



## INTEGRA: 2010 FINANCIAL RESULTS



April, 2011



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**Consolidated Revenue 2010 – US\$ 793.7 MM**  
**Adjusted EBITDA <sup>(1)</sup> 2010 – US\$ 131.9 MM**  
**Adjusted EBITDA margin 2010 – 16.6%**

	Drilling, Workover & IPM	Technology Services <sup>(2)</sup>	Formation Evaluation
<b>Revenue</b> <b>Adj. EBITDA</b> <b>Adj. EBITDA margin</b> <b>2010</b>	<ul style="list-style-type: none"> <li>US\$ 384.6 MM</li> <li>US\$ 63.7 MM</li> <li>16.6%</li> </ul>	<ul style="list-style-type: none"> <li>US\$ 190.9 MM</li> <li>US\$ 61.8 MM</li> <li>32.4%</li> </ul>	<ul style="list-style-type: none"> <li>US\$ 223.1 MM</li> <li>US\$ 39.1 MM</li> <li>17.5%</li> </ul>
<b>Key Services</b>	<ul style="list-style-type: none"> <li>Drilling</li> <li>Integrated Project Management</li> <li>Workover</li> </ul>	<ul style="list-style-type: none"> <li>Drilling tools manufacturing</li> <li>Cementing</li> <li>Coil tubing</li> <li>Directional drilling</li> <li>Drill bit service</li> <li>Well logging</li> <li>Rig servicing</li> </ul>	<ul style="list-style-type: none"> <li>2D, 3D and 4D seismic surveys</li> <li>Seismic data processing and interpretation</li> <li>Transition zone seismic surveys</li> </ul>
<b>Personnel <sup>(3)</sup></b>	<ul style="list-style-type: none"> <li>Ca. 4,200 employees</li> </ul>	<ul style="list-style-type: none"> <li>Ca. 3,700 employees</li> </ul>	<ul style="list-style-type: none"> <li>Ca. 6,700 employees</li> </ul>
<b>Production Assets</b> <b>2010</b>	<ul style="list-style-type: none"> <li>19 active drilling rigs</li> <li>87 workover crews</li> </ul>	<ul style="list-style-type: none"> <li>3 drilling tools production sites</li> <li>11 cementing fleets</li> <li>4 coil tubing units</li> <li>12 directional drilling crews</li> <li>38 well trained logging crews</li> </ul>	<ul style="list-style-type: none"> <li>30 seismic crews</li> <li>4 data processing and interpretation facilities in Russia and Kazakhstan</li> <li>CIS assets of WesternGeco (Schlumberger)</li> </ul>
<b>Operating Statistics</b> <b>2010</b>	<ul style="list-style-type: none"> <li>288 th meters drilled</li> <li>3,352 workover operations</li> </ul>	<ul style="list-style-type: none"> <li>1,103 cementing operations</li> <li>238 coil tubing operations</li> <li>256 wells completed with directional drilling service</li> <li>366 downhole motors and 73 turbodrills produced</li> </ul>	<ul style="list-style-type: none"> <li>625 th seismic shot points</li> </ul>
<b>Key Customers</b>			

(1) Adjusted EBITDA is calculated as profit (loss) from continuing operations before effects from business combinations, net finance expense, foreign exchange translation differences, income taxes, depreciation, amortization and impairment of assets, share-based compensation, share of results in associates, results from disposal of property, plant equipment, intangible assets and subsidiaries and non-controlling interest

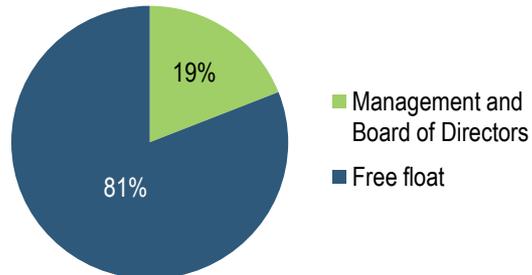
(2) Following the sale of heavy drilling rig manufacturing and cementing and road construction equipment manufacturing businesses, the Company discontinued reporting under the OFS Equipment Manufacturing segment and merged the results of operations of the remaining minor manufacturing assets with its Technology Services segment

(3) Personnel data as of December, 2010

## Board of Directors



## Shareholder Structure



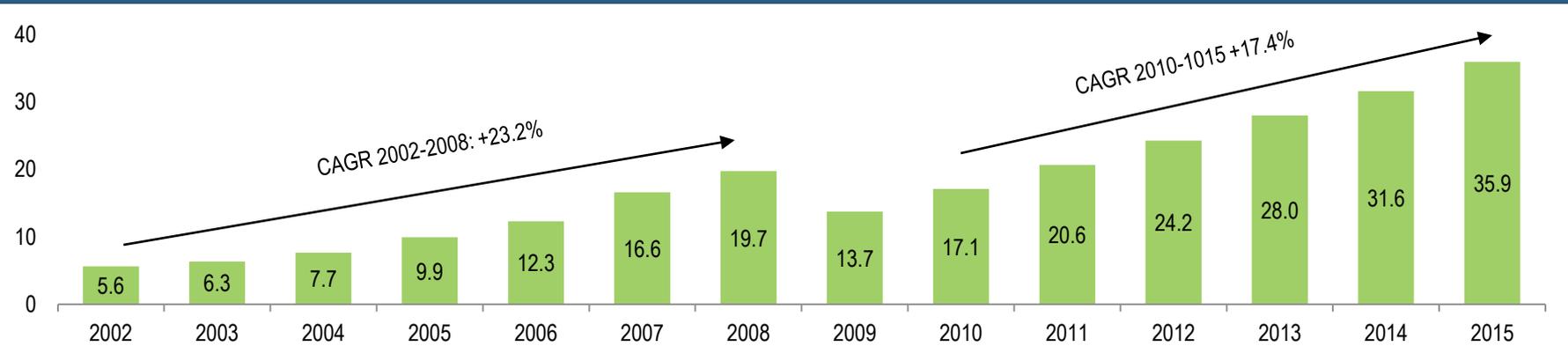
## Recent Strengthening of Management Team



