



THIRD QUARTER 2017 RESULTS.

Oslo, 2 November 2017

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Spot the difference.

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Revenues of USD 10 m and EBITDA of USD 3 m

Operations

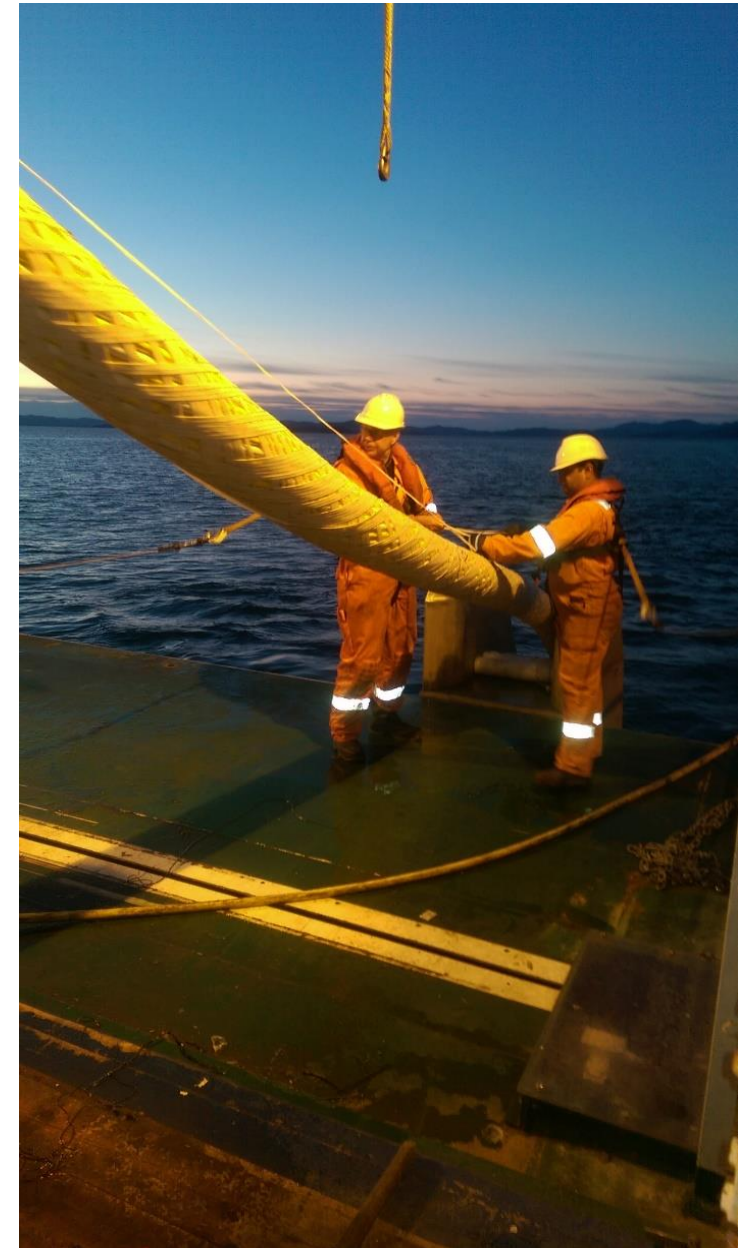
- Continued with multi-client investments in Norway
- First commercial survey for the Deep Blue (JIP) source completed

Financials

- Revenues of USD 10.0 million (USD 10.6 million in Q2)
- EBITDA of USD 2.9 million (USD 4.5 million in Q2)
- Rights issue of USD 17.4 million completed in July

Market

- No significant change to backlog





Financial review

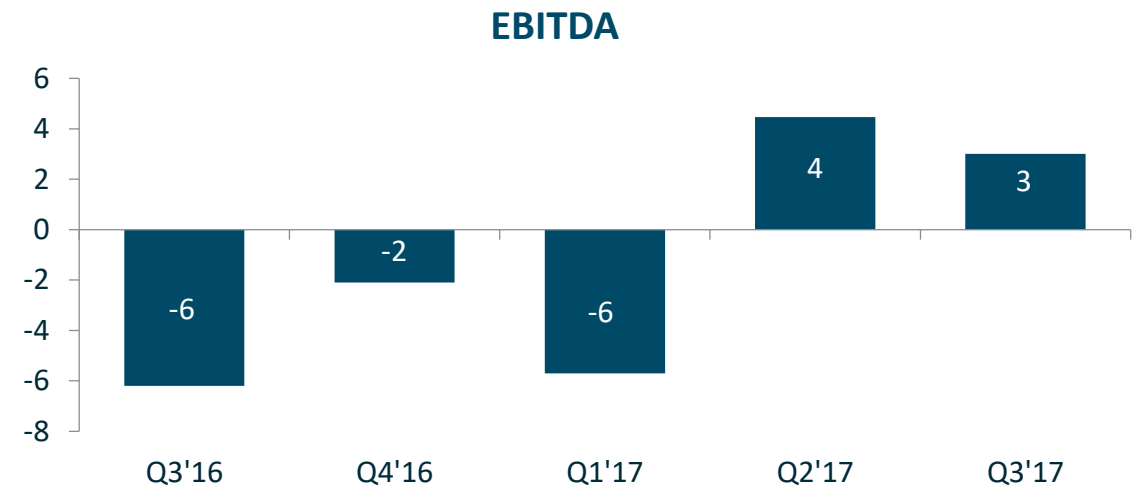
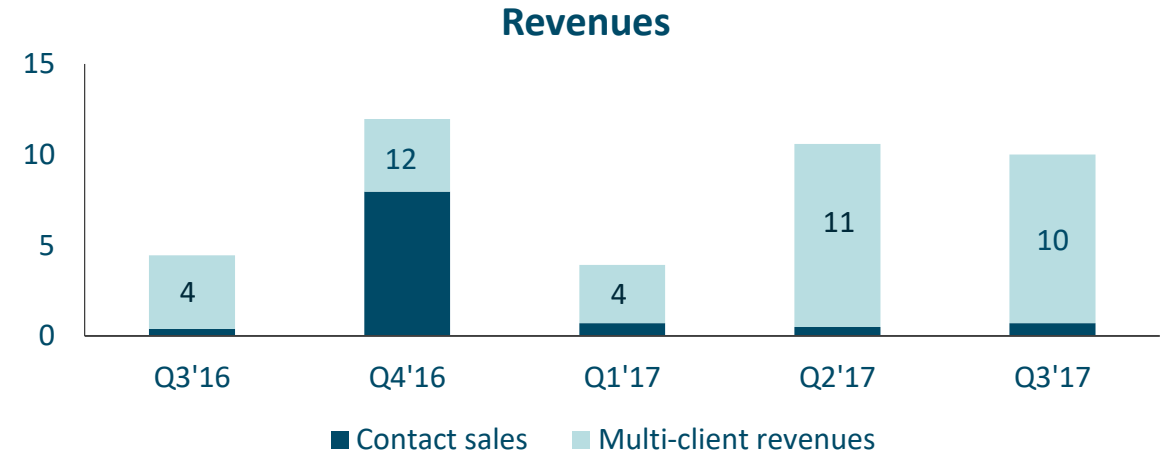
Spot the difference.

