

SeaBird Exploration

First Quarter Presentation

4 May 2016

CEO Christophe Debouvry

CFO Nils Haugestad



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 Q1 2016 earnings release.

Highlights

Financial results

- Revenues of \$26.0 million (\$27.1 million Q4 2015)
- EBITDA of \$7.4 million (\$4.6 million Q4 2015)

Quarterly observations

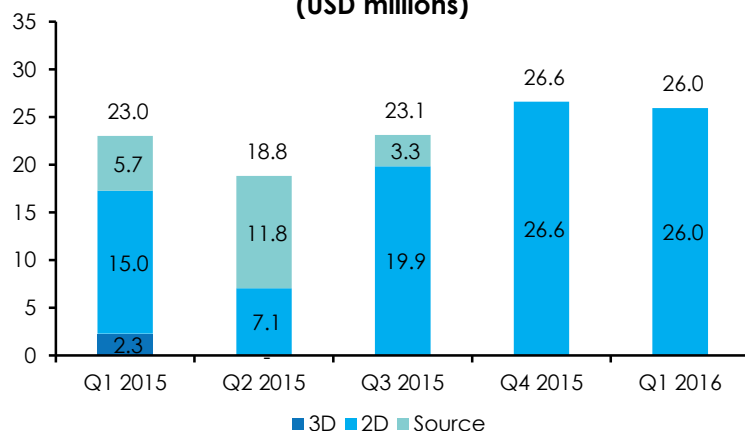
- Four vessels in continuous production on TGS Gigante project in Mexico during the quarter
- Fifth vessel working in the Caribbean Sea
- Vessel utilization for the period of 90.3%
- Technical downtime down to 6.8%

Business review

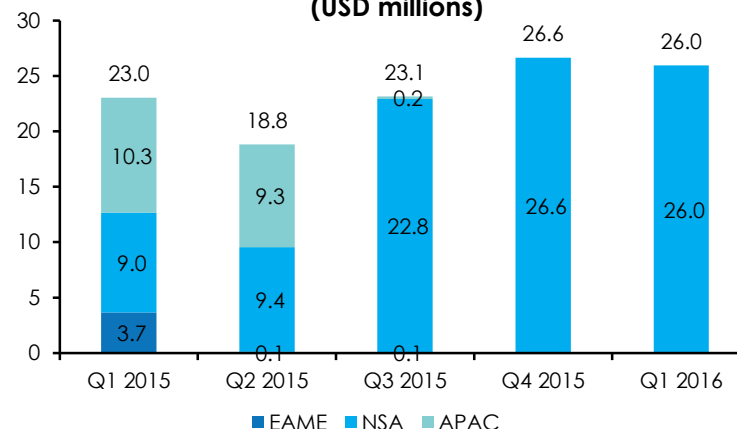


Segment operating activity

Contract revenue by survey type
(USD millions)



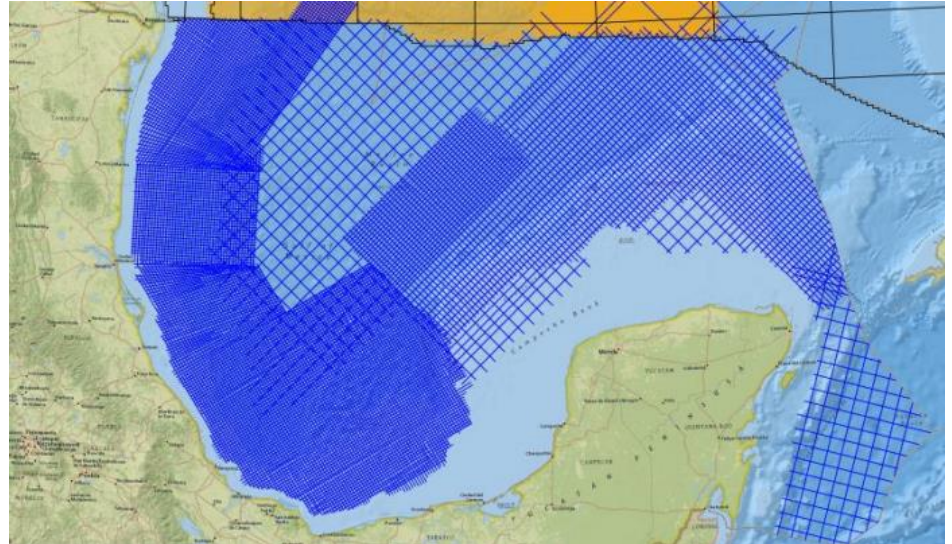
Contract revenue by region
(USD millions)



