

# SeaBird Exploration

NFF bransjepresentasjon av seismikk  
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CEO Dag Reynolds



# Forward-looking statements

All statements contained in this presentation that are not statements of historical facts, including statements on projected operating results, financial position, business strategy and other plans and objectives for future results, constitute forward-looking statements and are prediction of, or indicate, future events and future trends which do not relate to historical matters. No person should rely on these forward-looking statements because they involve known and unknown risks, uncertainties and other factors which are, in many cases, beyond the company's control and may cause its actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by the forward-looking statements and from past results, performance or achievements. These forward-looking statements are made as of the date of this presentation and are not intended to give any assurance as to future results. None of the company, its employees and representatives assumes any obligation to update these statements. This presentation includes historical financial data. Your attention is directed to the notes to such data for a description of the accounting principles used to prepare historical data. This presentation must be viewed only in connection with the company's separately distributed Q4 2012 earnings release.

# Introduction

- Global leader in the 2D seismic market
  - Largest provider of 2D vessels
  - 9 seismic vessels
- Offices
  - Cyprus, Oslo, Dubai, Houston and Singapore
- About 500 employees
- Maritime and Seismic operation out of Dubai
- Industry leading operational uptime statistics and HSSEQ accreditation
- Pre-approved by major oil companies
- New management and streamlined organization structure



# A new beginning - Seabird 2012

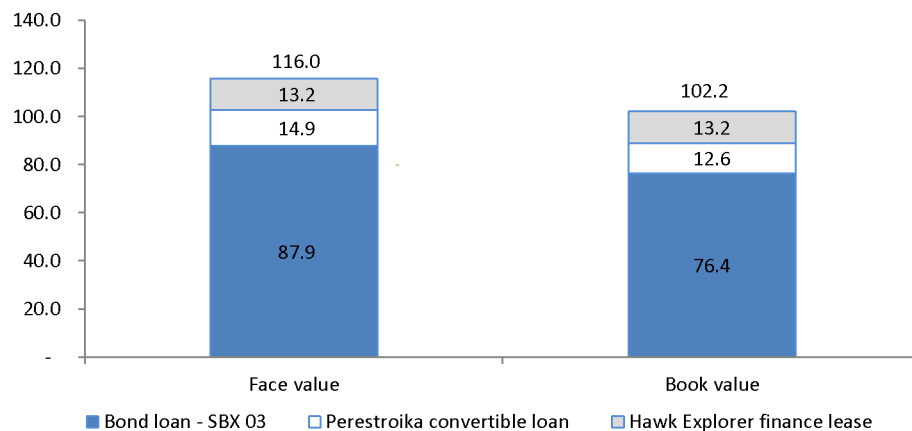
- The Ocean Bottom Node division was sold to Fugro as part of an extensive financial restructuring of the company in 2011
- New Board and management team is impacting performance
  - Focus on long term value creation and growth
  - Accountability is key to our future
- Massive restructuring
- Redelivery and sale of non-operational vessels
- One additional 3D vessel on bareboat delivered and fixed for 85 days
- The focus on improving our cost structure is now paying off
  - Significant reduction in SG&A in line with management expectations
  - Continuous improvement in OPEX level

