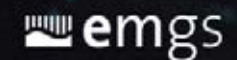


# emgs quarterly presentation

First quarter 2007

CEO Terje Eidesmo  
CFO Svein Knudsen  
Hotel Continental  
May 25, 2007

Finding hydrocarbons™



# Disclaimer

This quarterly presentation includes and is based, inter alia, on forward-looking information and statements that are subject to risks and uncertainties that could cause actual results to differ. Such forward-looking information and statements are based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industries that are major markets for Electromagnetic Geoservices ASA (emgs) and its subsidiaries. These expectations, estimates and projections are generally identifiable by statements containing words such as "expects", "believes", "estimates" or similar expressions. Important factors that could cause actual results to differ materially from those expectations include, among others, economic and market conditions in the geographic areas and industries that are or will be major markets for the emgs's businesses, oil prices, market acceptance of new products and services, changes in governmental regulations, interest rates, fluctuations in currency exchange rates and such other factors as may be discussed from time to time. Although Electromagnetic Geoservices ASA believes that its expectations and the information in this Report were based upon reasonable assumptions at the time when they were made, it can give no assurance that those expectations will be achieved or that the actual results will be as set out in this Report. Electromagnetic Geoservices ASA nor any other company within the emgs Group is making any representation or warranty, expressed or implied, as to the accuracy, reliability or completeness of the information in the Report, and neither Electromagnetic Geoservices ASA, any other company within the emgs Group nor any of their directors, officers or employees will have any liability to you or any other persons resulting from your use of the information in the Report. Electromagnetic Geoservices ASA undertakes no obligation to publicly update or revise any forward-looking information or statements in the Report.

# Agenda

Group highlights

Financial highlights

Market development

The seabed logging industry

Financials

Outlook

Appendix

# Group highlights

Strong market development

Breakthrough for seabed logging on the Norwegian Continental Shelf

Vessels, equipment and people to support growth plan through 2008

Capital for future growth secured

Expect second quarter of USD 35 to 40 million and maintain the goal of USD 160 to 170 million for 2007





