

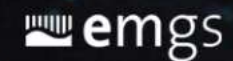
EMGS ASA

Second quarter result 2008

CEO, Terje Eidesmo
CFO, Svein Knudsen

*Hotel Continental
21 August 2008*

Finding hydrocarbons™



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Group highlights Q2

Solid pre-funding of multi-client 3D EM survey in the Barents Sea

Contract awarded by StatoilHydro

Successful launch of Bridge – tool for integrating EM data with other exploration data

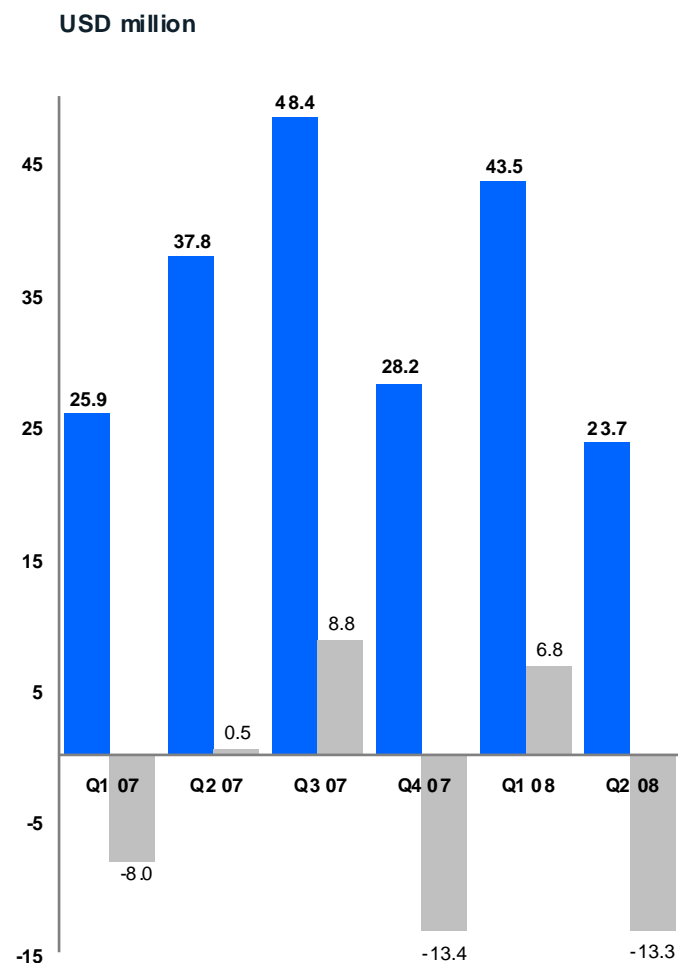
Favourable court ruling in Dutch patent dispute in April



Financials



Financial highlights



Q2 revenues in line with performance update

Quarter to quarter fluctuations continues

Satisfying revenue mix

Successful generation of new multi-client market

Increased credit facility to USD 35 million

A share issue of NOK 250 million in Q3

Consolidated income statement

USD million	Quarterly		Half year	
	Q2 2008	Q2 2007	YTD 2008	YTD 2007
Revenues	23.7	37.8	67.2	63.7
Charter hire, fuel and crew expenses	18.7	24.7	38.8	43.6
Employee expenses	10.1	6.7	20.3	17.9
Other operating expenses	8.2	5.8	14.5	9.7
EBITDA *)	(13.3)	0.5	(6.5)	(7.4)
Depreciation and ordinary amortisation	5.7	3.0	10.6	5.6
Multiclient amortisation	6.1		9.4	
EBIT	(25.1)	(2.5)	(26.5)	(13.0)
Net financial items	(2.9)	(0.1)	(4.6)	(1.0)
Profit (loss) before tax	(27.9)	(2.4)	(31.1)	(14.0)
Tax	0.9	0.6	2.1	1.3
Net profit (loss)	(28.8)	(3.0)	(33.3)	(15.3)

EBIT DA
Multiclient investment
Adjusted EBITDA

(13.3)
6.1
(19.4)

Condensed balance sheet

USD million	As of 30 June 2008	As of 30 June 2007
ASSETS		
Cash and cash equivalents	14.2	89.5
Trade receivables	39.8	41.8
Other current assets	30.5	13.5
Total current assets	84.6	144.9
Intangible assets	3.5	2.2
Property, plant and equipment	51.2	32.9
Investment in joint venture	13.2	-
Total non-current assets	67.9	35.2
TOTAL ASSETS	152.5	180.0
LIABILITIES		
Trade payables	30.6	19.0
Borrowings	20.6	21.5
Current tax liability	4.1	4.5
Other short term liabilities	15.4	15.1
Total current liabilities	70.8	60.1
Total non-current liabilities	10.1	3.0
TOTAL LIABILITIES	80.9	63.1
EQUITY		
Total equity	71.6	116.9
TOTAL EQUITY AND LIABILITIES	152.5	180.0

Operations



Operational highlights

Operational activity influenced by:

- Delayed licensing round in Norway
- Contract challenges

Operational flexibility utilised:







- Yard stay for three vessels
- Mobilisation of two vessels in the Barents Sea

Operational focus:

- Align production capacity with demand



Fleet status

<p>M/V Relume Charter expired 20 August</p> <p>Demobilisation</p>		<p>M/V Sasha Approximately one week yard stay in Q2</p> <p><u>Charter expiration:</u> March 2010</p>	
<p>M/V Siem Mollie Nearly one month yard stay in Q2</p> <p><u>Charter expiration:</u> March 2010</p>		<p>M/V Stad Angler Approximately one week yard stay in Q2</p> <p><u>Charter expiration:</u> October 2008</p>	
<p>M/V Atlantic Guardian</p> <p><u>Charter expiration:</u> January 2011</p>		<p>BOA Operational from Q4 2008</p> <p><u>Charter expiration:</u> Q4 2013</p>	