# Funded debt review

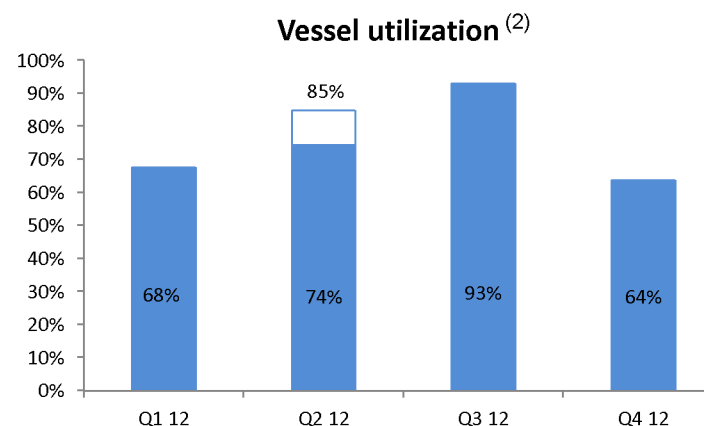
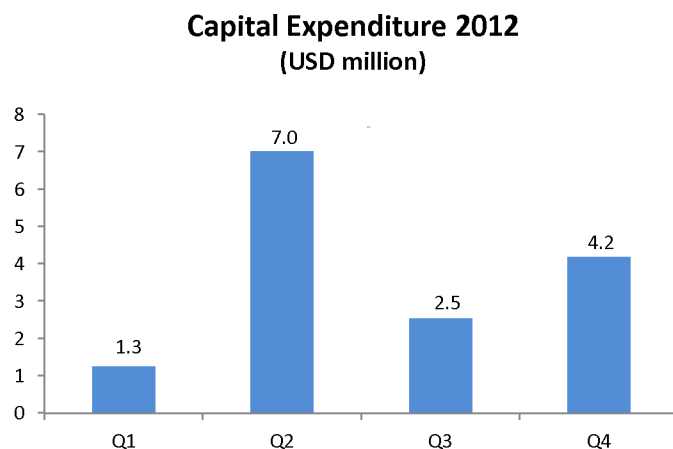
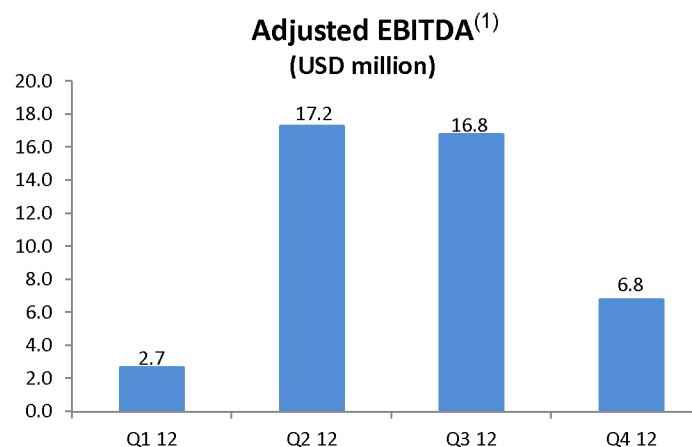
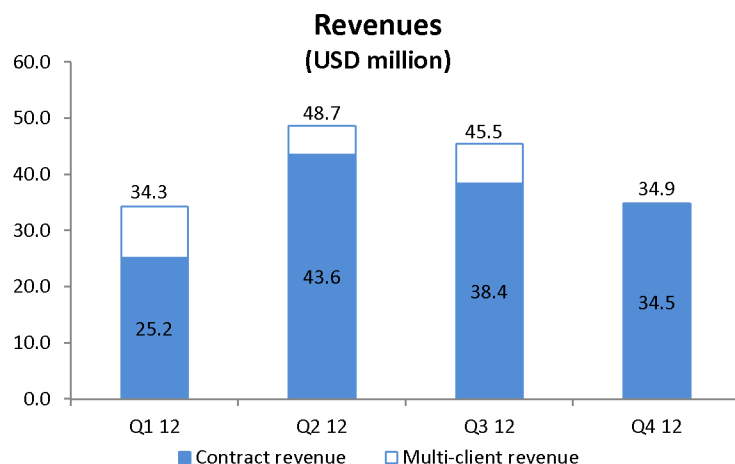
USD millions	AP +60	Equity ratio	Cash
31 December 2012	\$2.9	26.8%	\$14.1

Restrictions	AP +60	Equity ratio	Cash
31 December 2012	< \$5.0	22.5%	≥ \$10.0
31 December 2013 onwards	< \$2.5	25.0%	≥ \$10.0

**Funded debt profile**  
(USD millions)



# Historical operating comparison



- (1) Excluding the restatement of \$5.1m from sales amortization to multi client cost of sales  
 (2) Q1 2012 utilization revised from 65% as reported

