



***Q3 2005 Financial Results
Earnings Conference Call – November 9, 2005***

Cautionary Statements on Forward-Looking Information and non-GAAP Measures

These slides should be read in conjunction with our November 9, 2005 earnings call, which can be accessed at www.seitel-inc.com under the heading “Investor Relations / Webcast – Seitel 2005 Q3 Earnings Call.”

This material contains certain forward-looking statements, which are subject to many factors that could cause actual results to differ materially from our expectations reflected in the forward-looking statements. These factors are described in our documents filed with the Securities and Exchange Commission, including our Annual Report on Form 10-K. Except as required by law, we undertake no obligation to publicly update or revise such forward-looking statements.

This material also contains certain non-GAAP financial measures as defined under the Securities and Exchange Commission rules. To comply with these rules, we have provided a reconciliation of such non-GAAP financial measures at the end of this material.

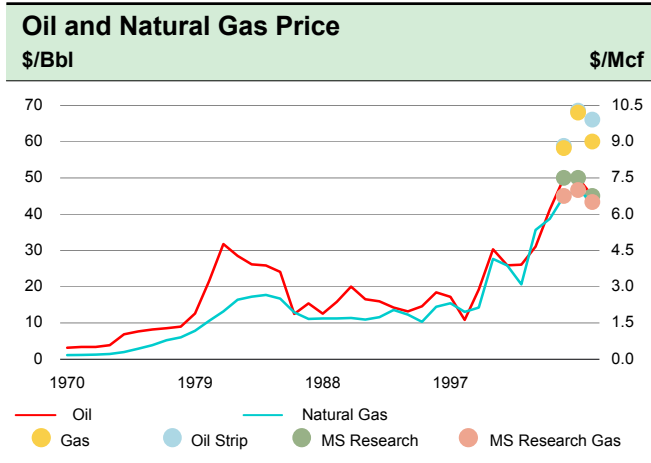


Seitel - Highlights Q3 2005

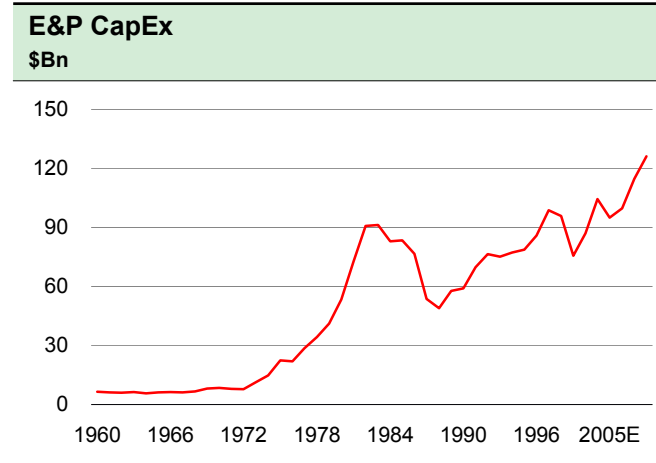
- ◆ Cash resales of \$20.3m increased by 36% year-on-year
- ◆ Cash margin before interest of \$14.5m increased 62% year-on-year
 - Cash margin year-to-date was \$47.7m versus \$32.3m in 2004 (up 48%)
- ◆ Income before non-recurring charges improved by \$13m versus Q3 2004
- ◆ Cash increased to \$49.6m end Q3 versus \$47.8m end Q2
 - Q3 included an \$11m semi-annual interest payment on our senior notes
- ◆ Current backlog of signed acquisition contracts indicate strong acquisition activity during the coming year



