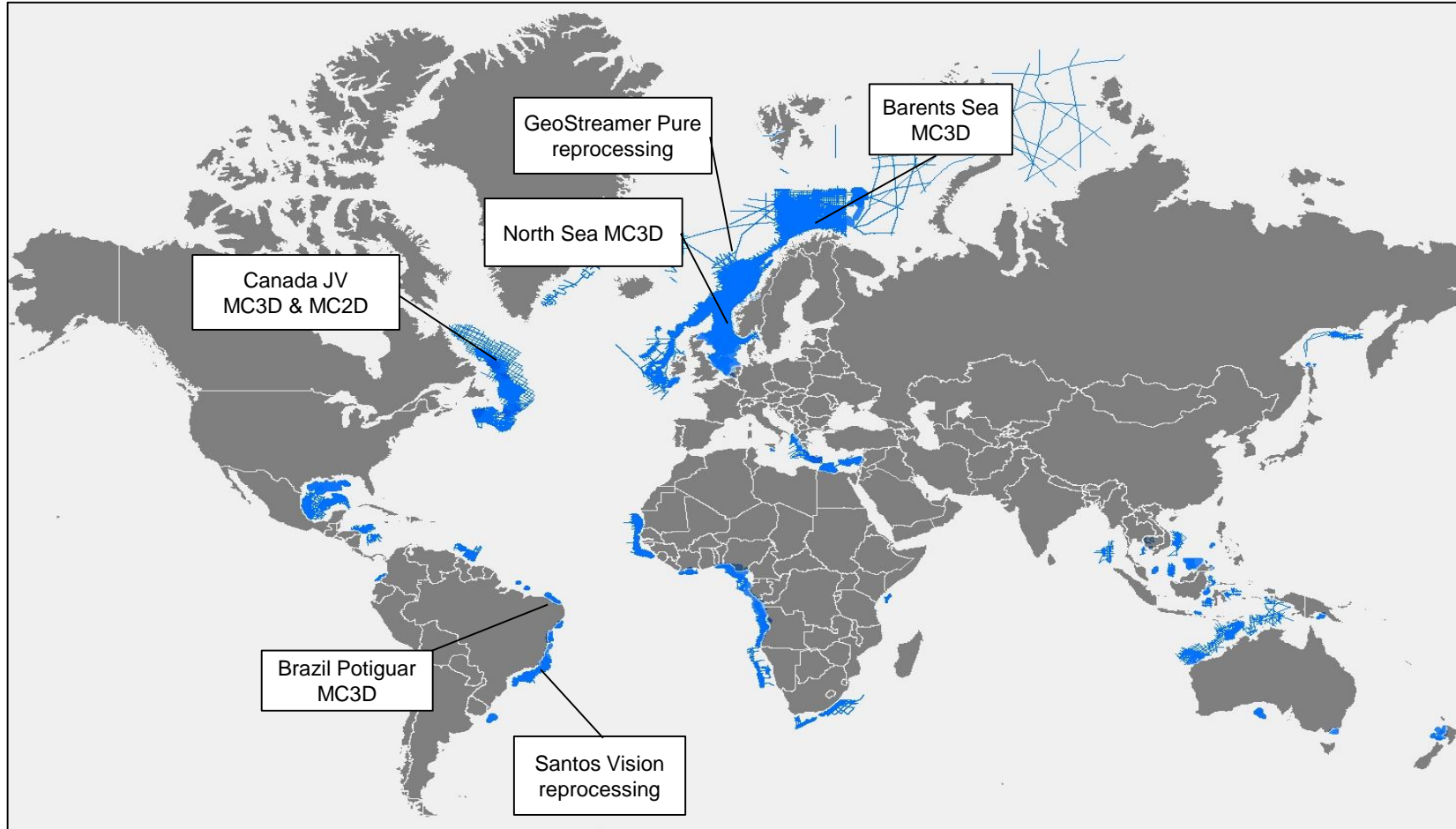### Peer Group (**) Revenues

PGS 25 %

Peer Group (**) Cash Investments

PGS 21 %

* Calculated by dividing the MultiClient pre-funding revenues by the cash investment in MultiClient library.
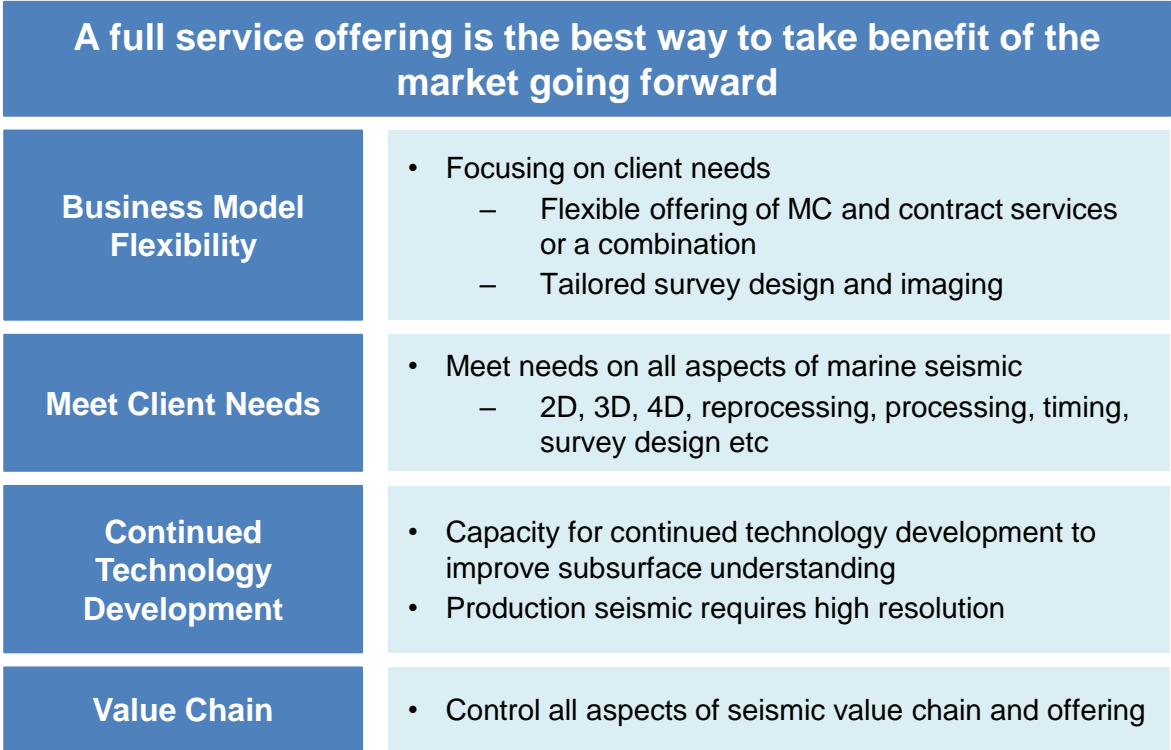** Peer Group – WG, CGG and TGS.

