



Presentation of the 1st Quarter 2008 Results

May 8th 2008

A webcast of this presentation is available at www.tgsnopec.no

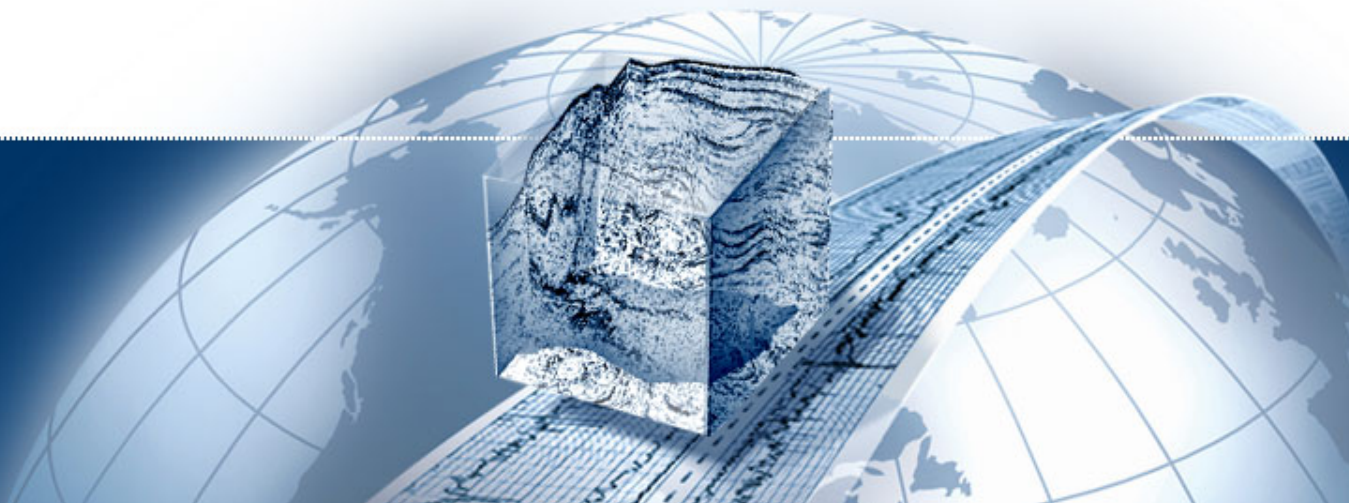
Arne Helland
Chief Financial Officer

Robert Hobbs
Chief Operating Officer

Hank Hamilton
Chief Executive Officer



TGS-NOPEC Geophysical Company



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 principle 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 2008 Financial Highlights

- **Gross sales volume 25% up from Q1 2007**
- **Net Revenues 105.2 MUSD, up 10% from Q1 2007**
 - Unusual Sales Mix
 - Net Late Sales 56.3 MUSD, down 23% from Q1 2007
 - Proprietary Contract work MUSD 19.6, vs MUSD 4.3 in Q1 2007
- **Operational Investments up 85% from 33.1 MUSD in Q1 2007 to 61.3 MUSD supported by 48% prefunding (up 62% to MUSD 29.4)**
- **Multi-Client Amortization rate 32%**
- **EBIT Margin 44% of Net Revenues**
 - EBIT 46.6 MUSD, down 9% from 51.1 MUSD in Q1 2007
- **EPS, excluding loss on shares held in WAVE, \$0.32, unchanged from \$0.32 in Q1 2007**
- **EPS, including loss on shares held in WAVE, \$0.28, down 13% from \$0.32 in Q1 2007**

Q1 2008 P&L excluding loss on WAVE shares held

		Q1 2008	Q1 2007	Change	%
Net Operating Revenues		105.2	95.4	9.8	10%
Operating Profit	44%	46.6	51.1	(4.5)	-9%
Net Financial Items		0.9	0.2	0.7	310%
Pre-tax Profit	45%	47.5	51.3	(3.8)	-7%
Taxes		14.0	17.3	(3.3)	-19%
Net Income	28%	33.5	34.0	(0.5)	-1%
EPS, undiluted		0.32	0.32	(0.00)	0%
EPS, fully diluted		0.32	0.31	0.01	2%

Q1 2008 PROFIT & LOSS (MUSD)

		Q1 2008	Q1 2007	Change	%
Net Operating Revenues		105.2	95.4	9.8	10%
Materials		9.6	0.7	8.9	1226%
MC Amortization	32%	27.0	25.4	1.6	6%
Gross Margin		68.6	69.3	(0.7)	-1%
Other Operating Expenses		19.0	15.8	3.2	20%
Cost of Stock Options		0.7	1.1	(0.3)	-33%
Depreciation		2.2	1.3	0.9	69%
Operating Profit	44%	46.6	51.1	(4.5)	-9%
Net Financial Items		(3.6)	0.2	(3.8)	-1756%
Pre-tax Profit	41%	43.0	51.3	(8.3)	-16%
Taxes		14.0	17.3	(3.3)	-19%
Net Income	28%	29.0	34.0	(5.0)	-15%
EPS, undiluted		0.28	0.32	(0.04)	-13%
EPS, fully diluted		0.28	0.31	(0.04)	-12%

Q1 2008 CASH FLOW

	Q1 2008	Q1 2007
Payments from Sales Received	198.0	123.1
Operational Costs Paid	(25.4)	(12.5)
Gain/(Loss) from Currency Exchange	(3.8)	(2.0)
Taxes Paid	(17.2)	(10.4)
Operational Cash Flow	151.6	98.2
Investments in Fixed Assets	(2.0)	(7.7)
Investments in Multi-Client	(73.9)	(36.8)
Repurchased TGS shares	(3.0)	-
Purchased Wave shares	(17.3)	-
Other items	9.7	(65.9)
Net Cash Generated	65.1	(12.0)

	3/31/2008	3/31/2007
Cash	147.0	35.6
Short-term deposits	91.4	294.5
Sum	238.4	330.1