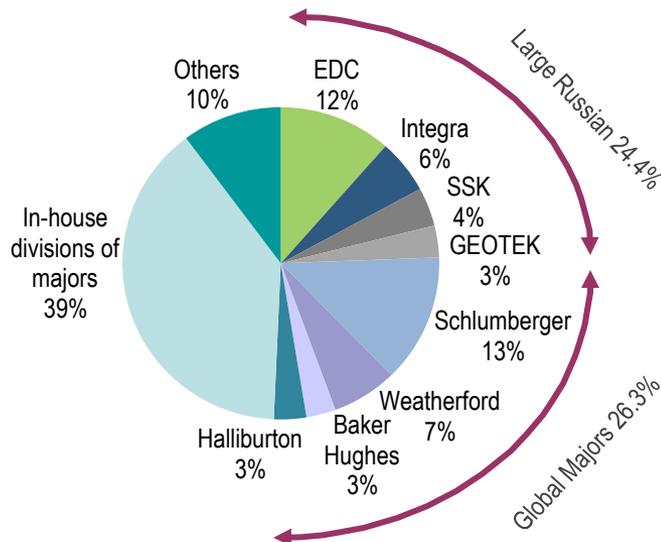
## Corporate Committees



## Russian OFS Market Dynamics (US\$ BN)



## Key Players of the Russian OFS Market in 2009



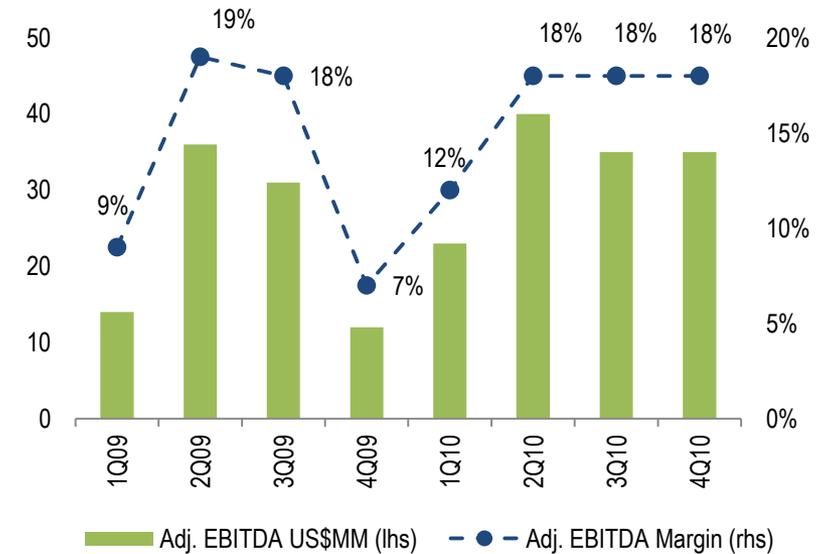
## Comments

- The Russian OFS market grew strongly from US\$ 5.6 BN in 2002 to US\$ 19.7 BN in 2008 (CAGR of 23.2%), reflecting strong growth in price and volume as well as stronger rouble
- The decline in 2009 was driven by rouble devaluation, decline in volumes, as well as decline in prices in rouble terms
- Markets began to recover in 2010, resulting in better volumes of rendered services. Pricing was slow to recover due to existence of overcapacity in some services, which is expected to be resolved by the end of 2011
- Integra benefits from leading market positions in a number of its product lines, including Integrated Project Management (#1-2 in Russia), drilling tools production (#1 in Russia) and Formation Evaluation (seismic) (#2 in Russia and #1 in Kazakhstan)