Market



World's largest 3D EM survey in the Barents Sea

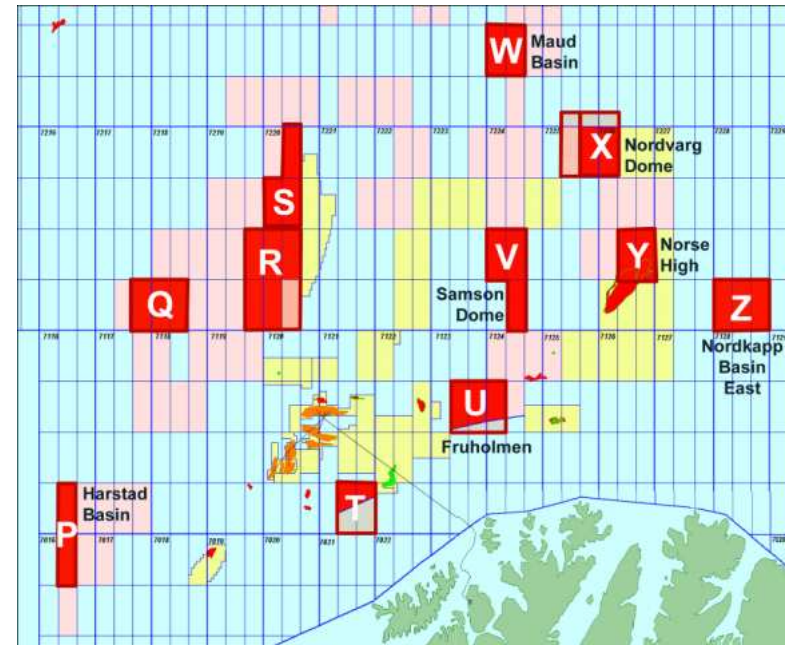
The world's largest multi-client 3D EM survey completed in August

Heavily pre-funded and covering more than 9,000 km²

A total of 30 blocks or all Barents Sea acreage in the Norwegian 20th exploration licencing round covered

Multi-client proved as a viable business model

Ability to efficiently produce resistivity maps over large areas



EMGS sees a global potential for 3D EM and multi-client

Shallow water breakthrough in Malaysia

Shallow water contract worth USD 5 million awarded by repeat customer in Malaysia

Recently developed new technology will be used in water depths of 60 meters

EMGS will assist in both prospect ranking and estimating volumes in several prospects

Broadens EMGS's addressable market

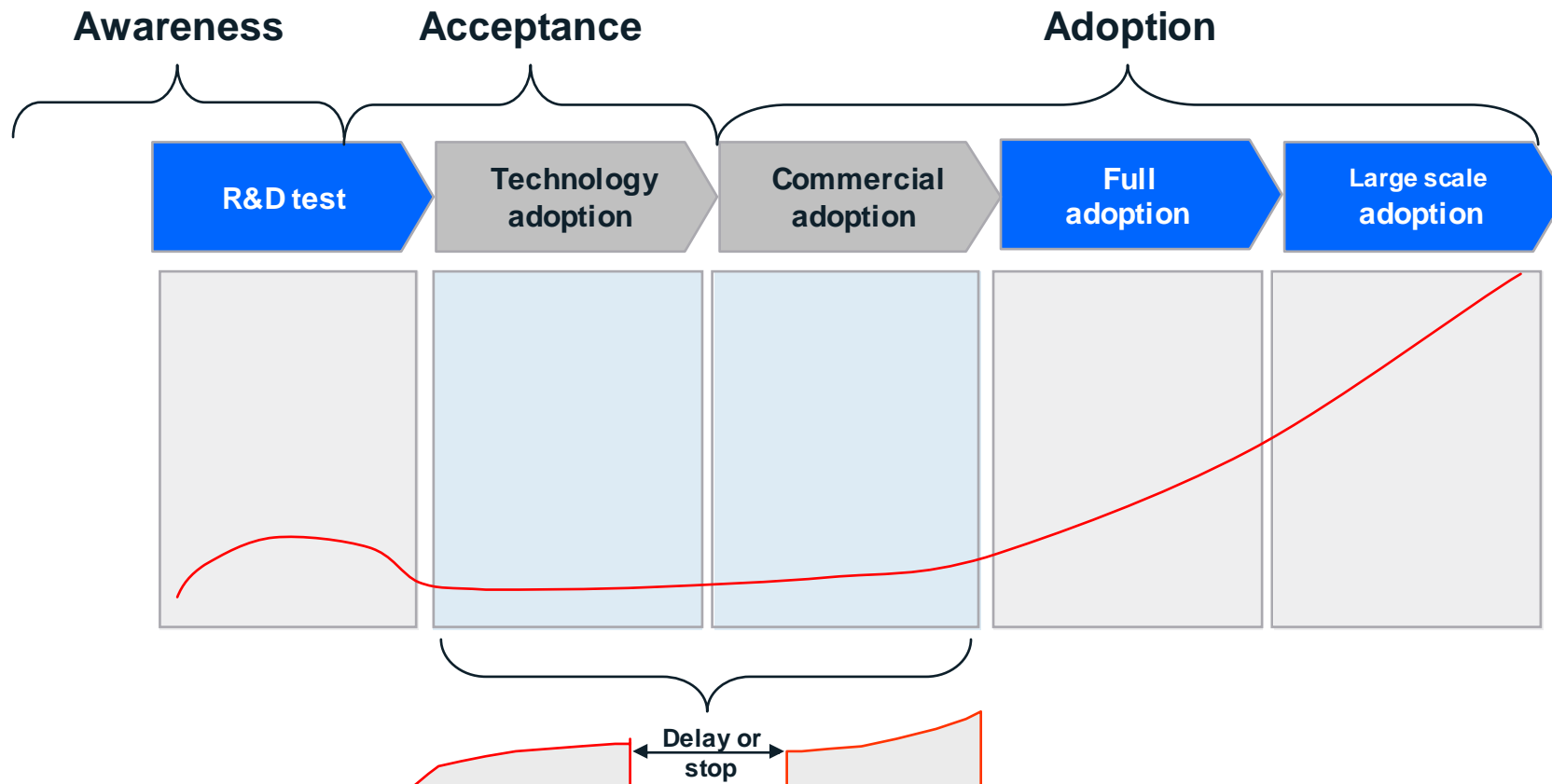


[With latest shallow water technology EMGS can perform surveys at virtually any depth]