Industry Leading MultiClient Performance

PGS

GeoStreamer Pure reprocessing

Barents Sea MC3D

North Sea MC3D

Canada JV MC3D & MC2D

Brazil Potiguar MC3D

Santos Vision reprocessing

- 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
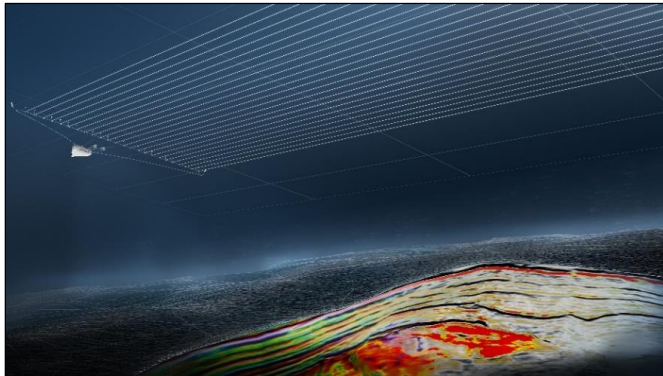
Profitability
through Optimization and Centralization

- 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
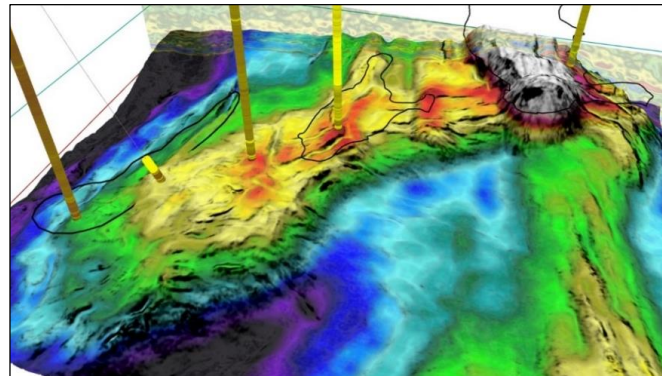
Reliability
through Specialization and Dedication

- 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
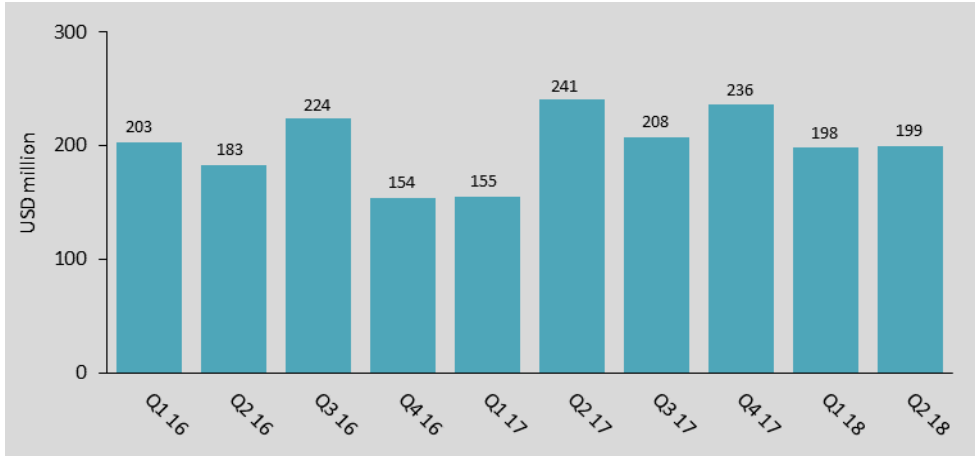
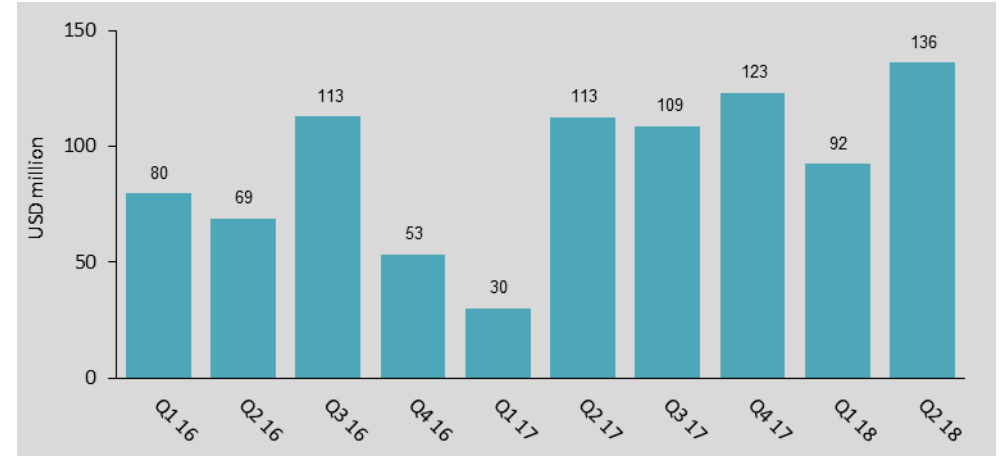# Progressing as Planned to Be Cash Flow Positive After Debt Service

