

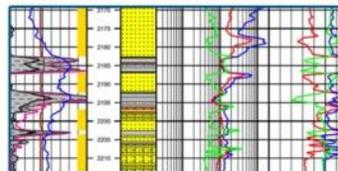
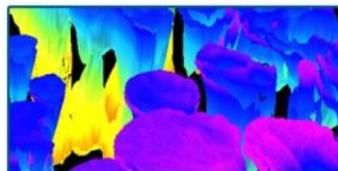
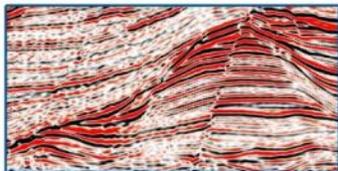


TGS

Q1 2014 Earnings Release

Robert Hobbs
Chief Executive Officer

Kristian K. Johansen
Chief Financial Officer



Forward-Looking Statements



All statements in this presentation other than statements of historical fact, are forward-looking statements, which are subject to a number of risks, uncertainties, and assumptions that are difficult to predict and are based upon assumptions as to future events that may not prove accurate. These factors include TGS' reliance on a cyclical industry and principal customers, TGS' ability to continue to expand markets for licensing of data, and TGS' ability to acquire and process data products at costs commensurate with profitability. Actual results may differ materially from those expected or projected in the forward-looking statements. TGS undertakes no responsibility or obligation to update or alter forward-looking statements for any reason.

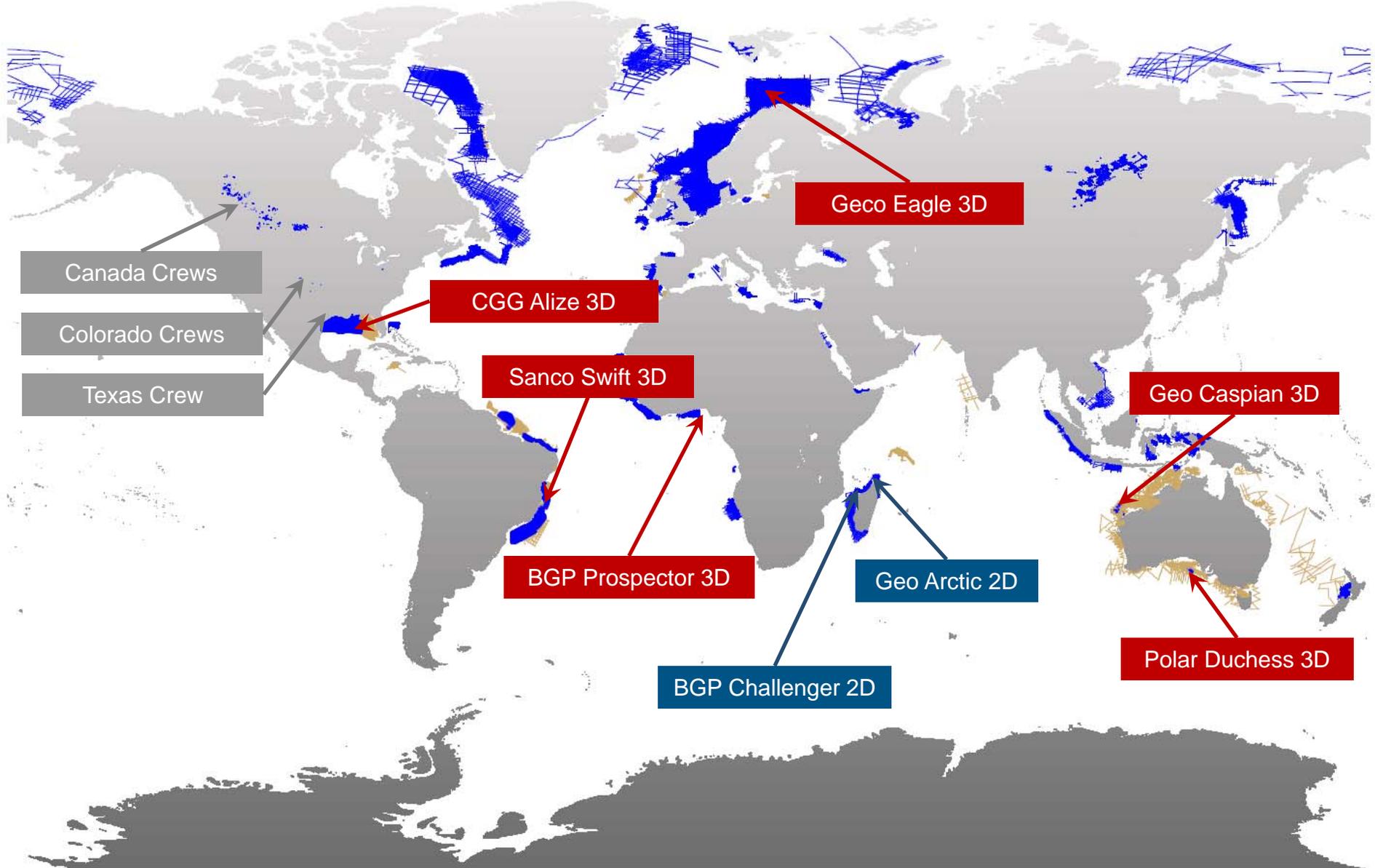
Q1 2014 Highlights



- Net revenues were 222 MUSD compared to 211 MUSD in Q1 2013
 - Net late sales of 137 MUSD, up 9% from 127 MUSD in Q1 2013
 - Net pre-funding revenues of 74 MUSD were up 33%, funding 57% of TGS' operational multi-client investments for the quarter (129 MUSD)
- Average amortization rate for the multi-client library was 41% compared to 38% in Q1 2013
- Operating profit for the quarter was 94 MUSD, 42% of net revenues, compared to 89 MUSD (42% of net revenues) in Q1 2013
- Five 3D vessels, two 2D vessels and five land crews operating under TGS control in Q1 2014
 - TGS was also a participant in one 2D marine JV project and one 3D marine JV project during Q1 2014