Strategy



The main challenge



High level of technology ACCEPTANCE. Market in early ADOPTION phase

Measures to enhance the commercial adoption

Strategy conclusion

“Fewer, larger and closer”

Actions

Strengthen business units

Showcases

Develop the right products

Train customers

Integration tools (i.e. Bridge)



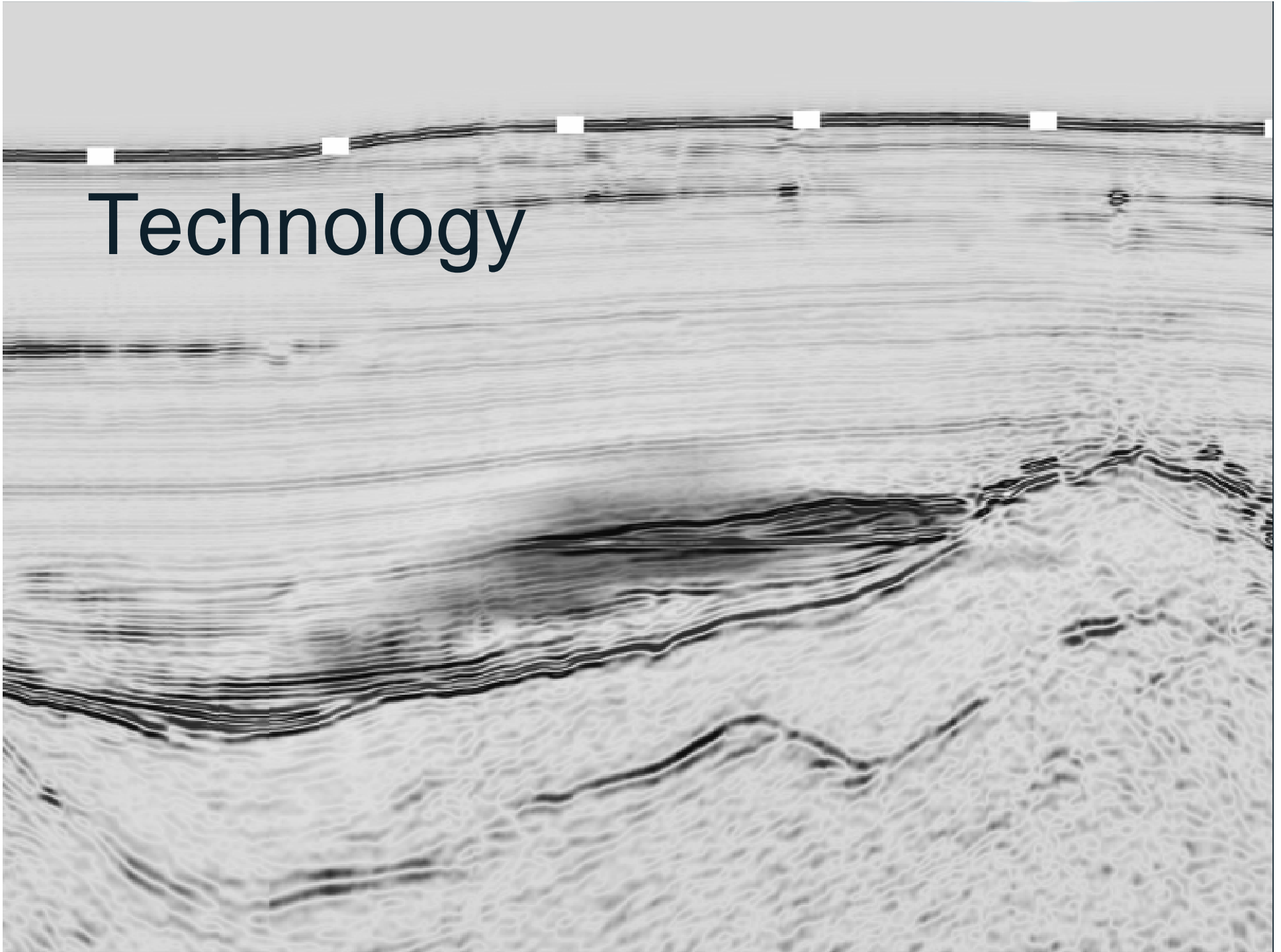
EMGS Business Units



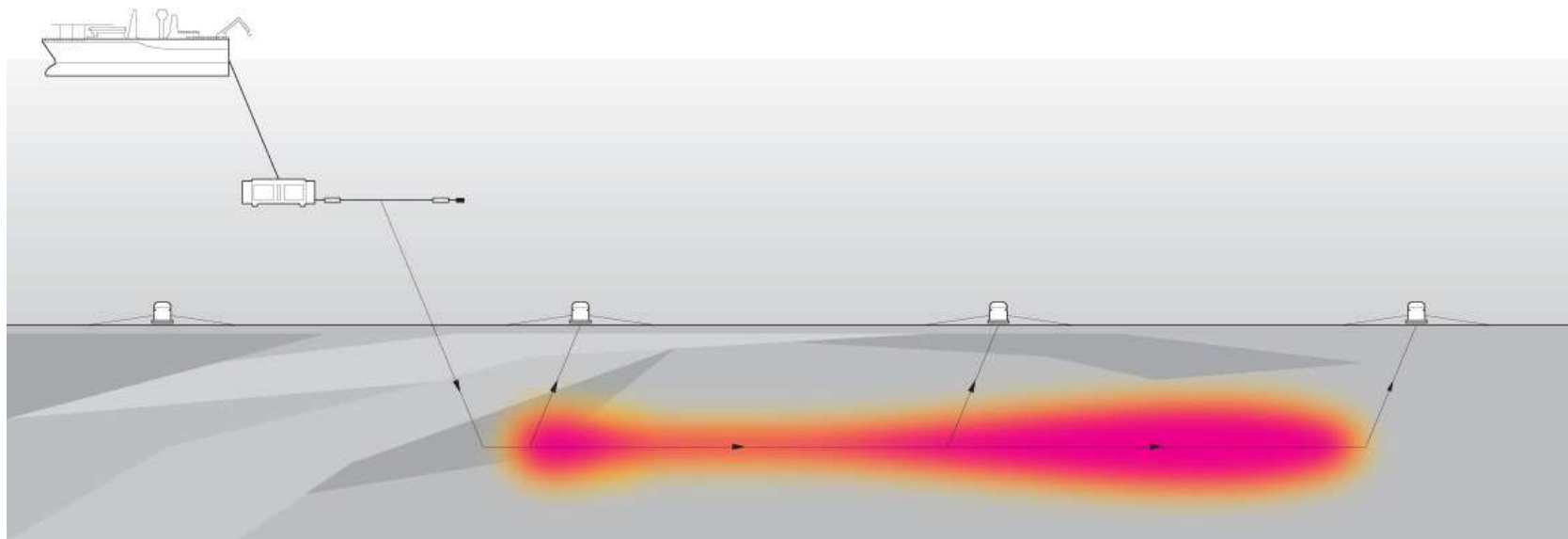