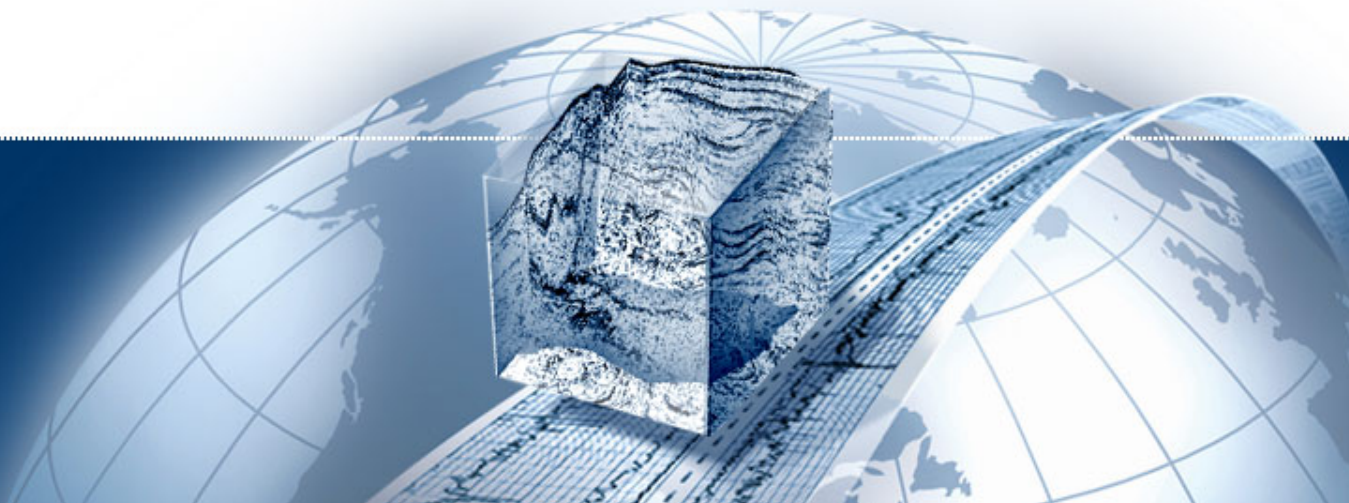
Balance Sheet – Key Figures

	3/31/2008	%	12/31/2007	%
Assets				
Cash and Short-term deposits	238.4	28%	173.4	20%
Other Current Assets	236.8	27%	326.8	38%
Total Current Assets	475.3	55%	500.2	59%
Intangible Assets & LT Receivables	112.6	13%	109.3	13%
MC Library	251.6	29%	217.4	25%
Fixed Assets	25.1	3%	25.8	3%
Total Assets	864.7	100%	852.6	100%
Liabilities				
Short-term debt	-	0%	-	0%
Current Liabilities	171.5	20%	191.1	22%
Long-term loans	58.8	7%	55.9	7%
Deferred Tax Liability	38.7	4%	37.8	4%
Equity	595.7	69%	567.8	67%