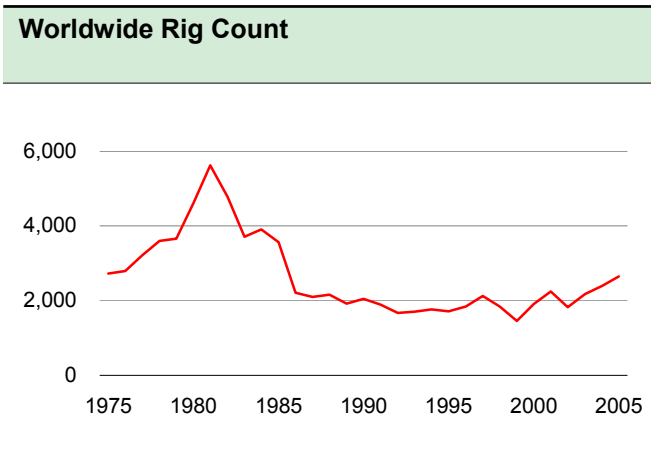
Seismic Industry Dynamics



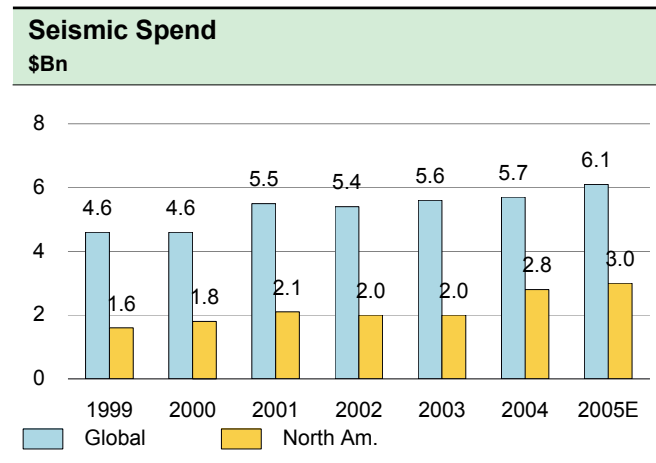
Source: EIA and Morgan Stanley Equity Research Estimates