Strategic actions will increase **ADOPTION** further



Technology



The pioneer and world leader in the EM market



Seismic maps structures and boundaries. EM maps what's inside the layers

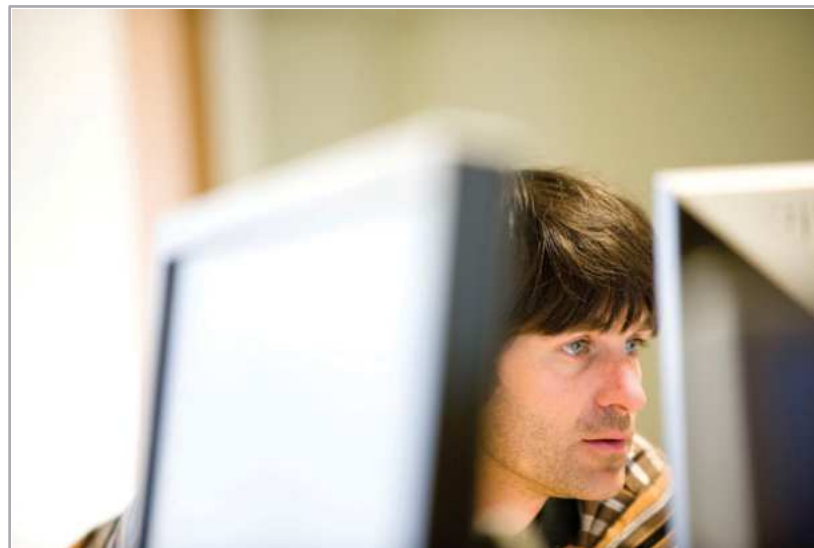
Bridge: The EM data integrator

Decision support tool for exploration professionals

EMGS data becomes an integrated part of a familiar work environment

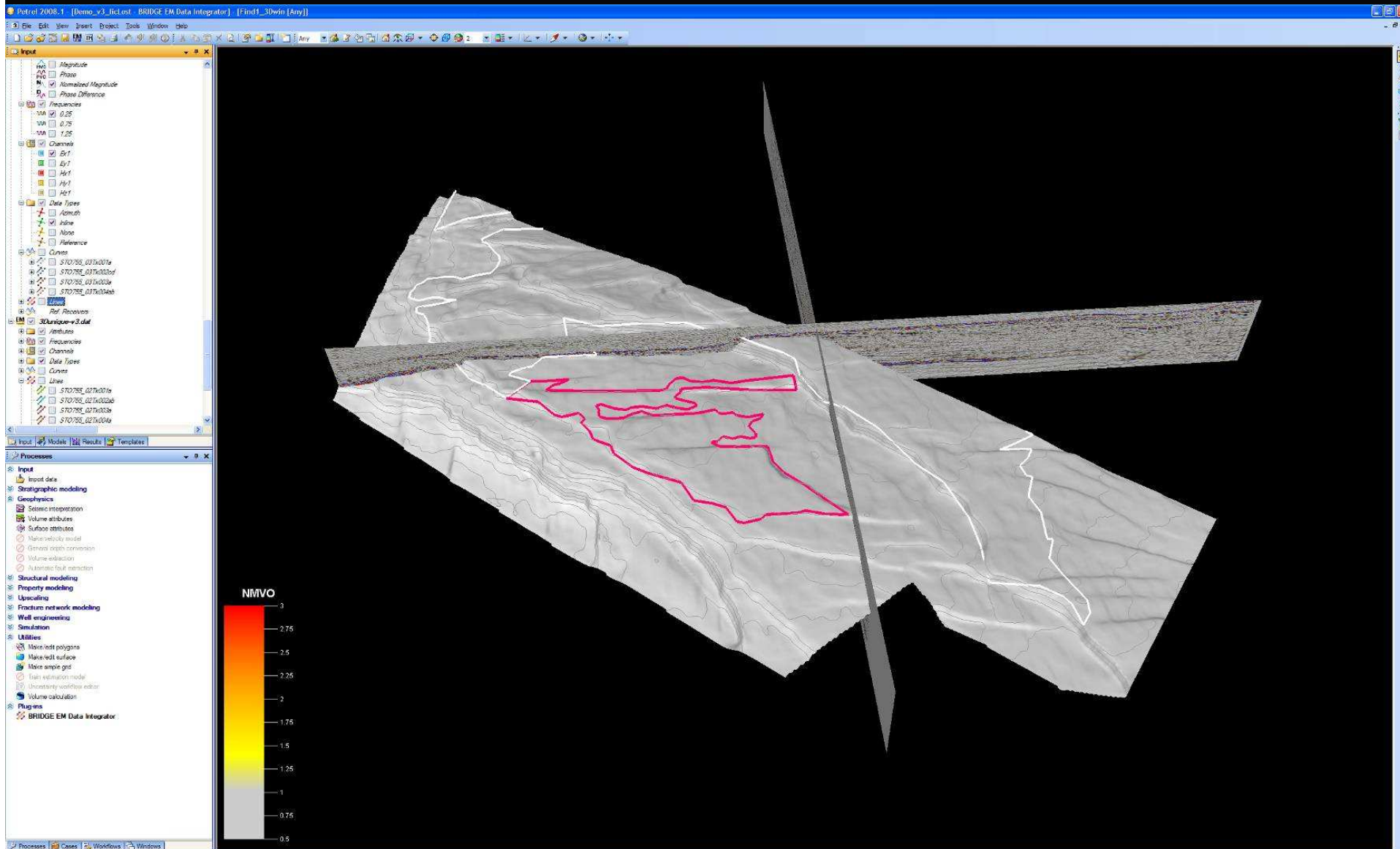
EM data are now available in the decision process

