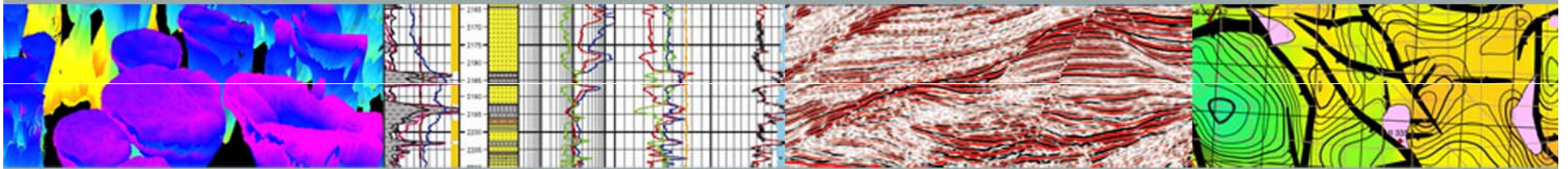


Earnings Release Q1 2011

Kristian K. Johansen
Chief Financial Officer

Robert Hobbs
Chief Executive 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 2011 Financial Highlights

- Net revenues were 132.0 MUSD, down 11% from Q1 2010
 - Net late sales of 84.8 MUSD were up 16% from last year
 - Net pre-funding of 36.7 MUSD were down 47%, funding 84% of TGS' operational multi-client investment for the quarter (43.5 MUSD)
 - Proprietary revenues of 10.5 MUSD were up 97% from Q1 2010
- Average amortization rate for the multi-client library was 40% compared to 47% in Q1 2010
- Operating profit for the first quarter was 59.0 MUSD, 45% of net revenues, compared to 58.8 MUSD (40% of net revenues) in Q1 2010
- Cash flow from operations before multi-client investments was 138.2 MUSD, up 30% from Q1 2010

Q1 2011 Income Statement

<i>USD millions, except EPS</i>		Q1 2011	Q1 2010	Change in %
Net Operating Revenues		132	148	-11%
COGS - Proprietary & Other		4	1	397%
MC Amortization	40%	48	67	-28%
Gross Margin		80	80	0%
Other Operating Expenses		19	19	0%
Cost of Stock Options		0.4	0.8	-49%
Depreciation		2	2	-3%
Operating Profit	45%	59	59	0%
Net Financial Items		(1)	1	-150%
Pre-tax Profit	44%	58	60	-3%
Taxes		17	18	-8%
Net Income	31%	42	42	-1%
EPS, Undiluted		0.41	0.41	0%

Q1 2011 Cash Flow Statement

<i>USD millions</i>	Q1 2011	Q1 2010	Change in %
Payments from Sales Received	198	151	32%
Operational Costs Paid	(25)	(21)	20%
Gain/(Loss) from Currency Exchange	(1)	1	-216%
Taxes Paid	(33)	(24)	37%
Operational Cash Flow	138	106	30%
Investments in Fixed Assets	(3)	(1)	177%
Investments in Multi-Client	(50)	(65)	-23%
Net Change in Short-term Investments & Deposits	-	1	-100%
Interest Received	0.2	0.3	-35%
Interest Paid	(0.03)	(0.00)	2800%
Purchase of Own Shares	-	(7)	-100%
Paid in Equity	9	4	143%
Change in Cash Balance	95	38	147%

Balance Sheet

<i>USD millions</i>	Q1 2011	Q1 2010	Change in %	Q4 2010
Assets				
Cash	385	282	37%	290
Investments Available for Sale	21	26	-20%	21
Derivative Financial Instruments	0.3	-		0.4
Other Current Assets	214	307	-30%	291
Total Current Assets	621	615	1%	603
Intangible Assets and Deferred Tax Asset	78	87	-10%	82
Other Non-current Assets	42	-		42
MC Library	471	453	4%	476
Fixed Assets	16	20	-18%	15
Total Assets	1,228	1,175	4%	1,217
Liabilities				
Current Liabilities	175	226	-22%	208
Long-term Liabilities	13	-		13
Deferred Tax Liability	79	70	14%	88
Total liabilities	268	296	-9%	308
Equity	960	879	9%	909
Total Liabilities and Equity	1,228	1,175	4%	1,217