# Financial highlights

Q1 revenues of USD 25.9 million

Q1 influenced by non-recurring  
cost items of USD 8.6 million

EBITDA of minus USD 8.0 million





# Market development

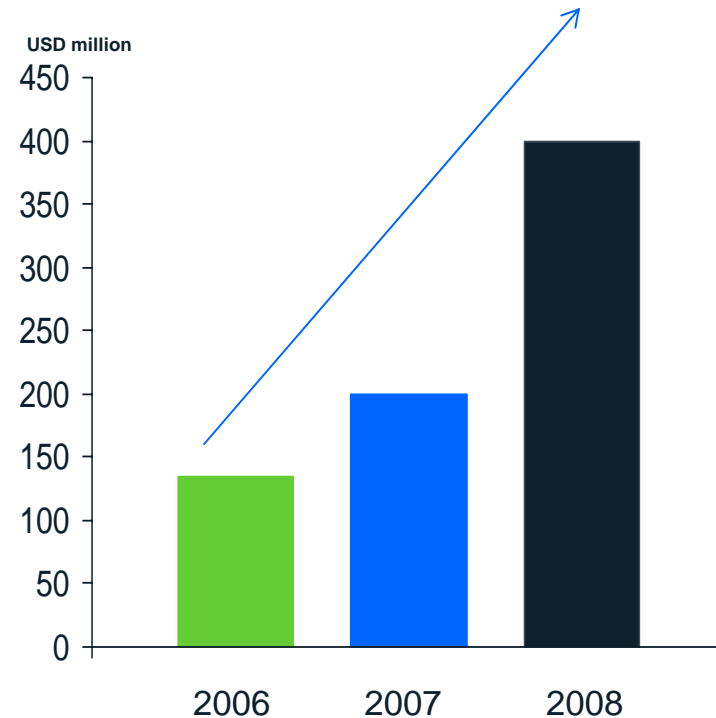
## A fast growing oil segment

More and more companies adopt the seabed logging technology

Anticipated market potential USD 200 million in 2007

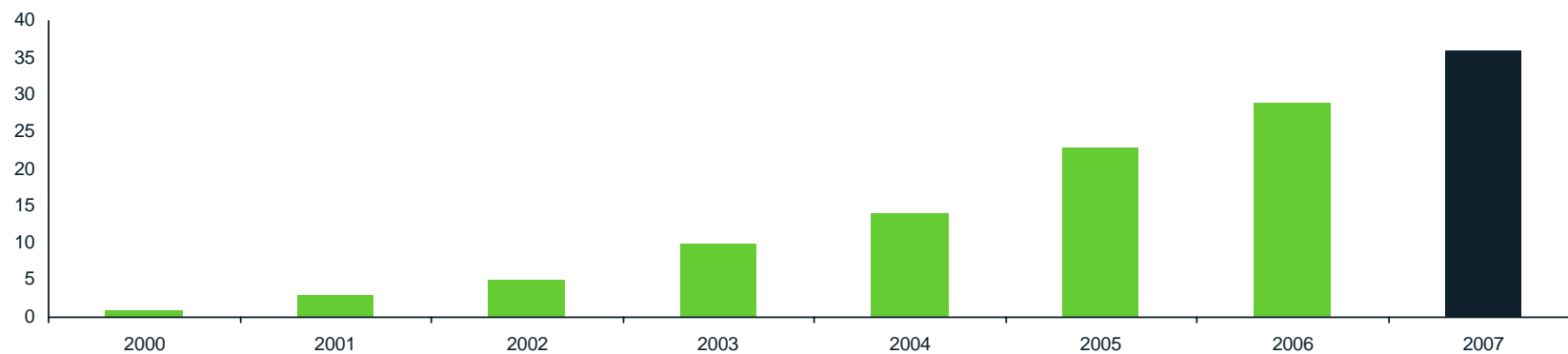
In emgs' opinion the market could potentially double annually beyond 2007