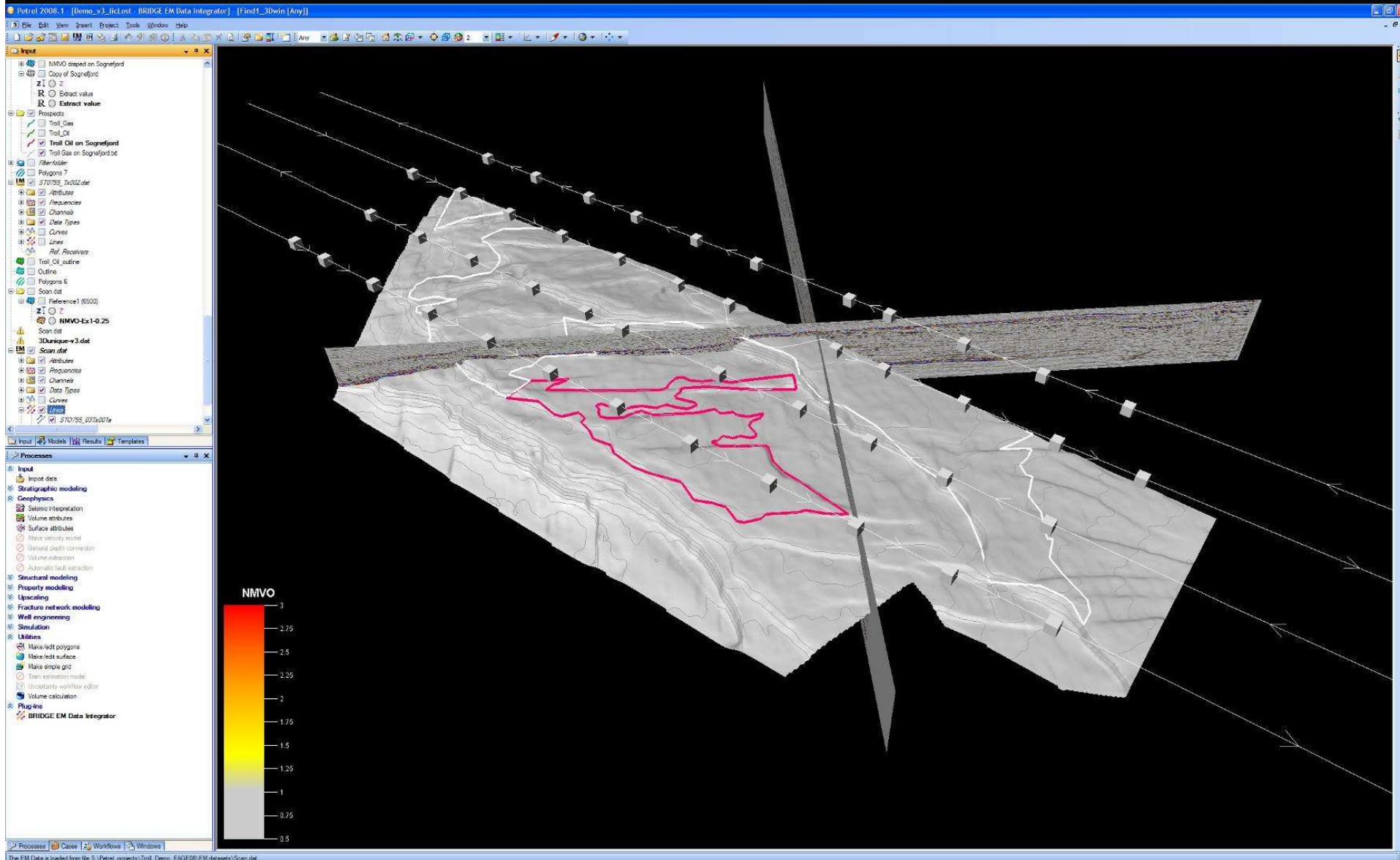
This will create increased demand for EMGS data