# Well positioned fleet mix

2D Vessels and source vessels

3D Vessels



Geo Pacific, 6-8 streamer

Shallow Water  
3D Vessels



Kondor Explorer



Munin Explorer



Aquila Explorer  
4 streamer



Voyager Explorer  
4 streamer



Harrier Explorer



Northern Explorer



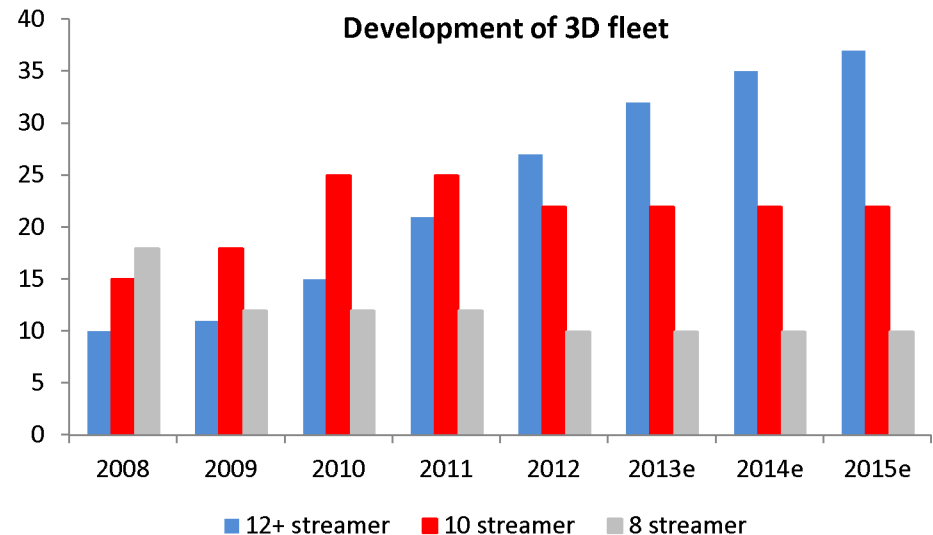
Hawk Explorer



Osprey Explorer

# Selected 3D market

- 4-8 streamer vessels are cost efficient for shorter and more complex surveys
  - Lower mobilization costs and short deployment time
  - More economic on smaller surveys
  - Complex surveys
- Major seismic operators are exiting this segment, providing an opportunity for SeaBird
- Substantial portion of this market is contract work for oil companies and does require prequalification



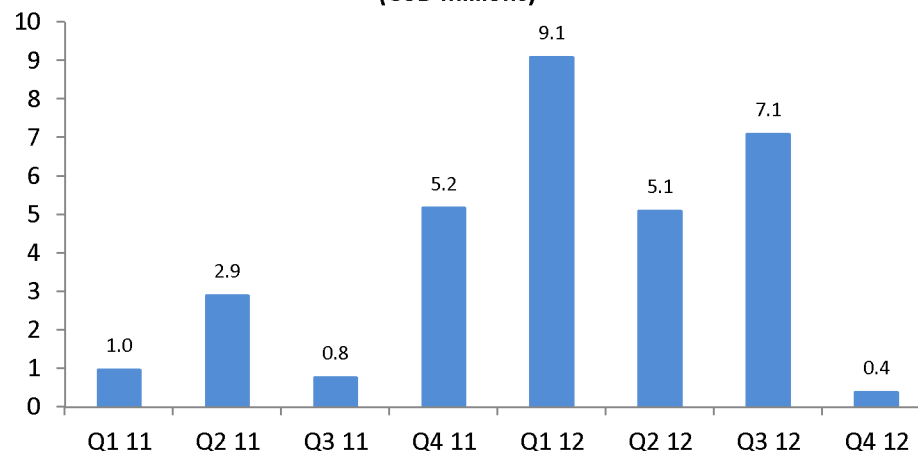
Source: CGG



# Multi-client

- Multi-client sales for 2013 exceeded \$ 21 million
- Library together with MC partners has in excess of 23.000 km 2D data with 50% of the upside
- The limited size of the library makes it difficult to forecast the timing of future revenues with any precision
- The company is actively reviewing a number of potential surveys and we will be investing more actively in this segment of the business