Operational Highlights

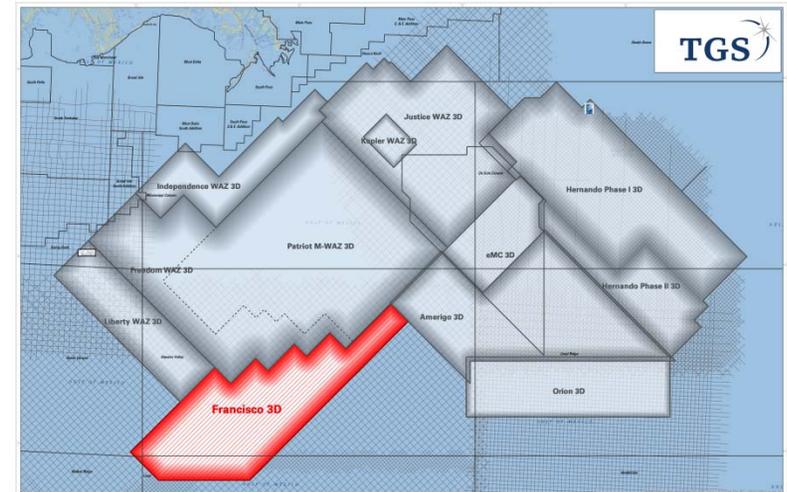
Q1 2014 Operations



Q1 Activity – North & South America

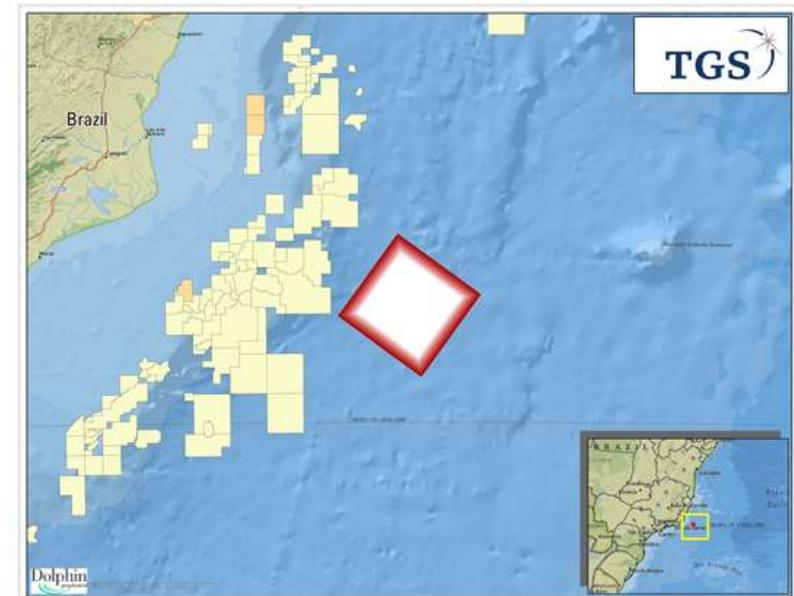
Central Gulf of Mexico

- Francisco – 6,700 km² multi-client 3D survey
- Long offsets utilized (12 kilometers)
- First 3D survey in the frontier basin floor fan play in Atwater Valley and Lund areas of the Central Gulf of Mexico.
- Leverages adjacent TGS 3D data and utilizes TGS' Clari-Fi™ broadband processing technology



Brazil

- Olho de Boi – 5,000 km² multi-client 3D survey in partnership with Dolphin
- Survey designed to image pre and post-salt plays in the hydrocarbon rich Campos Basin
- First TGS 3D survey in Brazil, based on considerable geologic review and reprocessing of existing 2D data
- Data being processed utilizing TGS' proprietary Clari-Fi™ broadband technology

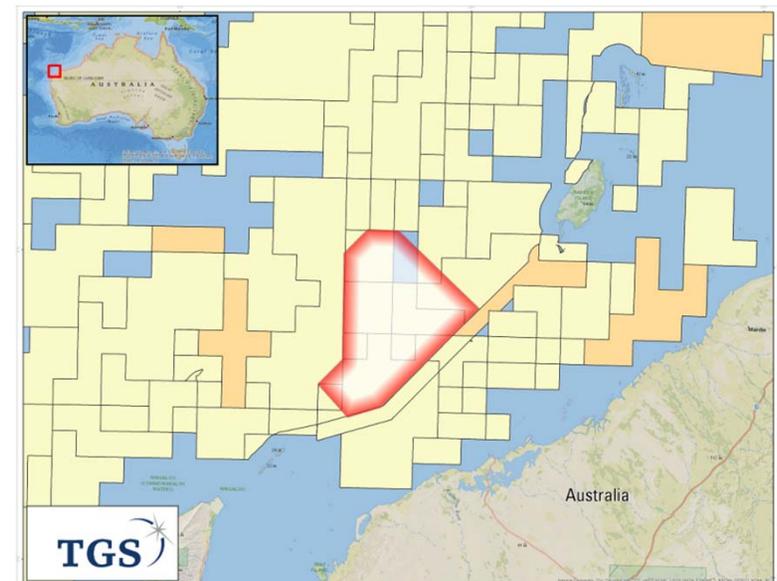
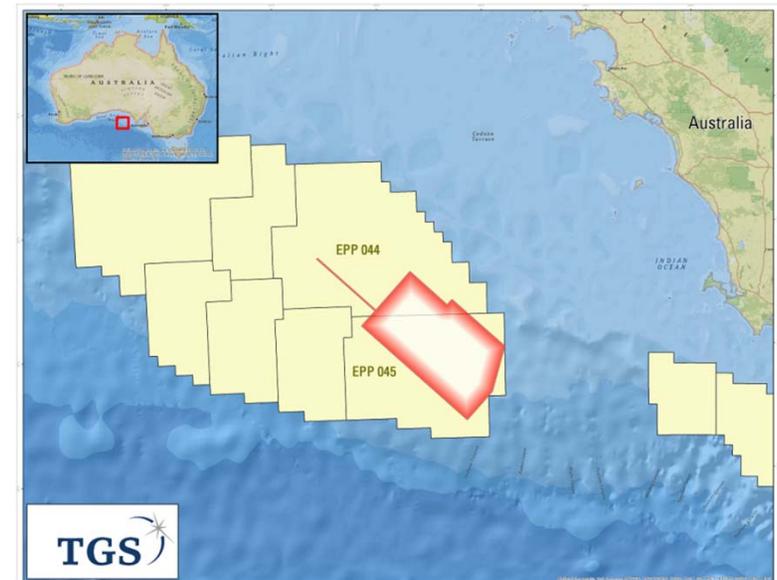


Great Australian Bight

- Nerites – 8,300 km² multi-client 3D survey covering two of the newly released petroleum exploration blocks which are located mostly in the deep water Ceduna sub-basin

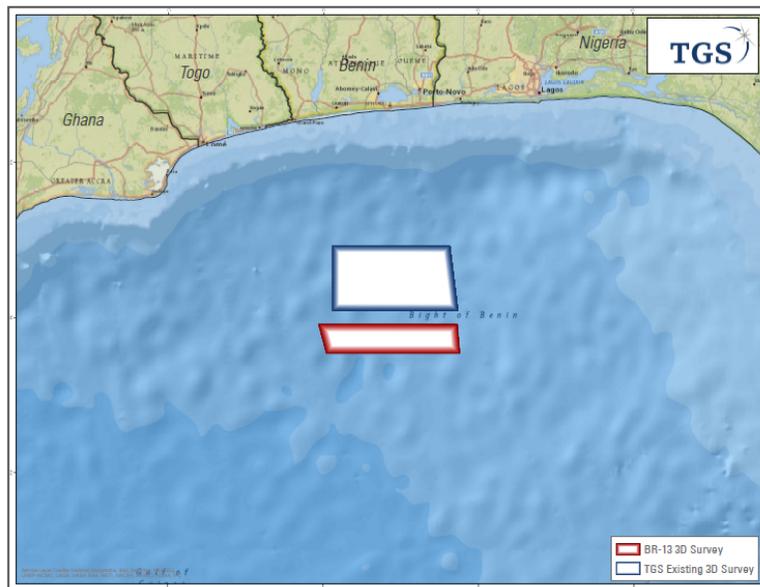
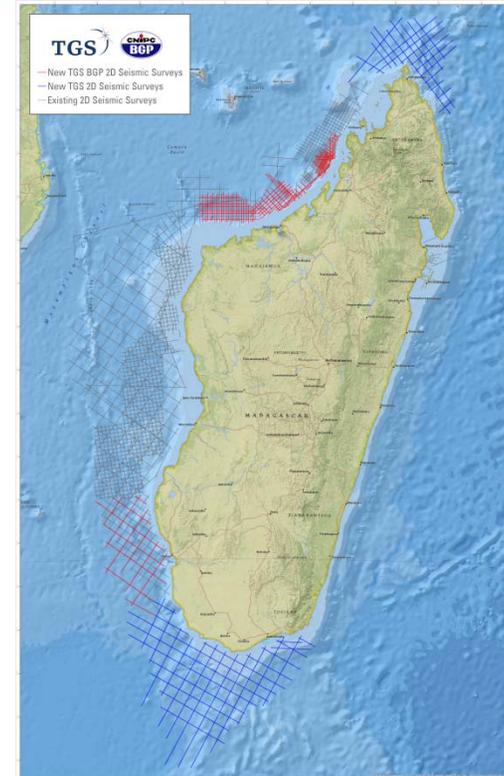
Northwest Australia