Source: Wall Street Research, BP 2004 Statistical Review of World Energy



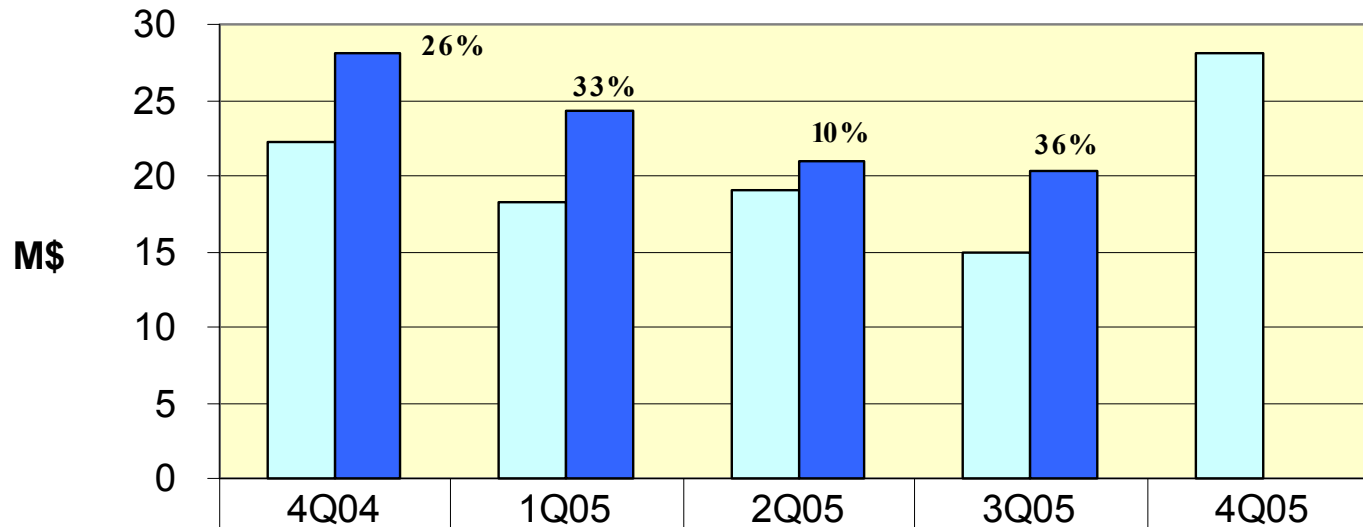
Source: Baker Hughes Report



Source: 2004 Spears, Bloomberg, FactSet



Cash Resales: Four Quarters of YOY Growth

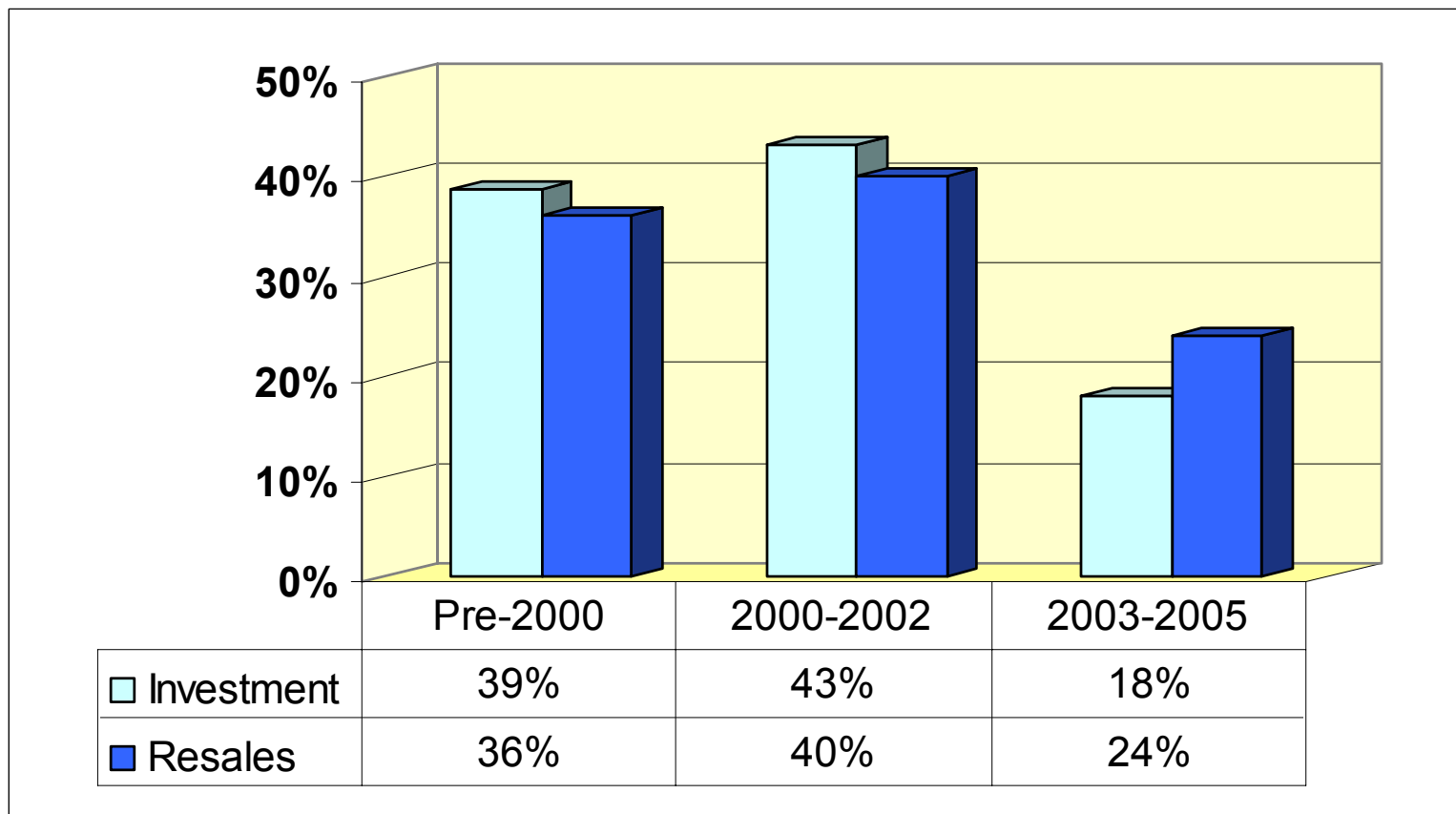


□ Prior year	22.2	18.2	19.1	14.9	28.1
■ Current year	28.1	24.2	21.0	20.3	

Note: Reconciliation of above cash resales to total GAAP revenue is included at the end of this presentation.



Onshore 3D - Investment and Resales versus Data Vintage



Note:

- Total resales Nine Months 2005
- Investment net of client underwriting
- Resales and investment are for 3D onshore data in the US and Canada, as well as 2D data in Canada only
- Reconciliation of above resales to total GAAP revenue and of above net investment to GAAP Net Book Value is provided at the end of this presentation