**Multi-client revenues**  
(USD millions)



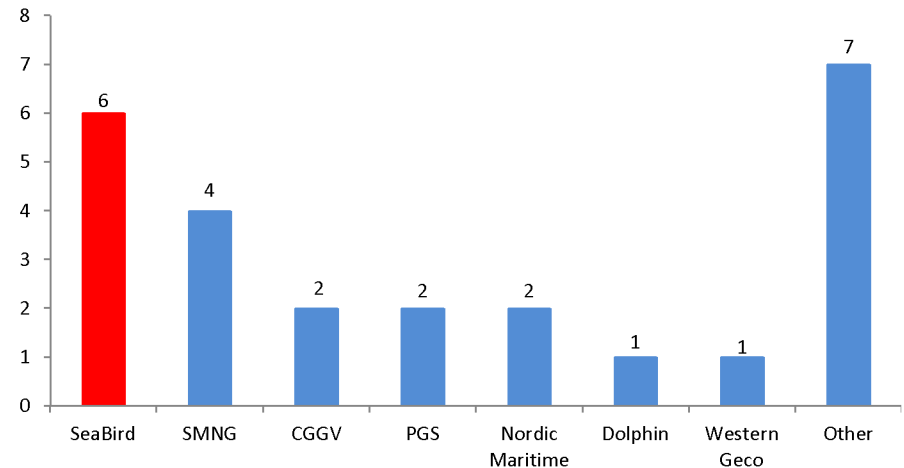
**Multi-client book value**

<i>USD millions</i>	<b>Q4 2012</b>	<b>Q3 2012</b>	<b>Q2 2012</b>	<b>Q1 2012</b>
Beginning balance	4.5	9.6	12.9	16.6
Capitalized cost	-	2.7	1.1	3.1
Capitalized depreciation	-	0.1	-	0.7
Cost of multi-client sales	-	(5.1)	-	-
Amortization	(1.1)	(2.8)	(4.4)	(7.5)
<b>Book value</b>	<b>3.4</b>	<b>4.5</b>	<b>9.6</b>	<b>12.9</b>

# 2D market

- Market has shown rapid improvement in 2012; expected to continue throughout 2013
  - Increased demand from non-vessel owning multi-client companies
  - Increasing focus on frontier exploration from oil companies
- Major seismic companies have limited 2D capacity at present, leaving SeaBird well placed to benefit from the market upturn
- Chinese and Russian operators concentrating on multi-client sector and domestic market
  - Generally limited qualities to work for oil companies

