

Highlights Q3 2015

- Revenues of \$225.7 million, compared to \$394.2 million in Q3 2014
- EBITDA of \$115.3 million, compared to \$181.7 million in Q3 2014
- EBIT, excluding impairments and other charges, of \$9.1 million, compared to \$77.3 million in Q3 2014
- Cash flow from operations of \$71.3 million, compared to \$230.7 million in Q3 2014
- MultiClient Pre-funding revenues of \$83.8 million with a corresponding pre-funding level of 88%, compared to \$55.4 million and 79% respectively in Q3 2014
- Cost reduction program ahead of plan
- Total Leverage Ratio requirement for Revolving Credit Facility increased to 4.00:1 through Q1 2017, with no dividend to be paid for 2015
- Ramform Explorer and Challenger in process of being cold-stacked and Ramform Viking to be stacked end October
- Entered into attractive charter agreements for Sanco Swift and Sanco Sword, leading to cold-stacking of Ramform Vanguard and Ramform Valiant
- Agreement to postpone delivery of Ramform Hyperion to Q1 2017
- Full year EBITDA expected to be approximately \$500 million

"MultiClient pre-funding revenues for the first three quarters were solid at \$282.4 million, with a corresponding pre-funding level of 121% highlighting the attractiveness of our projects, and the reduced earnings volatility we get from our increased MultiClient focus.

Despite a sequential improvement in the marine contract EBIT margin, we experienced a further market deterioration over the summer, mainly driven by intense competition in preparation for the weaker winter season. Contract revenues and margin through Q4 and Q1 will be adversely impacted.

We have taken further steps to adapt to the current challenging market environment. We have negotiated an amendment to the financial covenants for our Revolving Credit Facility, creating significantly more headroom and preserving our strong liquidity reserve. We continue to cut costs and reduce capital expenditures to optimize cash flow. With the cold-stacking of Ramform Viking and other initiatives taken in Q3, our estimated cost reduction for 2015 is now increased to approximately \$320 million. We have implemented a significant reduction of 2015 CAPEX and further, benefiting 2016 CAPEX, agreed with the shipyard to postpone the delivery of Ramform Hyperion to Q1 2017, subject to approval from the ECA financing banks.

In order to position our fleet for the future and address the industry's vessel oversupply, we have entered into agreements to charter the two vessels Sanco Sword and Sanco Swift, both among the most competitive conventional vessels in the seismic industry."

Jon Erik Reinhardsen,
President and Chief Executive Officer

Outlook

The low oil price, reduced oil company spending and intense competition for work among seismic companies impact 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 approximately \$500 million.

MultiClient cash investments are expected to be approximately \$285 million, with a pre-funding level above 100%.

Somewhat above 50% of active 3D capacity is expected to be used for MultiClient in 2015.

Capital expenditures are estimated to be approximately \$175 million, of which approximately \$130 million is for the new builds Ramform Tethys and Ramform Hyperion.

The order book totaled \$245 million at September 30, 2015 (including \$103 million of committed pre-funding on MultiClient projects), compared to \$259 million at June 30, 2015 and \$466 million at September 30, 2014. As of October 19, 2015 approximately 85% of available capacity (which excludes stacked vessels) for Q4 is booked, with corresponding numbers for Q1 2016, Q2 2016 and Q3 2016 being approximately 50%, 55% and 10%, respectively.

Key Financial Figures
(In USD millions, except per share data)

Quarter ended September 30, Nine months ended September 30,

	2015	2014	2015	2014	2014
Revenues	225.7	394.2	732.6	629.5	1 45
EBITDA (as defined, see Note 13)	115.3	181.7	368.0	309.2	70
EBIT ex. impairment and other charges	9.1	77.3	38.7	100.1	17
EBIT as reported	(62.7)	52.5	(97.5)	91.4	10
Income before income tax expense	(80.5)	27.4	(148.4)	47.2	1
Net income to equity holders	(110.0)	8.4	(193.3)	34.3	(5)
Basic earnings per share (\$ per share)	(0.51)	0.04	(0.30)	0.16	(0.
Net cash provided by operating activities	71.3	230.7	366.7	222.1	58
Cash investment in MultiClient library	95.5	70.4	233.1	215.8	34
Capital expenditures (whether paid or not)	17.0	53.1	121.8	281.3	37
Total assets	3 246.6	3 685.5	3 246.6	3 665.7	3 56
Cash and cash equivalents	82.3	90.4	82.3	42.9	5
Net interest bearing debt	1 068.4	1 039.5	1 068.4	1 091.5	1 04

The complete Q3 2015 earnings release and presentation can be downloaded from www.newsweb.no and www.pgs.com.

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Petroleum Geo-Services ("PGS" or "the Company") is a focused Marine geophysical company that provides a broad range of seismic and reservoir services, including acquisition, imaging, interpretation, and field evaluation. The Company's MultiClient data library is among the largest in the seismic industry, with modern 3D coverage in all significant offshore hydrocarbon provinces of the world. The Company operates on a worldwide basis with headquarters in Oslo, Norway. PGS has a presence in 19 countries with regional centers in London, Houston and Kuala Lumpur. Our headquarters is in Oslo, Norway and the PGS share is listed on the Oslo stock exchange (OSE: PGS). For more information on Petroleum Geo-Services visit www.pgs.com.

The information included herein contains certain forward-looking statements that address activities, events or developments that the Company expects, projects, believes or anticipates will or may occur in the future. These statements are based on various assumptions made by the Company, which are beyond its control and are subject to certain additional risks and uncertainties. The Company is subject to a large number of risk factors including but not limited to the demand for seismic services, the demand for data from our multi-client data library, the attractiveness of our technology, unpredictable changes in governmental regulations affecting our markets and extreme weather conditions. For a further description of other relevant risk factors we refer to our Annual Report for 2014. As a result of these and other risk factors, actual events and our actual results may differ materially from those indicated in or implied by such forward-looking statements. The reservation is also made that inaccuracies or mistakes may occur in the information given above about current status of the Company or its business. Any reliance on the information above is at the risk of the reader, and PGS disclaims any and all liability in this respect.

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Q3 2015 Earnings Release

Q3 2015 Presentation

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