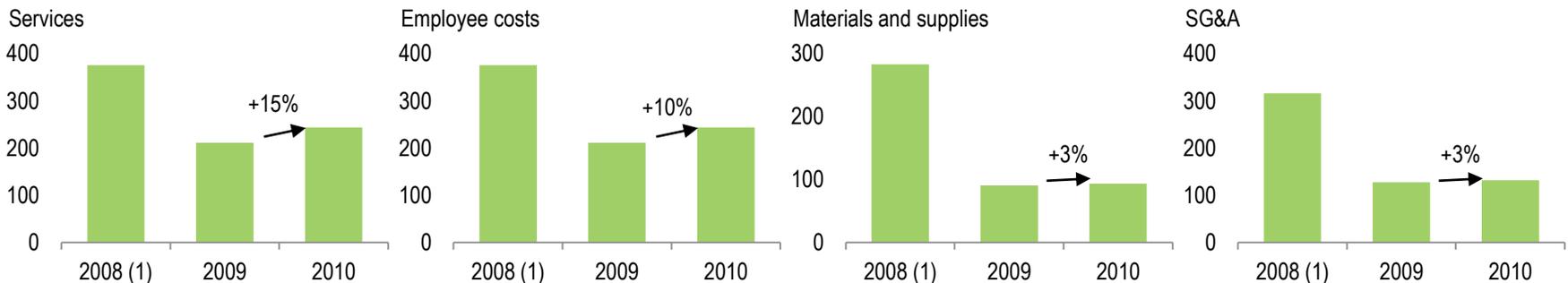
## Key Financial Highlights, US\$MM

	2008	2009 <sup>(1)</sup>	Chg. % 2009/ 2008	2009 <sup>(2)</sup>	2010 <sup>(2)</sup>	Chg. % 2010/ 2009
Revenue	1,446	836	-42%	699	794	+13%
Operating profit	(193)	(76)	-60%	(54)	8	
Adj. EBITDA	162	109	-33%	94	132	+41%
Adj. EBITDA margin	11.2%	13.1%		13.4%	16.6%	
Loss from continuing operations				(94)	(36)	-62%
Net Loss	(272)	(119)	-56%	(119)	(43)	-64%
Operating Cashflow	135	118	-13%	118	53	-55%
Capex	158	44	-72%	44	53	+21%