Third quarter performance

Key financial metrics

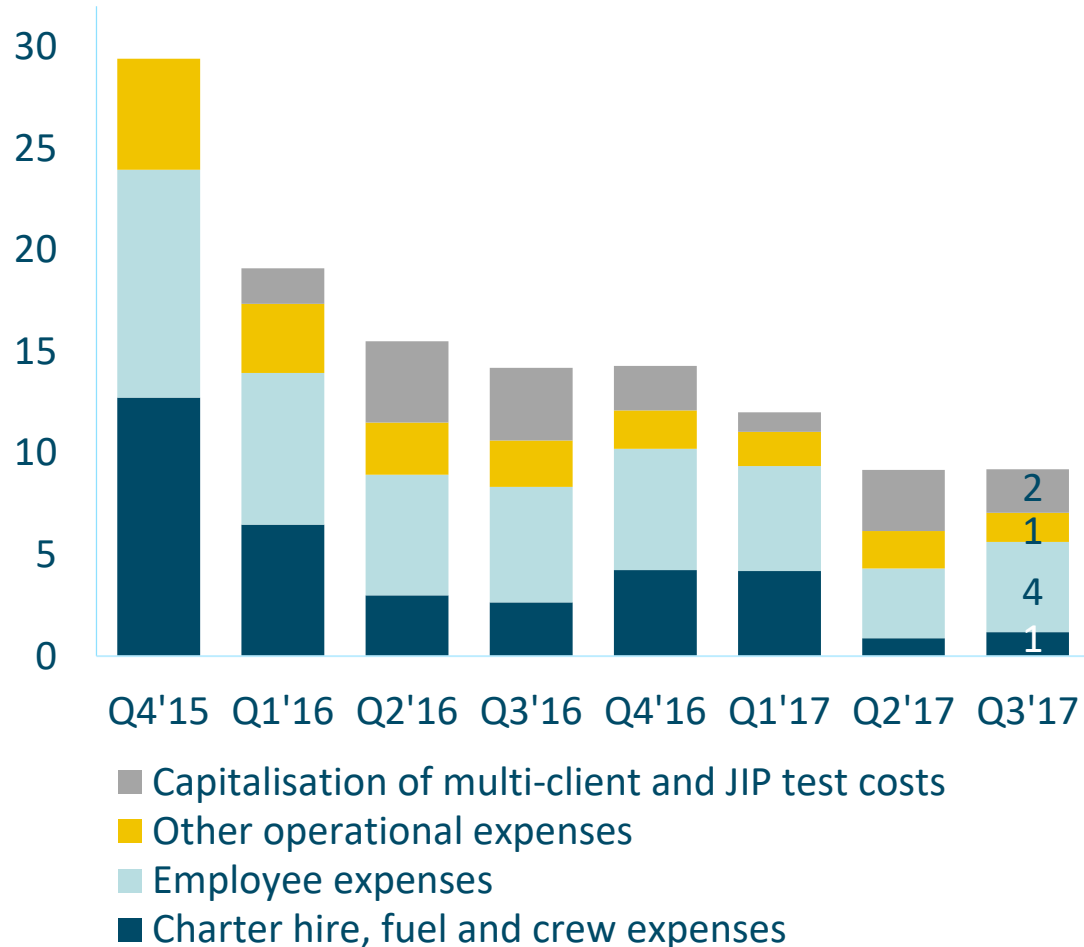
- Revenues
 - USD 10.0 million
 - Mainly multi-client revenues in Norway
- EBITDA
 - USD 2.9 million
- Vessel utilisation for 77% of one vessel
 - First commercial project with the Deep Blue source completed
 - Prefunded multi-client projects in Norway

Quarterly development (USD million)



Reduced operational costs

Quarterly operational cost base development* (USD million)