The company holds no interest bearing debt

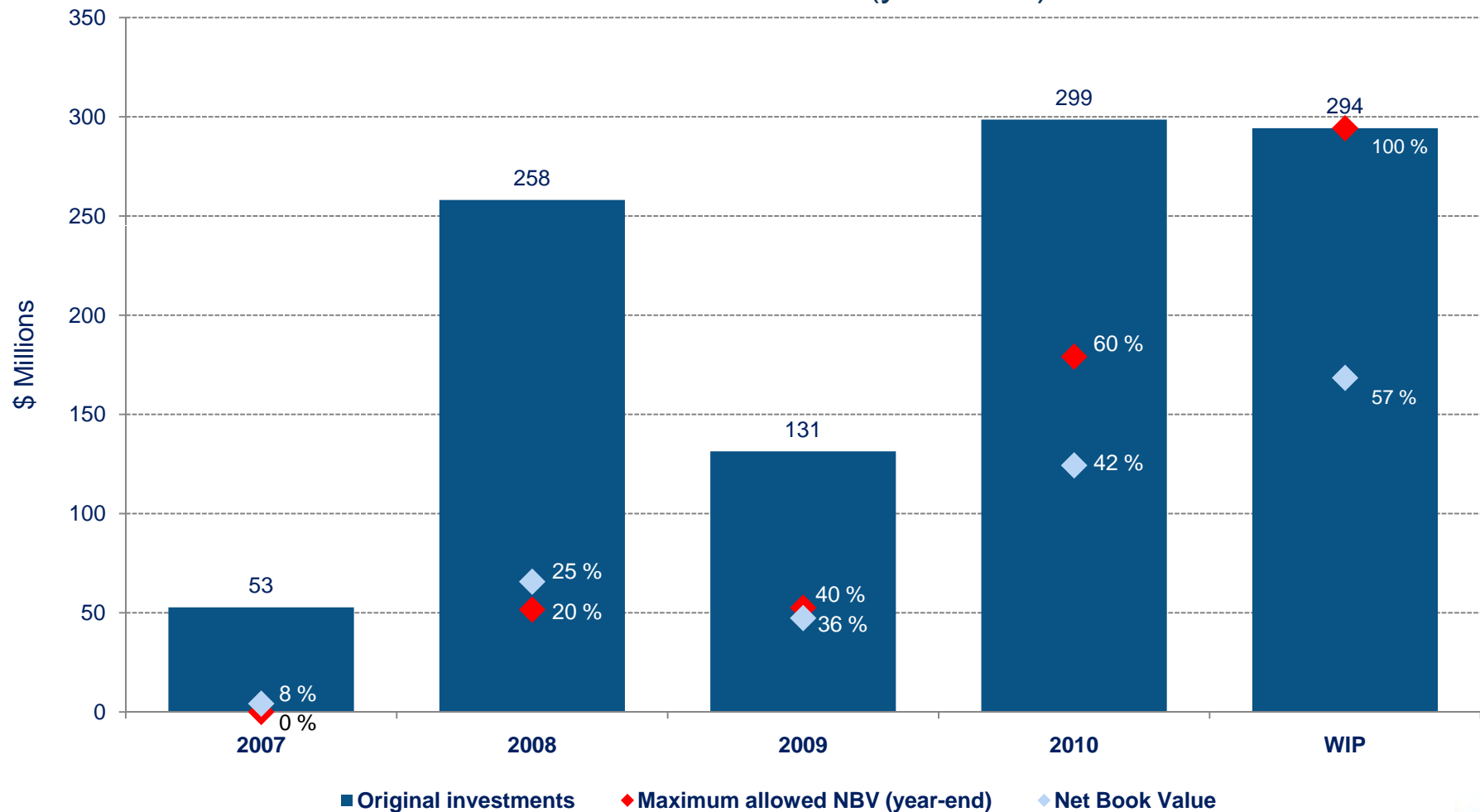
Multi-client Library

Accounting Principles for Multi-client Library

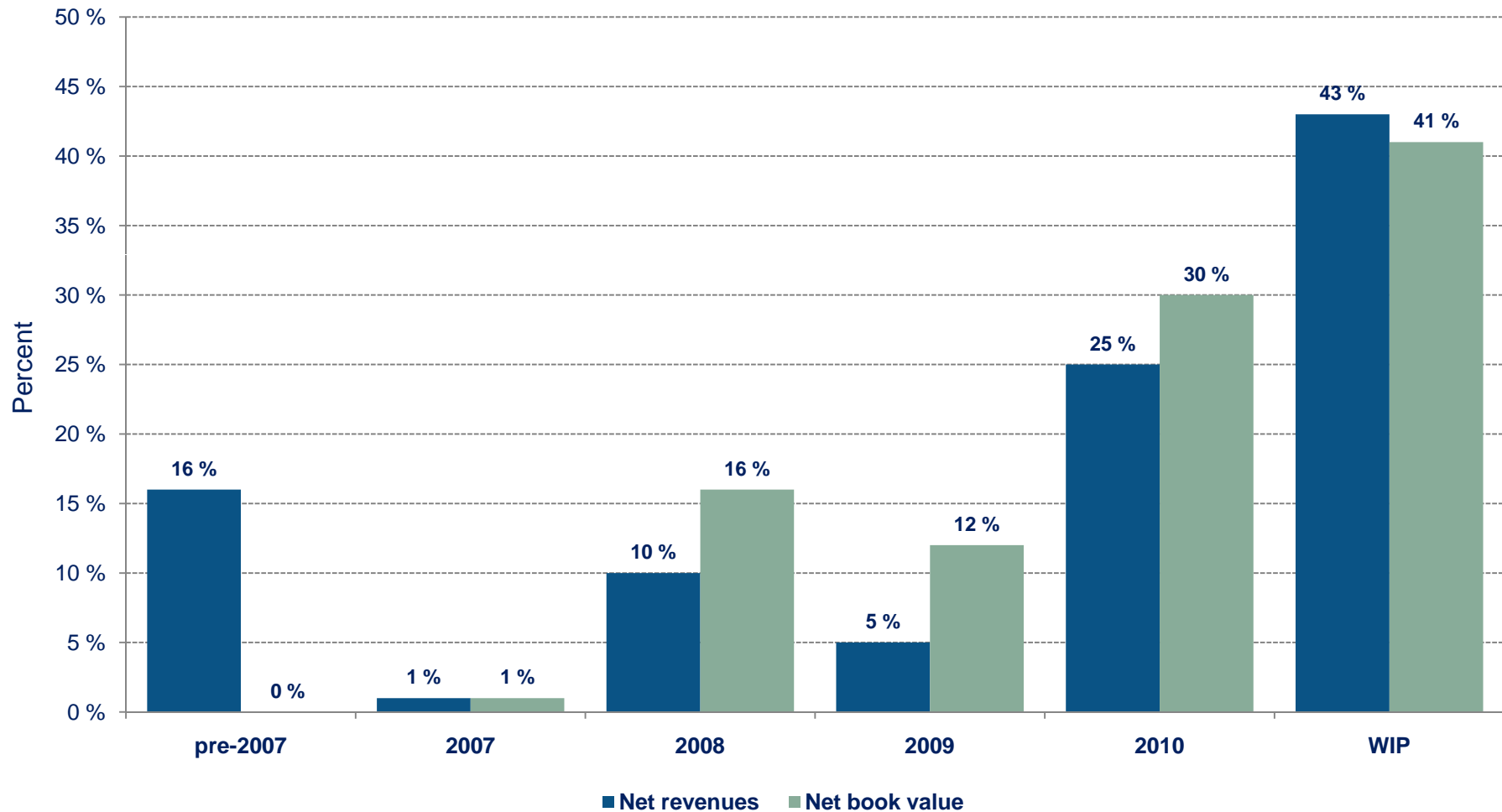
- Accounting standards recommend to match revenues and costs in time
- TGS capitalizes the direct costs of surveys as investments in the Balance Sheet and amortizes them over 5 years (including the first year – WIP) as a function of expected ratio sales/investment
- If sales are lower than expectations, a minimum amortization kicks in:
 - Maximum NBV one year after completion is 60%, then 40%, then 20%, then zero
 - At the end of the fourth year after survey completion, each survey is fully amortized