## Consolidated Adj. EBITDA and Margin



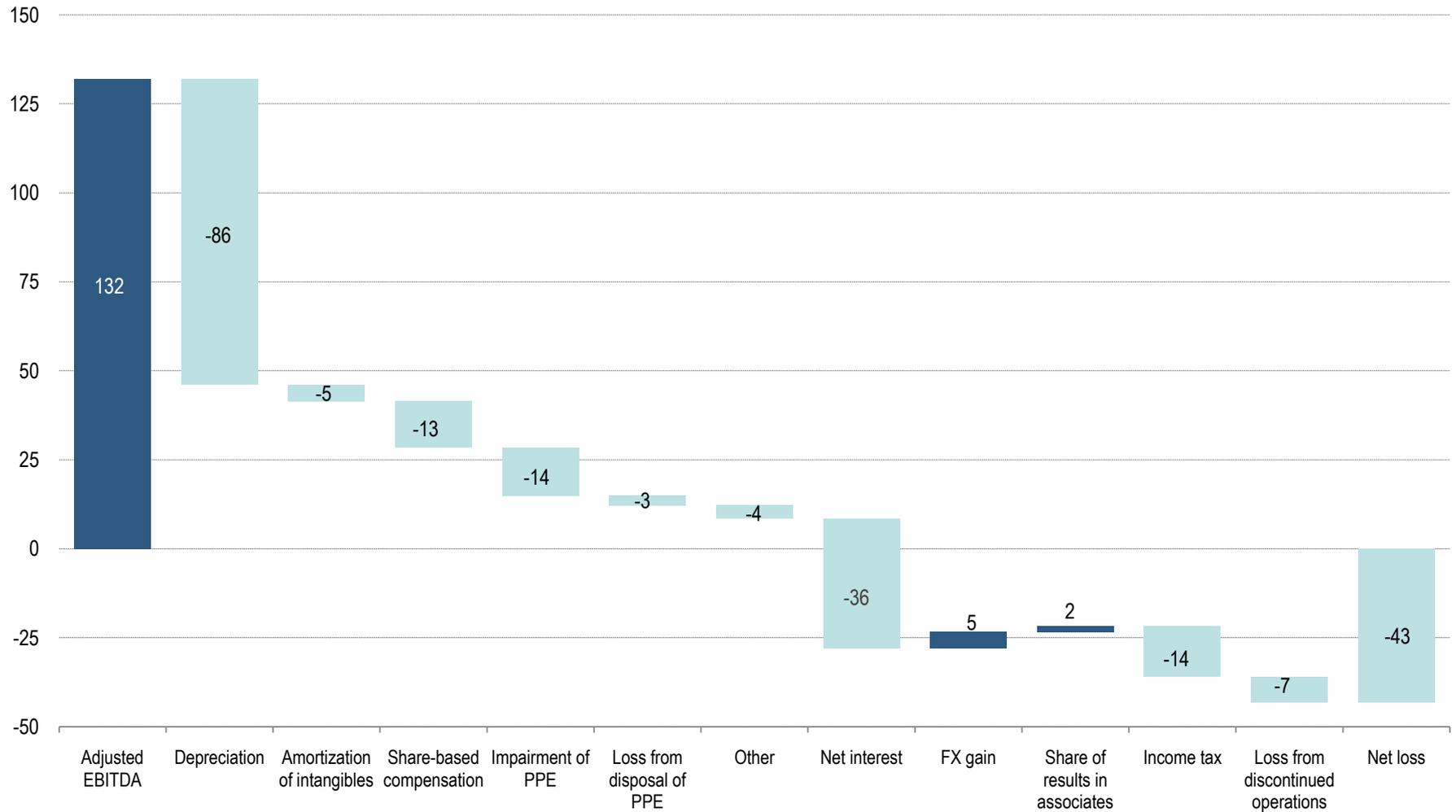
## Cost Dynamics, US\$MM



(1) Including manufacturing assets divested in 2010

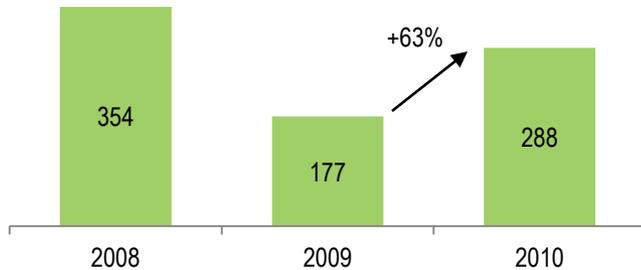
(2) Excluding results from discontinued operations

## 2010 ADJUSTED EBITDA TO NET LOSS RECONCILIATION

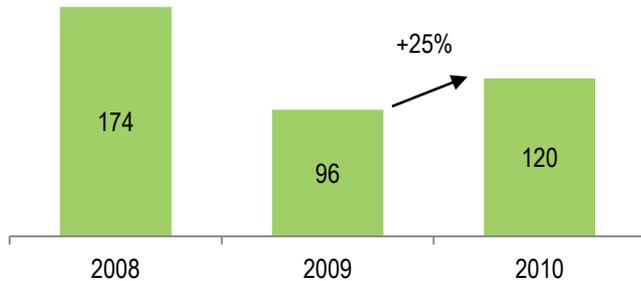


## Operating Performance

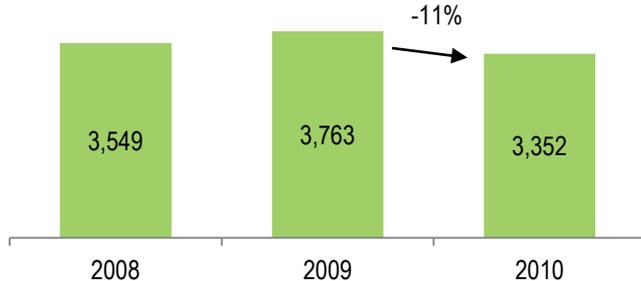
Total drilling volume ('000 meters)