- Huzzas – 2,100 km² multi-client 3D survey covering multiple petroleum exploration blocks in the Barrow sub-basin
- Both surveys being processed utilizing TGS' proprietary Clari-Fi™ broadband technology
- Upon completion the TGS 3D multi-client library offshore Australia will exceed 32,500 km²



Madagascar

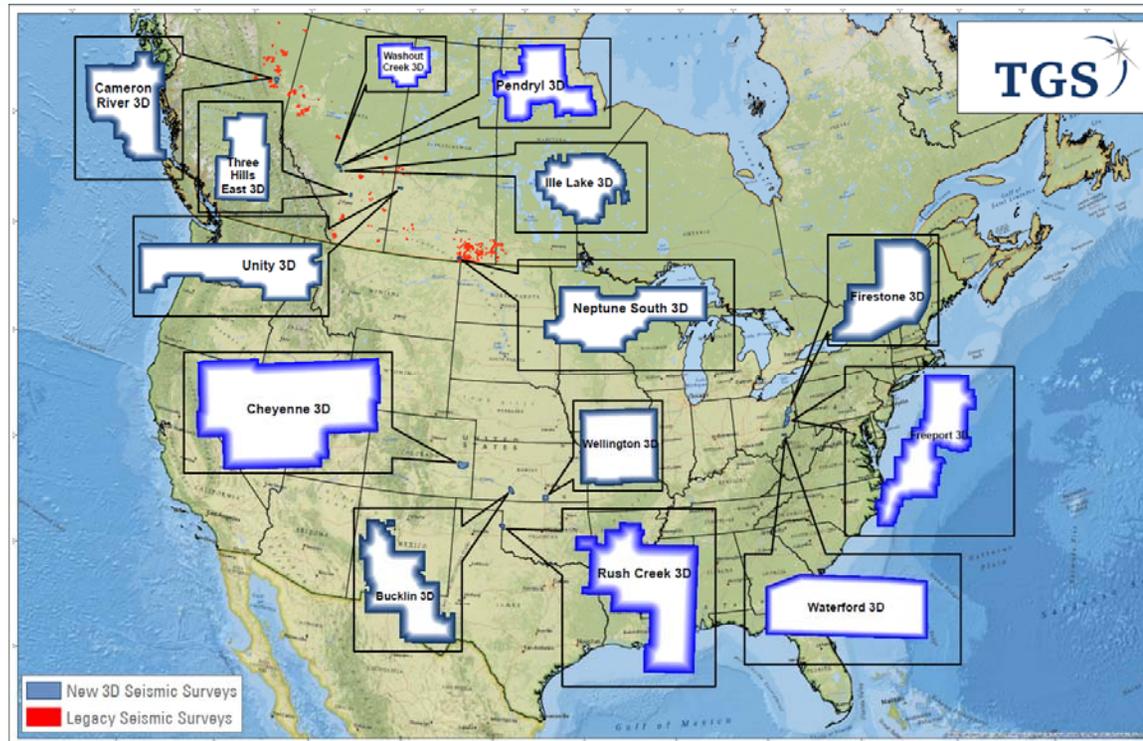
- MS-14 – 1,950 km multi-client 2D survey in partnership with BGP completed in Q1 2014
- AN-14 and CSM-14 – 8,800 km multi-client 2D surveys (100% TGS) completed in Q1 2014
- Extends and infills the existing 33,000 km of 2D data acquired by TGS in this region
- Data will be processed utilizing TGS' proprietary Clari-Fi™ broadband technology
- TGS well positioned for Madagascar license round activity



Benin

- BR-13 – 2,200 km² multi-client 3D survey completed in early Q1 2014
- TGS' second 3D survey in Benin building upon past 2D survey work
- Data being processed utilizing TGS' proprietary seismic multiple elimination technology, TAME™

Q1 Activity – Onshore Projects



- Cheyenne – 1,800 km² multi-client 3D project in Colorado focused on liquid plays in Mississippian and Pennsylvanian intervals
- Rush Creek – 440 km² multi-client 3D project in Texas focused on Granite Wash, Hogshooter, Cleveland Sands, Atoka and Tonkawa geological trends
- Pendryl – 400 km² multi-client 3D project in Central Alberta focused on emerging Duvernay play
- Washout Creek – 65 km² high density multi-client 3D / 3C project addressing multiple plays in Central Alberta

Enhancing Value through Technology

- Further expansion in Houston data center during Q1 to accommodate current and future computational requirements
- The TGS Houston data center is among the top 20 clustered capacity centers in the World* as measured by compute-power

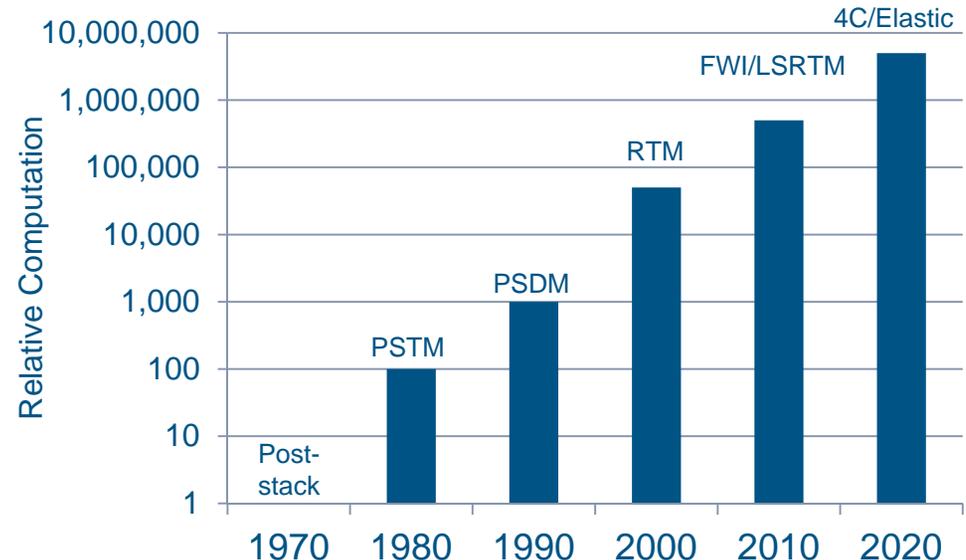
TGS Houston Data Center



Compute capacity increased by 18,000 teraflops in Q1 2014 to bring total theoretical capacity to ~ 30,400 teraflops.