- 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
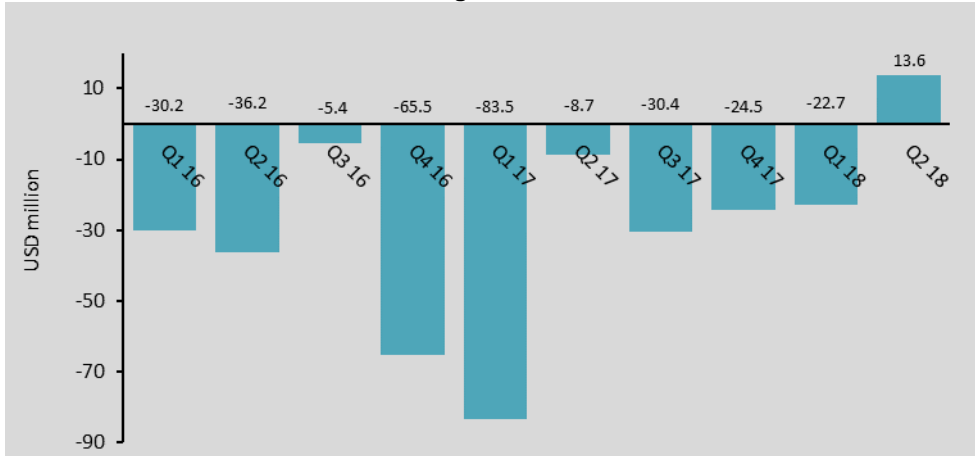   - Value of bids and leads at highest level in more than three years
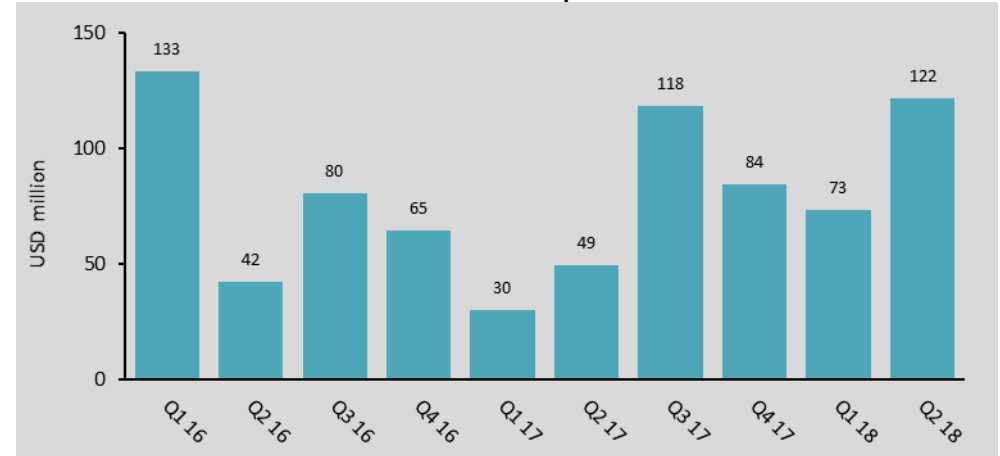
Financial Summary

Segment Revenues (USD million)

Q1 16	Q2 16	Q3 16	Q4 16	Q1 17	Q2 17	Q3 17	Q4 17	Q1 18	Q2 18
203	183	224	154	155	241	208	236	198	199

Segment EBITDA* (USD million)

Q1 16	Q2 16	Q3 16	Q4 16	Q1 17	Q2 17	Q3 17	Q4 17	Q1 18	Q2 18
80	69	113	53	30	113	109	123	92	136

Segment EBIT* (USD million)

Q1 16	Q2 16	Q3 16	Q4 16	Q1 17	Q2 17	Q3 17	Q4 17	Q1 18	Q2 18
-30.2	-36.2	-5.4	-65.5	-83.5	-8.7	-30.4	-24.5	-22.7	13.6

Cash Flow from Operations (USD million)

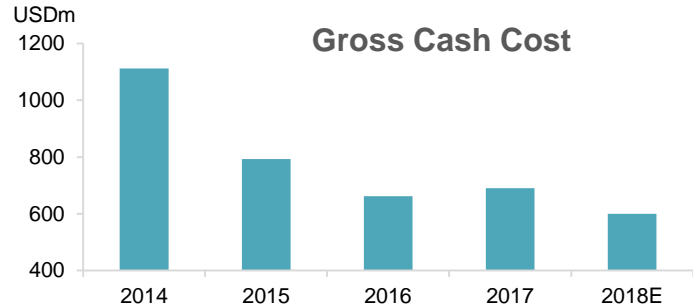| Q1 16	Q2 16	Q3 16	Q4 16	Q1 17	Q2 17	Q3 17	Q4 17	Q1 18	Q2 18
133	42	80	65	30	49	118	84	73	122

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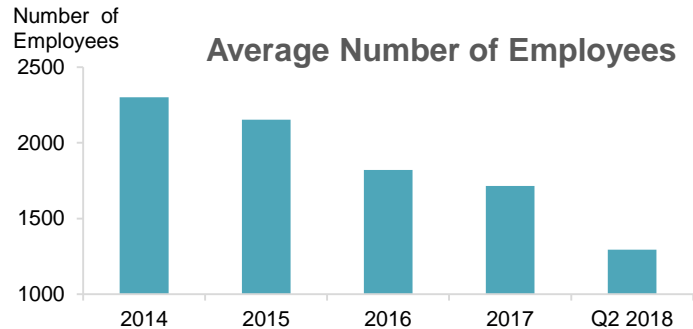
**Excluding impairments and Other charges.
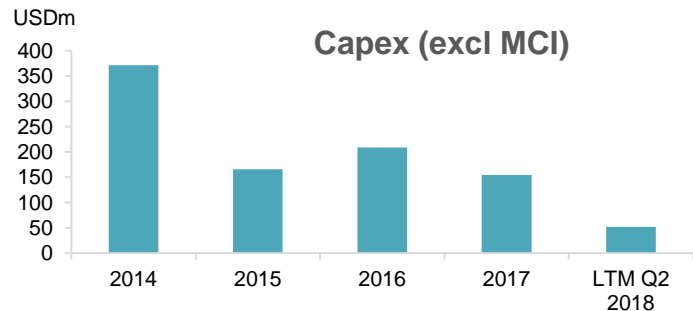
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Focus on Cash Flow

Gross Cash Cost

USDm

2014	1100
2015	790
2016	660
2017	690
2018E	600

Average Number of Employees

Number of Employees

2014	2300
2015	2150
2016	1820
2017	1720
Q2 2018	1290

Capex (excl MCI)