Investments per Vintage

Net Book Value in % of original investment
vs. allowed maximum % (year-end)



Net Revenues vs. Net Book Value per Vintage



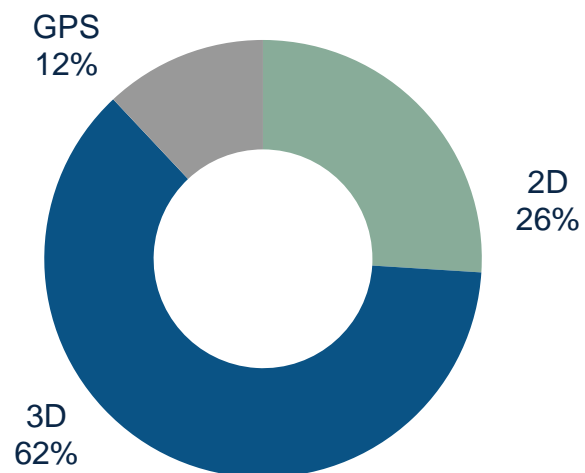
Operational Highlights

Robert Hobbs
Chief Executive Officer

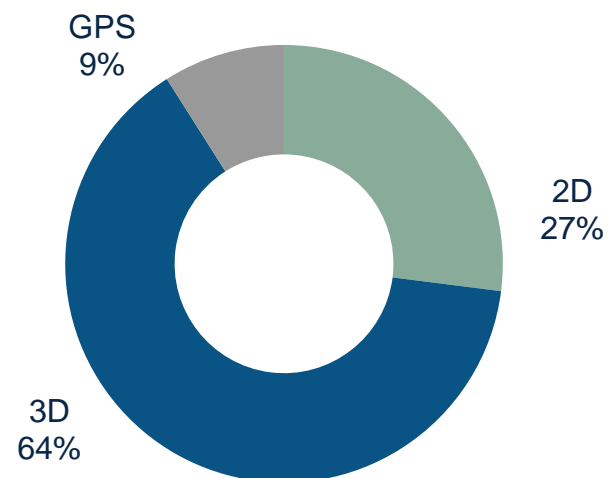


Net Revenue Breakdown