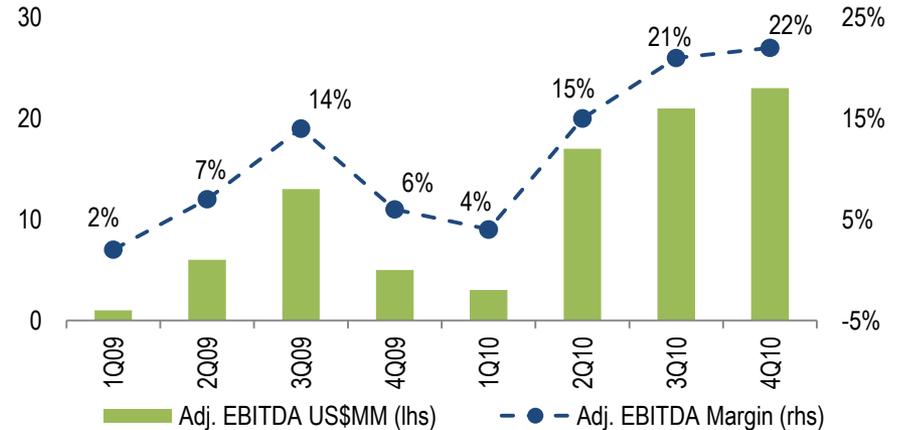
Number of wells drilled



Number of workover operations conducted



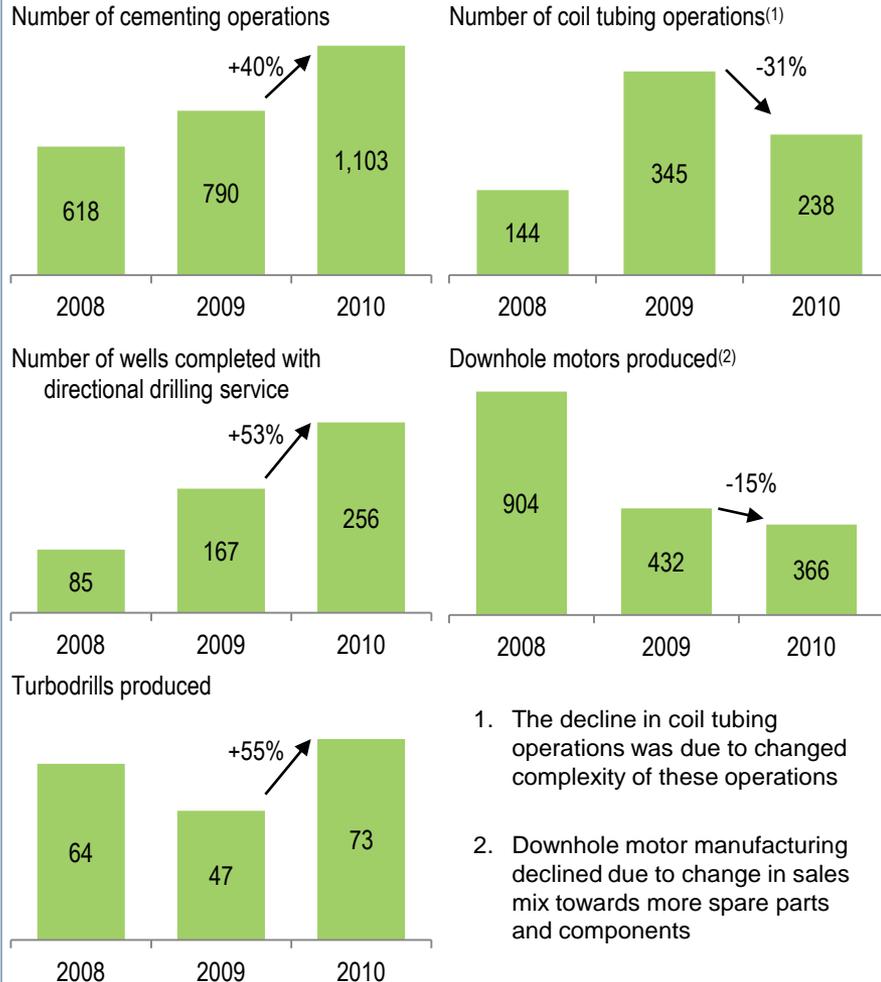
## Quarterly Earnings Dynamics \*



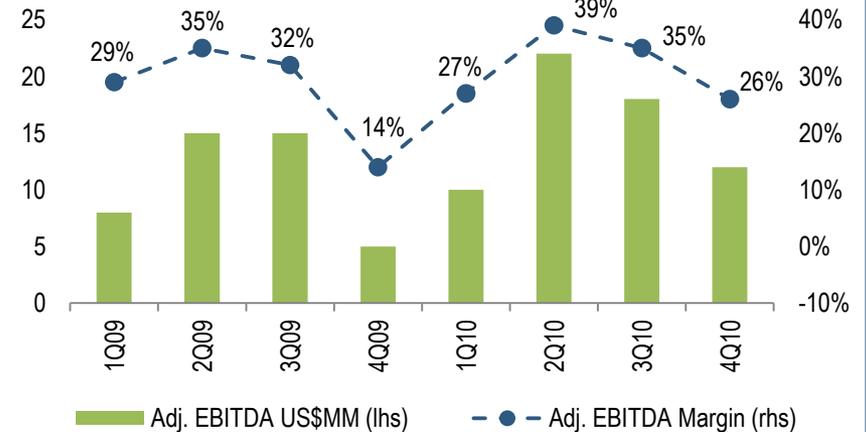
## Comments

- Segment Revenue: ~ 48% of 2010 total Revenue
- Segment Adj. EBITDA: ~ 39% of 2010 total Adj. EBITDA
- Revenue increased due to increased volume of drilling services provided due to higher demand and stronger Ruble, which was partially offset by lower IPM and workover volumes
- Adj. EBITDA margin increased due to increased volume of operations triggered by higher demand and cost reduction resulting from implemented efficiency measures following major changes in the process management of the segment

### Operating Performance



### Quarterly Earnings Dynamics \*\*



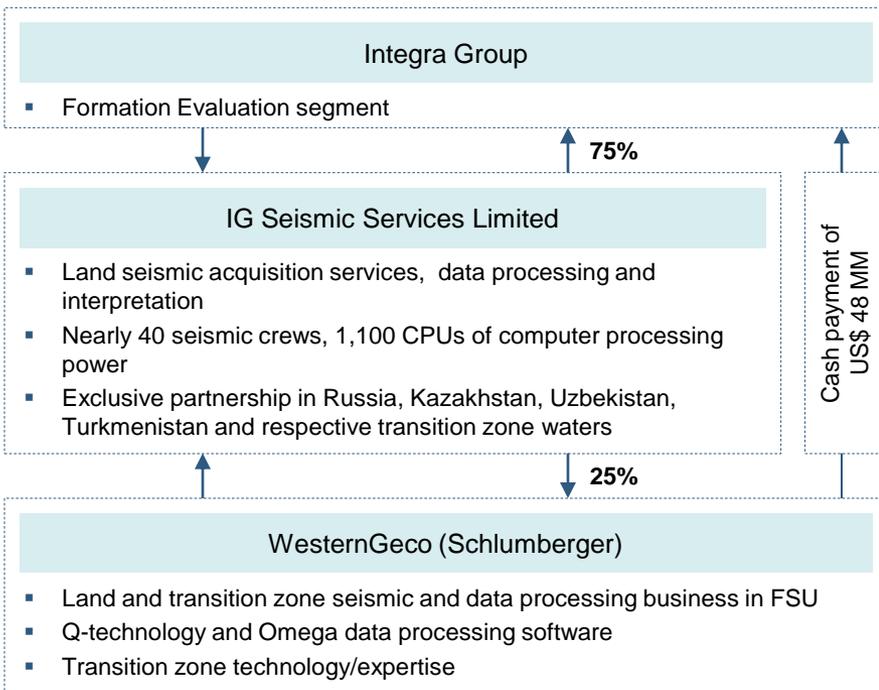
### Comments

- Segment Revenue: ~ 24% of 2010 total Revenue
- Segment Adj. EBITDA: ~ 38% of 2010 total Adj. EBITDA
- Revenue increased due to increased demand for drilling tools, cementing, directional drilling and well logging services, especially for perforations, as well as stronger Ruble
- Adj. EBITDA margin increased due to higher volumes of operations and reduction in SG&A expenses