USDm

2014	370
2015	165
2016	210
2017	155
LTM Q2 2018	50

Estimated 2014-2018 Impact

46% reduction

45% reduction

86% reduction

Delivering Positive Cash Flow, post Debt Servicing in 2018 (in a Flat Market) *

USD million

Reported 2017 revenues | 2018 E gross cash cost + capex | 2018 debt repayment | 2018 E interest expense | 2018 E cash tax | PGS 2018 cash flow
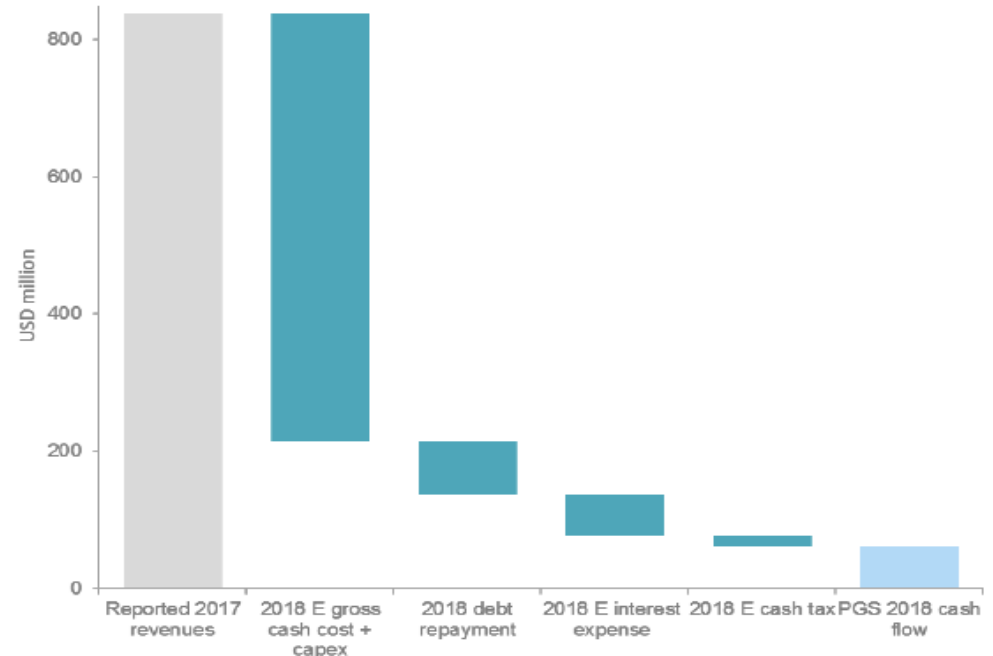
- Assuming flat revenues in 2018 vs 2017 PGS will generate positive cash flow after debt repayment
- 2018 debt repayments include USD 51 million of amortizing loans and USD 26 million final maturity of the 2018 Senior Note

* 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:

Long-term Credit Lines and Interest Bearing Debt	Nominal Amount	Total Credit Line	Financial Covenants
USD 400.0m TLB, due 2021 Libor (minimum 0.75%) + 250 bps	USD 383.0m		None, but incurrence test: total leverage ratio ≤ 3.00x*
Revolving credit facility ("RCF"), due 2020 Libor + margin of 325-625 bps (linked to TLR) + utilization fee	USD 200.0m	USD 400.0m**	Maintenance covenant: total leverage ratio 4.25x Q1-18, thereafter reduced by 0.25x each quarter to 2.75x by Q3-19
Japanese ECF, 12 year with semi-annual instalments. 50% fixed/ 50% floating interest rate	USD 392.9m		None, but incurrence test for loan 3&4: Total leverage ratio ≤ 3.00x* and Interest coverage ratio ≥ 2.0x*
December 2020 Senior Notes, coupon of 7.375%	USD 212.0m		None, but incurrence test: Interest coverage ratio ≥ 2.0x*
December 2018 Senior Notes, coupon of 7.375%	USD 26.0m		None
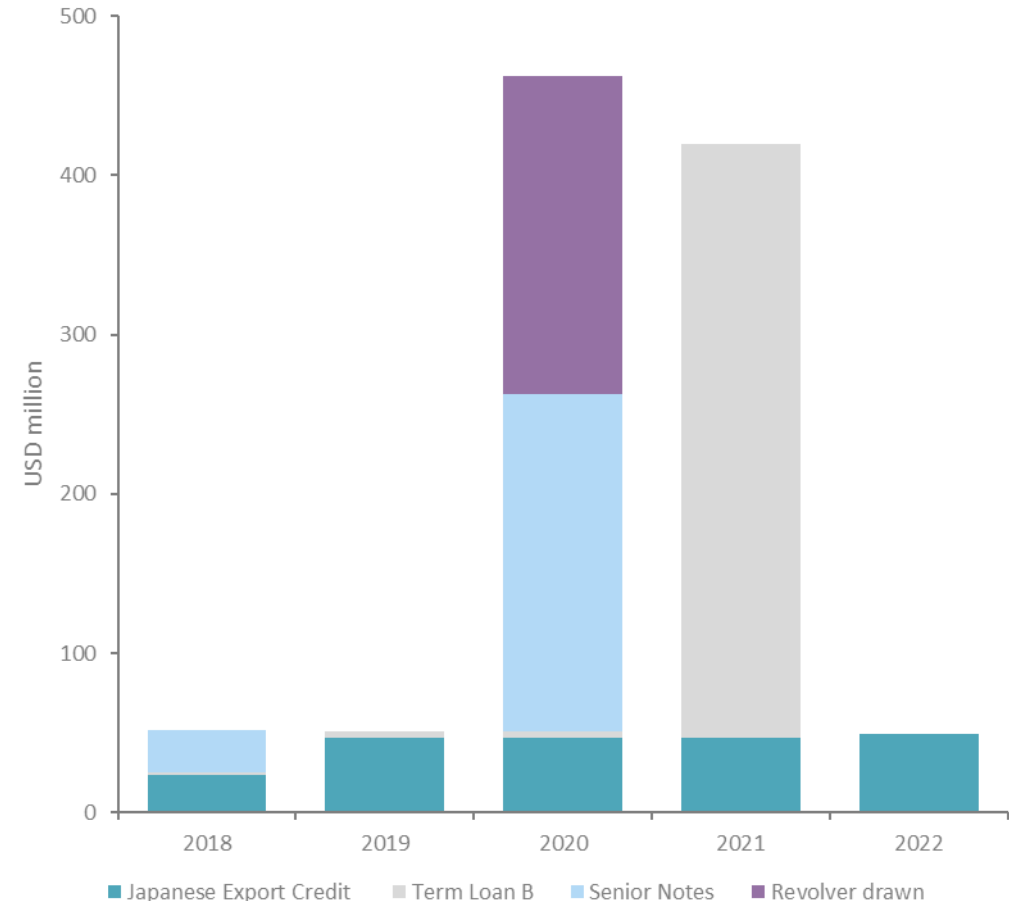
*Carve out for drawings under ECF and RCF
**Reducing to USD 350 million in September 2018.

Debt maturity profile:

Legend: Japanese Export Credit, Term Loan B, Senior Notes, Revolver drawn
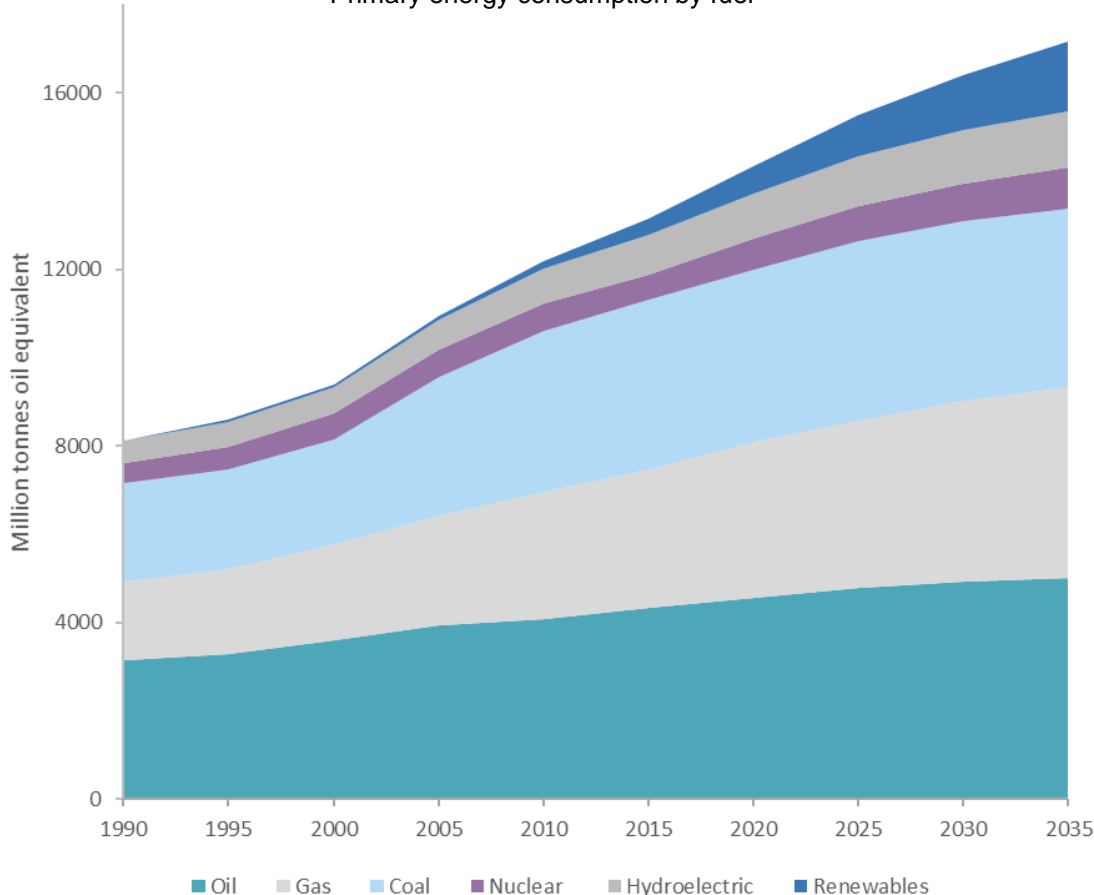
Good Headroom to Maintenance Covenant
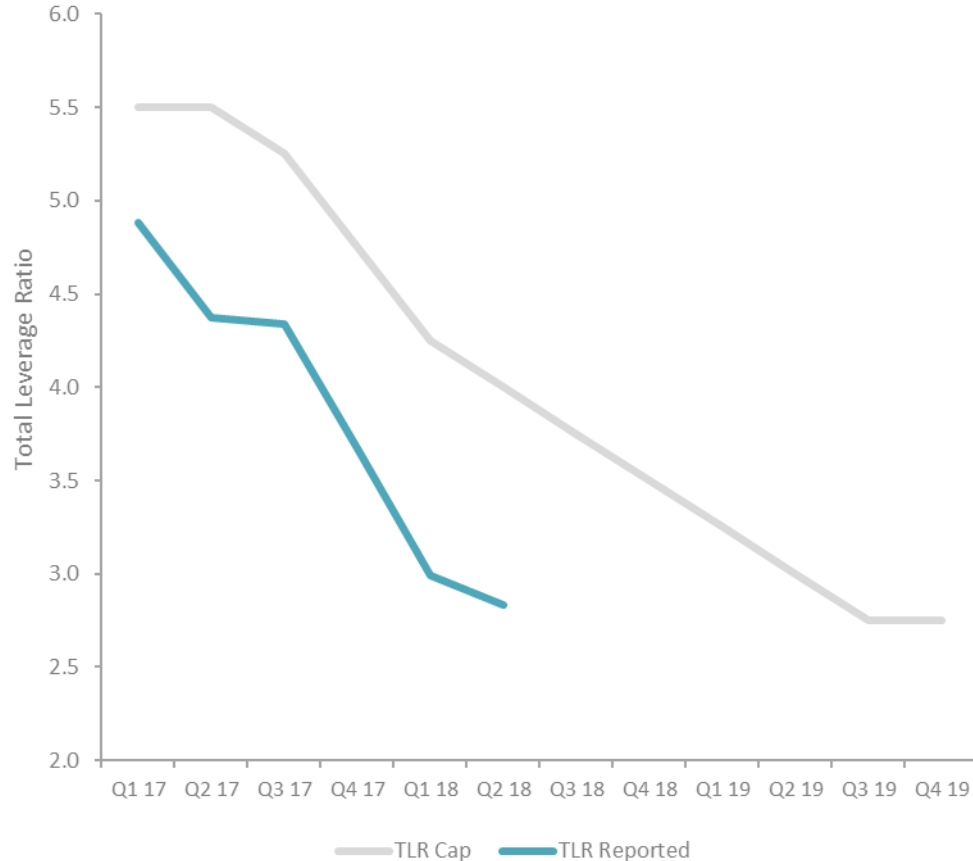
- Substantial reduction of Total Leverage Ratio ("TLR") during 2017 and first half 2018
  - Significant headroom to required level