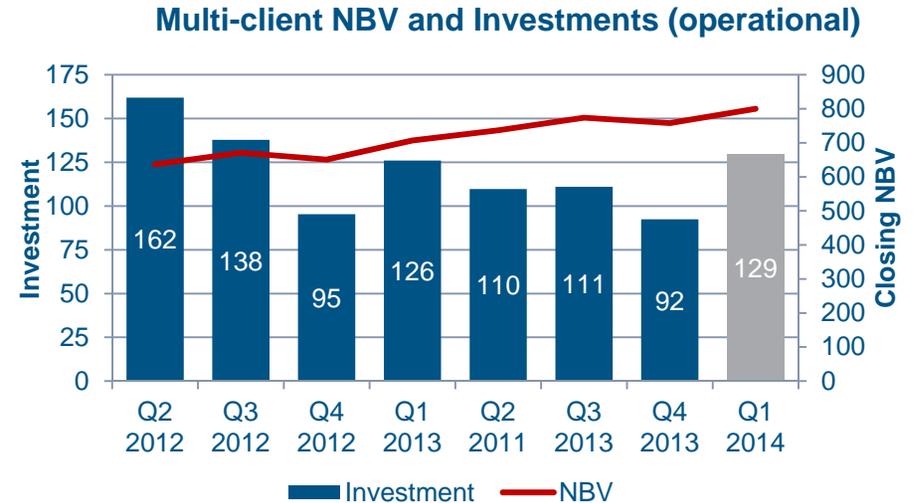
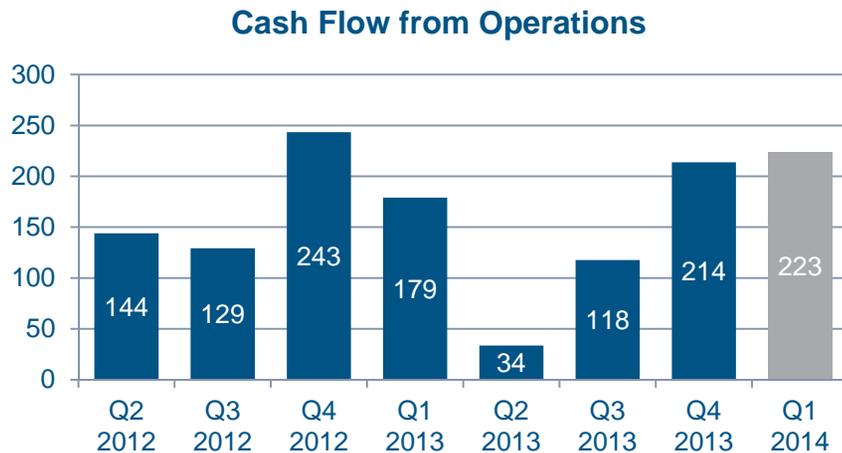
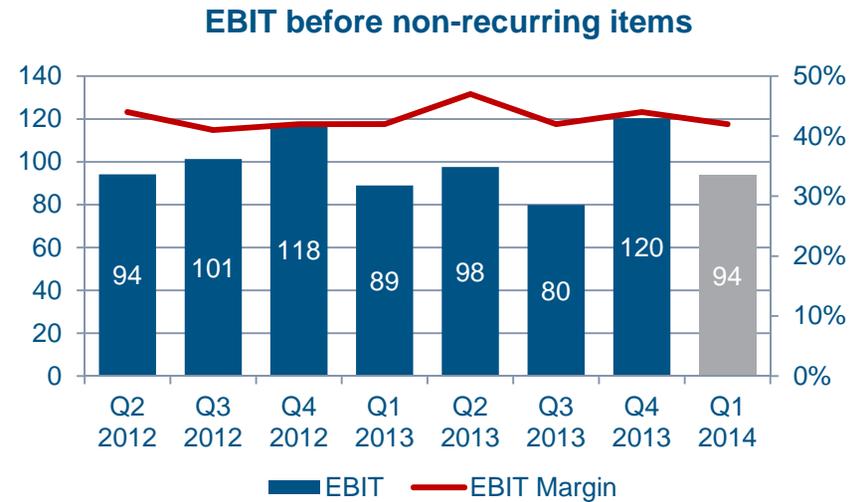
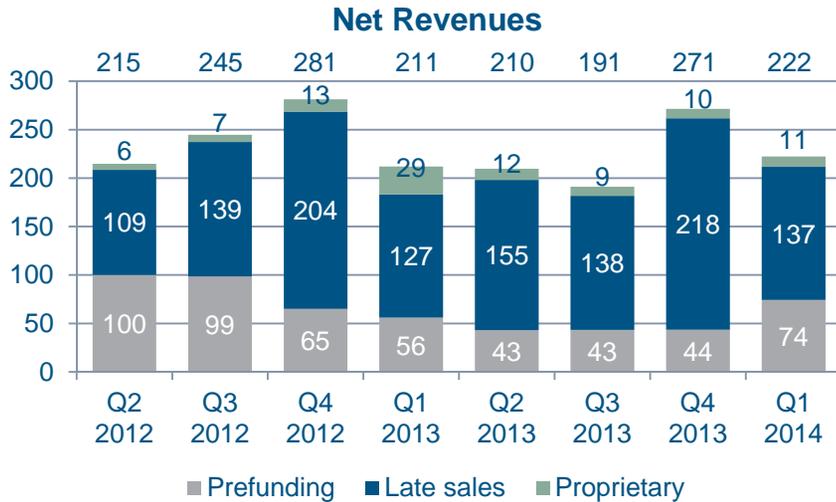
**Company estimate*