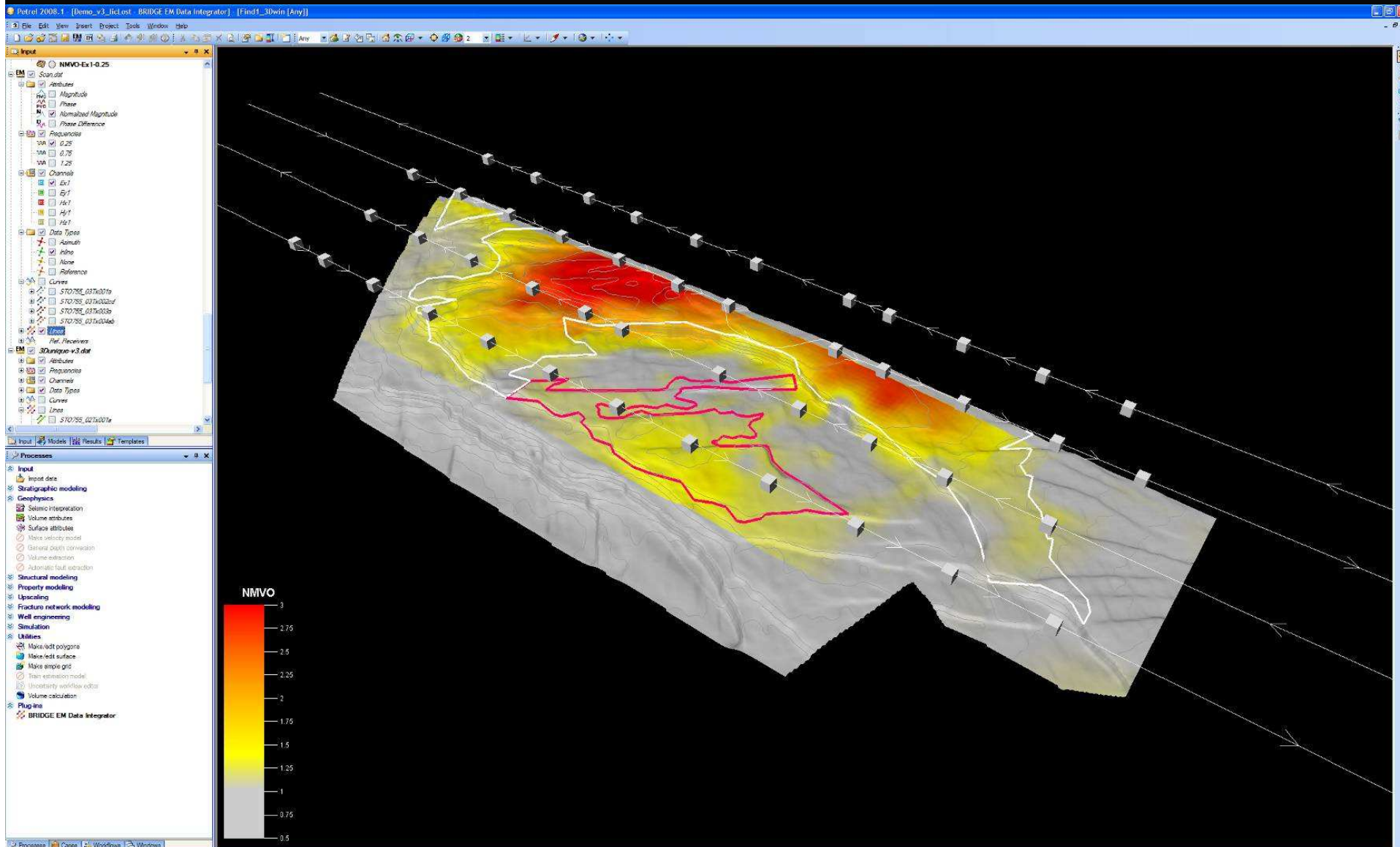


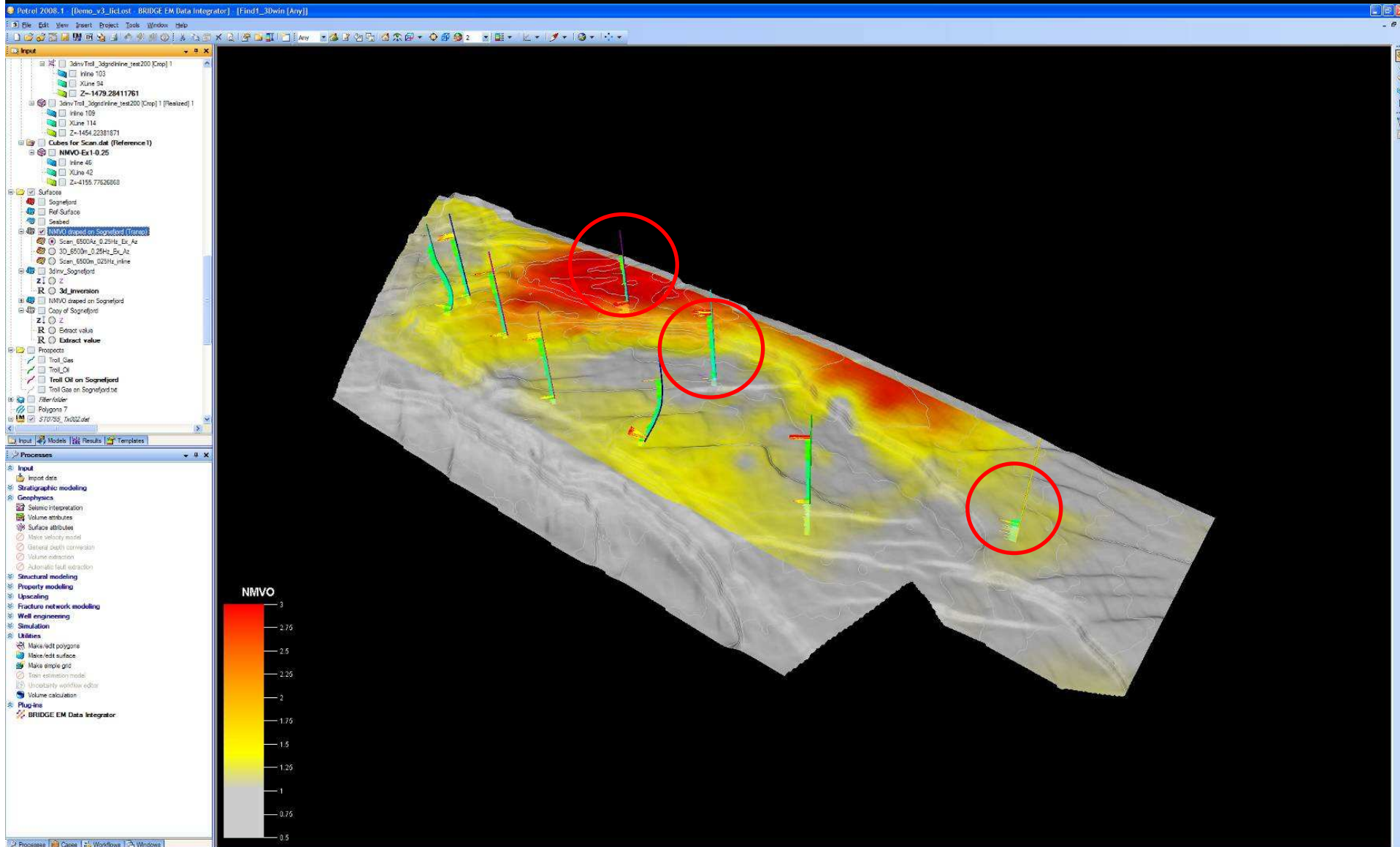
Supercharging an established workspace with EM