\* Following the sale of heavy drilling rig manufacturing and cementing and road construction equipment manufacturing businesses, the Company discontinued reporting under the OFS Equipment Manufacturing segment and merged the results of operations of the remaining minor manufacturing assets with its Technology Services segment

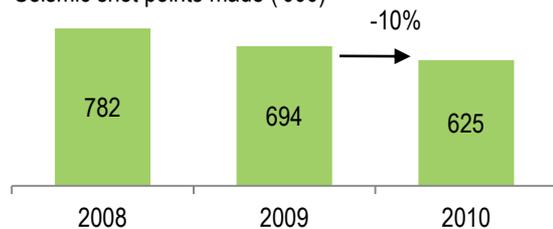
\*\* Segment Adjusted EBITDA includes direct SG&A expenses which were previously allocated to corporate/holding company level

### Seismic Joint Venture with WesternGeco (Schlumberger)



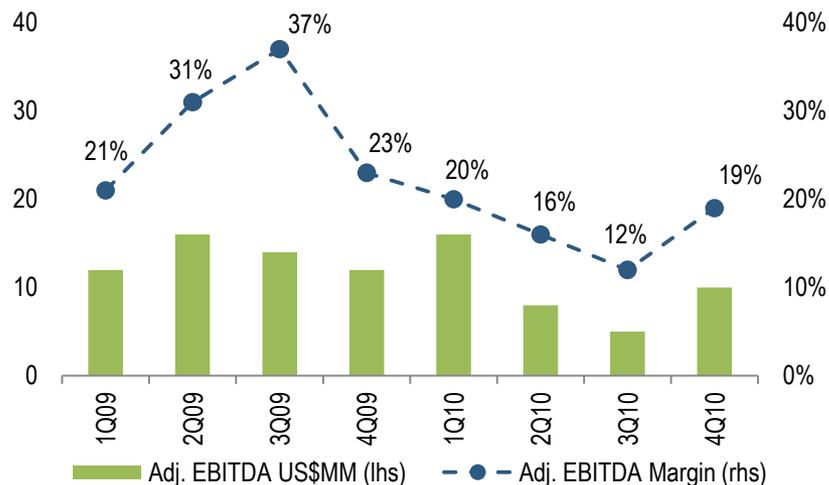
### Operating Performance

Seismic shot points made ('000)



A decrease in the number of seismic shot points made was due to application of highly productive slip sweep technology in 2009, which was replaced with explosives technology in 2010

### Quarterly Earnings Dynamics \*



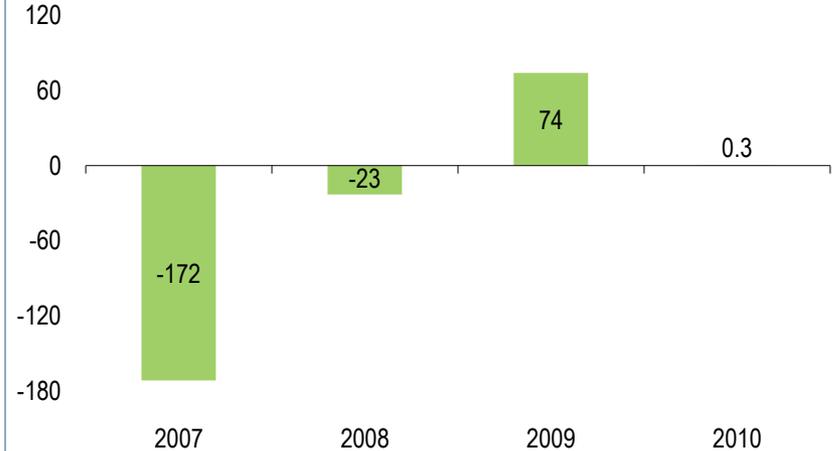
### Comments

- Segment Revenue: ~ 28% of 2010 total Revenue
- Segment Adj. EBITDA: ~ 24% of 2010 total Adj. EBITDA
- Revenue increased due to stronger Ruble and growth in the volume of seismic surveys conducted in Russia, which was partially offset by a drop in volumes in Kazakhstan following the completion of large vibrator projects there
- Adj. EBITDA margin declined due to lower margins in Russia, replacement of large high-margin vibrator projects in Kazakhstan with lower-margin explosive projects and postponement of several projects in Russia until 2011