Imaging Technology Computational Requirement



Financials

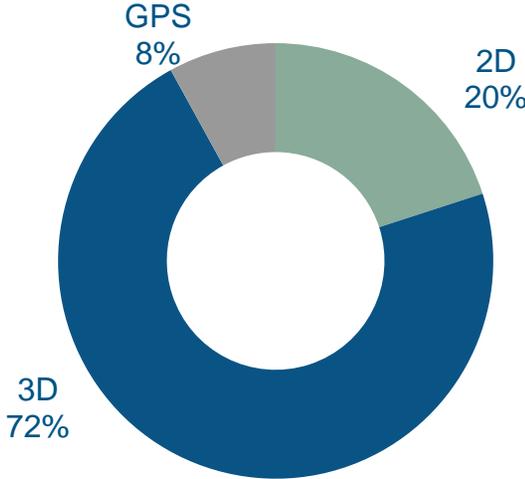
Key Financials



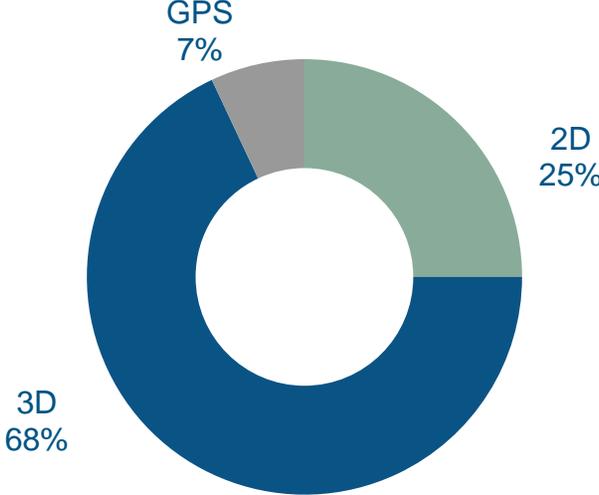
Net Revenue Breakdown



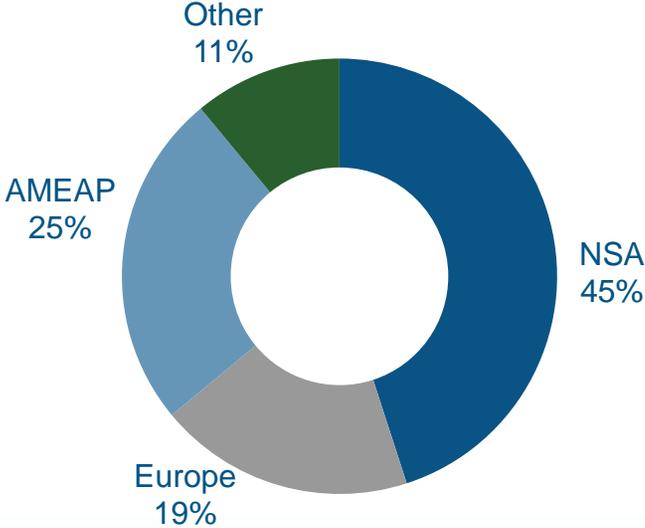
Q1 2014



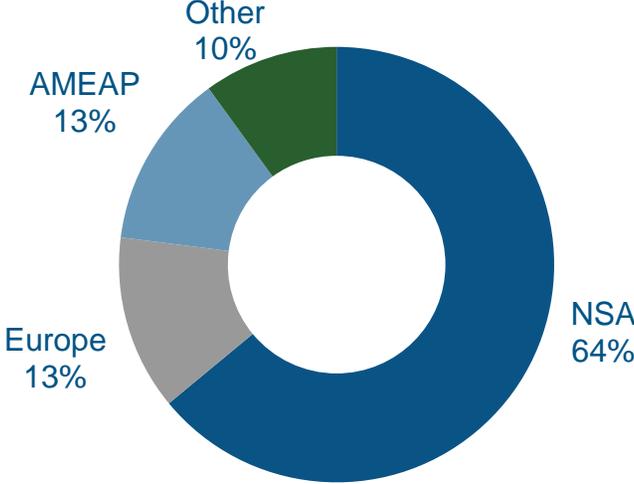
Q1 2013



Q1 2014



Q1 2013



Q1 2014 Income Statement



USD million, except EPS	Q1 2014	Q1 2013	Change in %
Net operating revenues	222	211	5%
Cost of goods sold – proprietary and other	2	16	-85%
Amortization of multi-client library 41%	87	70	25%
Gross margin	133	125	6%
Personnel costs	24	22	10%
Other operating expenses	10	9	5%
Cost of stock options	1	1	24%
Depreciation	3	3	0%
Operating profit 42%	94	89	5%
Net financial items	3	(2)	N/A
Profit before taxes 44%	97	87	12%
Tax expense	29	26	10%
Net Income 31%	68	60	13%
EPS, Undiluted	0.67	0.59	13%
EPS, Fully Diluted	0.66	0.58	13%

Q1 2014 Cash Flow Statement



USD million	Q1 2014	Q1 2013	Change in %
Received payments	307	262	17%
Payments for operational expenses	(37)	(48)	-24%
Paid taxes	(47)	(36)	32%
Operational cash flow	223	179	25%
Investments in tangible and intangible assets	(9)	(11)	-19%
Investments in multi-client library	(127)	(96)	32%
Interest received	0.7	1	-34%
Interest paid	(0.06)	(0.05)	12%
Purchase of own shares	(3)	-	
Proceeds from share offerings	0.4	1	-65%
Change in cash balance	85	74	15%