Seabed logging can reach the size of marine seismic market



In the future oil companies will not drill without seabed logging

# Long term customer relations





# The Aker Exploration contract

Minimum value of USD 30.8 million

Option for USD 6.7 million in 2007

Annual options contract for 2008-2011

Maximum value of USD 196 million

Barents Sea, Norwegian Sea and North Sea



**A complete seabed logging package – from pre-survey to interpretation**

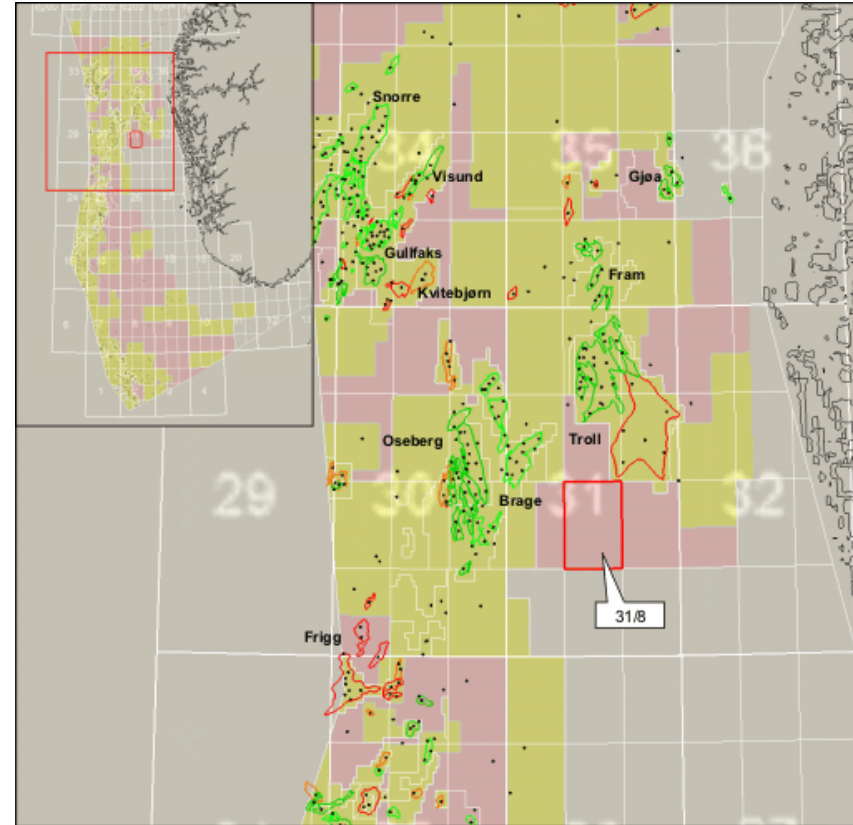
# The Rocksource contract

Minimum value USD 12 million

25 survey lines (maximum 50)

Approximately three months

Large upside potential



Seabed technology will be used by Rocksource in early exploration phase



# The seabed logging industry

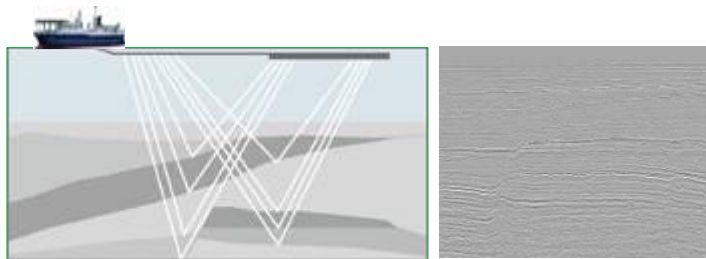
# Evolving exploration beyond seismic

## Seismic

- Detects structure but **not** fluid content
- Long turnaround time – 6+ months

~25% exploration  
success rate

- High uncertainty before drilling
- High economic and opportunity cost of drilling

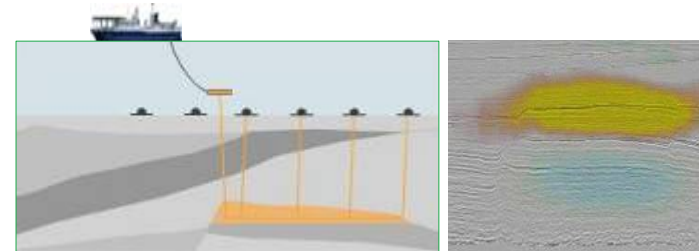


## The emgs solution

- Remote detection of offshore hydrocarbons
- Rapid turnaround – days

> 90% technical  
success rate

- High degree of confidence before drilling
- More efficient use of drilling resources
- Synergistic integration with seismic data



# Technology leader with control of vital resources

All hardware, software and methodology in-house

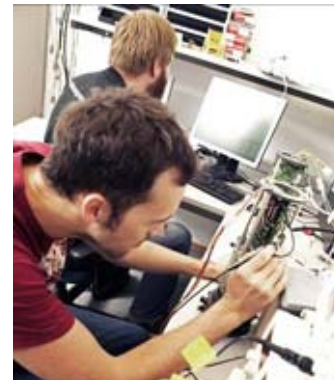
Ownership of all products

Highly experienced group of geologist and geophysicists

More than 30 employees with Ph.D and MSc

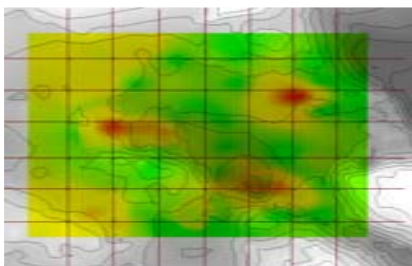
Collaboration with a range of research institutes and organizations