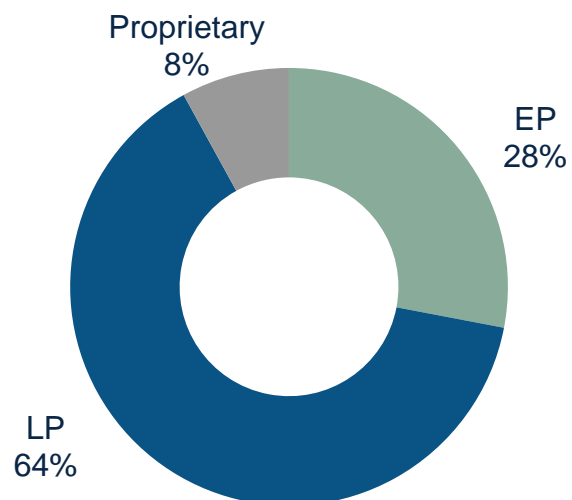
Q1 2011



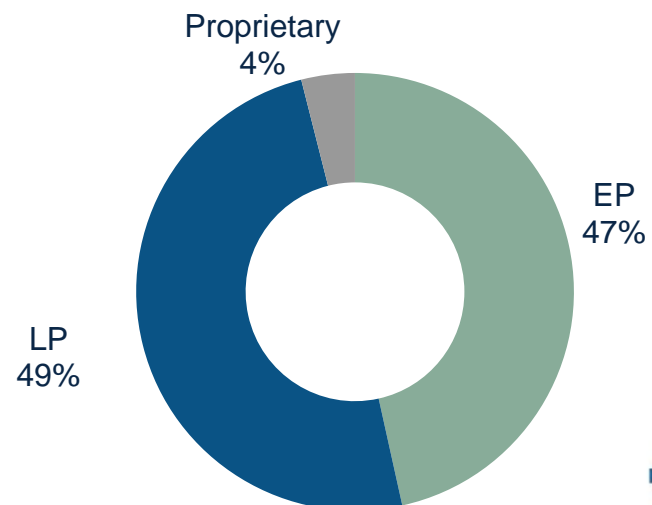
Q1 2010



Q1 2011

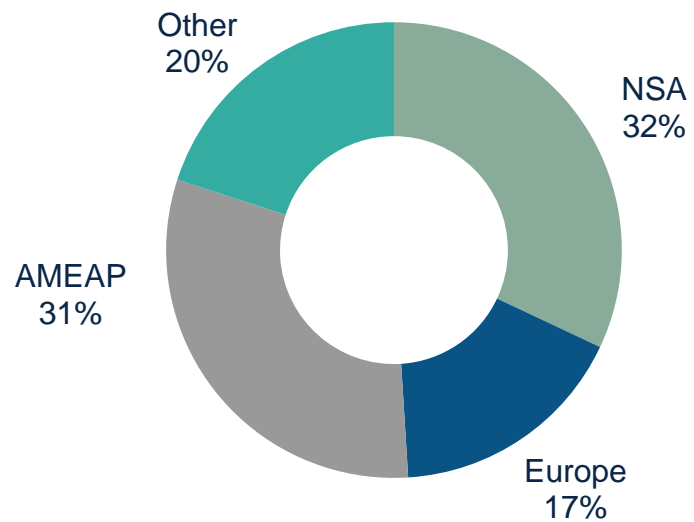


Q1 2010

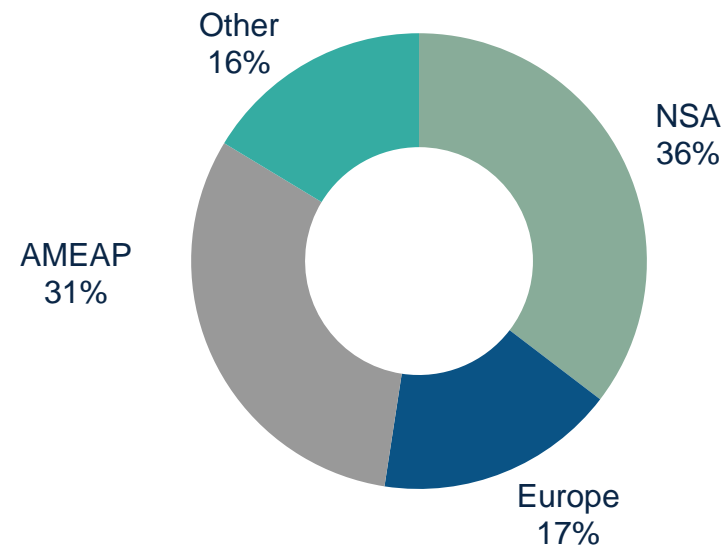


Net Revenue Breakdown

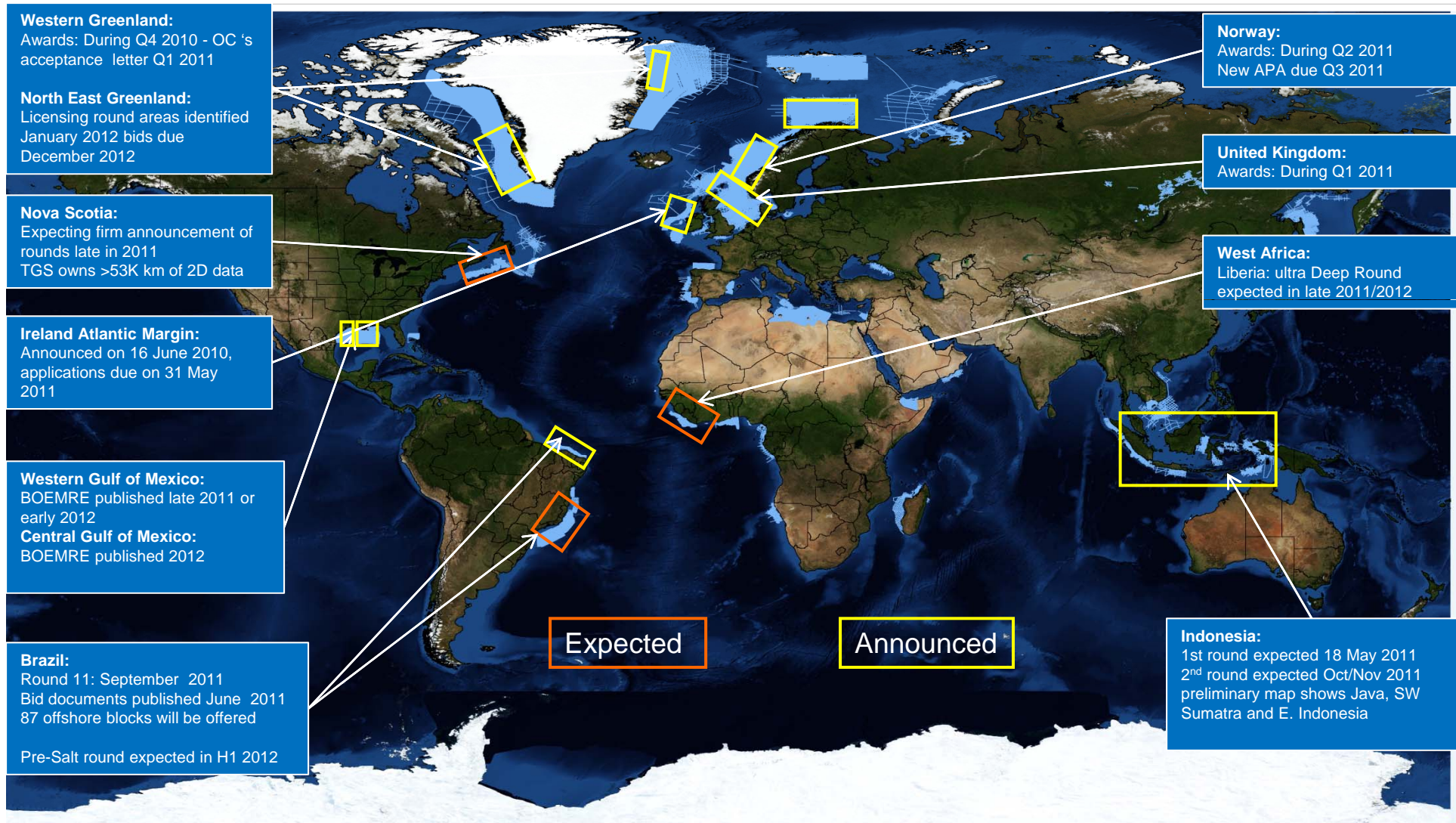
Q1 2011