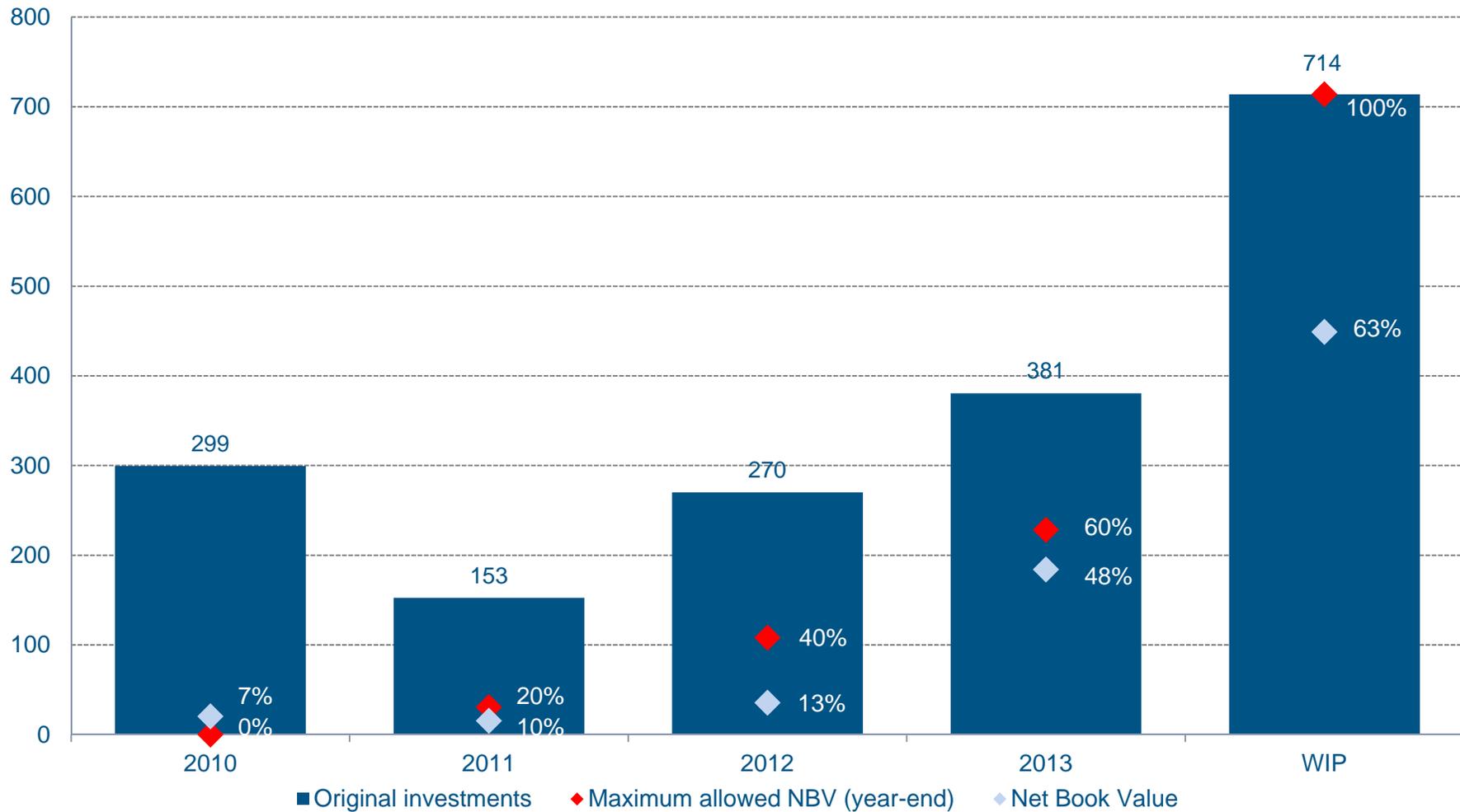
Q1 2014 Balance Sheet



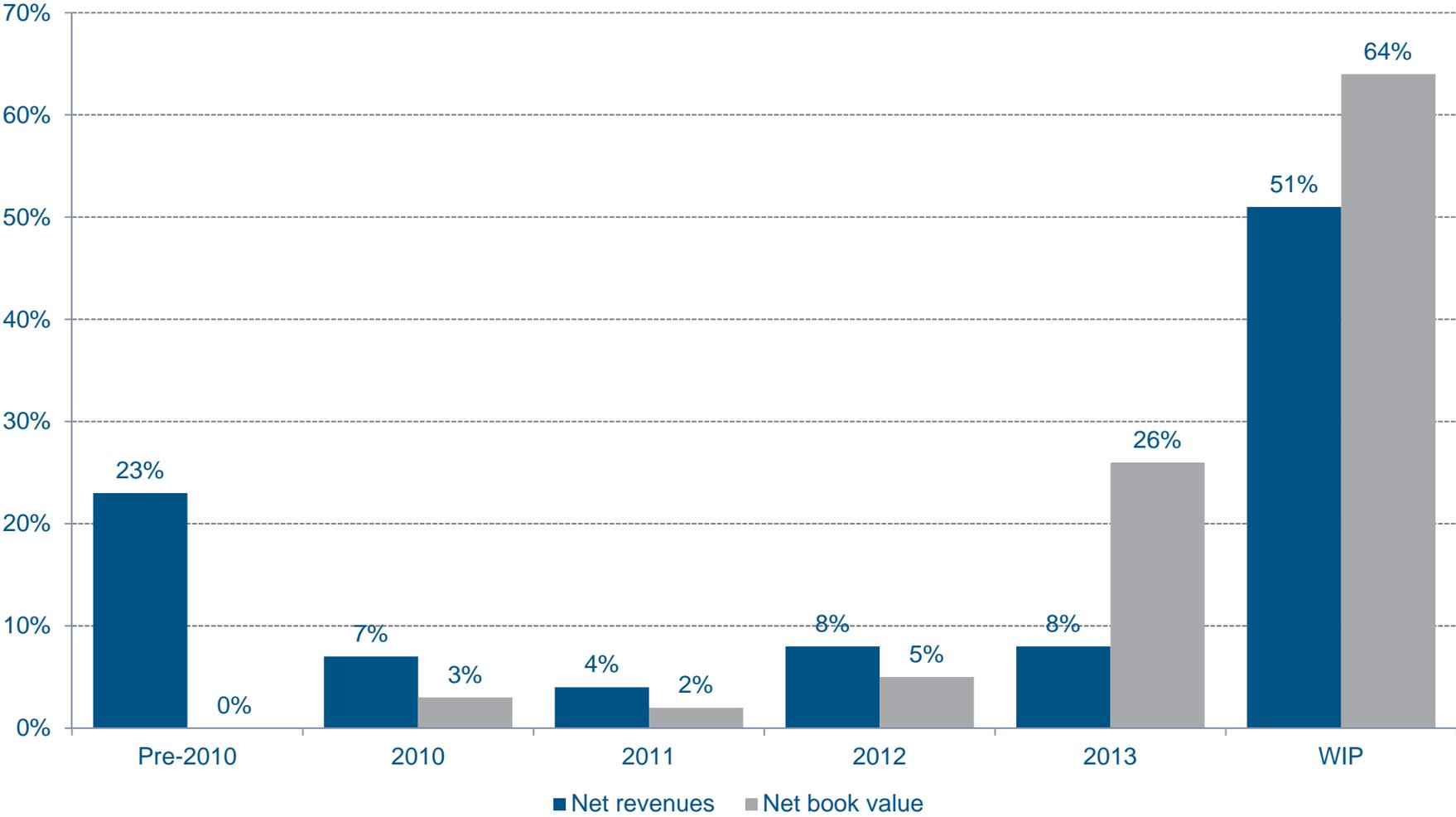
USD million	Q1 2014	Q4 2013	Change in %
Assets			
Cash equivalents	366	281	30%
Financial investments available for sale	4	4	0%
Other current assets	349	447	-22%
Total current assets	718	731	-2%
Intangible assets and deferred tax asset	139	138	0%
Other non-current assets	55	56	-3%
Multi-client library	800	758	6%
Fixed assets	57	53	7%
Total Assets	1,768	1,736	2%
Liabilities			
Current liabilities	317	342	-7%
Non-current liabilities	17	17	0%
Deferred tax liability	78	85	-8%
Total Liabilities	412	443	-7%
Equity	1,357	1,293	5%
Total Liabilities and Equity	1,768	1,736	2%

TGS has no interest bearing debt

Investments per Vintage



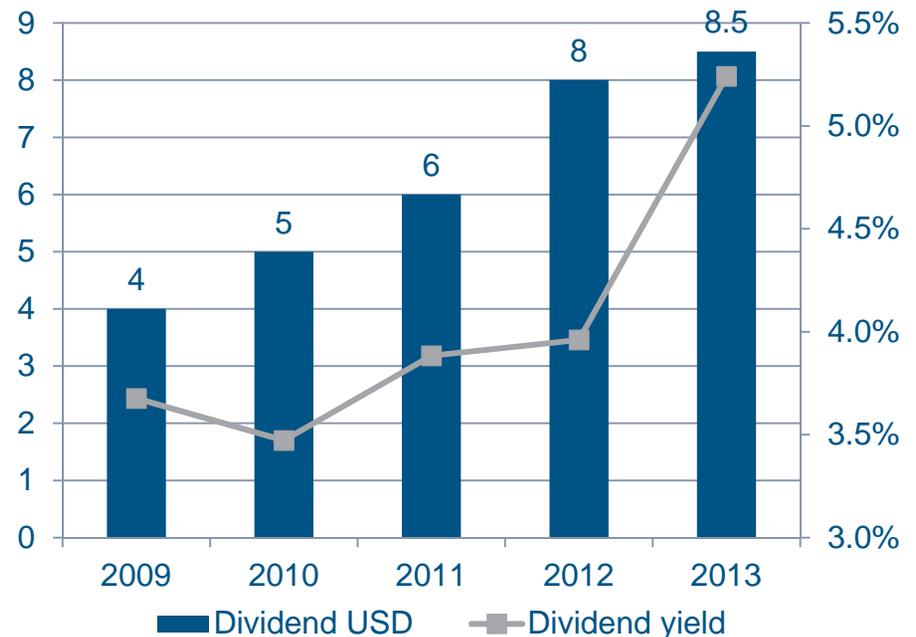
Net Revenues vs. Net Book Value per Vintage



Continued Growth in Returning Cash to Shareholders TGS

- Proposed dividend of NOK 8.5 per share for the 2013 accounting year
 - Shares will be quoted ex dividend on 4 June 2014
 - Dividend will be paid out on 18 June 2014
- In addition, the Board has authorized a share buy back program of USD 30 million of which USD 3.4 million has been implemented in Q1
- Proposed dividend and share buy back program represent approximately USD 170 million in cash returns to shareholders
 - NOK 10.3 per share