- 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

Primary energy consumption by fuel

- 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

2017 - 2018: Discovery of Fossil Fuels Continues to Decline
Fewer Discoveries Made – Those Found are Smaller than Before
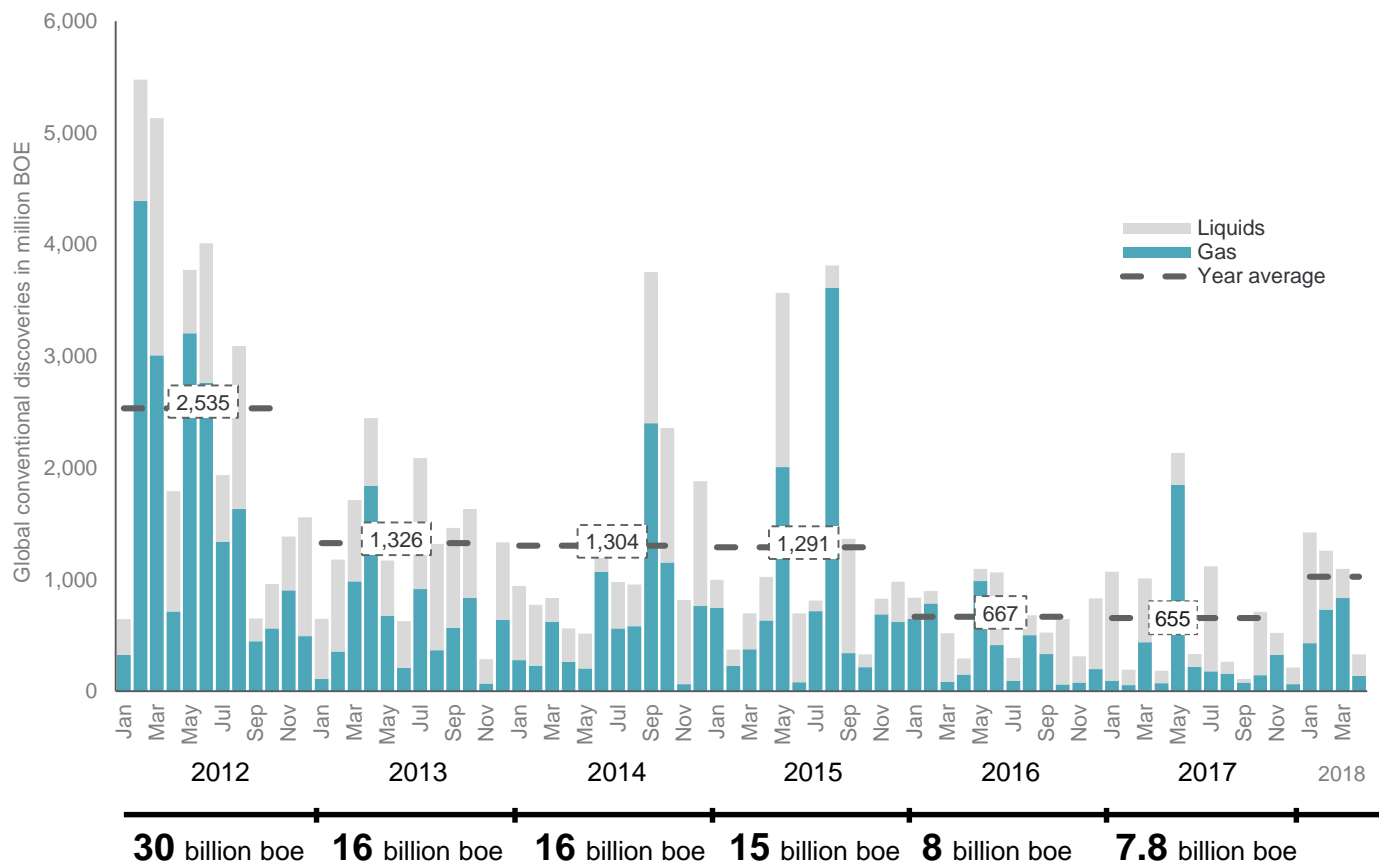
- Discoveries just 7.8 billion boe in 2017 (vs. 30 billion boe in 2012)
  - The 2017-level is the lowest since 1947

- Exploration spending and drilling have been significantly reduced

- Oil discovery levels are in the Company's view unsustainable to meet future demand

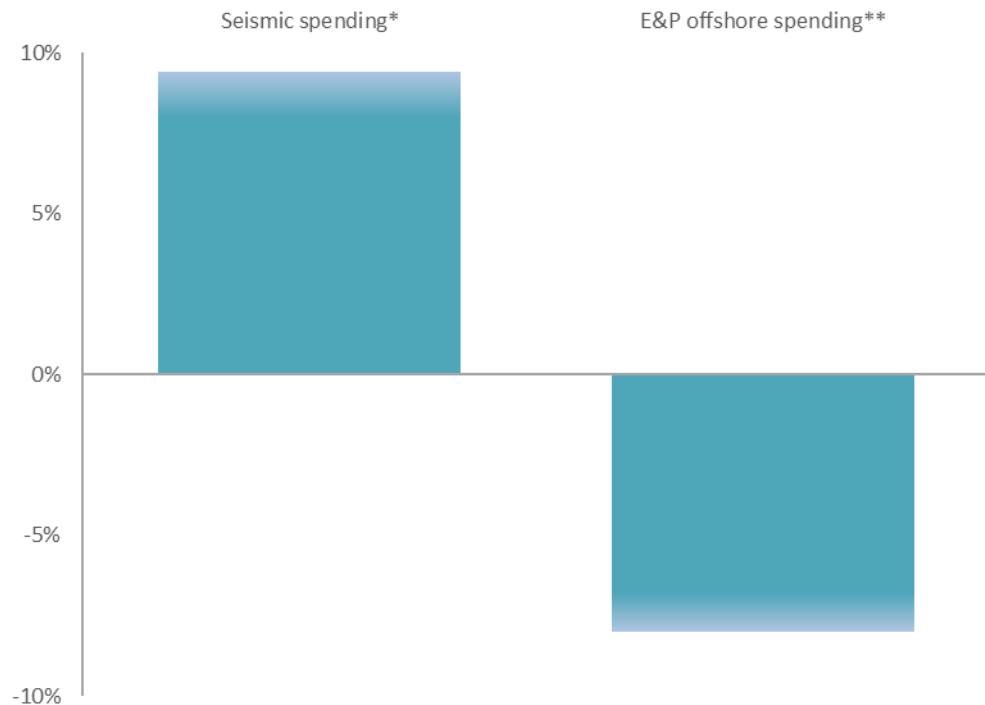# Integrated Oil Companies are Cash Flow Positive and Improving
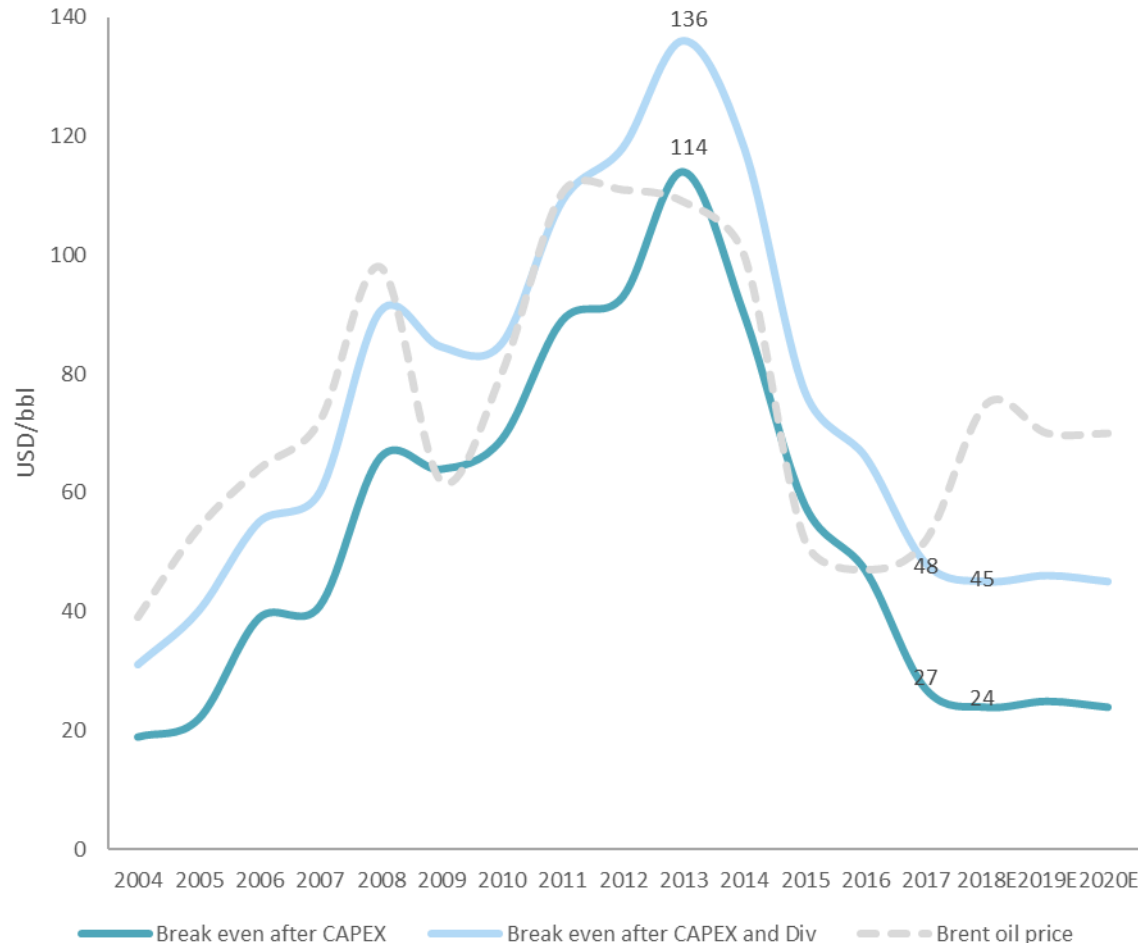
- Integrated oil companies became cash flow positive after capex and dividend in 2017