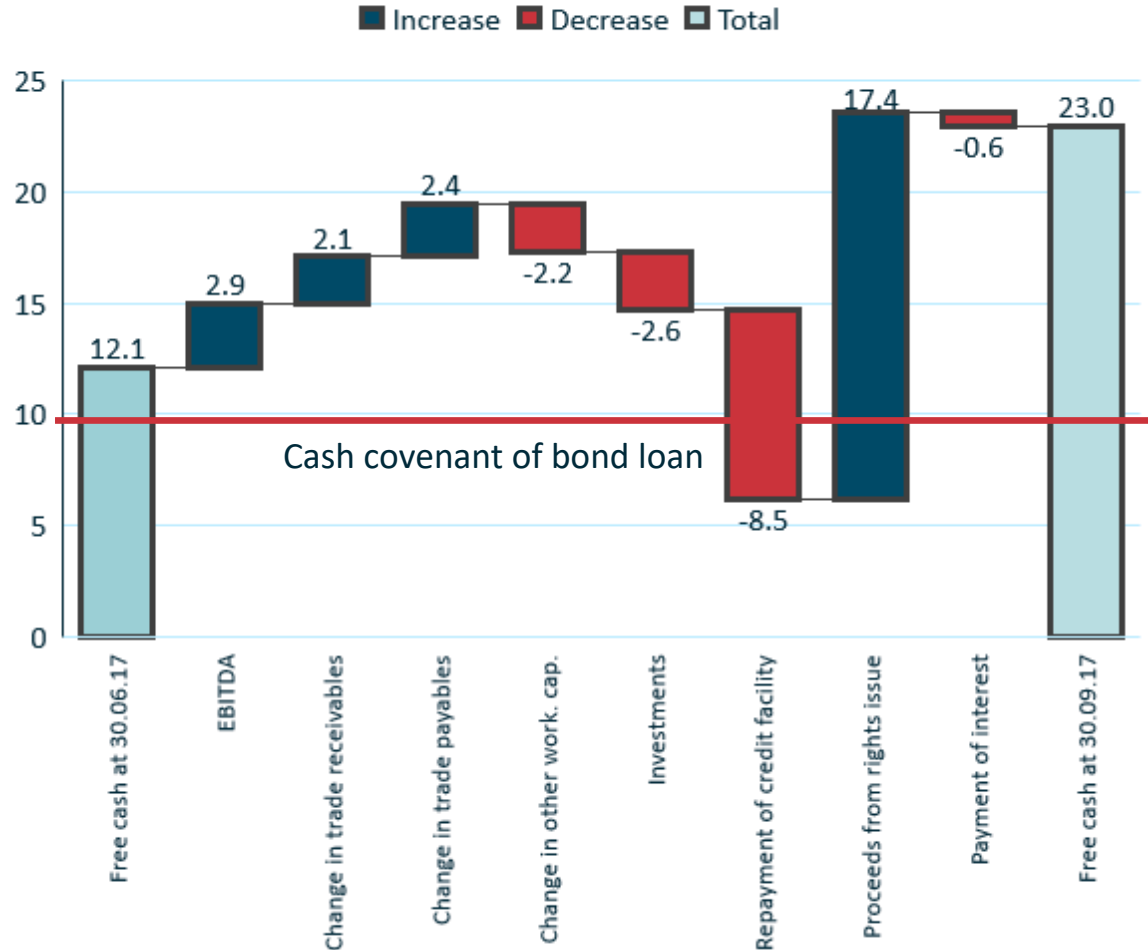
Comments

- Operational costs base in Q3 of USD 9.2 million
 - Capitalised multi-client and JIP test expenses of USD 2.2 million
 - Vessel lease expenses for one vessel (Atlantic Guardian)
- Cost control
 - Cost control continues in 2017
 - Target the 2017 cost base of approximately USD 45 million, subject to operational activity

*Cost base is defined as Operational costs (charter hire etc, employee expenses, other operating expenses) plus MC investments, less provision for onerous contract, restructuring charges and other extraordinary items

Increase in free cash in Q3

Quarterly free cash development (USD million)