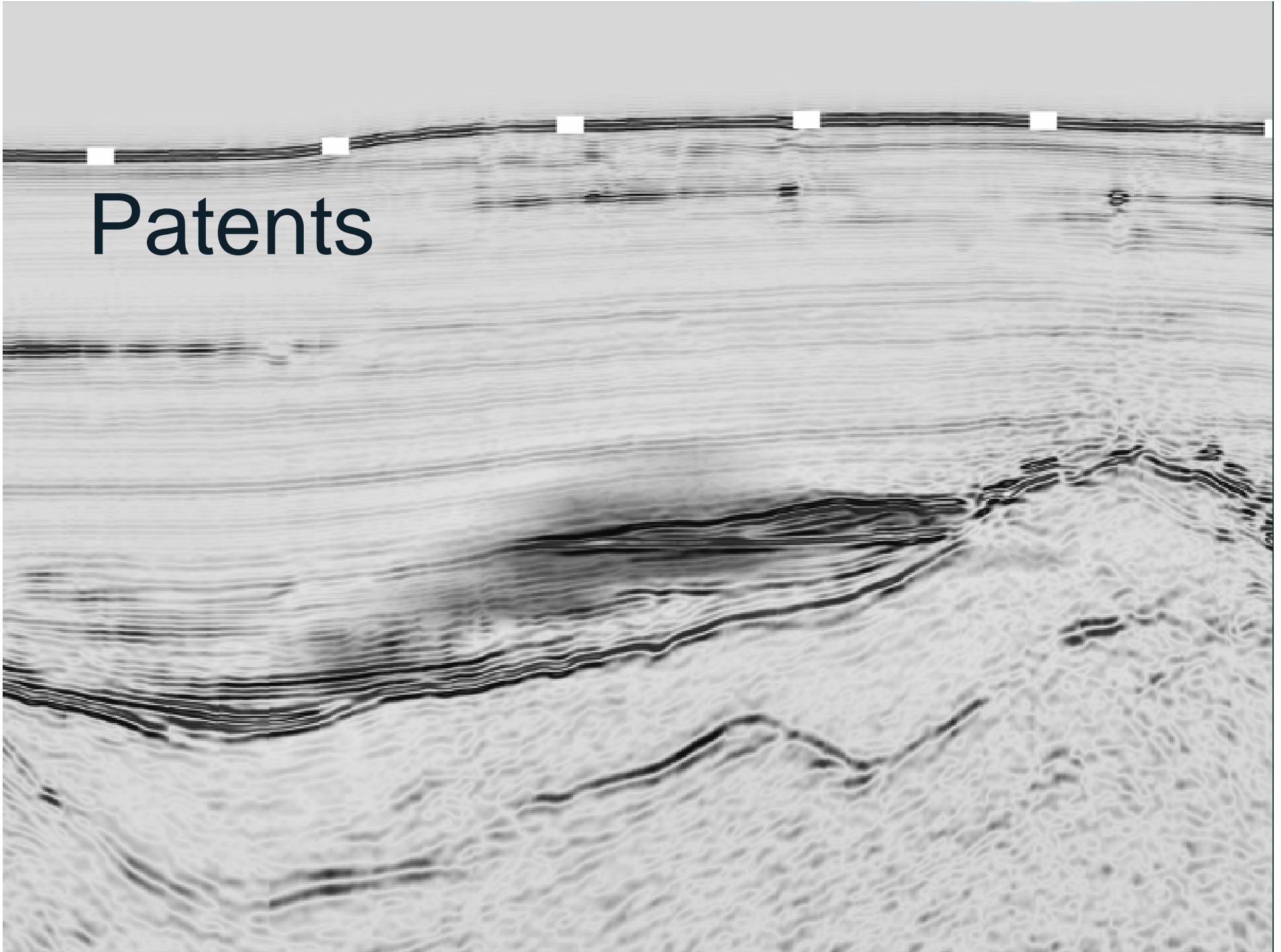








Patents



Patent dispute decisions

The Dutch patent court ruled in favour of EMGS in April

Another patent hearing at the High Court in London in June/July

London patent court decision expected in Q4 2008



EMGS will continually protect its patent position in the interest of its shareholders