- 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.

Change in 2017 vs. 2016

Seismic spending*   E&P offshore spending**

- 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.

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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

In-house bids and project leads for Contract Seismic Market*

Active Tenders Marine Contract   All Sales Leads Marine Contract (Including Active Tenders)

Volume of acquired marine 3D seismic
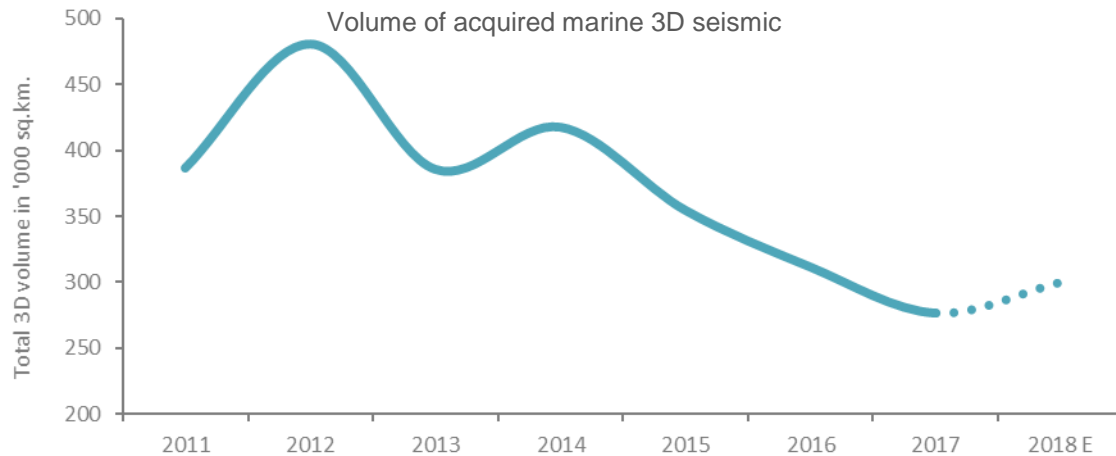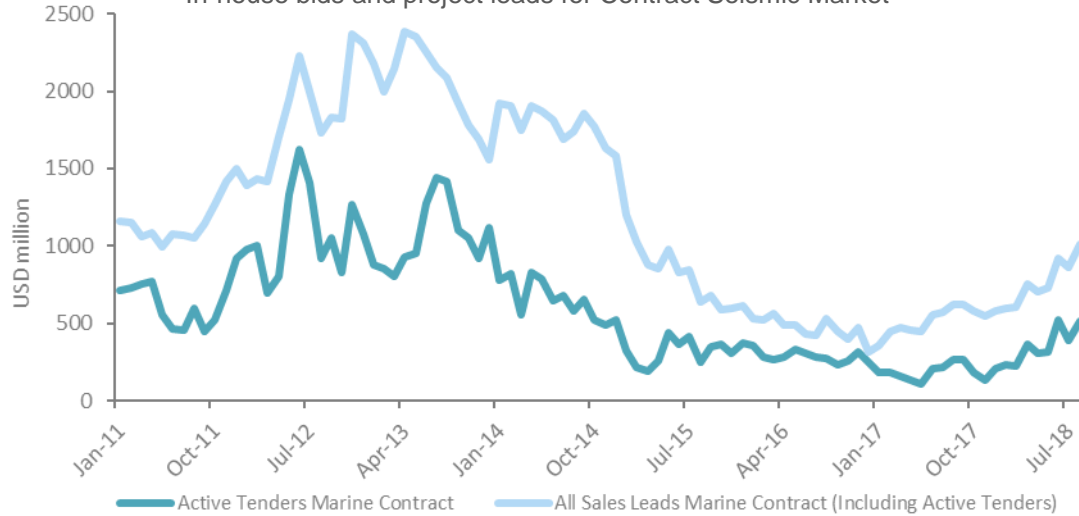
- Sales Leads and Active Tenders are at high levels compared to last three years
  - Some bids for 2019 Europe season out – significantly earlier than previous years