R&D agreements with high ranking oil clients



# The seabed logging applications

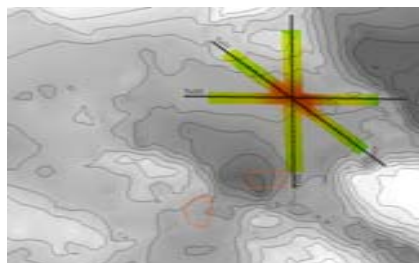
## Prospect finding



- ▶ Relevant to frontier, young and mature basin exploration
- ▶ Coarse grid of survey lines
- ▶ Covers large areas rapidly,
- ▶ Find's new leads and prospects for further evaluation

"Where to drill"

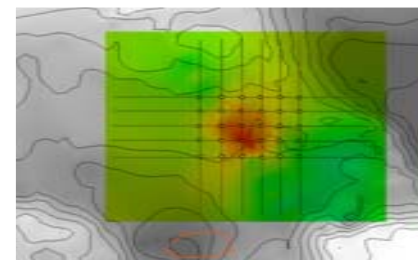
## Prospect ranking



- ▶ Relevant to known prospects
- ▶ Single or multiple survey lines crossing a prospect
- ▶ Validates and ranks prospects before further investment
- ▶ Drill or drop decisions

"Whether to drill"

## Prospect/field appraisal



- ▶ Relevant to known prospects & fields
- ▶ Fine grid of seabed logging lines
- ▶ Delineates prospects and fields for development planning
- ▶ Definition of volumes, reserves and well planning

"Where to drill next"



# Operational experience and a fully integrated offering

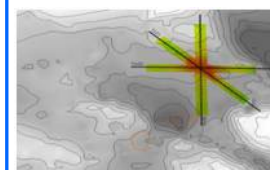
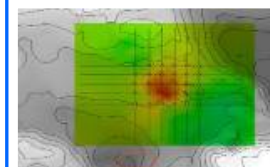
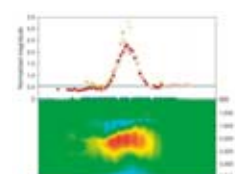
Pre-survey  
modeling