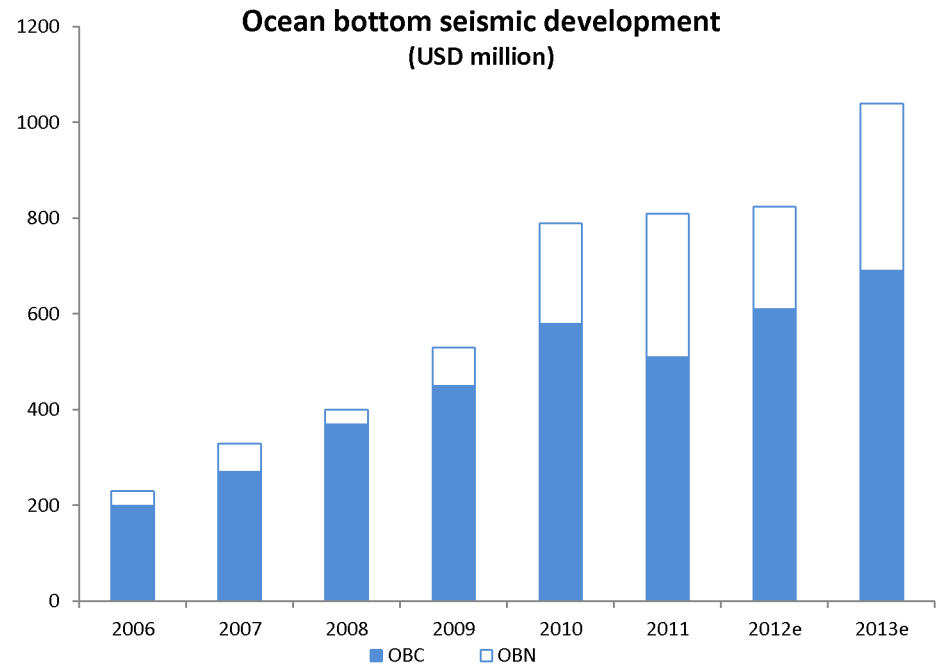
2D vessels in the market



Source: Pareto

# Source vessel market

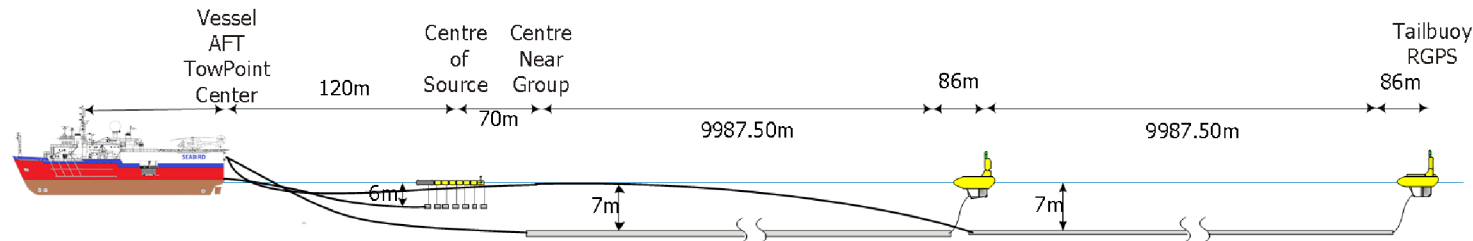
- Ocean bottom seismic (OBS) is a rapidly growing market
- Source vessel demand will increase as result of growing deployment of ocean bottom seismic
- Wide Azimuth (WAZ) market now expanding beyond GOM
- No focus on Source vessels by the players in the markets
- Big, costly and time sensitive surveys favour SeaBird's high quality operations



Source: Pareto

# Developing new technology

- 2D technology development
  - Working on developing the “Wide Azimuth” equivalent to the 2D market: 20 km cable with continuous recording improving seismic data quality
  - Lab tests and modelling completed
  - In-water testing imminent
  - Solid industry interest



# Towing technology

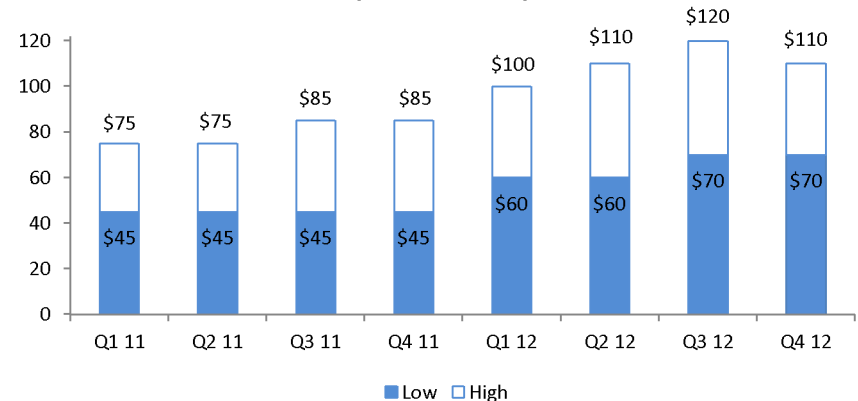
- Developing new towing methods
  - Lower emissions
  - Reduced fuel consumption
  - More/longer streamers
- Voyager Explorer went from underpowered to a top performer



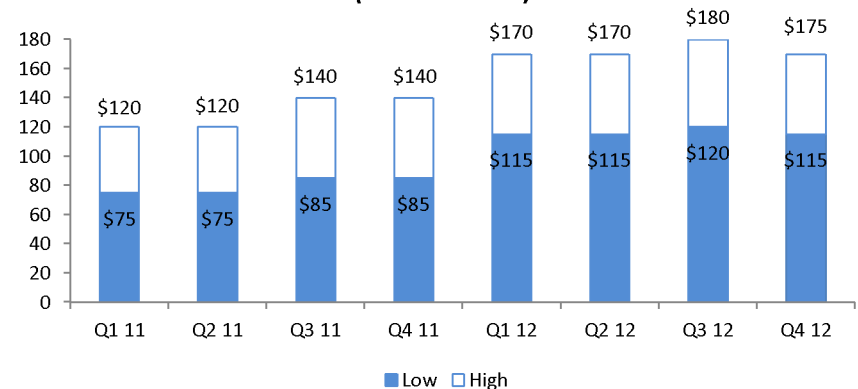
# Day rates remain strong

- 2D high end day rates currently at \$75-\$85k per day, up from \$55k per day in Q1
- Short-term undershoot contracts at \$100k+ per day, mob and demob fully paid
- SeaBird expect 2013 day rates to peak in Q2 and Q3
- The company's backlog remains stable at about \$100 million
- Target to balance the vessel capacity between multi-client, longer-term contracts and shorter-term work