Multi-Client Library



TGS-NOPEC Geophysical Company



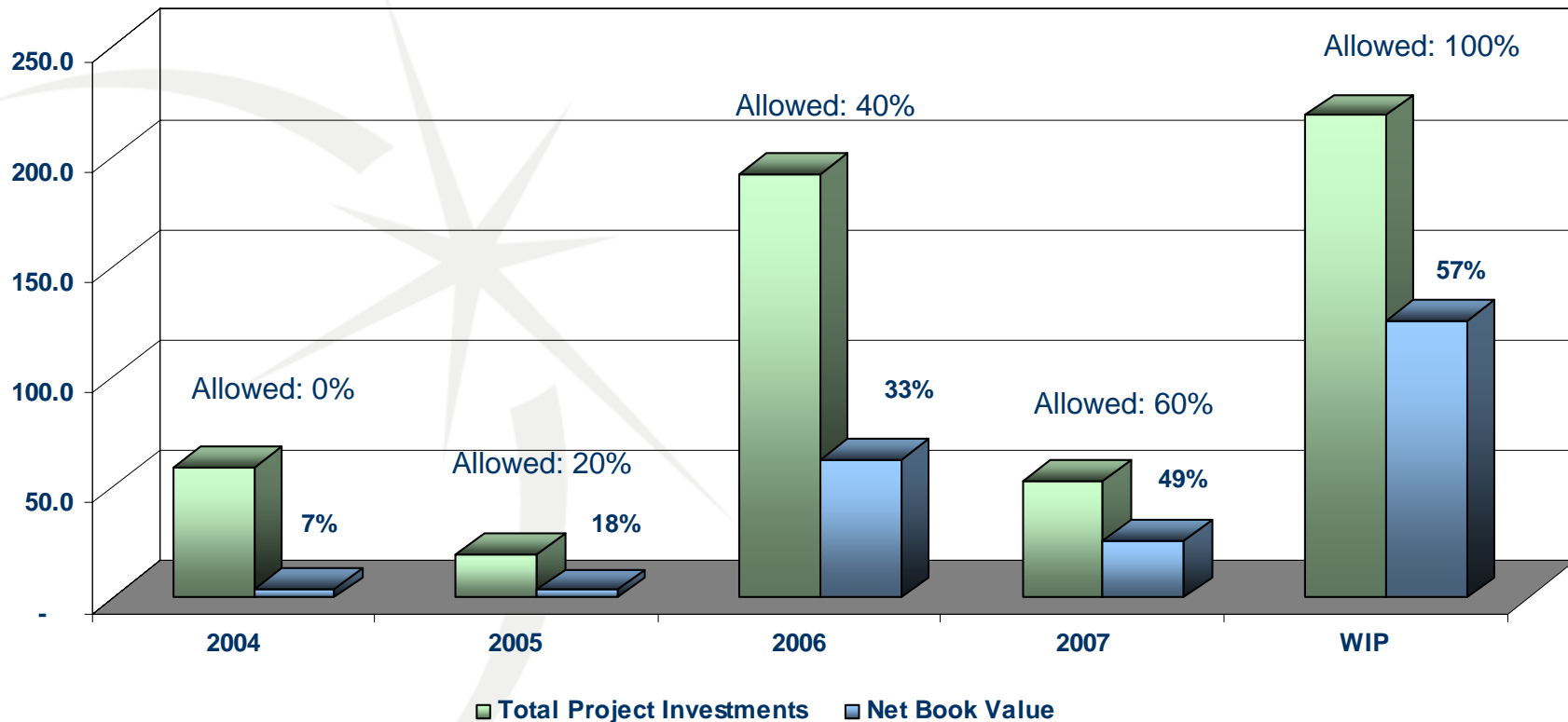
MCS Accounting – Matching Principle

- 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

Multi-Client Library NBV in % of Investment

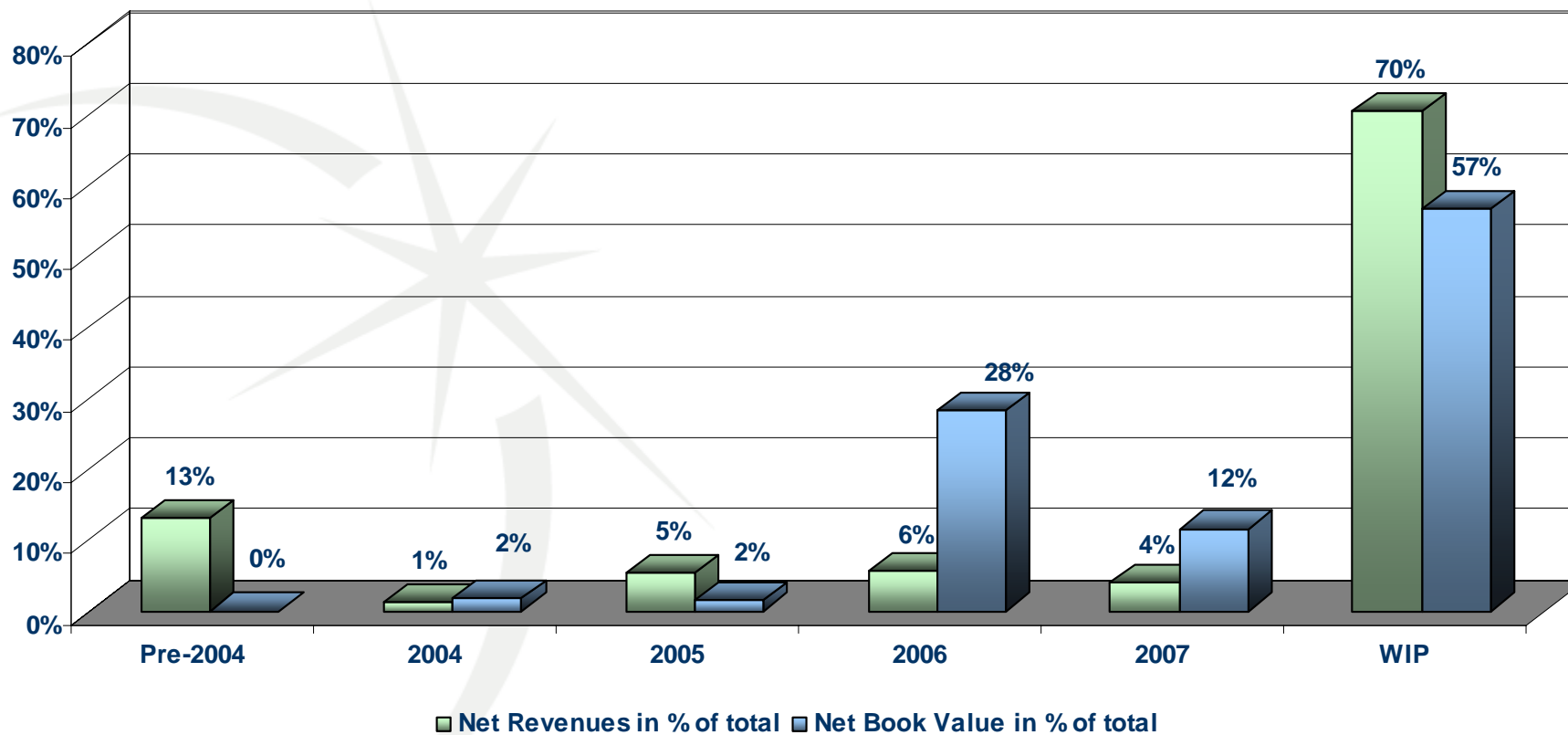
Seismic Surveys as of March 31st 2008