- 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

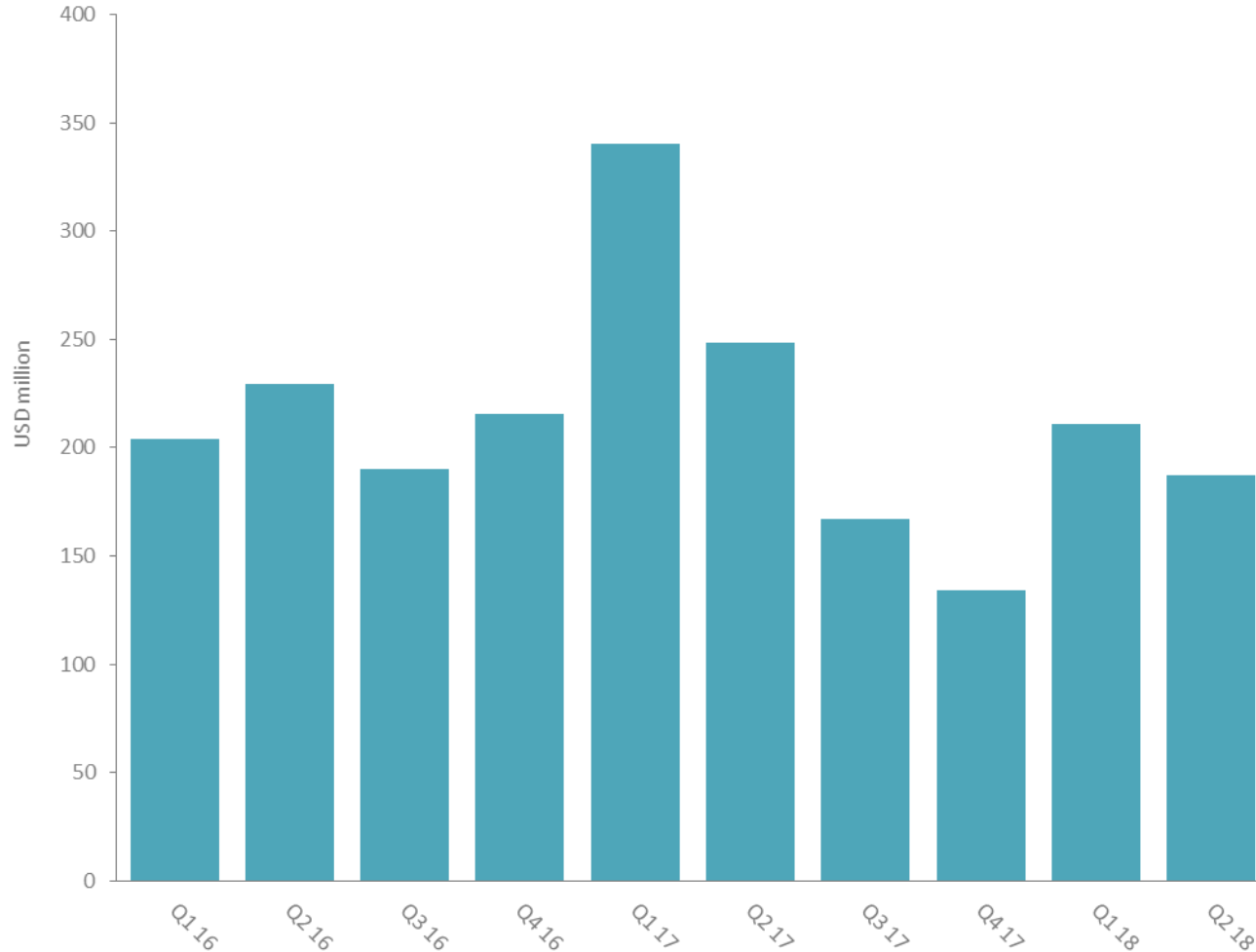*Internal estimates as of end August, 2018.

Marine Seismic Supply
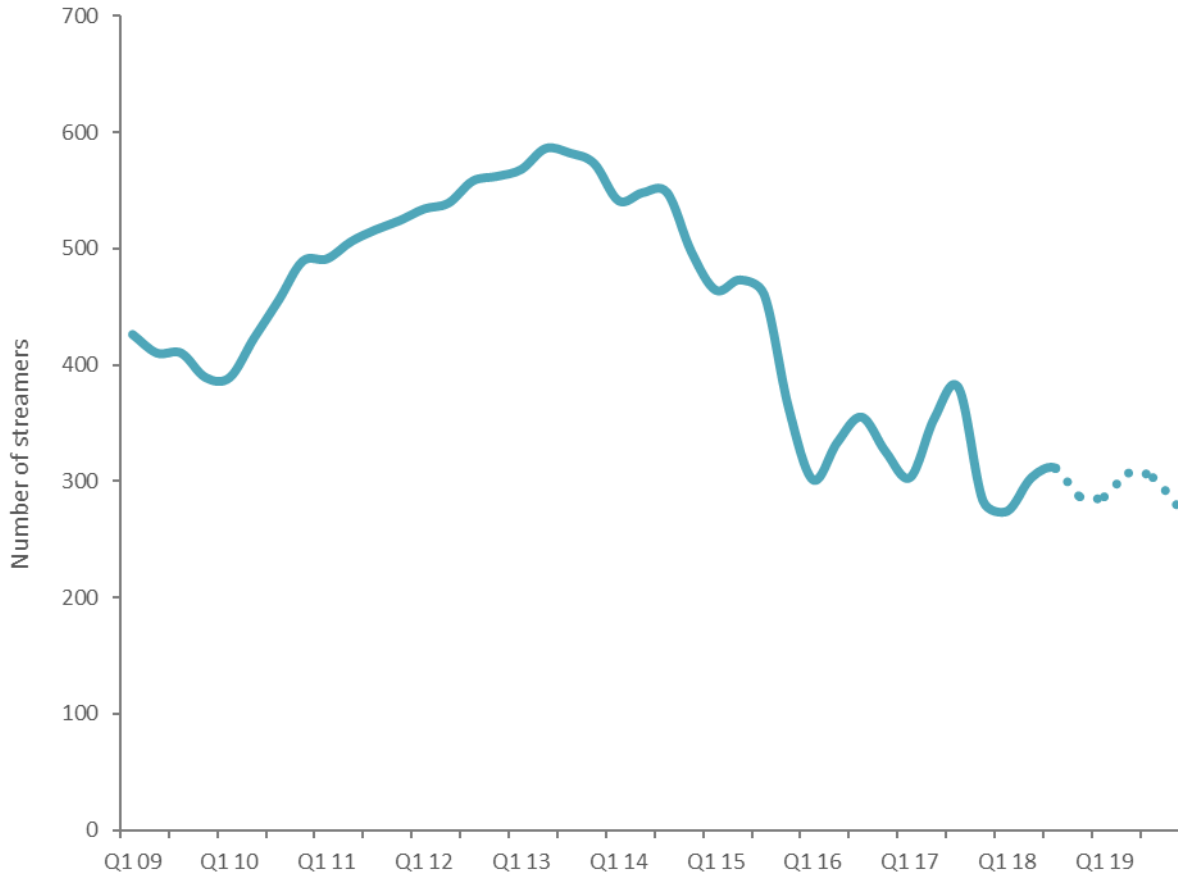
- Average streamer capacity in 2018 is close to 50% lower than 2013

- 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?

A Clearer Image | www.pgs.com