Contracting

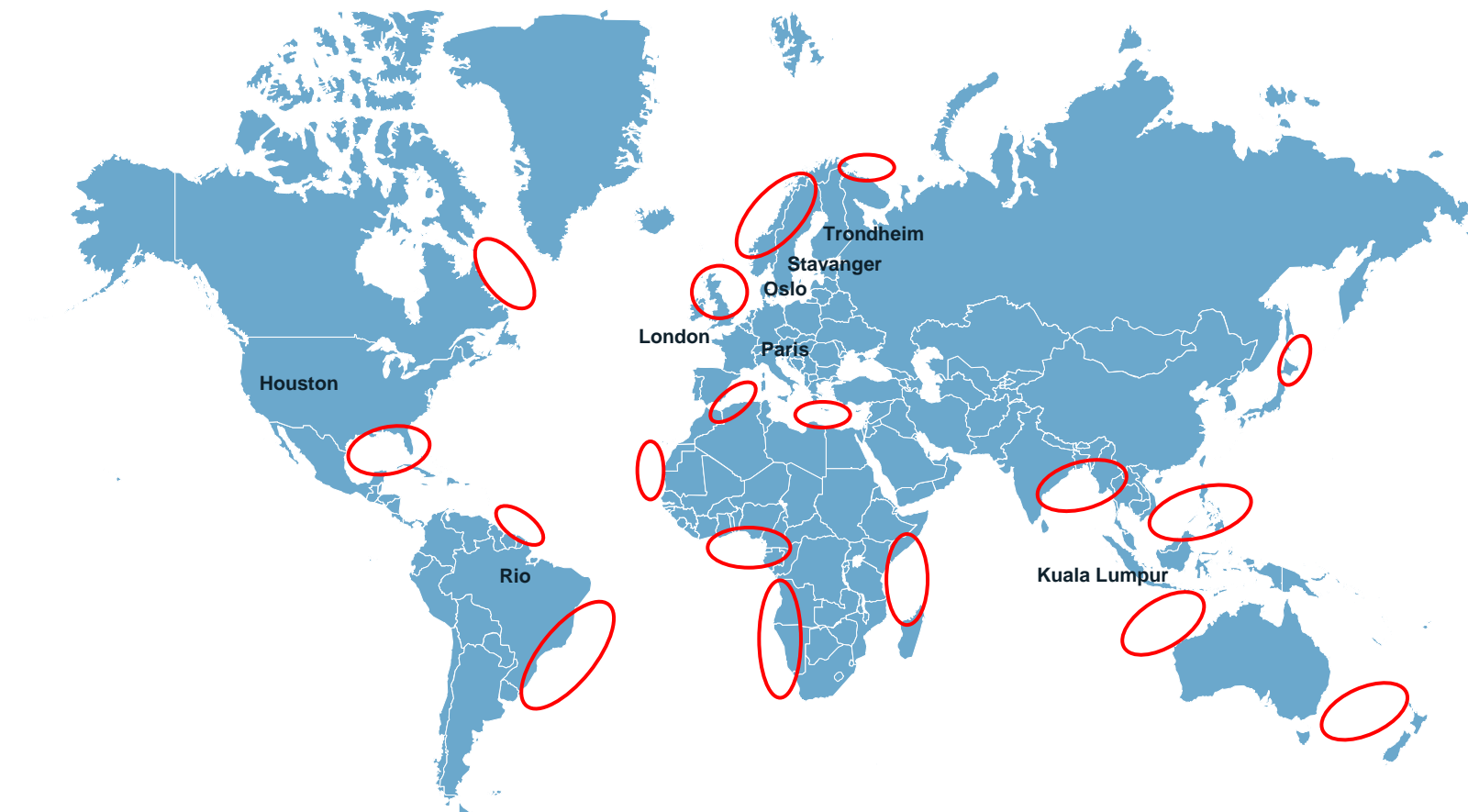
Surveying

Data  
processing  
and  
interpretation

Output and  
advice



# A Global Platform



# Proven track record

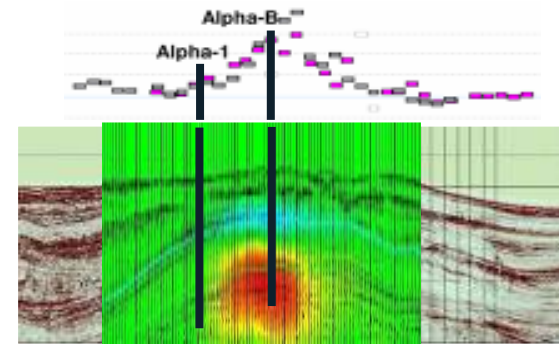
Over 200 commercial surveys

Over 40 oil companies

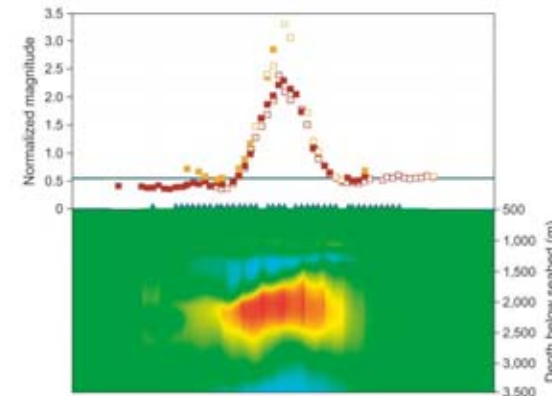
More than 90% success rate

Demonstrated ability to growth

## Southeast Asia



## Norway (Troll)



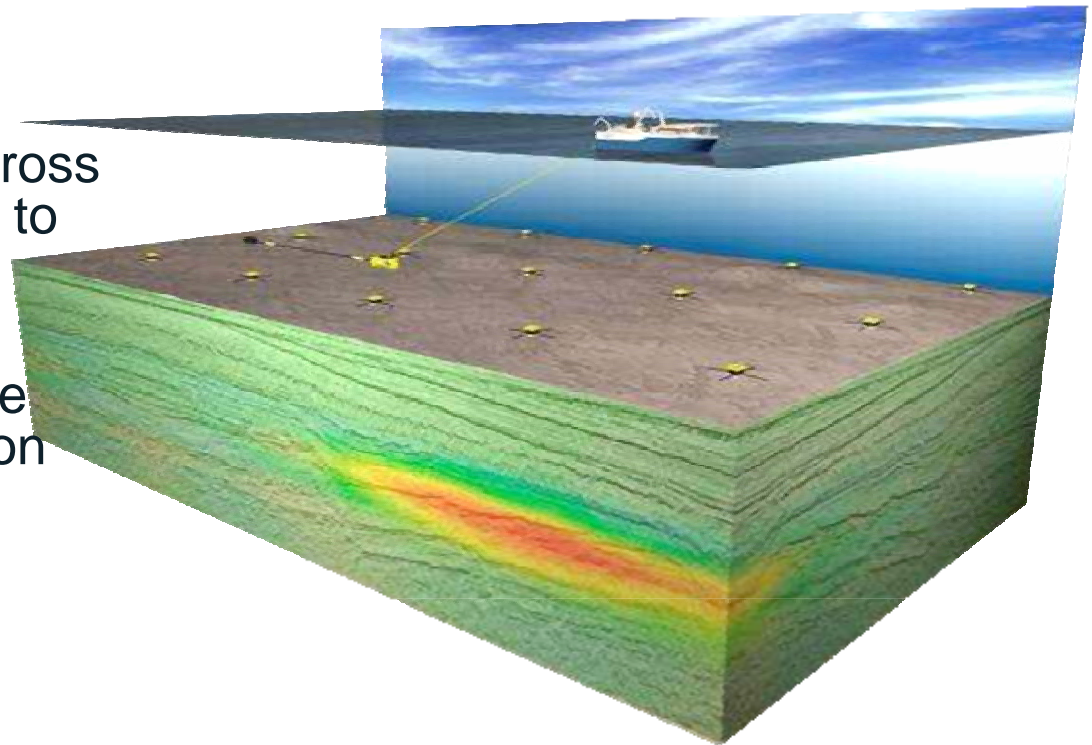
# Emgs' strong and unique position

Breakthrough for seabed logging technology with a strong and growing market

Strong proprietary position across the value chain, from concept to technology and application

Unique operational experience and years ahead of competition

Highly profitable and scalable business model