Net Book Value vs. Max NBV criterias for year end 2008



Q1 2008 Multi-Client Net Revenues & Ending NBV

- Seismic Surveys

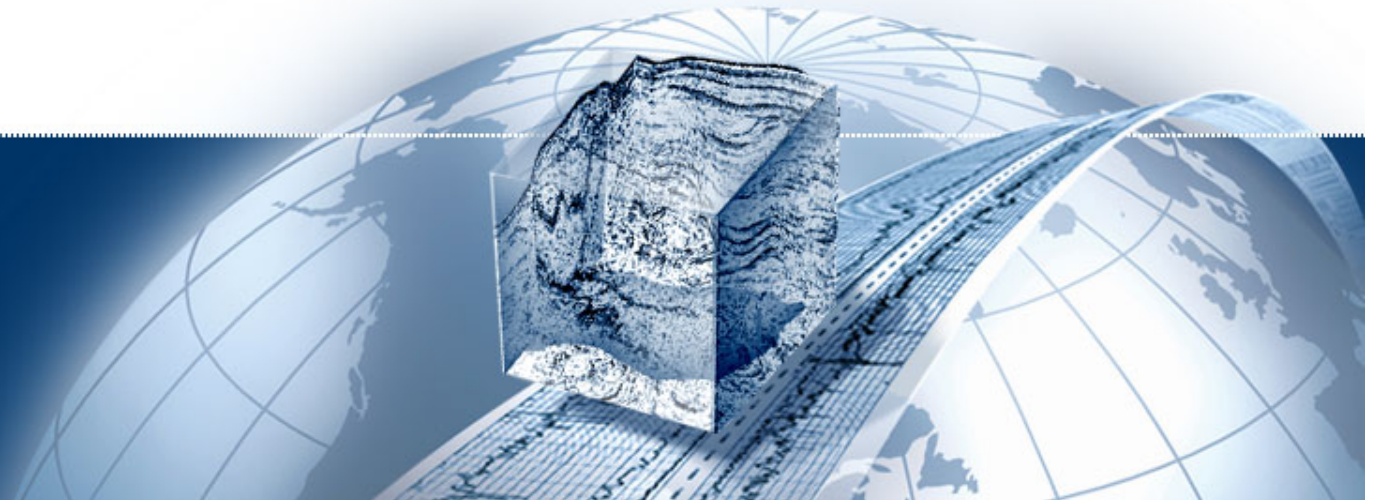


Operations

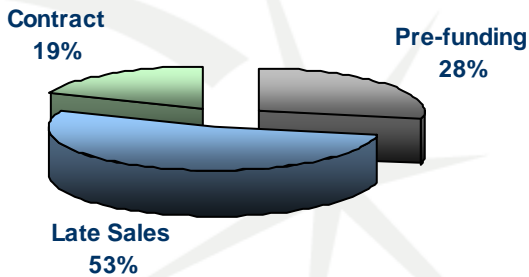
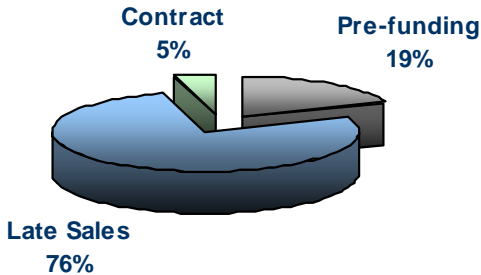
Robert Hobbs
Chief Operating Officer