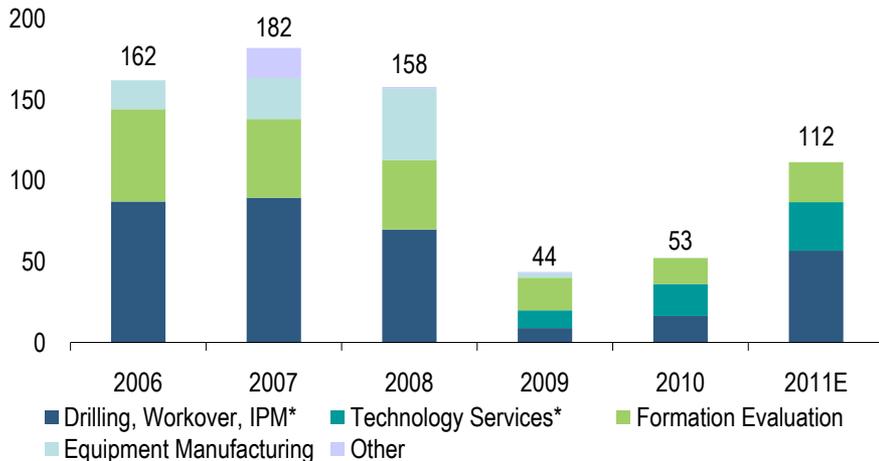
## Working Capital by Element, US\$MM



## Free Cash Flow, US\$ MM



## Capex, US\$MM

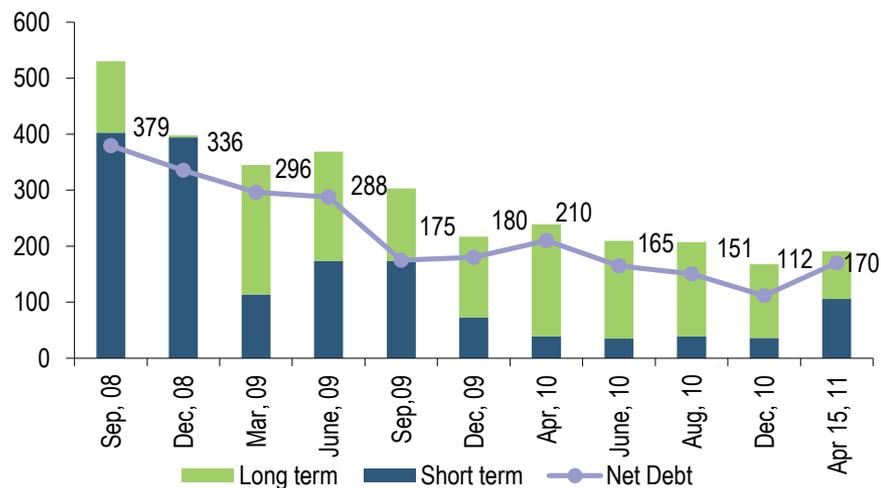


## Comments

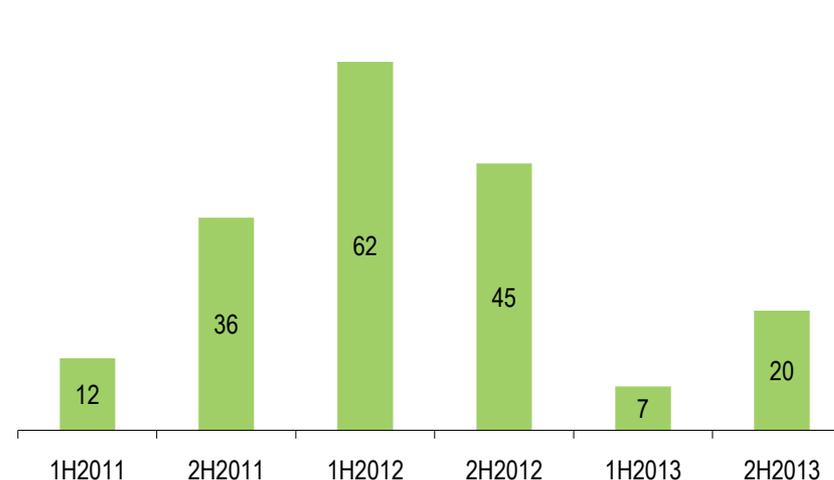
- In 2010 net cash generated from operating activities was US\$ 52.9 MM (vs. US\$ 117.5 MM in 2009) due to reduction in accounts payable
- 2010 free cash flow was US\$ 0.3 MM (vs. US\$ 74.0 MM in 2009) due to higher investment into fixed assets and working capital
- Capital expenditures for 2010 were US\$ 52.6 MM (vs. US\$ 43.5 MM in 2009)