Summary

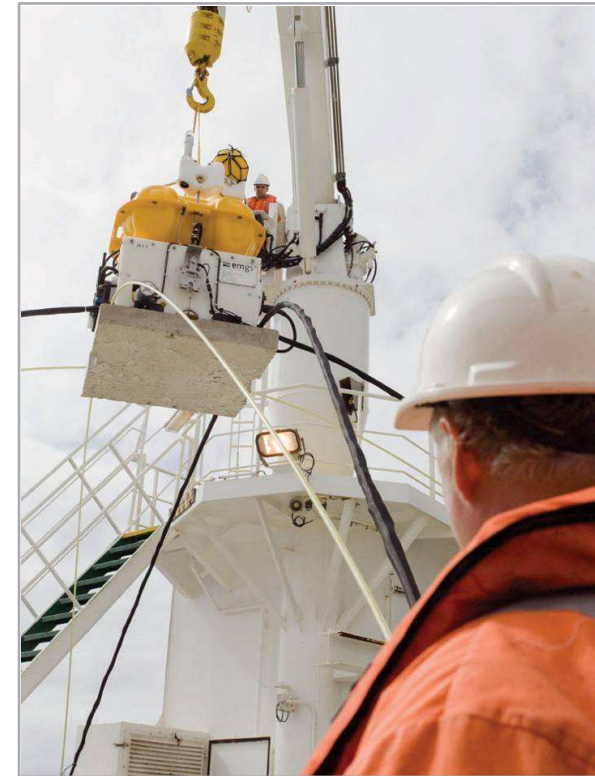
Acceptance of EM technology is strong

EM market still in early adoption phase

Adoption will pick up as more advanced EM technology is integrated with seismic and other exploration data

Multi-client proved to be a viable business model

Measures to increase operational efficiency and to enhance commercial approach are well under way



Outlook

Share issue will secure our ability to execute growth plans

Advanced products like 3D and shallow water acquisition key to future growth

Further develop the multi-client business model

Strong focus on international sales and efficient operations

Despite the quarterly market fluctuations we remain confident that this will be a profitable growth segment





Q & A



Appendix

Condensed statement of cash flow

USD million	First half	
	2008	2007
Net cash flow from operating activities	(18.6)	(15.4)
Net cash flow from investing activities	(14.1)	(14.6)
Net cash flow from financial activities	6.3	99.0
Net profit (loss)	(33.3)	(15.3)

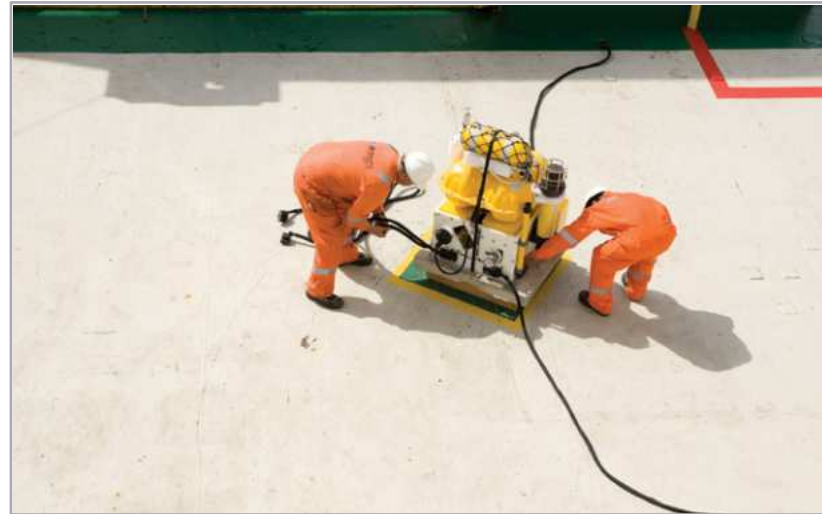
Patent status

Current patent portfolio includes:

- Over 180 cases
- 19 patent families
- 70 patents granted or applications accepted for grant

EMGS has revoked or surrendered a number of patents throughout the years and expects to do so

The portfolio relates primarily to the method. Equipment and interpretation tools are trade secrets



Some patents are being challenged. So far all have been successfully defended

Why a rights issue?

Meet EMGS' key objectives

- **Secure EMGS the needed financing:** *Fully underwritten transaction*
- **Equal treatment of shareholders:** *Rights issue*
- **Flexibility and value preservation for shareholders:** *Tradeable subscription rights*

Flexibility for the shareholders

- The chosen transaction structure gives existing shareholders the right to be allocated shares in the equity issuance (*subscription rights*) on a pro rata basis according to the shareholding on the record date
- The subscription rights may
 - a) be used to subscribe to new shares in the equity issuance; or
 - b) be fully or partly sold during the subscription period

Value-neutrality for the shareholders

- The issued subscription rights are expected to have an economic value
 - 20% discount to the VWAP in the period 21-27 August 2008
- The value of the subscription rights will depend on the subscription price for the rights issue and the share price of EMGS during the subscription period

Ownership (as of June 2008)

	Shareholder	Shares	Holding
1	WARBURG PINCUS	46,307,312	62.06%
2	STATE STREET BANK AND TRUST CO.	3,672,105	4.92%
3	JPMORGAN CHASE BANK	1,820,700	2.45%
4	UBS AG, London branch	1,773,400	2.39%
5	BJARTE BRUHEIM	1,715,302	2.31%
6	MORGAN STANLEY & CO INC	1,622,564	2.18%
7	JPMORGAN CHASE BANK	1,129,200	1.52%
8	BANK OF NEW YORK, Brussel branch	1,084,900	1.46%
9	LBPB NOMINEES LTD.	954,096	1.28%
10	JP MORGAN CHASE BANK	934,894	1.26%
11	TERJE EIDESMO	854,214	1.15%
12	SVEIN ELLINGSRUD	840,214	1.13%
13	STOREBRAND LIVSFORSIKRING	687,170	0.92%
14	STÅLE EMIL JOHANSEN	576,214	0.78%
15	ERIK SKOGEN	472,881	0.64%