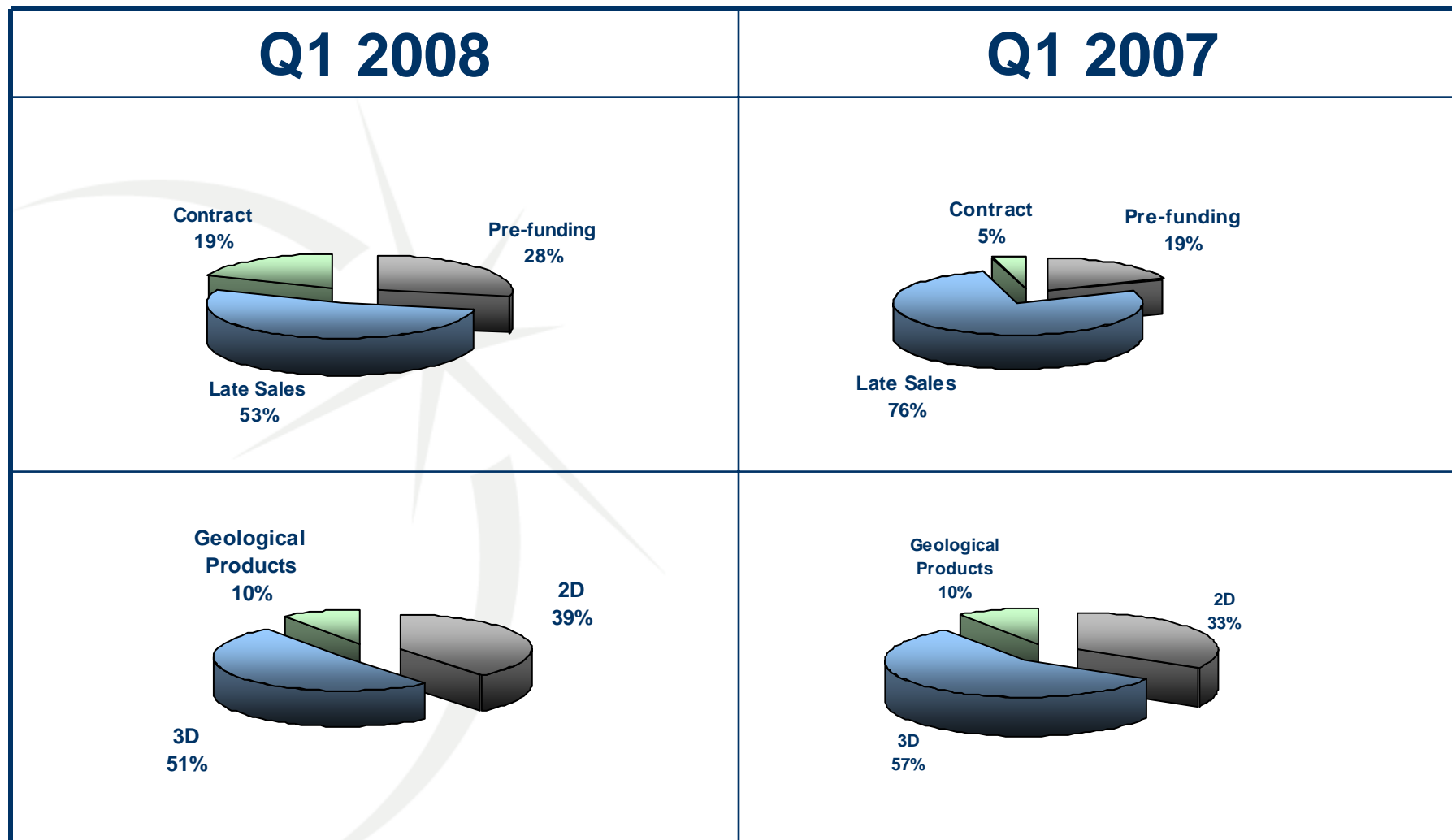
TGS-NOPEC Geophysical Company



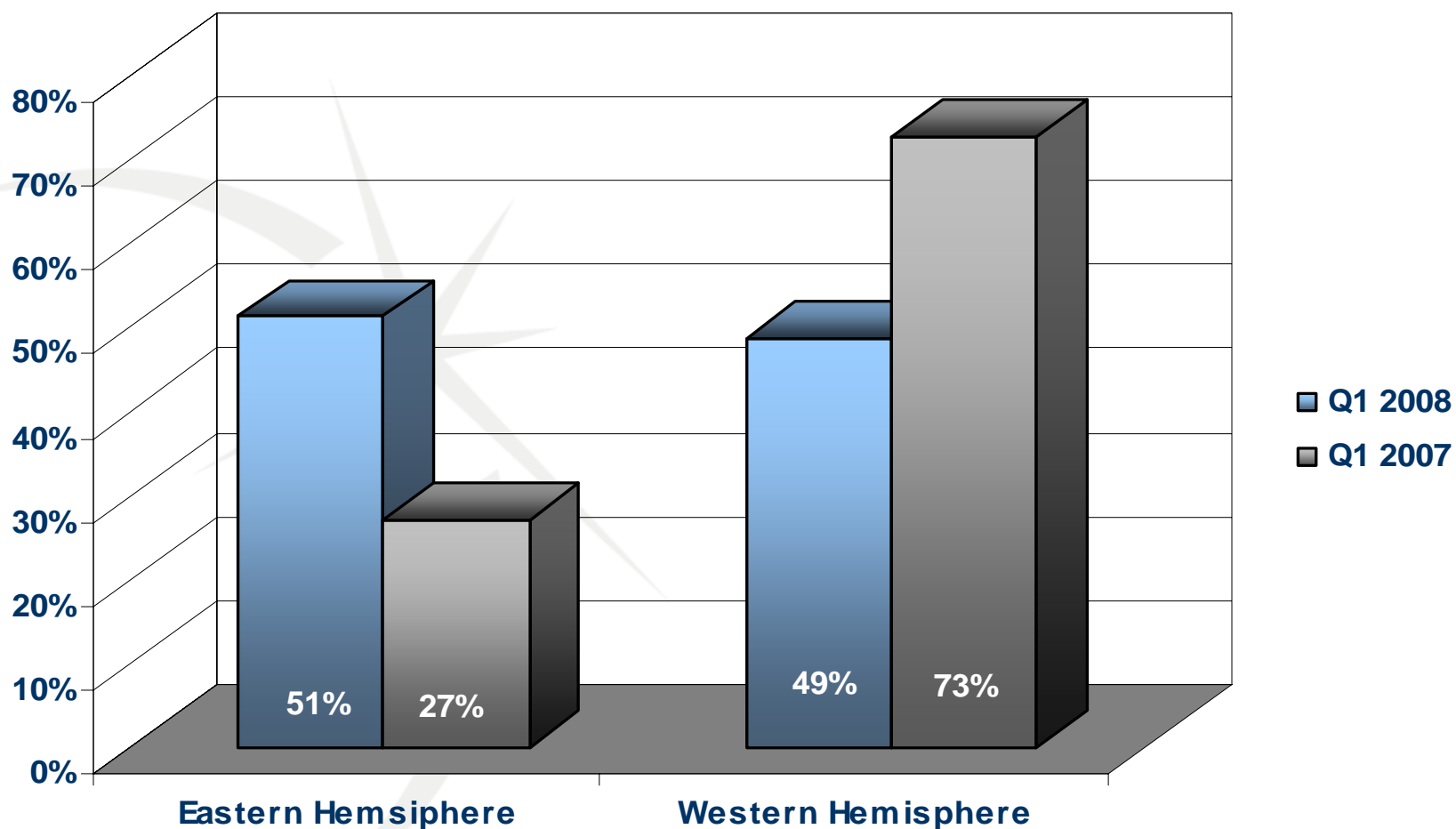
Q1 2008 vs. Q1 2007 Net Revenue Breakdown

Q1 2008	Q1 2007
 <p>Contract 19%</p> <p>Pre-funding 28%</p> <p>Late Sales 53%</p>	 <p>Contract 5%</p> <p>Pre-funding 19%</p> <p>Late Sales 76%</p>