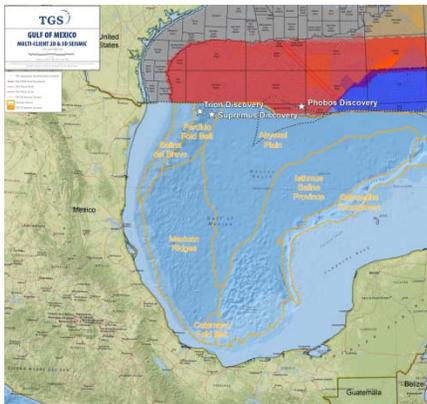
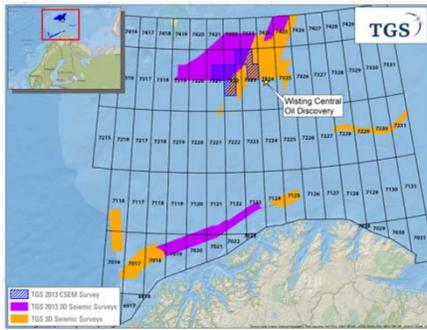
Dividend per share (NOK) and Dividend Yield



Dividend yield calculated based on share price at day of announcement

Strong commitment on delivering shareholder returns from a combination of growth and dividend payout

Outlook



■ EUR

- 2014 Northwest Europe acquisition season to commence in Q2 with 2D, 3D and P-Cable surveys in the Barents Sea
- Norwegian 23rd Licensing round and APA round announced
- Hoop basin block nominations in 23rd round following Wisting Central discovery
- Licensing rounds in UK (open) and Denmark (expected)

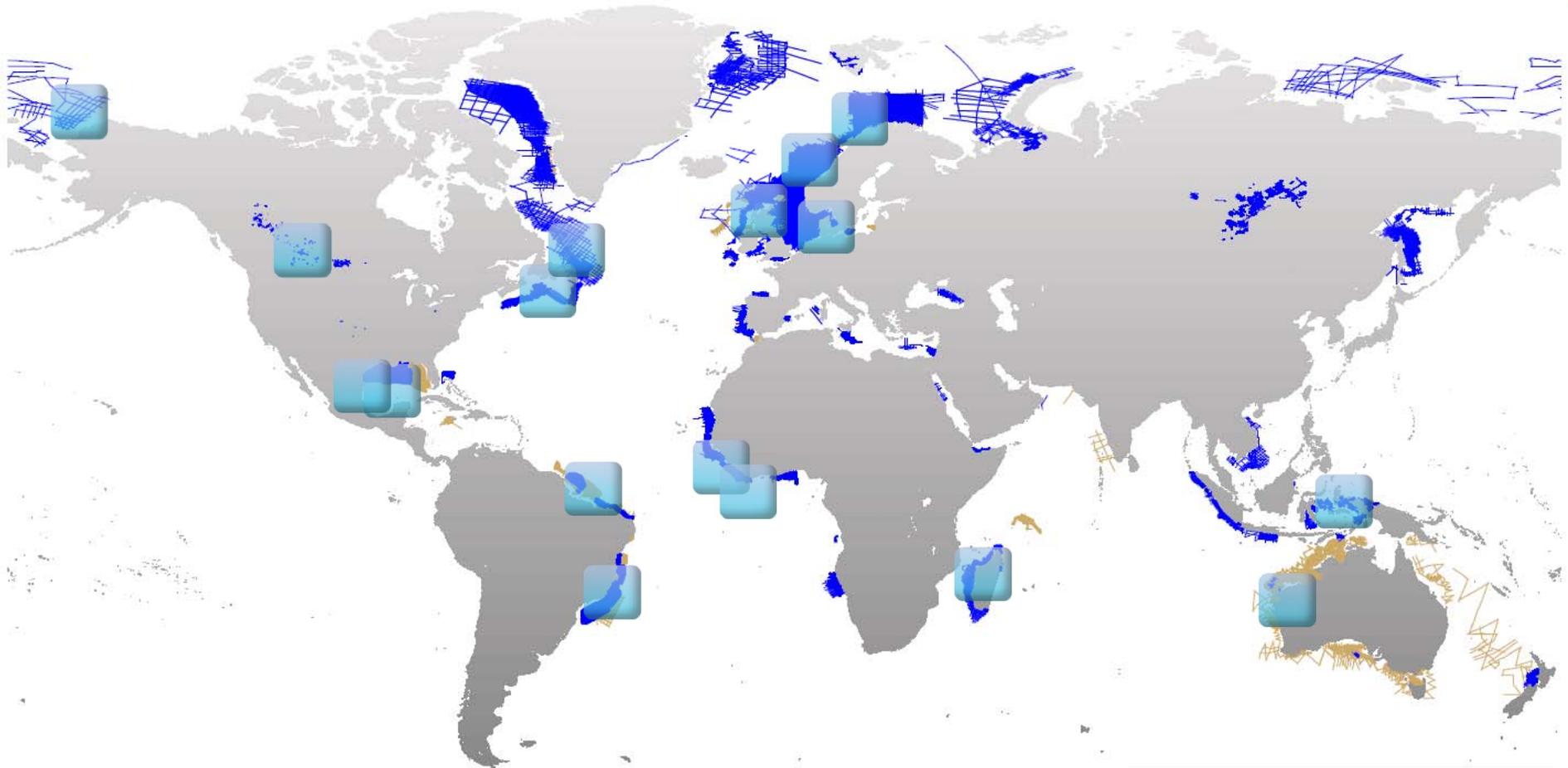
■ NSA

- Francisco survey approaching completion in Q2
- Vessels secured for entry into Mexico (subject to legislation and permit)
- Return to onshore Utica play with two projects announced for 2H 2014

■ AMEAP

- Nerites survey continues in Q2
- Permitting process is showing improvement in Australia
- Awaiting Africa license round announcements

License Round Activity and TGS Positioning



North & South America

- Central GOM – Mar 2015 (5-Year Plan)
- Western GOM – Aug 2014 (5-Year Plan)
- Alaska Offshore - 2016 & 2017 (5-Year Plan)
- Newfoundland & Labrador – Nov 2015 & Nov 2017 (bids due)
- Nova Scotia – Apr 2014 (call for bids)
- Canada Onshore – at least monthly
- Brazil - 2015 (expected)