# Financials

# Condensed Income Statement

USD Million	Quarterly		Year to date		Full year
	Q1 2007	Q1 2006	2007	2006	2006
<b>Revenues</b>	<b>25.9</b>	<b>25.6</b>	<b>25.9</b>	<b>25.6</b>	<b>117.7</b>
Charter hire, fuel and crew expenses	18.8	13.4	18.8	13.4	62.7
Employee expenses	11.1	2.7	11.1	2.7	18.2
Other operating expenses	3.9	2.3	3.9	2.3	16.2
<b>EBITDA</b>	<b>(8.0)</b>	<b>7.3</b>	<b>(8.0)</b>	<b>7.3</b>	<b>20.7</b>
Depreciation and amortization	2.6	1.5	2.6	1.5	7.5
<b>EBIT</b>	<b>(10.6)</b>	<b>6.8</b>	<b>(10.6)</b>	<b>6.8</b>	<b>13.2</b>
Net financial expenses	(1.0)	(1.6)	(1.0)	(1.6)	(32.8)
<b>Profit (loss) before tax</b>	<b>(11.6)</b>	<b>4.2</b>	<b>(11.6)</b>	<b>4.2</b>	<b>(19.6)</b>
Tax	0.7	0.5	0.7	0.5	5.6
<b>Net profit (loss)</b>	<b>(12.3)</b>	<b>3.7</b>	<b>(12.3)</b>	<b>3.7</b>	<b>(25.3)</b>