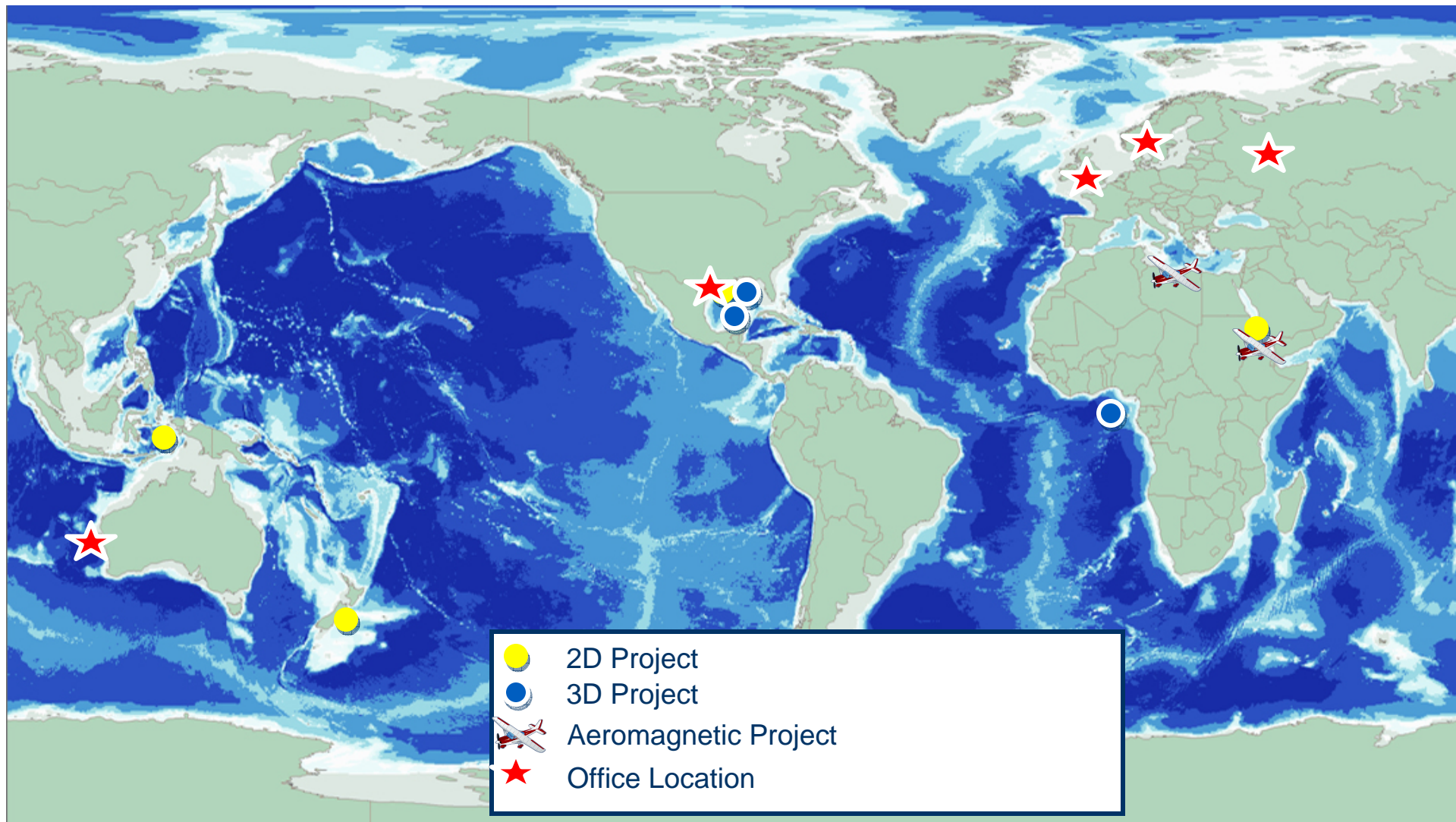
Q1 2008 vs. Q1 2007 Net Revenue Breakdown



Q1 2008 Geographical Net Revenue Breakdown



Operational Review

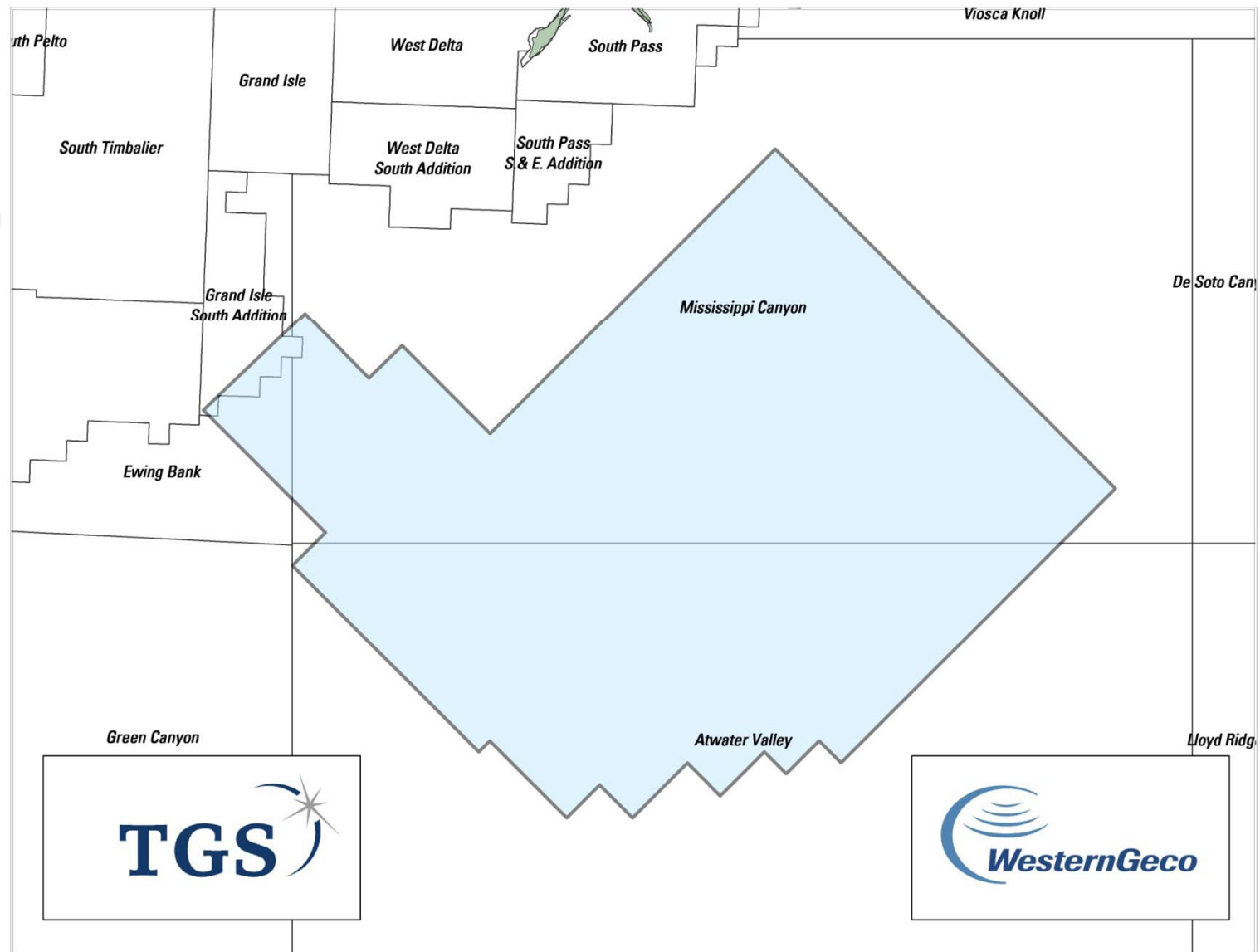


Operational Highlights

North and South America

- Commenced the MC Freedom WAZ Project (16,200 km²)
 - Acquisition ahead of schedule (20% complete at end of April)
 - Additional significant funding added in Q1