- Contract revenues still impacted by weak market fundamentals
- NSA with TGS Gigante and the Caribbean project represented 100% of the contract revenues in Q1

TGS Gigante Mexico survey

- Four vessels active in Mexico during the quarter
 - Northern left Gigante in January 2016 for project in the Caribbean
 - Returned in April to replace Osprey Explorer
- TGS has declared intent to complete the full Gigante survey
- Expected completion at end quarter three 2016
- Improved technical downtime



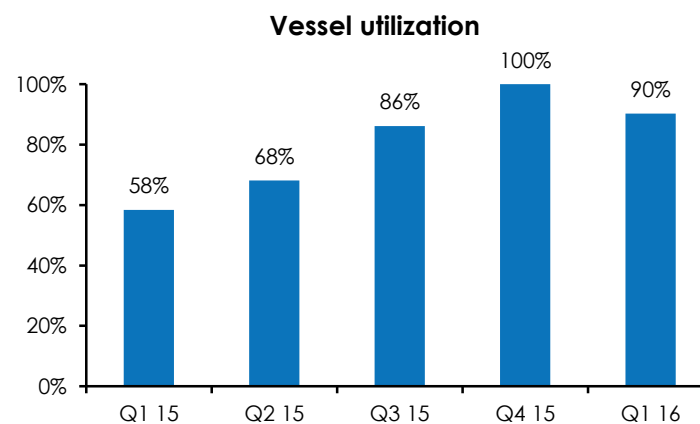
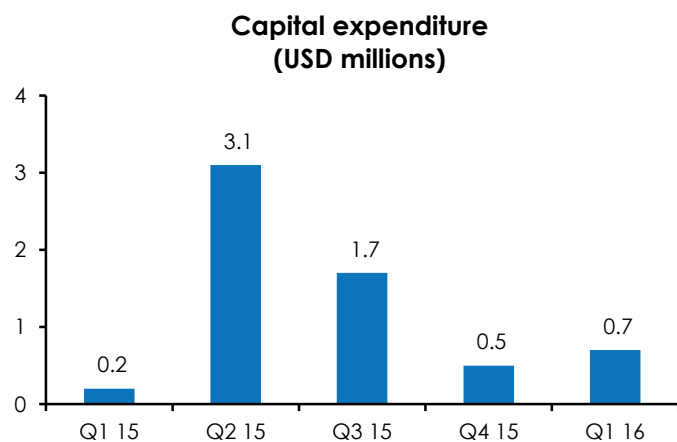
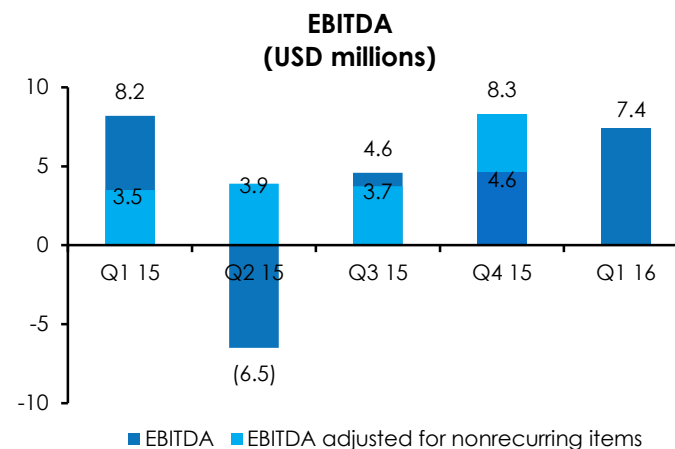
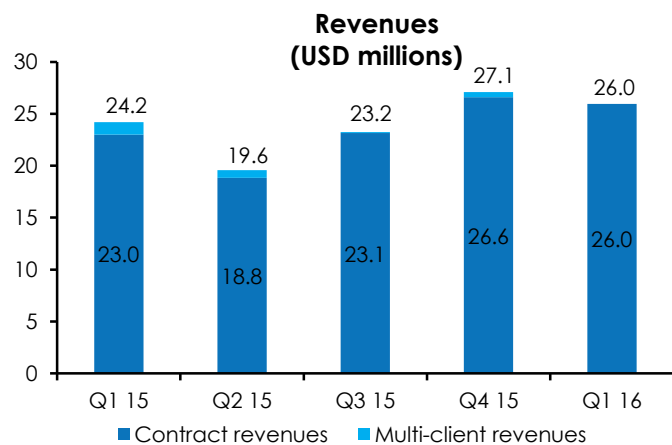
Backlog