# Balance Sheet

USD Million	Quarter ended March 2007	Quarter ended 31 March 2006	Year ended 31 December 2006
ASSETS			
Cash and cash equivalents	12 834	2 578	20 485
Trade receivables	24 309	15 751	31 910
Other current assets	138 606	2 856	8 767
Total current assets	175 750	21 185	61 162
Intangible assets	2 330	1 201	2 430
Property, plant and equipment	25 324	18 232	23 302
Total non-current assets	27 654	19 433	25 732
TOTAL ASSETS	203 404	40 618	86 894
LIABILITIES			
Trade payables	23 973	12 585	20 677
Borrowings	30 696	17 148	13 623
Fair value conversion rights	-	24 978	-
Current tax liability	5 036	942	4 843
Other short term liabilities	15 530	11 351	7 751
Total current liabilities	58 740	67 003	46 894
Total non-current liabilities	24 942	3 643	22 880
TOTAL LIABILITIES	83 683	70 646	69 774
EQUITY			
Total equity	119 722	(30 029)	17 120
TOTAL EQUITY AND LIABILITIES	203 404	40 618	86 894

# Condensed Statement of Cash Flow

USD million	Quarterly		Full year
	Q1 2007	Q1 2006	2006
Net cash flow from operating activities	(3 001)	(5 731)	(4 017)
Net cash flow from investing activities	(4 087)	(2 216)	(14 352)
Net cash flow from financial activities	(563)	7 976	36 305
Net profit (loss)	(7 651)	29	17 936

# Outlook

Continue to develop new contracts to secure the 2007 revenue goals and a good start of 2008

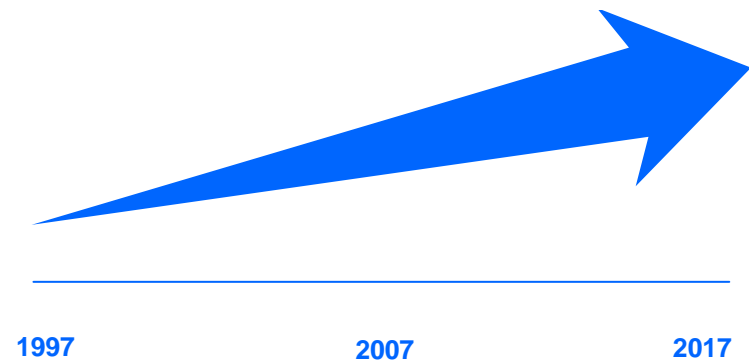
Summer season looks promising with the fifth vessel for mobilization in Q3