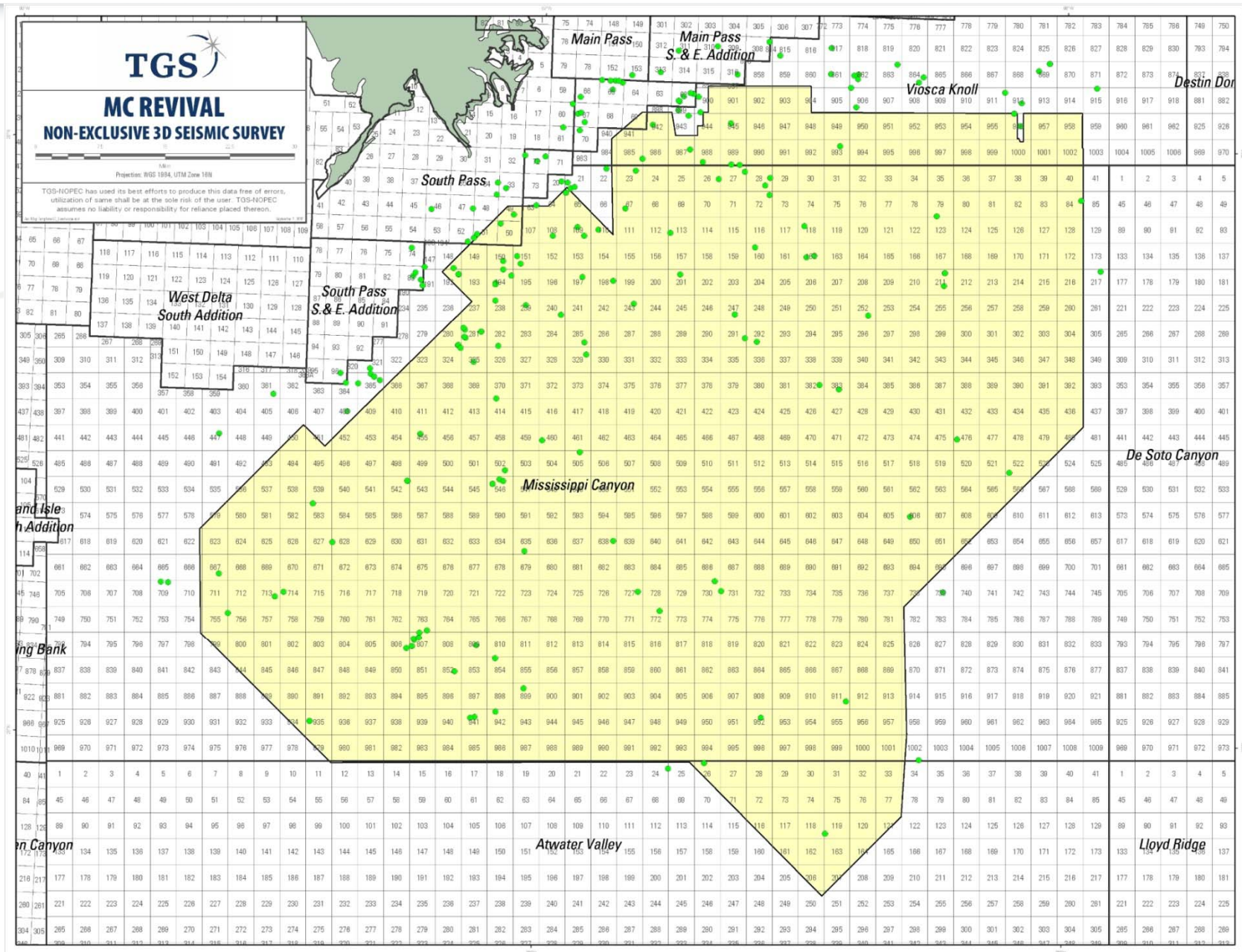
mcWAZ Freedom



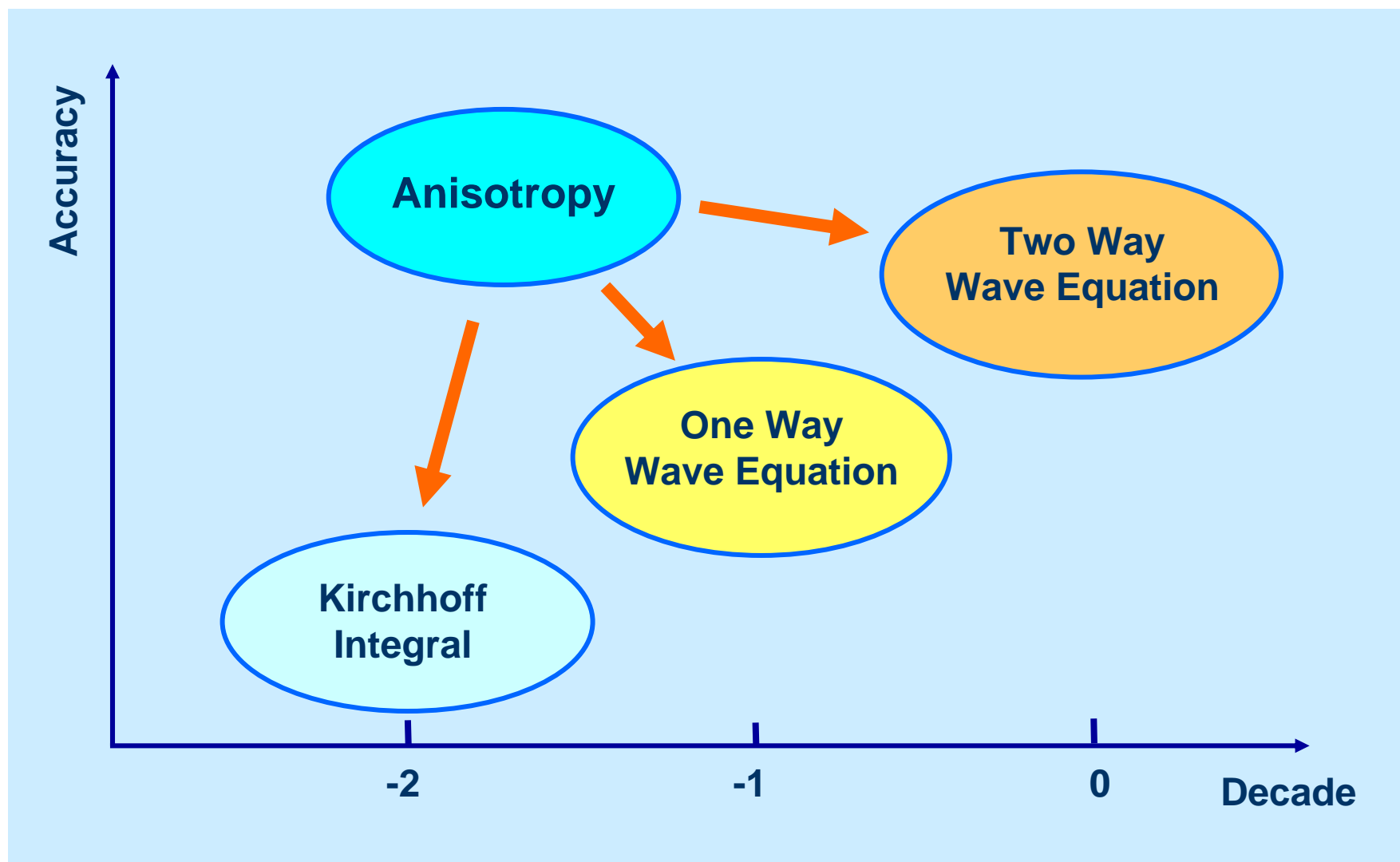
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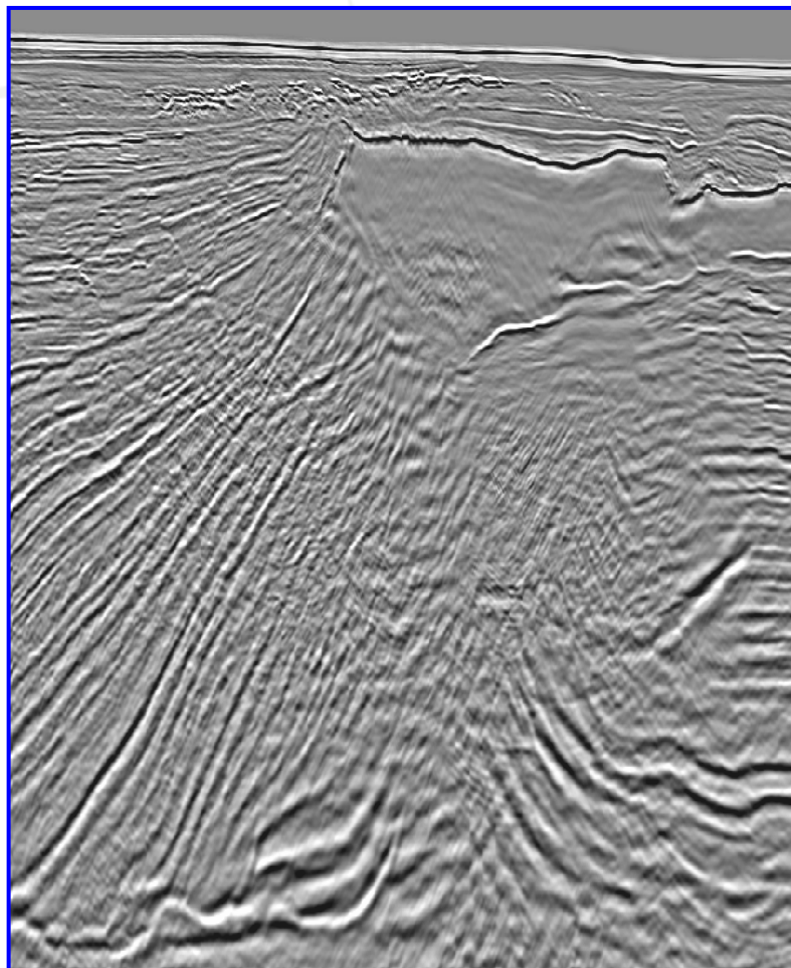