- Backlog as of 31 March of \$42 million¹
- TGS Gigante still represent a significant portion of current backlog
- However, post-Gigante backlog is being built-up with select contracts in the North West Europe region added to backlog during the quarter¹⁾
- In Q3, three vessels will remain allocated to the Gigante project; the other two vessels are being repositioned for work from late Q2 onward in North West Europe for other clients

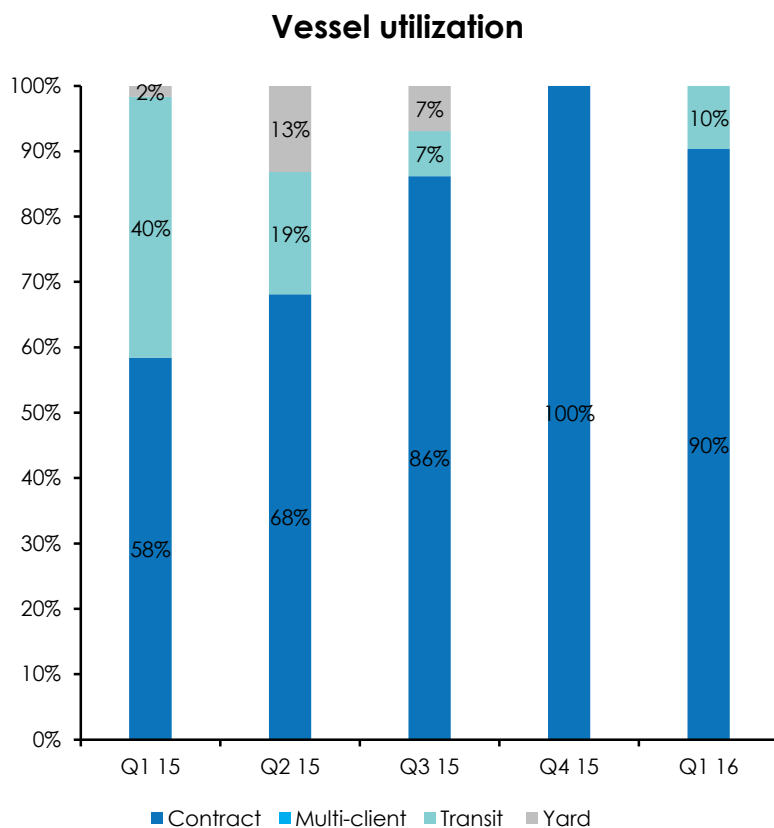
Financial summary



Historical operating comparison



Vessel utilization



- Q1 contract utilization of 90.3%, down from 100% in Q4 2015
 - All five active vessels working in the NSA region
- No vessel utilized for multi-client projects during the quarter