Revenue expected to be USD 160-170 million in 2007

Seabed logging breakthrough with a strong market outlook



the seabed logging company



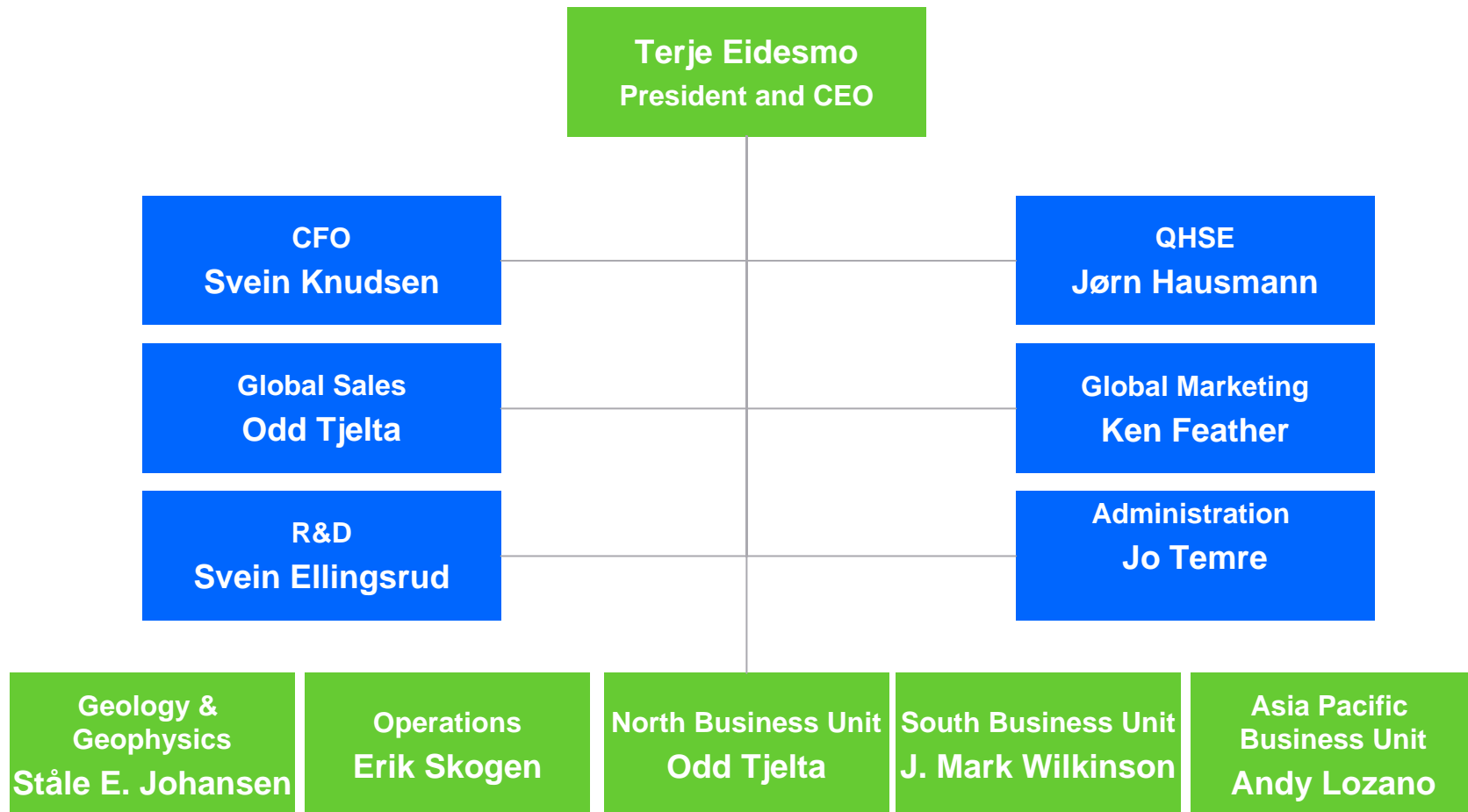


# Q & A



# Appendix

# Management team





# Ownership (as of May 14)

Shareholder	Shares	Holding
Warburg Pincus	46,307,312	63.05%
State Street Bank & Trust	2,477,031	3.37%
Bjarte Bruheim	1,410,302	1.92%
JP Morgan Chase	1,214,100	1.65%
Fortis Bank Luxembourg	1,196,058	1.63%
Morgan Stanley & Co.	1,035,011	1.41%
Investors Bank and Trust Company	1,005,943	1.37%
Terje Eidesmo	854,214	1.16%
Fidelity Funds	842,300	1.15%
Svein Ellingsrud	750,214	1.02%
Brown Brothers Harriman and Co.	735,900	1.00%
Mellon Bank	576,747	0.79%
Goldman Sachs & Co.	573,475	0.78%
Goldman Sachs International	553,287	0.75%
UBS AG	513,769	0.70%
Other	13,404,337	18.65%
<b>TOTAL</b>	<b>73,450,000</b>	<b>100.0%</b>