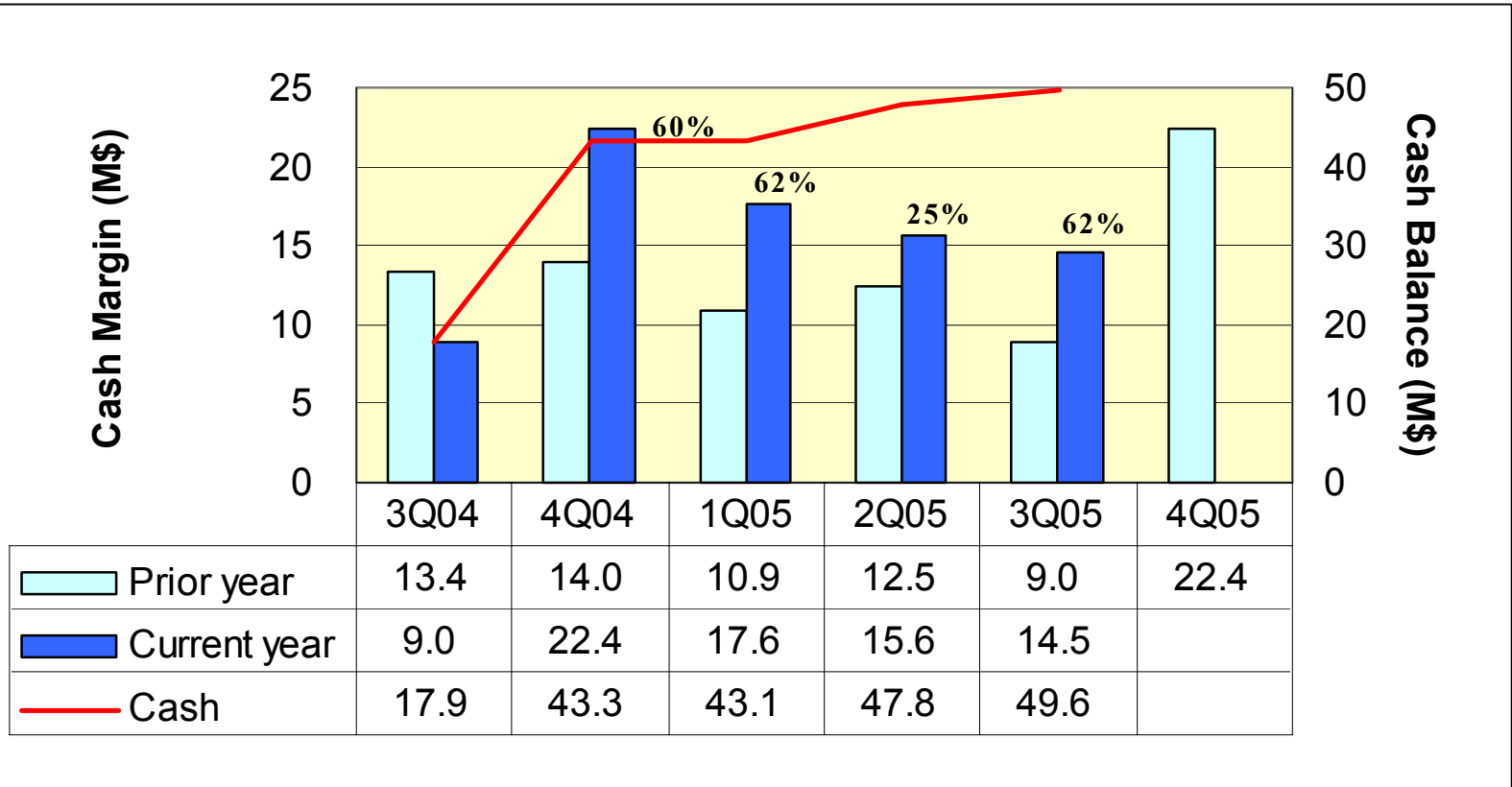


Q3 Financial Results

(M\$)	Third Quarter		Nine Months	
	2005	2004	2005	2004
Cash resales	20.3	14.9	65.5	52.3
Non-cash resales	(0.6)	6.1	18.9	16.8
Acquisition revenue	3.6	5.2	19.5	31.1
Solutions	1.2	1.1	3.9	3.6
Total revenue	24.6	27.4	107.8	103.8
D&A	19.4	31.7	76.4	80.1
Operating expenses	7.7	7.1	23.2	23.5
Operating income (loss)	(2.6)	(11.4)	8.3	0.1
Interest expense, net	(5.6)	(8.1)	(17.6)	(18.4)
Loss before charges	(2.4)	(15.2)	(3.2)	(15.1)
Data library adjustment	-	(59.1)	-	(59.1)
Restructuring charges	-	(6.4)	-	(12.4)
Loss continuing ops.	(2.4)	(80.7)	(3.2)	(86.6)
Cash margin	14.5	9.0	47.7	32.3
EBITDA	18.8	15.7	85.8	68.8