Income statement Q1 2016

CONSOLIDATED INTERIM STATEMENT OF INCOME		
	Quarter ended 31 March	
All figures in USD millions	2016	2015
Contract	26.0	23.0
Multi-client	-	1.2
Total revenues	26.0	24.2
Cost of sales	(15.0)	(17.0)
SG&A	(3.9)	(3.8)
Other income (expenses), net	0.3	0.1
Restructuring gain on leases	-	4.7
EBITDA	7.4	8.2
Depreciation	(3.4)	(3.8)
Amortization	(0.4)	(0.7)
EBIT	3.6	3.7
Interest and finance expense	(1.5)	(1.2)
Restructuring gain	-	61.3
Income tax	(0.2)	(0.5)
Profit/(loss)	1.8	63.3
Earnings per share from continued operations		
Basic	0.59	63.63
Diluted	0.59	60.05

Cash flow statement

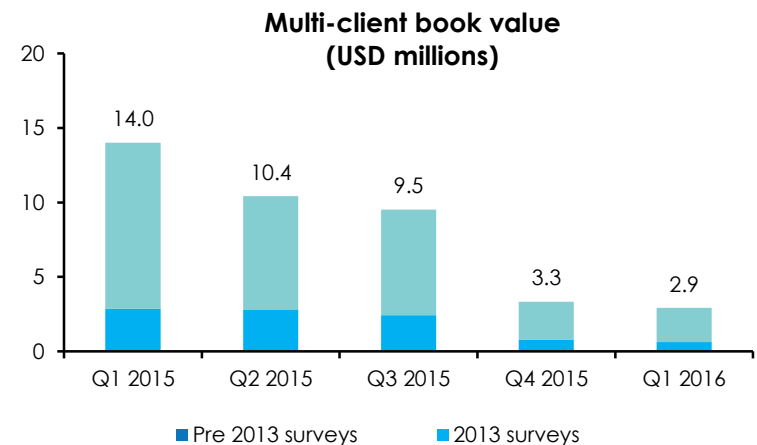
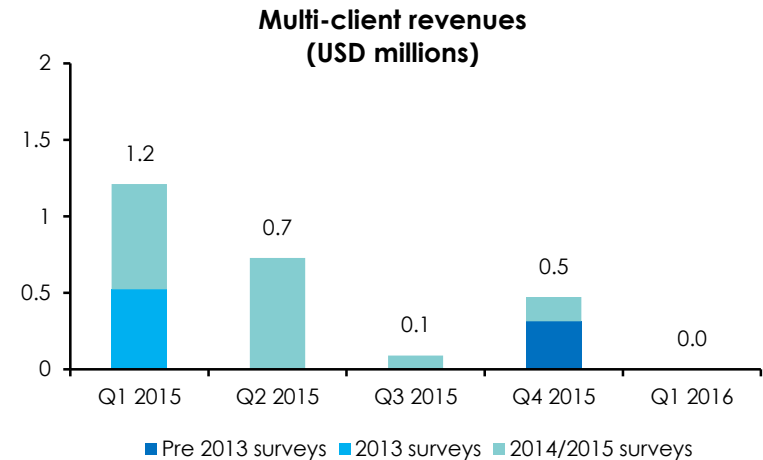
CONSOLIDATED INTERIM STATEMENT OF CASH FLOW		
	Quarter ended 31 March	
All figures in USD millions	2016	2015
Profit/(loss) before income tax	2.0	63.8
Restructuring gain	-	(66.0)
Other non-cash items	3.0	7.1
Paid income tax	(0.3)	(1.1)
Working capital changes	1.4	(10.0)
Net cash from operating activities	6.1	(6.2)
Capital expenditures	(0.7)	(0.2)
Multi-client investments	(0.0)	-
Net cash from investing activities	(0.7)	(0.2)
Proceeds from share issuance	-	10.9
Borrowings	(0.8)	4.7
Other financial items	(0.8)	(0.2)
Net cash from financing activities	(1.6)	15.4
Net (decrease)/increase in cash and cash equivalents	3.8	9.0