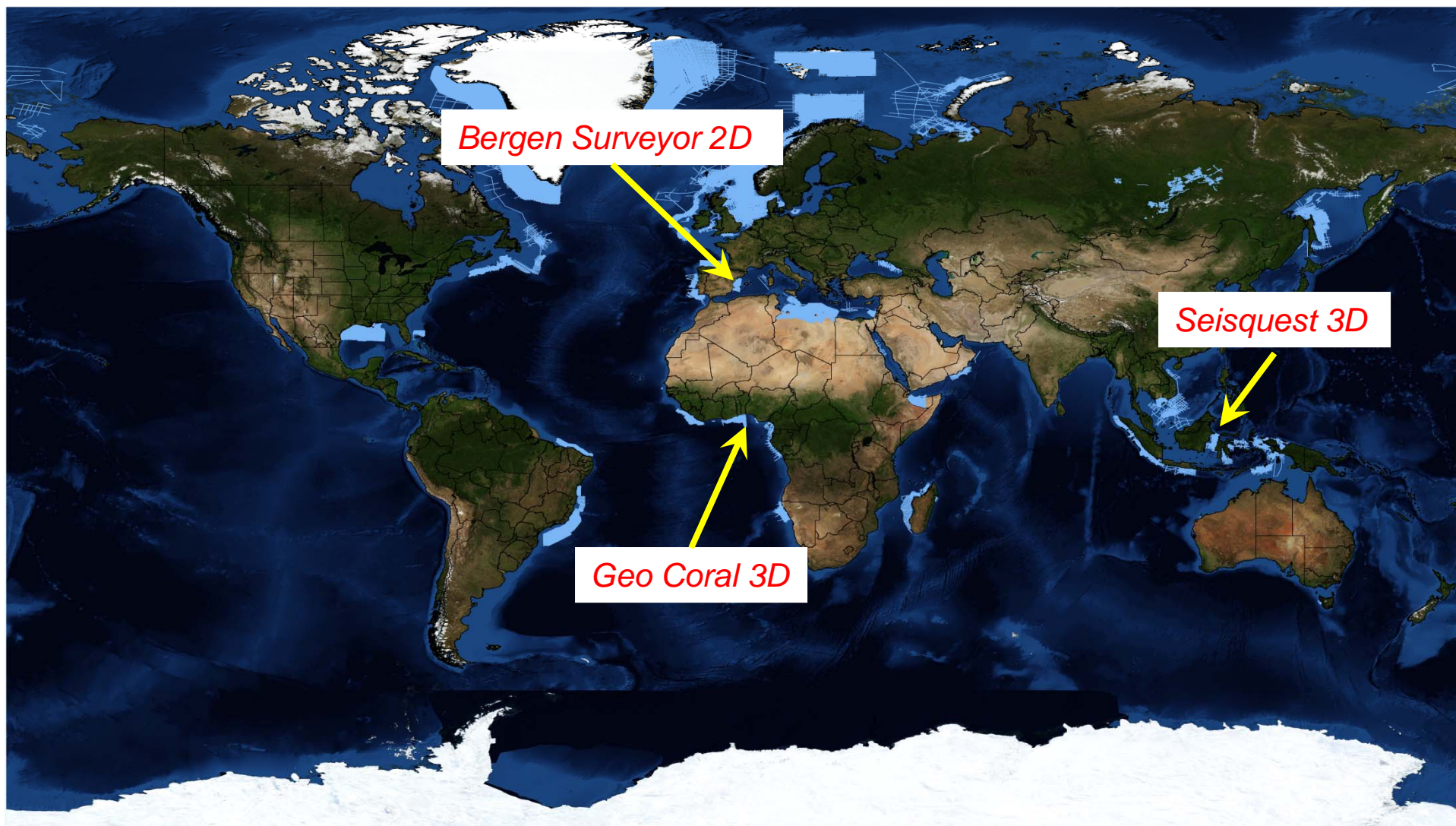
Q1 2010



License Round Activity and TGS Positioning



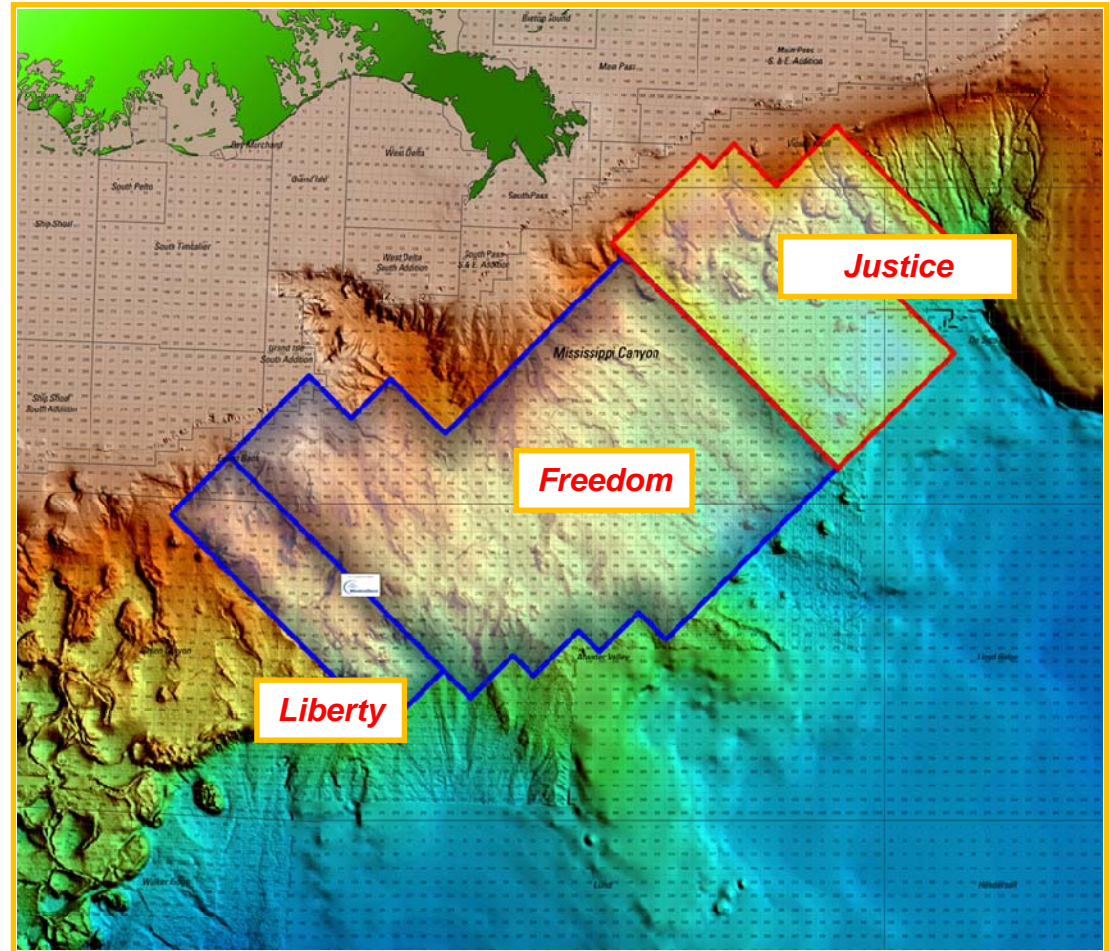
Q1 2011 - Operations



Status on TGS GOM WAZ Programs

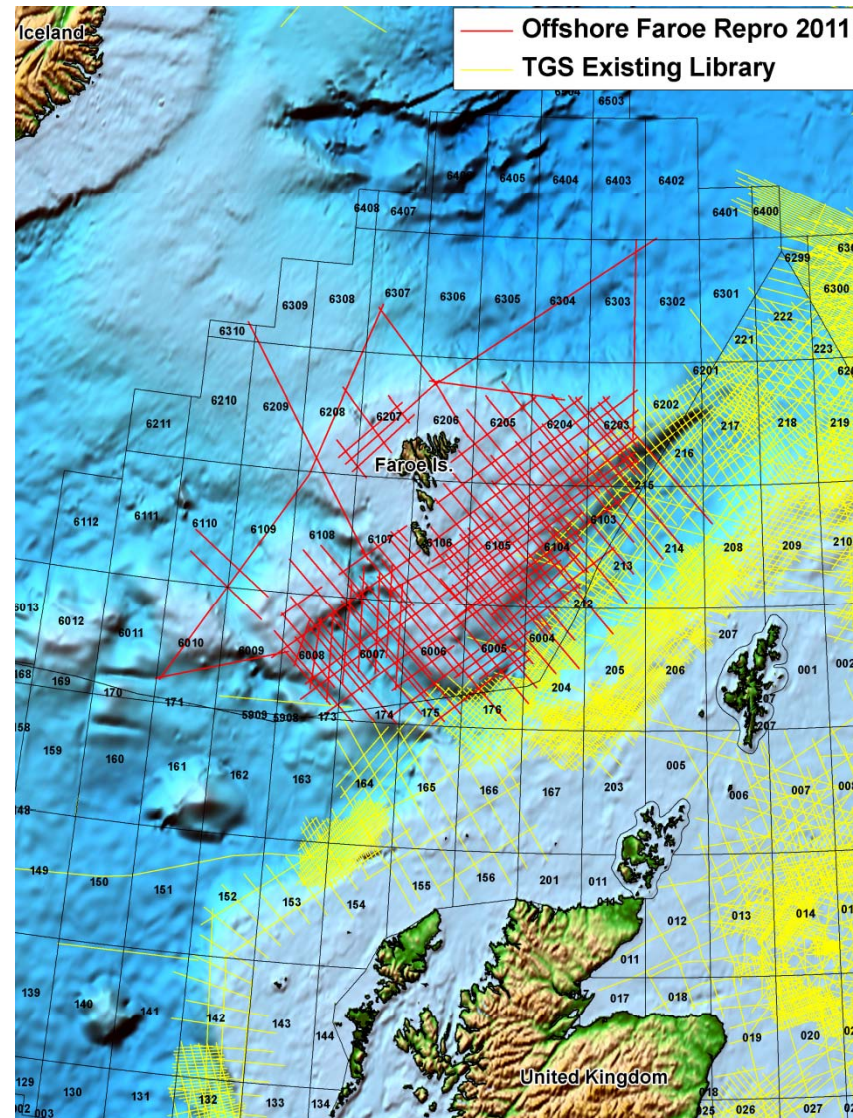
Constitution Project

- Freedom – 16,600 km²
 - Standard processing completed in Q4 2010
 - Optional Reverse Time Migration (RTM) completed and available to clients in Q1 2011
- Liberty – 3,050 km²
 - Processing completed in Q2 2011
 - Optional RTM also completed in Q2 2011
- Justice – 7,800 km²
 - Plan to return and complete acquisition on remaining 7% of project in Q2 2011
 - Processing ongoing