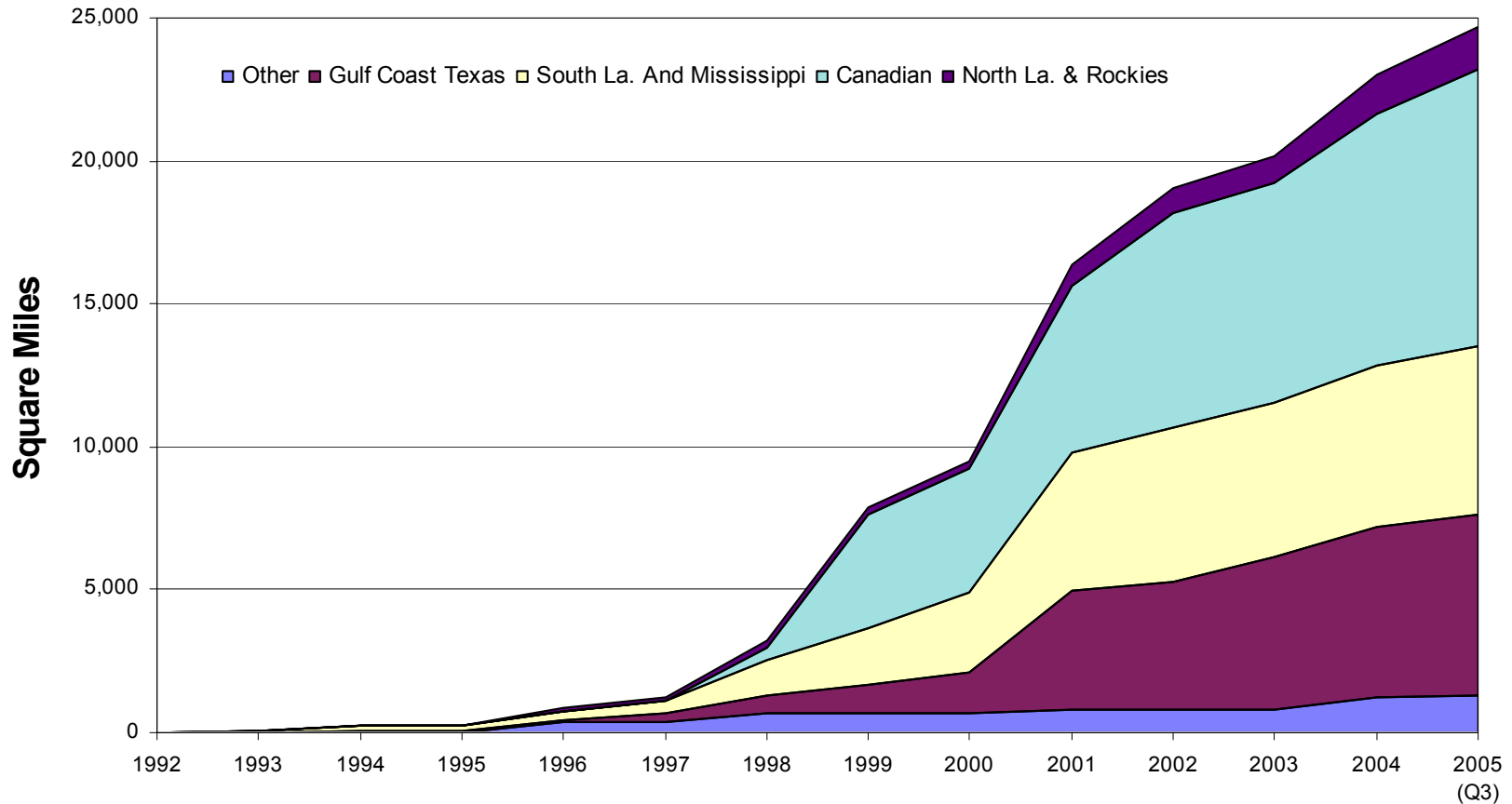
Cash Margin and Cash Balances



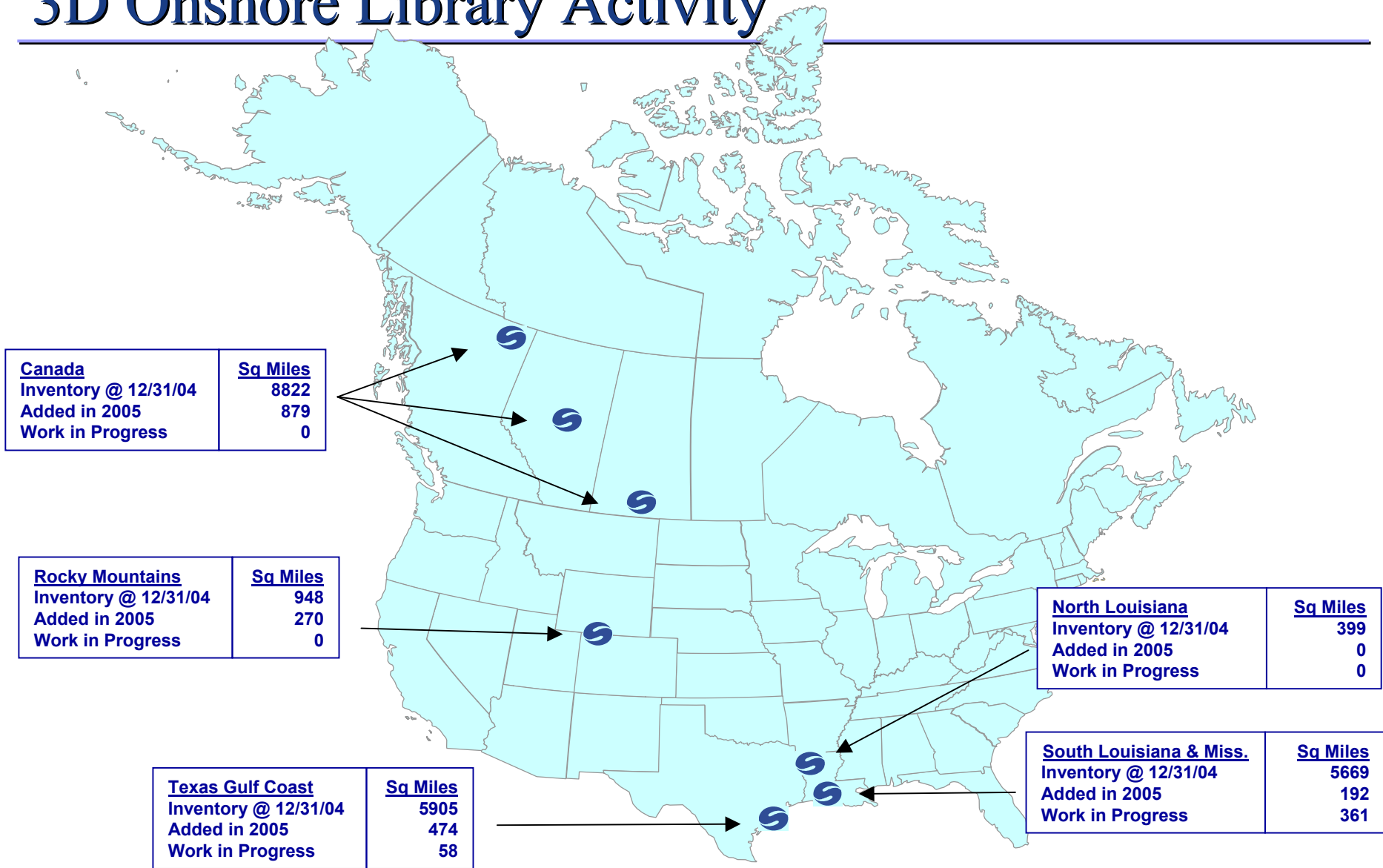
Note: Reconciliation of above cash margin to GAAP operating income is included at the end of this presentation.