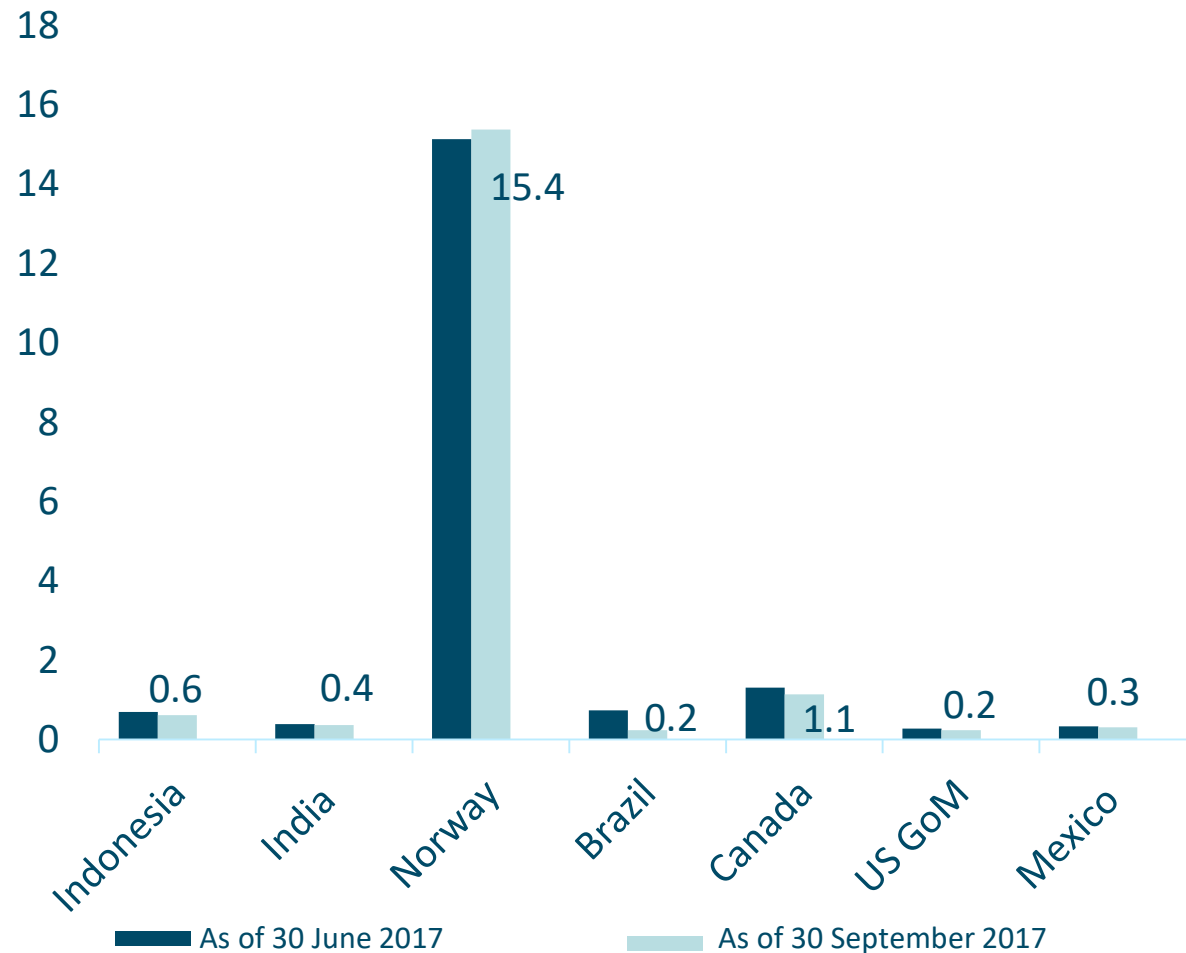


Comments

- Net increase in free cash of USD 10.9 million to USD 23.0 million
- Financing activities
 - Rights issue of USD 17.4 million
 - Repaid credit facility of USD 8.5 million

Multi-client book value of USD 18.2 million

Overview of book value of multi-client library (USD million)



Comments

- Reduction of book value from USD 18.9 million previous quarter to USD 18.2 million
- Investments of USD 1.5 million
 - Norwegian Sea and Barents Sea
- Amortisation of USD 2.2 million
 - Straight-line amortisation

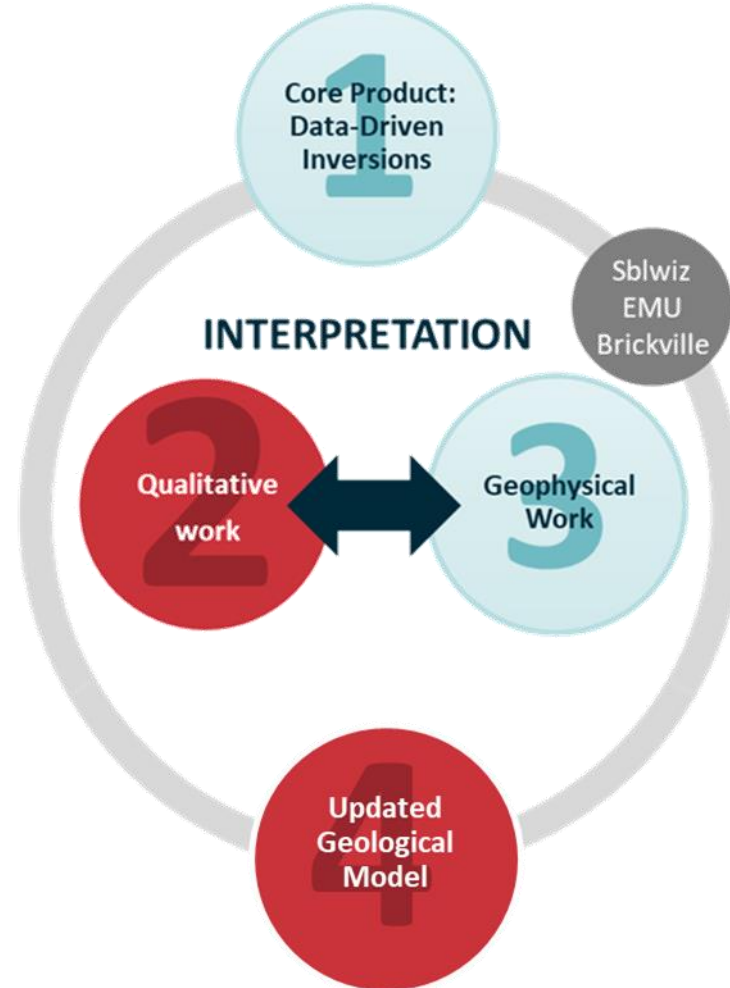
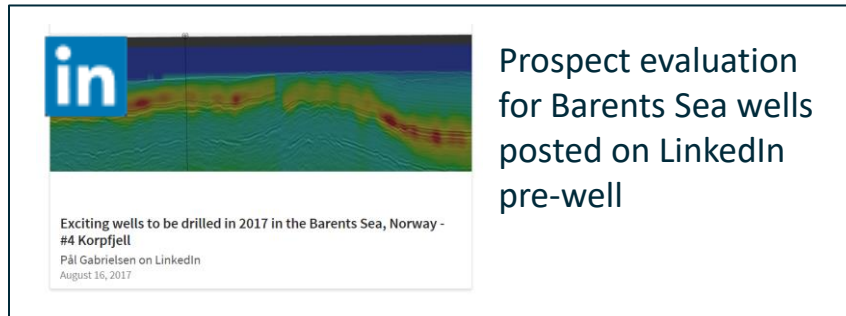