Faroe Islands Reprocessing

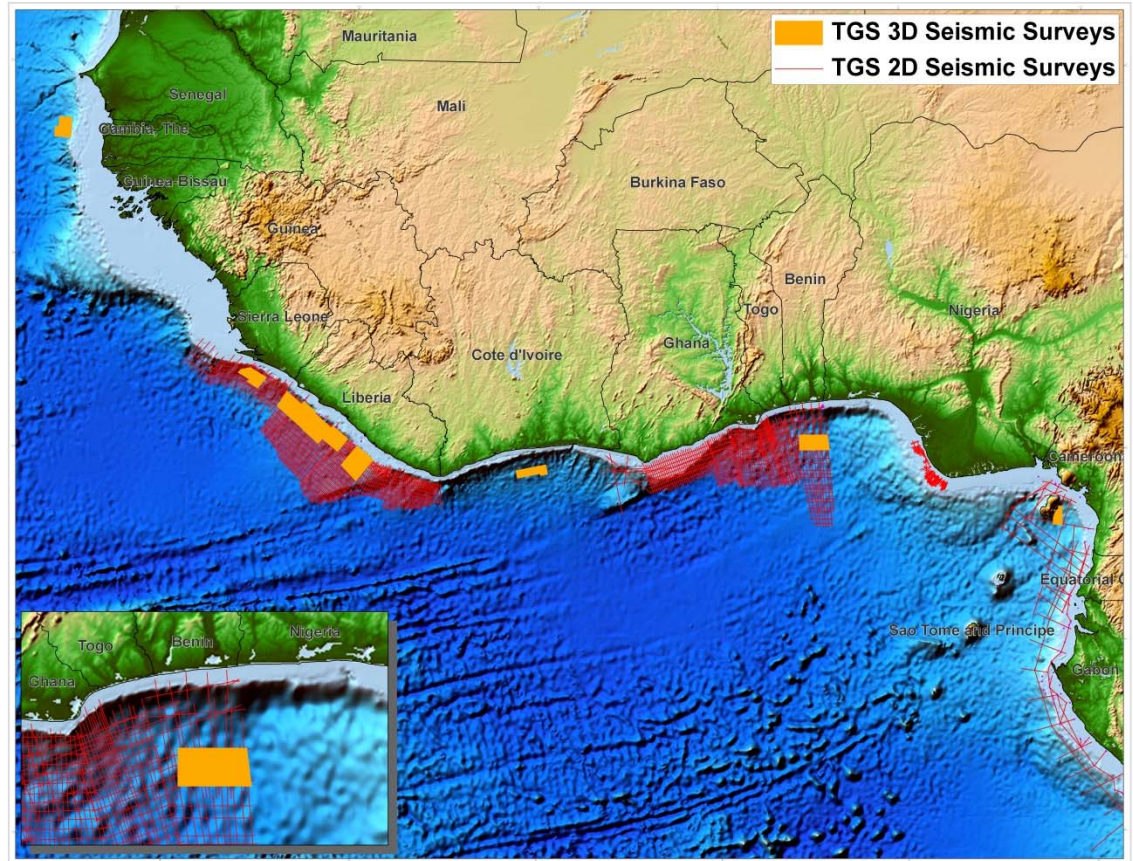
- Data made available by Faroes Earth and Energy Directorate
- 13,550 km extending to the UK border
- Complements adjacent TGS library in the UK
- Applying proprietary processing proven to illuminate sub-basalt
- Completion estimated to be in Q3 2011



Continued Growth in Atlantic Transform Margin

Benin 3D Program

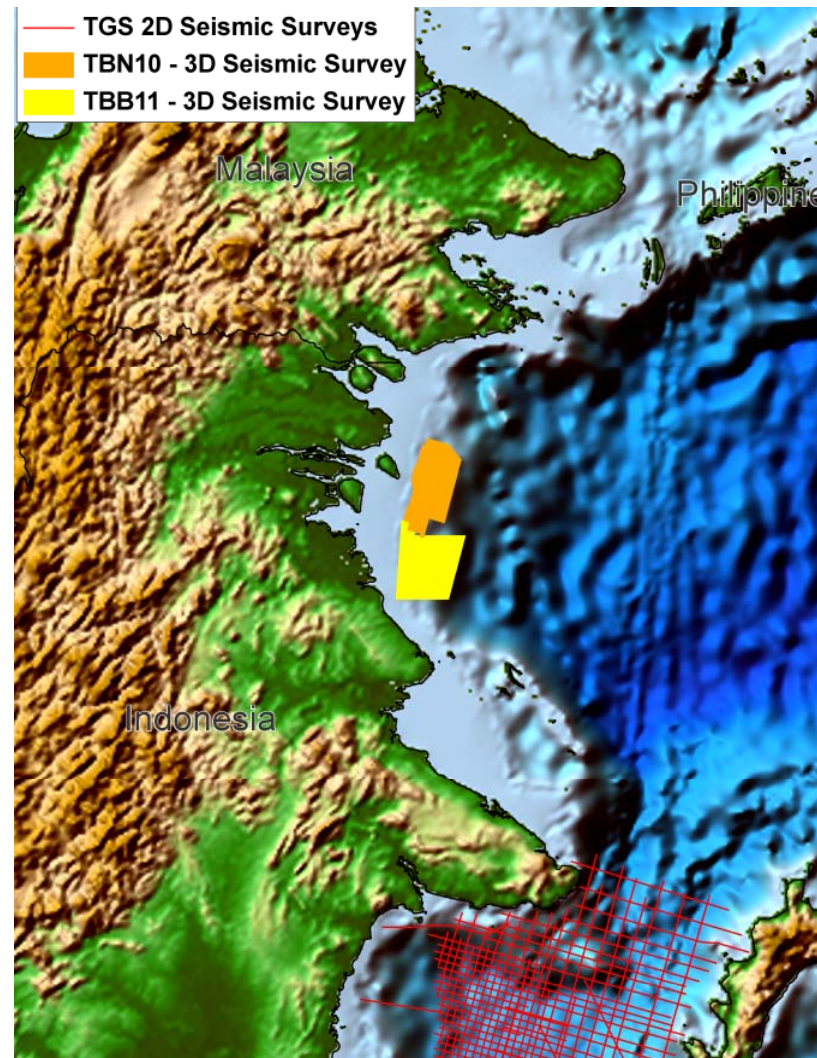
- 3D survey over blocks 5 and 6
- Acquisition complete on 4,000 km²
- Specialized processing in progress
- 2D data available immediately
- Continuation of the Atlantic Transform Margin play