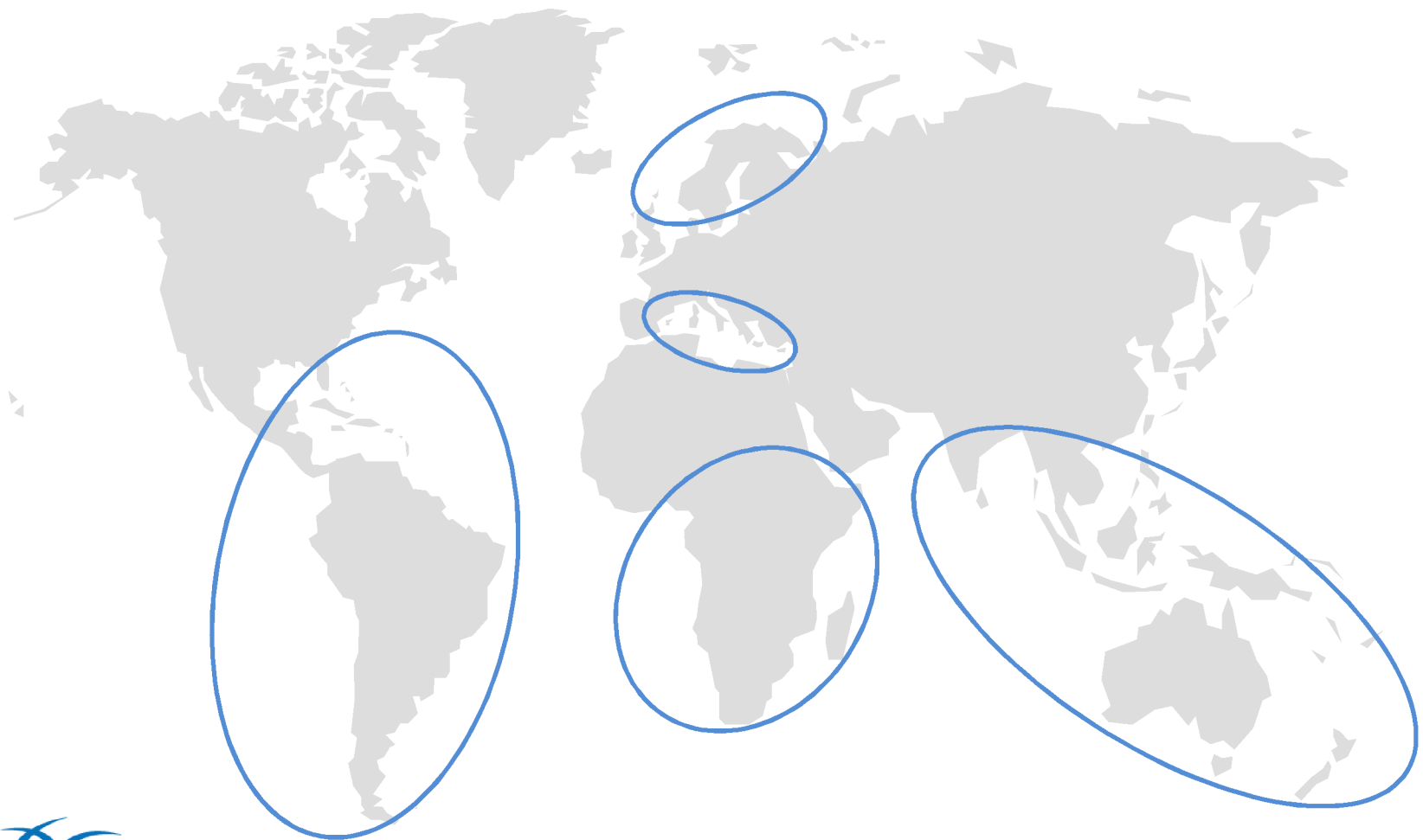
**2D High End**  
(USD thousand)



**3D Low end**  
(USD thousand)



# Regional areas of focus



# Q&A