Onshore 3D Library Growth



3D Onshore Library Activity



***Reconciliation of Certain non-GAAP Measures to
GAAP***

Reconciliation of Certain non-GAAP Measures to GAAP

Reconciliation of Cash Resales to Total Revenue (M\$):

	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05
Cash resales	\$ 22.2	\$ 18.2	\$ 19.1	\$ 14.9	\$ 28.1	\$ 24.2	\$ 21.0	\$ 20.3
Other revenue components:								
Acquisition revenue	11.8	19.2	6.7	5.2	6.2	12.4	3.4	3.6
Non-monetary exchanges	1.4	3.1	5.9	1.5	1.8	0.6	6.2	0.1
Deferral of revenue	(15.7)	(14.4)	(9.6)	(7.6)	(12.5)	(12.7)	(12.1)	(8.9)
Selections of data	9.2	14.0	11.8	12.2	9.1	21.6	15.8	8.2
Solutions and other	1.3	1.2	1.3	1.2	1.2	1.1	1.6	1.2
Total revenue, as reported	\$ 30.2	\$ 41.3	\$ 35.1	\$ 27.4	\$ 33.9	\$ 47.3	\$ 36.0	\$ 24.6



Reconciliation of Certain non-GAAP Measures to GAAP

Reconciliation of Net Investment for US 3D Onshore and Canadian 2D and 3D Data to Net Book Value at September 30, 2005 (M\$):

Net investment in seismic data - US 3D onshore and Canadian 2D and 3D	\$	390.9
Add:		
Acquisition revenue - 3D onshore		356.5
Other seismic data investment (principally offshore and US 2D)		347.0
Less:		
Impairment charges		(112.9)
Accumulated amortization		(858.6)
Net seismic data library at September 30, 2005	\$	<u>122.8</u>



Reconciliation of Certain non-GAAP Measures to GAAP

Reconciliation of Resales for US 3D Onshore and Canadian 2D and 3D Data to Total Revenue (M\$):

	Nine Months 2005
Resales - US 3D onshore and Canadian 2D and 3D	\$ 71.7
Other revenue components:	
Other resale revenue (principally offshore and US 2D)	12.8
Acquisition revenue	19.5
Solutions and other revenue	3.9
Total revenue, as reported	<u>\$ 107.8</u>



Reconciliation of Certain non-GAAP Measures to GAAP

Reconciliation of Cash Margin to Operating Income (Loss) (M\$):

	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	9M04	9M05
Cash Margin	\$ 13.4	\$ 14.0	\$ 10.9	\$ 12.5	\$ 9.0	\$ 22.4	\$ 17.6	\$ 15.6	\$ 14.5	\$ 32.3	\$ 47.7
Add:											
Acquisition revenue	7.7	11.8	19.2	6.7	5.2	6.2	12.4	3.4	3.6	31.1	19.5
Non-monetary exchanges	3.3	1.4	3.1	5.9	1.5	1.8	0.6	6.2	0.1	10.5	7.0
Deferral of revenue	(9.8)	(15.7)	(14.4)	(9.6)	(7.6)	(12.5)	(12.7)	(12.1)	(8.9)	(31.6)	(33.7)
Selections of data	17.4	9.2	14.0	11.8	12.2	9.1	21.6	15.8	8.2	38.0	45.6
Less:											
Depreciation & amortization	(23.4)	(21.1)	(24.1)	(24.3)	(90.8)	(29.0)	(33.3)	(23.7)	(19.4)	(139.2)	(76.4)
Impairment of seismic data library	(13.4)	(16.6)	-	-	-	-	-	-	-	-	-
Non-cash operating expenses	-	-	-	-	-	-	(0.4)	(0.4)	(0.7)	-	(1.5)
Operating income (loss), as reported	\$ (4.8)	\$ (17.1)	\$ 8.7	\$ 2.9	\$ (70.5)	\$ (2.0)	\$ 6.0	\$ 4.9	\$ (2.6)	\$ (59.0)	\$ 8.3



Reconciliation of Certain non-GAAP Measures to GAAP

Reconciliation of EBITDA to Loss from Continuing Operations (M\$):

	Third Quarter		Nine Months	
	2005	2004	2005	2004
EBITDA	<u>\$ 18.8</u>	<u>\$ 15.7</u>	<u>\$ 85.8</u>	<u>\$ 68.8</u>
Less:				
Interest expense	(5.6)	(8.1)	(17.6)	(18.4)
Depreciation & amortization	(19.4)	(90.8)	(76.4)	(139.2)
Add:				
Income tax benefit	3.9	2.6	4.9	2.3
Loss from continuing operations, as reported	<u>\$ (2.3)</u>	<u>\$ (80.7)</u>	<u>\$ (3.2)</u>	<u>\$ (86.6)</u>