First 3D Data Library in Indonesia

Tarakan Basin 3D surveys

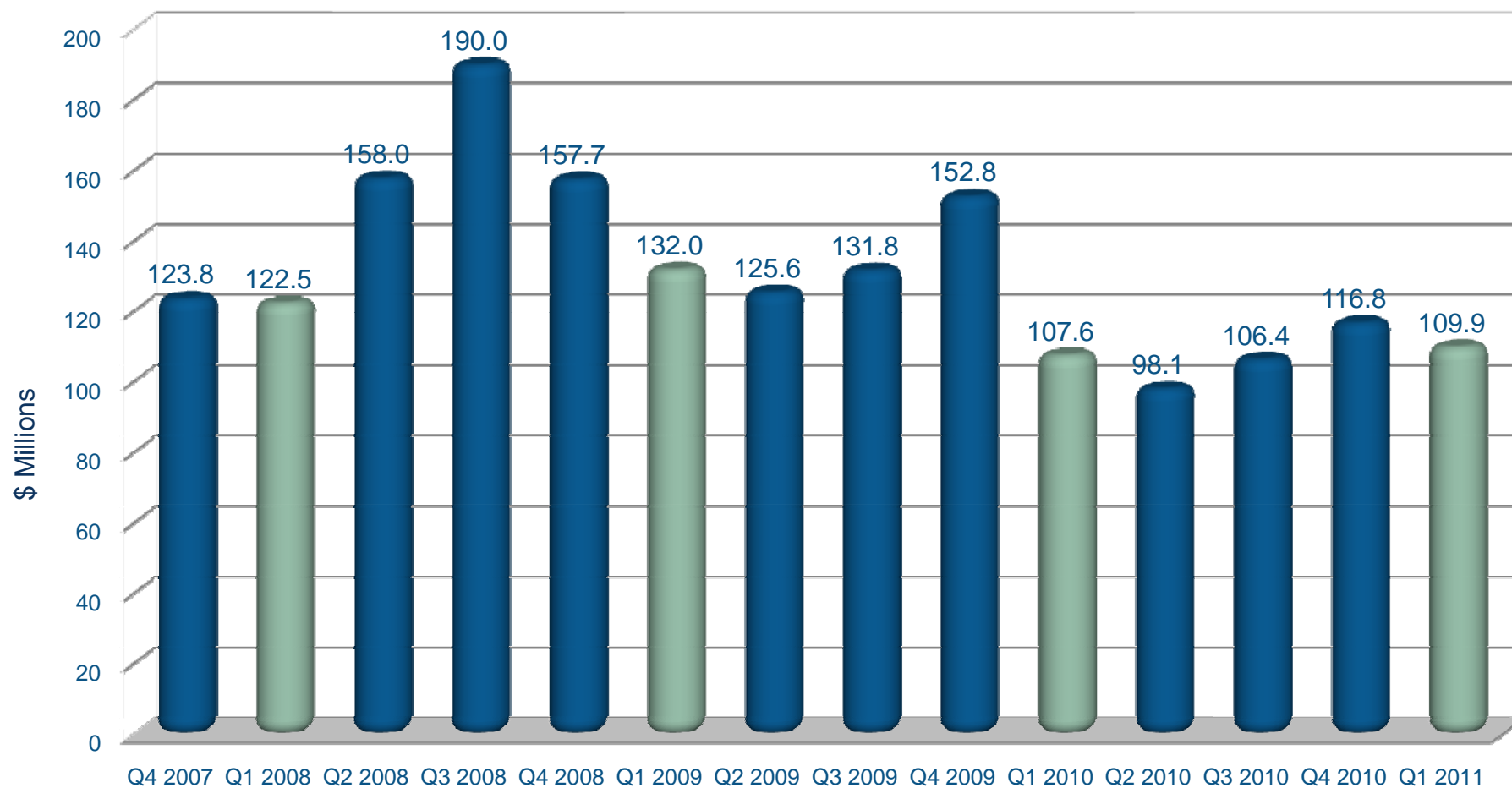
- TBN10
 - 1,600 km²
 - Acquisition complete
 - Processing in progress
- TBB11
 - 1,820 km²
 - Acquisition in progress
- Extensive play fairway with recent gas discoveries
- Projects driven by need for improved stratigraphic and structural resolution



Outlook



Backlog



2011 Investment Weighted to H2 2011

Capacity under contract

CGGVeritas

- Four month commitment for high capacity 3D vessel in Europe
- Two 6 month extension options
- Three month commitment to Bergen Surveyor 2D vessel for Europe

Dolphin Geophysical for the 3D M/V Polar Duke

- Three month commitment for the 3D M/V Polar Duke in Europe
- Extensions options for 2 months and 6 months

WesternGeco

- Completion of Justice WAZ survey in the Gulf of Mexico in Q2 2011

Continued partnership projects expected for the summer season in Europe

Acquisition of Stingray Geophysical Limited

- TGS completed the acquisition of Stingray on 18 April 2011
- Upfront payment of 45 MUSD at closing, with additional payments of up to 35 MUSD based on objective milestones
- Stingray transaction rationale
 - Extension of TGS' asset light business model
 - Access to new revenue streams (production budgets and NOCs)
 - Re-occurring and predictable revenue stream
 - Synergies with TGS' core strengths
 - Long term investment for a developing market



The acquisition of Stingray enables TGS to become one of the leading providers of PRM seismic solutions

Guidance Unchanged

- Multi-client investments 280 – 330 MUSD
- Average pre-funding 55 – 65%
- Average multi-client amortization rate 41 – 47%
- Net revenues 600 – 650 MUSD
- Contract revenues of approximately 5% of total revenues

Highlights

- Uncertainty in the Gulf of Mexico remains
- Business conditions remain supportive to TGS' unique business model
 - Record high Q1 late sales
 - Highest cash flow ever in a single quarter
- Countercyclical investments in high quality projects provide returns with increasing exploration spend
- Capacity secured for near-term investments

TGS Performs in all Cycles