Balance sheet

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION		
	Quarter ended 31 March	
All figures in USD millions (except for equity ratio)	2016	2015
Property, plant and equipment	64.7	75.3
Multi-client library	2.9	14.0
Other non-current assets	0.0	0.1
Inventories	3.1	2.6
Trade receivables	6.8	16.5
Other current assets	10.7	8.1
Cash and cash equivalents	10.1	15.9
Total assets	98.3	132.4
Equity	31.8	54.9
Non-current loans and borrowings	30.9	28.8
Trade and other payables	17.6	30.1
Provisions	10.2	8.1
Tax payable	5.4	5.8
Current loans and borrowings	2.4	4.7
Total equity and liabilities	98.3	132.4
Net interest bearing debt	23.2	17.5
Equity ratio %	32.3%	41.4%

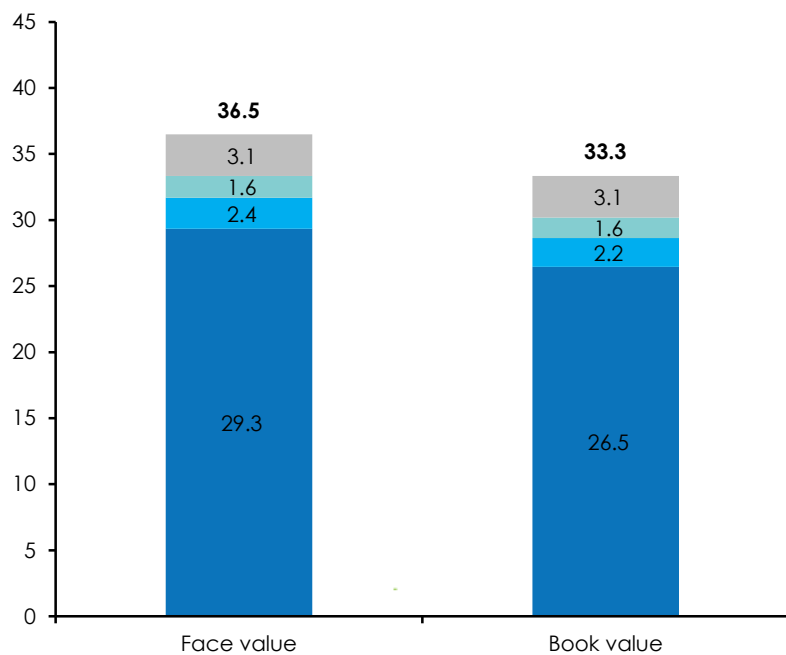
Multi-client update

- Zero multi-client investment during the quarter
- No multi-client revenues in Q1
- One new significantly pre-funded 2D multi-client survey in North West Europe scheduled for quarter two



Debt profile

Funded debt profile
(USD millions)



- Bond loan - SBX 04
- Secured credit facility
- Unsecured note
- Hawk Explorer finance lease

Covenants

- Leverage ratio < 2.5
- Unrestricted cash > \$5.0 million
- In compliance with both covenants as of 31 March 2016

Aggregate remaining maturities of loans and borrowings

	USD millions
Year of repayment	
2016	1.6
2017	9.4
2018	25.5
Total debt principal	36.5

Note: 2017 maturity includes the \$1.75 million cost of exercising purchase option for the Hawk lease

Update on provisions

Provisions	
	USD millions
Starting balance 1 January 2016	12.2
Incurred costs	(2.3)
Changes in provision estimate (booked as credit to cost of sales)	0.0
Interest expense	0.2
Ending balance 31 March 2016	10.2

- Provisions mainly related to stacked vessels on onerous long-term lease contracts
- Geo Pacific redelivered; final commercial settlement still outstanding

Status and outlook



Market outlook

- Oil exploration spending continues to be depressed, but market seems to have stabilized
- Challenging market conditions prevail; global seismic demand weakness expected to persist through 2016
- Day rates continue to be under pressure
- Multi-client market conditions still very challenging; poor visibility for future sales
- While there are a number of contract opportunities under review, surveys have generally been delayed due to permitting, lack of prefunding and/or budget concerns; high market uncertainty
- In this context, SeaBird has been and will continue to work on securing additional backlog for the second half of 2016

Q&A