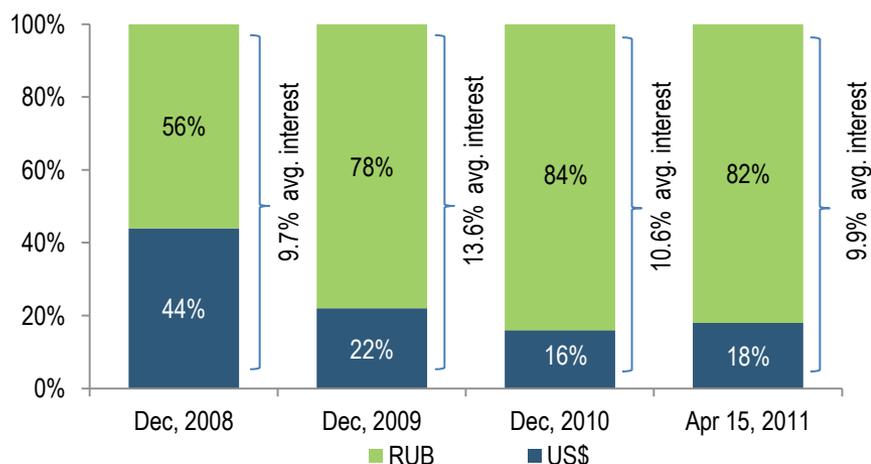
### Debt Structure Optimization, US\$MM



### Debt Maturity Schedule, US\$MM



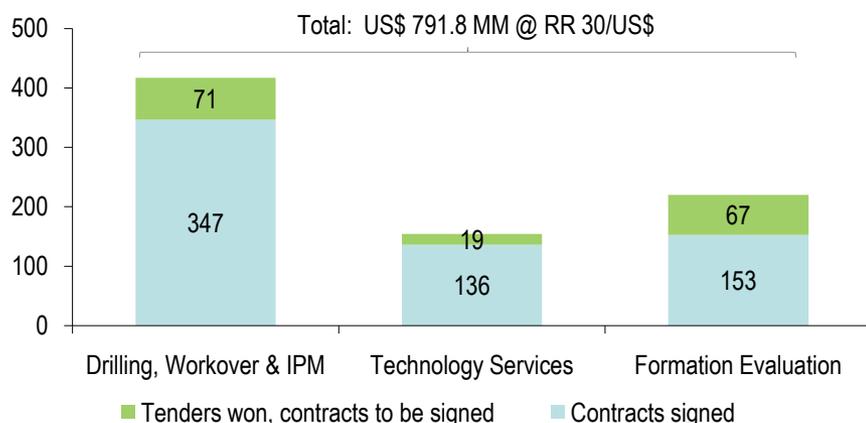
### Debt Interest Cost and Currency Breakdown



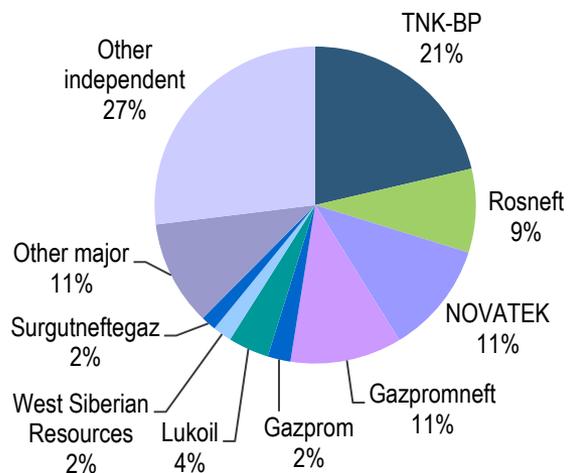
### Comments

- Increase in net debt since December 31, 2010 was caused mainly by the following reasons: traditional Q1 seasonality effect of US\$35.6MM, use of cash allotted for buy back program of US\$15.6MM and FX effect of US\$7.1MM
- Both net debt/Adj. EBITDA and total debt/Adj. EBITDA ratios are in the range of 1.0x - 1.5x
- Average weighted interest cost is below 10%
- The Company is working on increase and extension of its rollover lines portfolio to further enhance financial flexibility

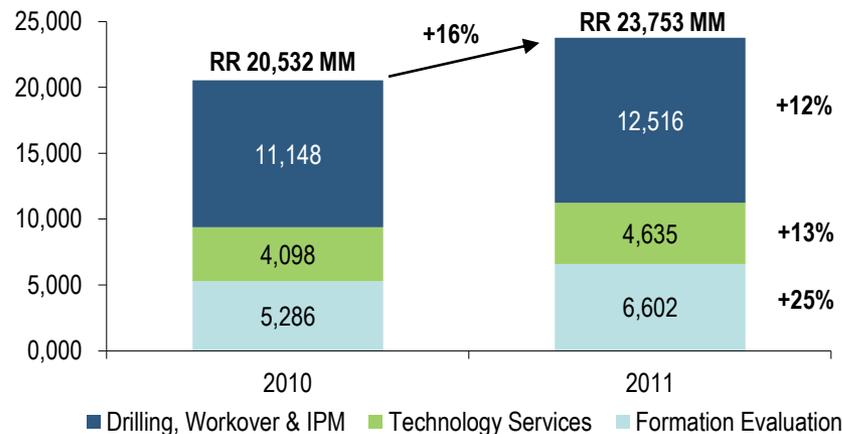
### 2011 Order Book as of April 18, 2011, US\$MM



### 2011 Order Book (by Customer)



### Order Book 2011/2010 Comparison, RRMM



### Comments

- Order book is up 16% in Rubles YoY
- Current 2011 order book already matches 2010 revenue
- Drilling, Workover & IPM segment orders are up 12% due to a pick-up in demand for drilling services which is partially offset by lower workover demand
- Technology Services segment orders are up 13% due to higher demand in cementing and directional drilling services supported by relatively stable demand for drilling tools
- Formation Evaluation segment orders are up 25% due to a pick-up in demand for seismic services in Russia, particularly during the summer season