Operations, Market and Outlook

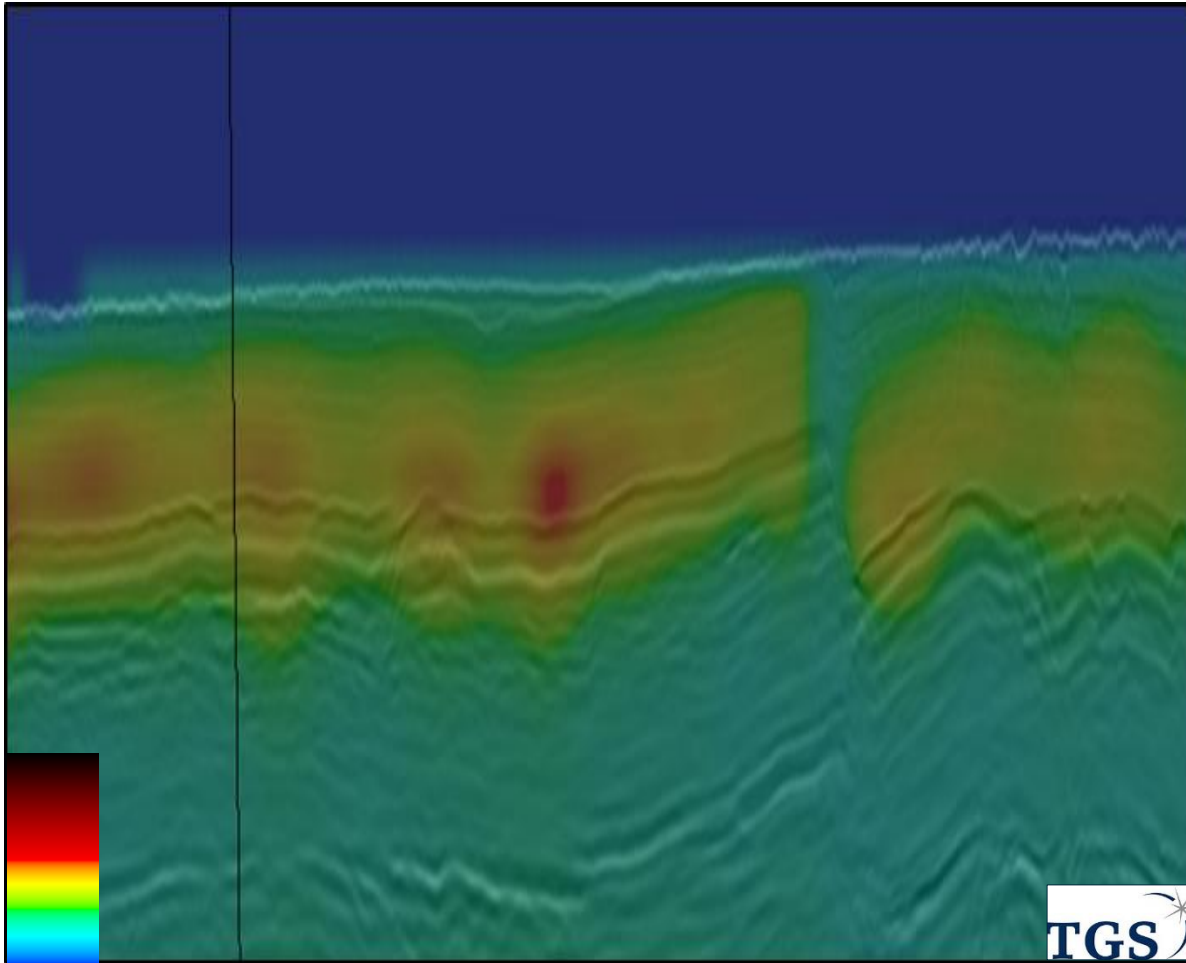
Spot the difference.

Putting CSEM to use

“Providing an example of an integrated solution for improved performance on prospect evaluation”



Korpfjell: Well prediction of shallow section by EMGS



- Seismic suggests the presence of a large volume of hydrocarbons
- Large volumes in shallow section not supported by CSEM
- CSEM data could be explained by small oil or gas accumulations



Prediction by EMGS:

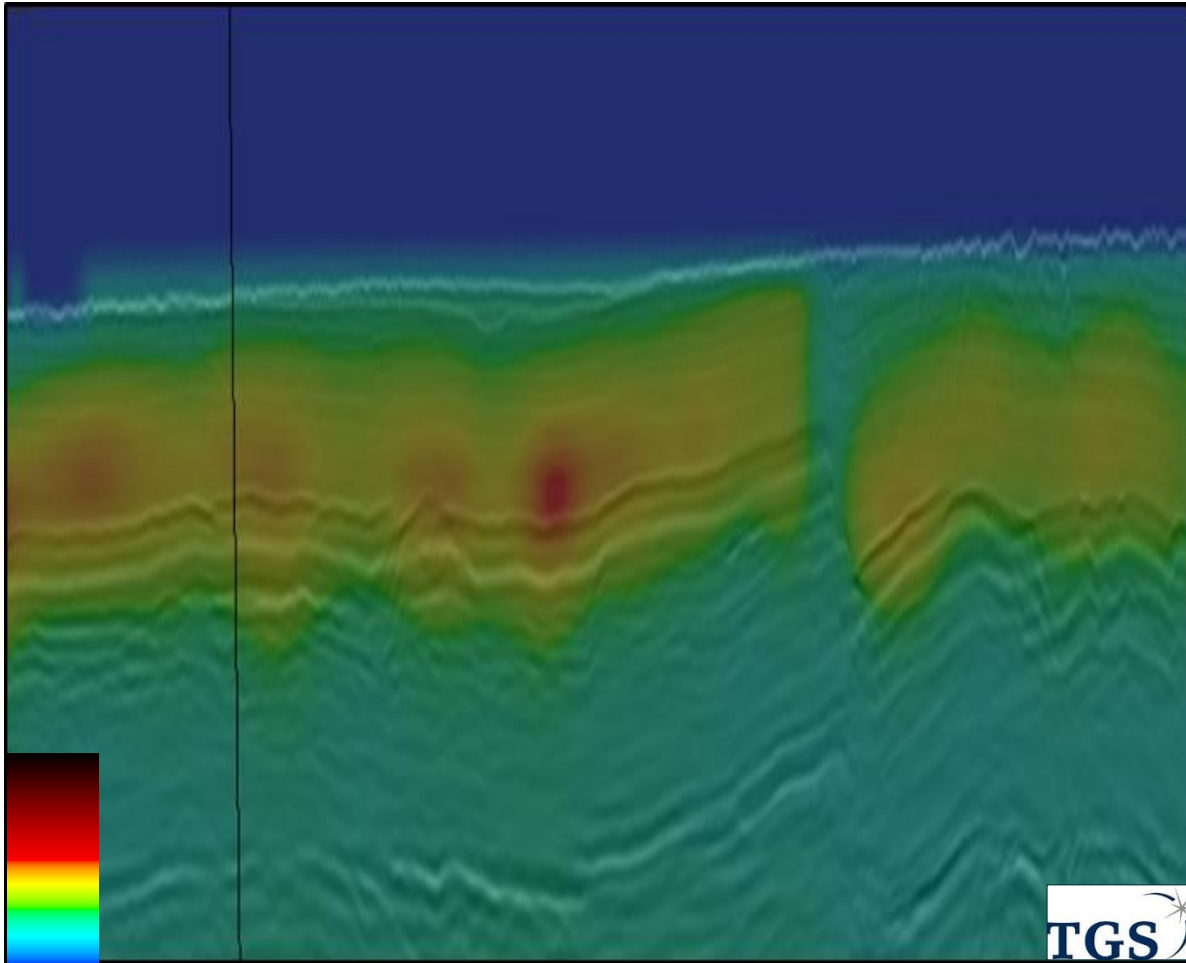
Presence of hydrocarbons
Low volumes



Possible pitfalls:

High background resistivity

Korpfjell: Well result (1st well / shallow well)



As reported:

- Gas discovery
- Much smaller volumes reported than anticipated by seismic



Prediction lookback:

Presence of hydrocarbons
Low volumes



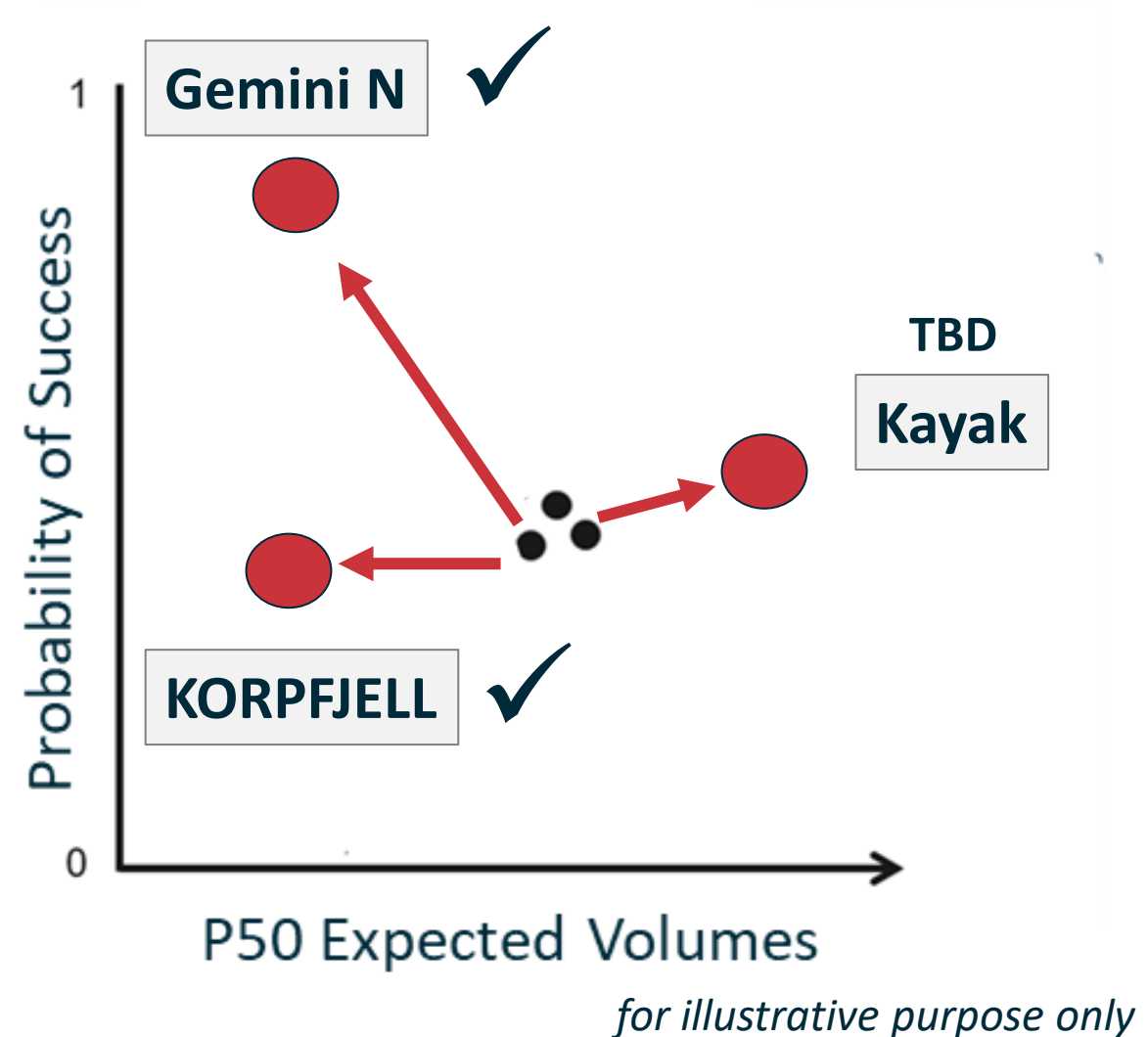
Possible pitfalls:

Resolved

Consistent use of CSEM on a prospect portfolio

Polarising an oil company's prospect portfolio provides for:

- improved decision making and
- the potential to increase the return on investment



Operations and selection of current opportunities

Canada:

- MC data covering Flemish Pass basin available for sale
- Atlantic Guardian en route to Newfoundland
- Industry interest to acquire more data in 2018

US:

- MC data available for annual licensing rounds and geological understanding of the Perdido area
- Marketing ongoing but subdued level of interest through 2017

Mexico:

- Reprocessed 3D MC data (16,000 sqkm) available for sale
- License terms of partnerships being finalised

Brazil:

- 12,300 sqkm MC data from Sergipe-Alagoas, Foz and Ceara available for sale
- Round 14 results announced during the quarter. Mixed results

Norway:

- Coverage in the Barents Sea expanded in Q3 2017 in anticipation of the 24th licensing round. Library also expanded with coverage in the Norwegian Sea
- Upcoming events: APA awards in Q1 2018 and the 24th round awards in Q2 2018
- Expect CSEM to be part of several work commitments

