

Robust MultiClient Sales  
Strong Financial Structure

Highlights Q1 2015

- Revenues of \$251.1 million, compared to \$292.5 million in Q1 2014
- EBITDA of \$124.8 million, compared to \$138.5 million in Q1 2014
- EBIT of \$10.9 million, compared to \$45.2 million in Q1 2014
- Strong cash flow from operations of \$212.4 million, compared to \$182.1 million in Q1 2014
- MultiClient Pre-funding revenues of \$86.6 million with a corresponding pre-funding level of 135%, compared to \$74.2 million and 64% respectively in Q1 2014
- Late sales of \$56.7 million, compared to \$64.8 million in Q1 2014
- Strong balance sheet with \$558.9 million liquidity reserve and no significant debt maturities before 2018
- Cost savings target substantially increased to drive \$220 million cost reduction in 2015
- Full year guidance reiterated - market uncertainty remains

"Q1 MultiClient revenues ended at a solid \$143.3 million. I am particularly pleased to see that we have achieved good late sales from our well positioned MultiClient data library. High pre-funding revenues achieved in the quarter were mainly driven by three large MultiClient projects; one in Australia and two in West Africa.

Weak Q1 vessel utilization impacted financial performance negatively in the quarter, including our marine contract EBIT margin. During the quarter we have intensified our efforts to improve bookings, which should lead to improved utilization in the coming two quarters.

The sustained low oil price and cautious spending behavior among oil companies will continue to impact the seismic market. We have proactively implemented significant cost savings over the last four years, with a cost reduction of approximately \$220 million expected to be achieved in 2015. As a further step in adapting to the weak market we have decided to cold stack Ramform Explorer and Ramform Challenger after they complete this year's North Sea summer season."

Jon Erik Reinhardsen,  
President and Chief Executive Officer

Outlook

The sharp oil price decline since mid-June 2014 has resulted in a more cautious spending pattern among oil companies impacting bidding, pricing and utilization negatively. PGS expects market uncertainty and low earnings visibility to continue well into 2016.

Based on the current operational projections and with reference to disclosed risk factors, PGS expects full year 2015 EBITDA to be in the range of \$550-700 million.

MultiClient cash investments are expected to be in the range of \$275-300 million, with a pre-funding level at or above 100%.

Approximately 45% of active 3D capacity now expected to be used for MultiClient in 2015.

Capital expenditures are estimated to be approximately \$250 million, of which almost \$150 million is for Ramform Tethys and Ramform Hyperion.

	1 <sup>st</sup> quarter	Full year	
Key Financial Figures			
(In USD millions, except per share data)	2015	2014	2014
Revenues	251.1	292.5	1 453.8
EBITDA (as defined, see Note 14)	124.8	138.5	702.6
EBIT ex. Impairment charges	10.9	45.2	178.0
EBIT as reported	10.9	45.2	104.2
Income before income tax expense	(10.0)	12.7	16.7
Net income to equity holders	(19.5)	4.6	(50.9)
Basic earnings per share (\$ per share)	(0.09)	0.02	(0.24)
Net cash provided by operating activities	212.4	182.1	584.3
Cash investment in MultiClient library	64.0	116.2	344.2

Capital expenditures (whether paid or not)	41.5	131.9	371.3
Total assets	3 501.0	3 562.0	3 563.0
Cash and cash equivalents	148.9	208.6	54.7
Net interest bearing debt	955.9	760.4	1 048.0

The complete Q1 2015 earnings release and presentation can be downloaded from [www.newsweb.no](http://www.newsweb.no) and [www.pgs.com](http://www.pgs.com).

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Q1 2015 presentation

Q1 2015 earnings release

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