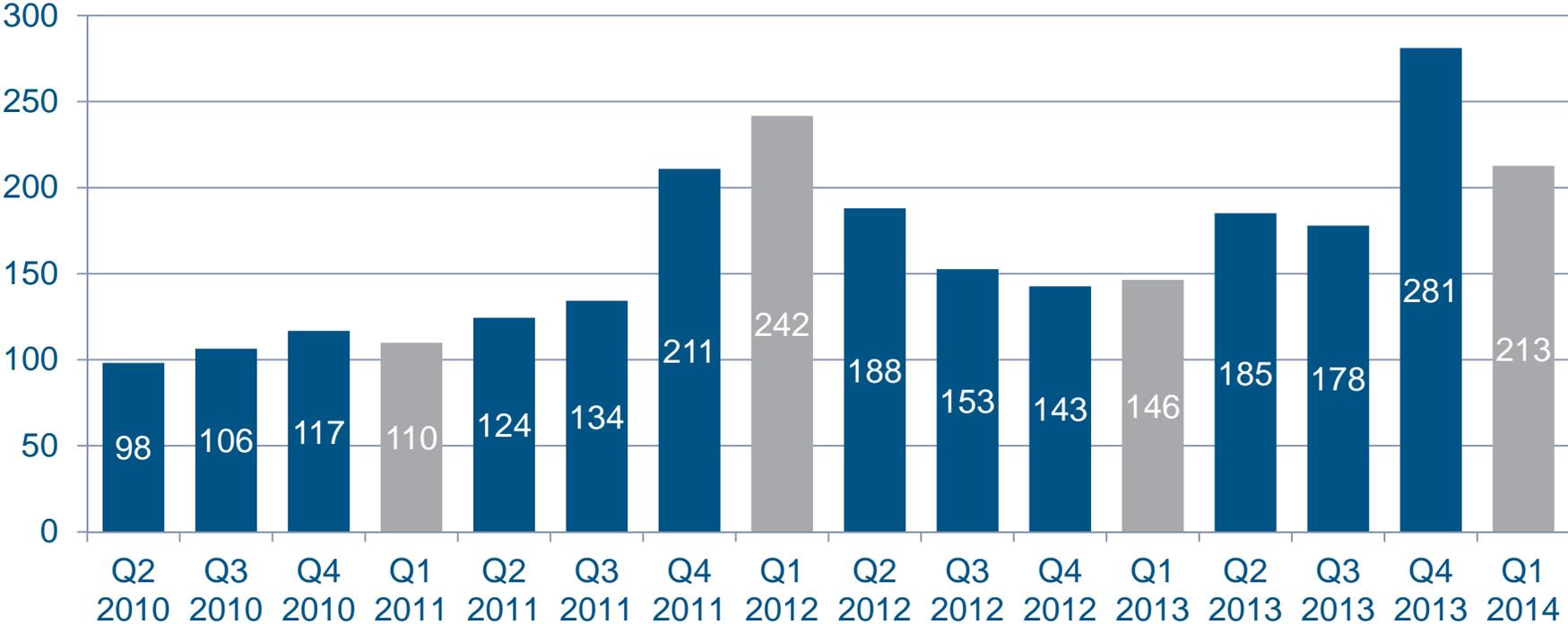
Africa, Middle East, Asia Pacific

- Madagascar – 2014 (expected)
- Sierra Leone – 2014 (expected)
- Liberia – 2014 (expected)
- Australia – Oct 2014 , Feb 2015 & Apr 2015 (bids due)
- Indonesia – 2014 (27 blocks selected)

Europe / Russia

- Norway APA – Sep 2014 (bids due)
- Norway 23rd Concession – H2 2015 (bids due)
- United Kingdom – Apr 2014 (bids due)
- Denmark - 2014 (expected)

Historical Backlog (MUSD) 2010 - 2014



Capacity Secured for 2014



3D Vessel	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
CGG Alize	Gulf of Mexico											
BGP Prospector	Benin											
Sanco Swift	Brazil JV											
Polar Duchess	Australia									Option		
Geo Caspian	Australia											
Geco Eagle			NW Europe			Option						
Polarcus Naila						NW Europe						
Bergen Surveyor					NW Europe (P-Cable™)							

2D Vessel	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
BGP Challenger	JV	Madagascar										
Geo Arctic	Madagascar											
Sanco Spirit						Canada PGS JV						
Akademik Shatskiy				NW Europe								

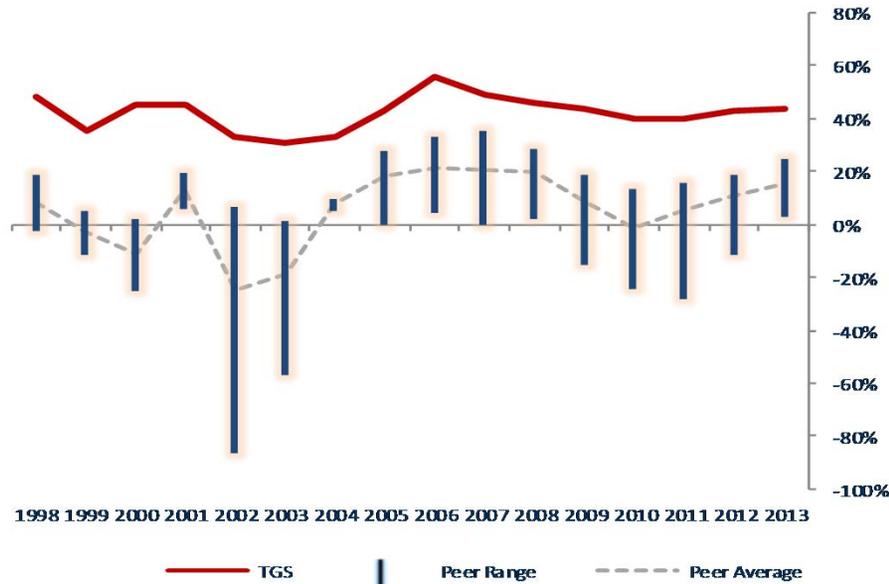
Land Crew	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Colorado Crews 1 & 2	Cheyenne											
Texas Crew				Rush Creek								
Canada Crew	Pendryl		WOC									
Ohio Crew										Waterford		Freeport

- Strong start to 2014 with Q1 revenues of 222 MUSD
- Q1 2014 Operating profit of 94 MUSD, 42% of net revenues
- Q1 2014 multi-client investments of 129 MUSD
- TGS continues to benefit from its well positioned library and continues to see high quality investment opportunities
- Guidance for 2014 unchanged:
 - Multi-client investments 390 – 460 MUSD
 - Average pre-funding 45 – 55%
 - Average multi-client amortization rate 40 – 46%
 - Net revenues 870 – 950 MUSD
 - Contract revenues approximately 5% of total revenues

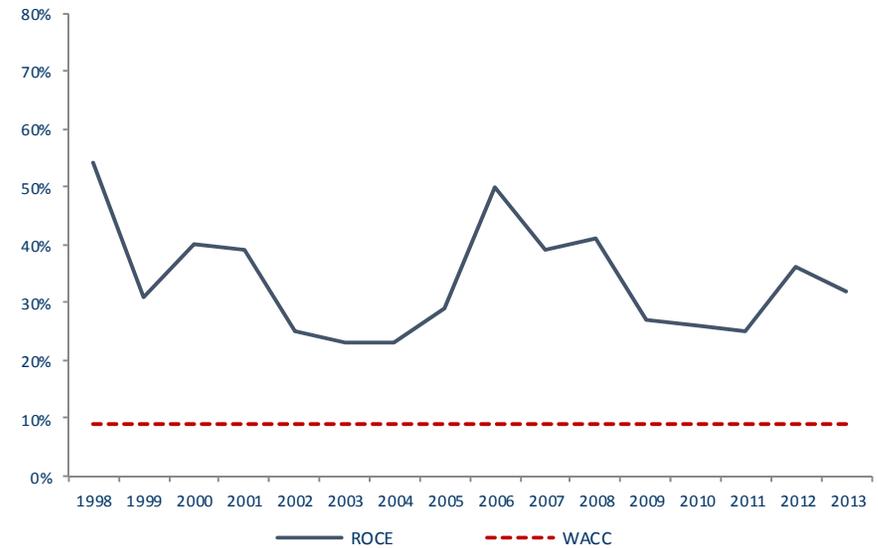
TGS Performs in all Cycles



EBIT margin vs. Seismic peers



Return on Capital Employed



- Average EBIT margin above 40% - stable EBIT – performance through the cycles
- ROCE significantly above WACC – substantial value creation in any industry cycle

*Peer group includes CGG, Geokinetics, ION Geophysical, PGS, Western Geco, Dolphin, Polarcus
Source Platou Markets and TGS



Thank you

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