Asia:

- Several proposals issued to customers during the quarter

Indonesia:

- 2,800 sqkm MC data available

East Africa:

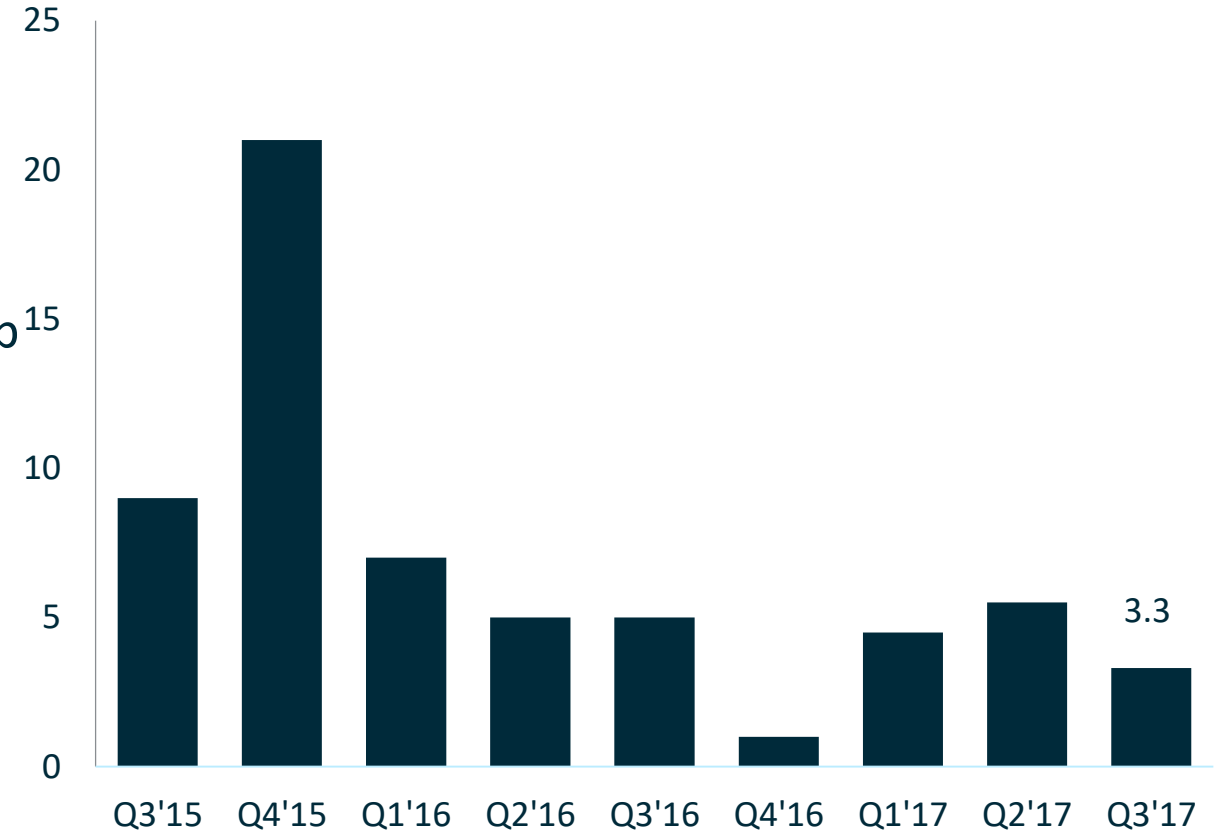
- Looking for prefunding opportunities in 2018

Market update | Continued limited visibility

Comments

- Work awarded in Q3 2017 will keep the Guardian busy through the middle of Q4 2017
- Prospects being developed to put Thalassa back at work during Q4 2017
- Pricing requests received in anticipation of firming up 2018 budgets
- Backlog remains under pressure
- The Company expects market fundamentals to remain weak going into 2018

Order backlog - limited earnings visibility



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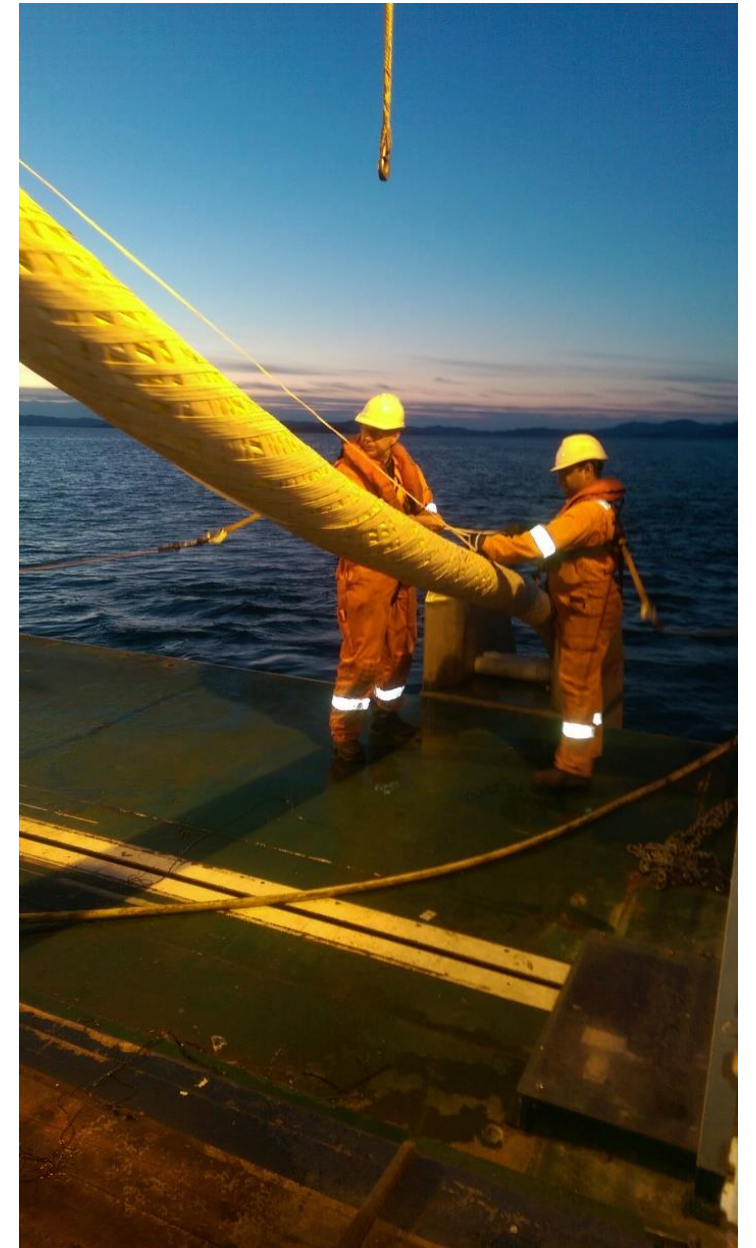
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Questions?

Spot the difference.

Consolidated Income Statement

	Q3 2017	Q3 2016	Year to date 2017	Year to date 2016	2016
Amounts in USD 1 000	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Operating revenues					
Contract sales	443	393	1,619	13,818	21,797
Multi-client pre-funding	5,270	0	10,469	0	579
Multi-client late sales	4,078	4,061	12,263	18,740	22,151
Other revenue	220	0	220	0	0
Total revenues	10,011	4,454	24,571	32,558	44,527
Operating expenses					
Charter hire, fuel and crew expenses	1,188	2,653	4,840	11,948	18,176
Employee expenses	4,438	5,693	13,050	19,112	25,097
Depreciation and ordinary amortisation	1,796	1,678	4,708	5,721	7,677
Multi-client amortisation	2,151	2,769	6,755	8,417	11,244
Impairment of long-term assets	0	0	3,167	9,228	17,286
Other operating expenses	1,436	2,283	4,966	8,255	10,137
Total operating expenses	11,008	15,076	37,484	62,681	89,617
Operating profit/ (loss)	-997	-10,622	-12,913	-30,123	-45,090
Financial income and expenses					
Interest income	58	66	128	162	217
Interest expense	-1,031	-768	-3,074	-2,558	-3,273
Net gains/(losses) of financial assets and liabilities	1,551	1,295	3,287	-3,995	-6,297
Net foreign currency income/(loss)	-1,342	-1,406	-3,179	-1,524	1,512
Net financial items	-764	-813	-2,838	-7,915	-7,841
Income/ (loss) before income taxes	-1,761	-11,435	-15,751	-38,038	-52,931
Income tax expense	-180	-371	-113	-316	-100
Income/ (loss) for the period	-1,582	-11,064	-15,639	-37,722	-52,831

Consolidated Statement of Financial Position

Amounts in USD 1 000	30 September 2017 Unaudited	30 September 2016 Unaudited	31 December 2016 Audited
ASSETS			
Non-current assets			
Multi-client library	18,238	32,215	24,332
Other intangible assets	1,816	2,810	2,457
Property, plant and equipment	33,415	13,560	13,901
Assets under construction	6,726	30,319	28,255
Total non-current assets	60,195	78,904	68,945
Current assets			
Spare parts, fuel, anchors and batteries	7,251	8,621	7,854
Trade receivables	7,346	8,264	8,534
Other receivables	6,710	7,631	7,080
Cash and cash equivalents	22,986	15,718	14,038
Restricted cash	4,024	4,131	4,841
Total current assets	48,317	44,365	42,347
Total assets	108,512	123,269	111,292

Amounts in USD 1 000	30 September 2017 Unaudited	30 September 2016 Unaudited	31 December 2016 Audited
EQUITY			
Capital and reserves attributable to equity holders			
Share capital, share premium and other paid-in equity	336,740	319,233	319,283
Other reserves	-1,617	901	-1,608
Retained earnings	-300,615	-272,377	-284,975
Total equity	34,508	47,757	32,700
LIABILITIES			
Non-current liabilities			
Provisions	20,994	19,045	19,140
Financial liabilities	1,849	2,368	4,668
Borrowings	31,367	34,001	31,636
Total non-current liabilities	54,210	55,414	55,444
Current liabilities			
Trade payables	6,037	6,649	6,672
Current tax liabilities	5,859	5,324	5,853
Other short term liabilities	7,605	7,930	10,372
Borrowings	292	195	251
Total current liabilities	19,793	20,098	23,148
Total liabilities	74,003	75,512	78,592
Total equity and liabilities	108,512	123,269	111,292

Largest shareholders as of 1 November

#	Shareholder	Shares	Holding
1	SIEM INVESTMENTS INC.	21,869,450	23.92
2	PERESTROIKA AS	20,560,847	22.49
3	MORGAN STANLEY & CO. LLC	18,074,938	19.77
4	BÆKKELAGET HOLDING AS	3,010,00	3.29
5	SPORTSMAGASINET AS	2,575,001	2.82
6	NHO - P665AK	1,127,686	1.23
7	KRISTIAN FALNES AS	1,090,794	1.19
8	DNB NAVIGATOR (II)	971,279	1.06
9	NORDNET LIVSFORSIKRING	751,785	0.82
10	STATOIL PENSJON	701,458	0.77
11	ROSENFONN INVESTERING	513,518	0.56
12	RYGG, JAN WIGGO	423,234	0.46
13	JACKWITZ, SVEIN-ERIK	353,552	0.39
14	GALTUNG, LARS OTTO	350,000	0.38
15	HAAV HOLDING AS	350,000	0.38
16	NORDNET BANK AB	347,607	0.38
17	ØVERLAND, JARLE	340,000	0.37
18	J&J INVESTMENT AS	340,000	0.37
19	FALNES, OLAV KRISTIAN	300,000	0.33
20	PEDERSEN, FINN BIRK	300,000	0.33