Evolution of Imaging Technology

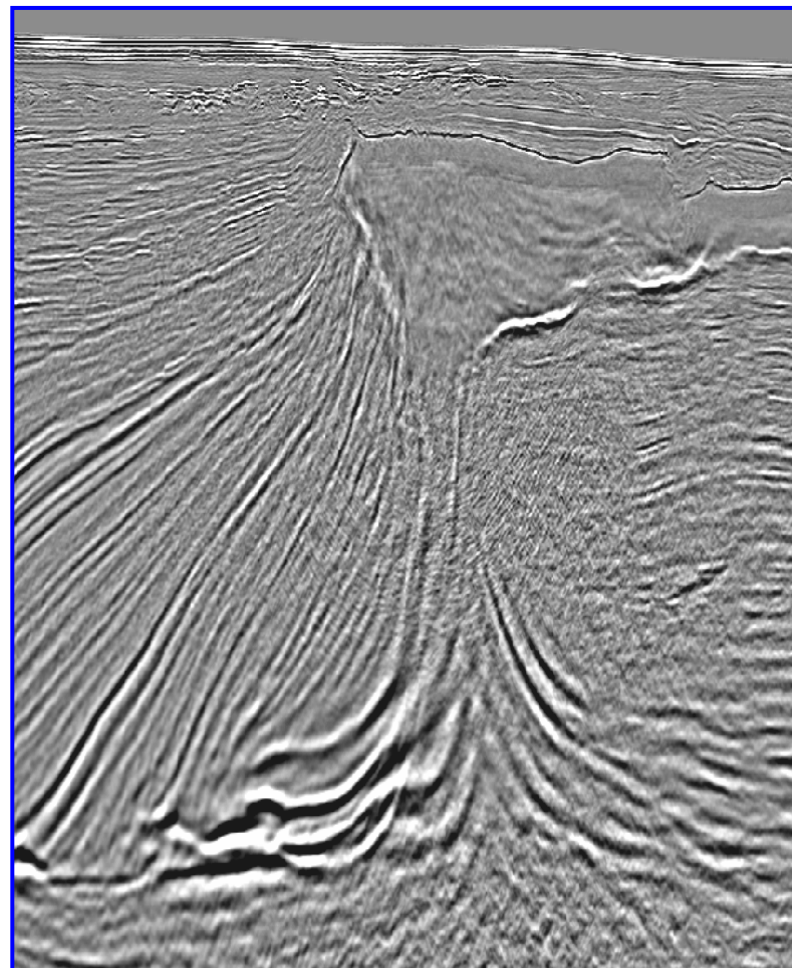


Application of Anisotropy

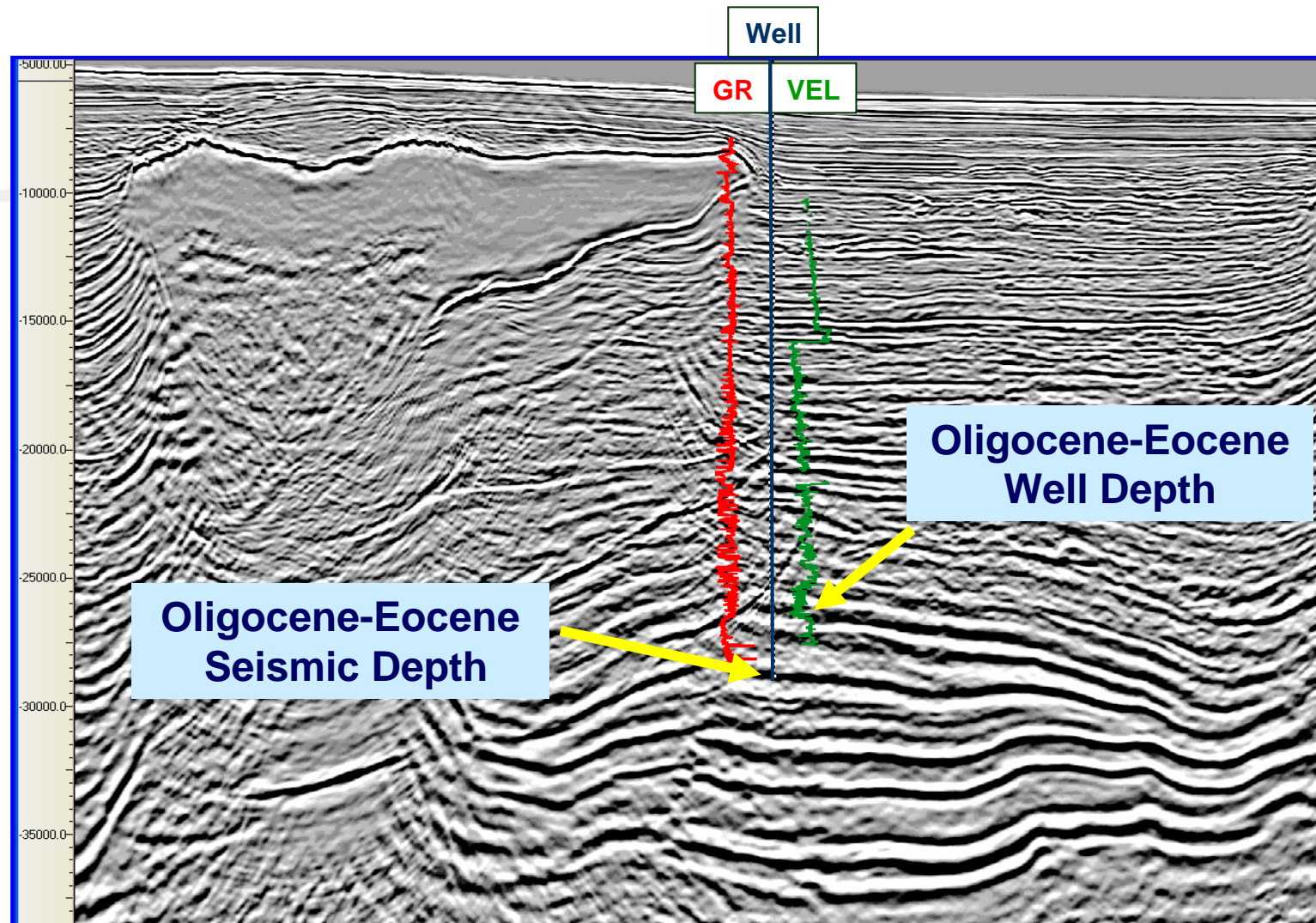
Isotropic Model



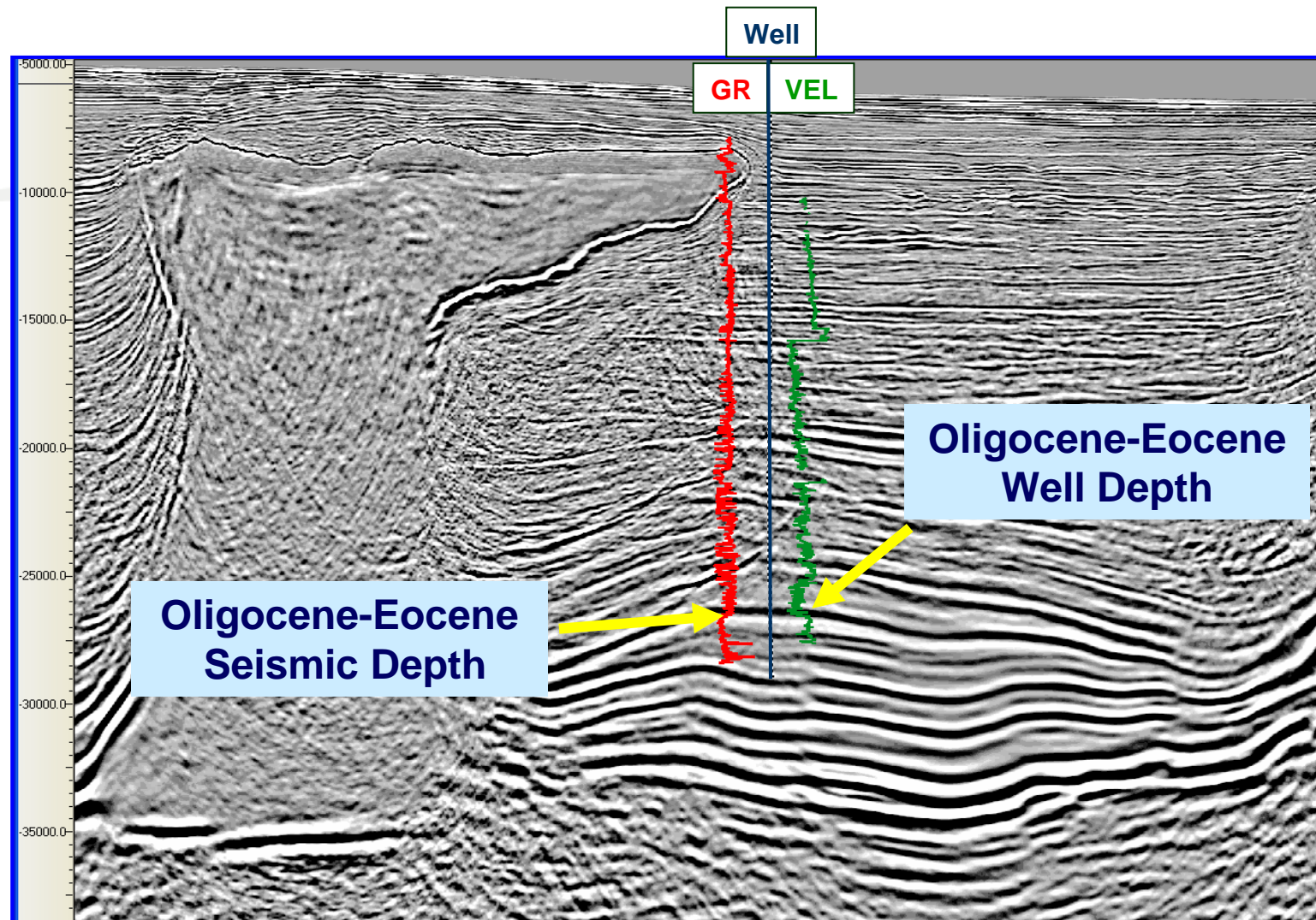
Anisotropic Model



Isotropic PSDM – Depth Error: 2000 ft



Anisotropic PSDM



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- Eastern Gulf of Mexico Programs Completed
 - Phase 51 2D acquisition (28,000 km) completed in April
 - Orion 3D survey acquisition completed (4347 km²)

Operational Highlights

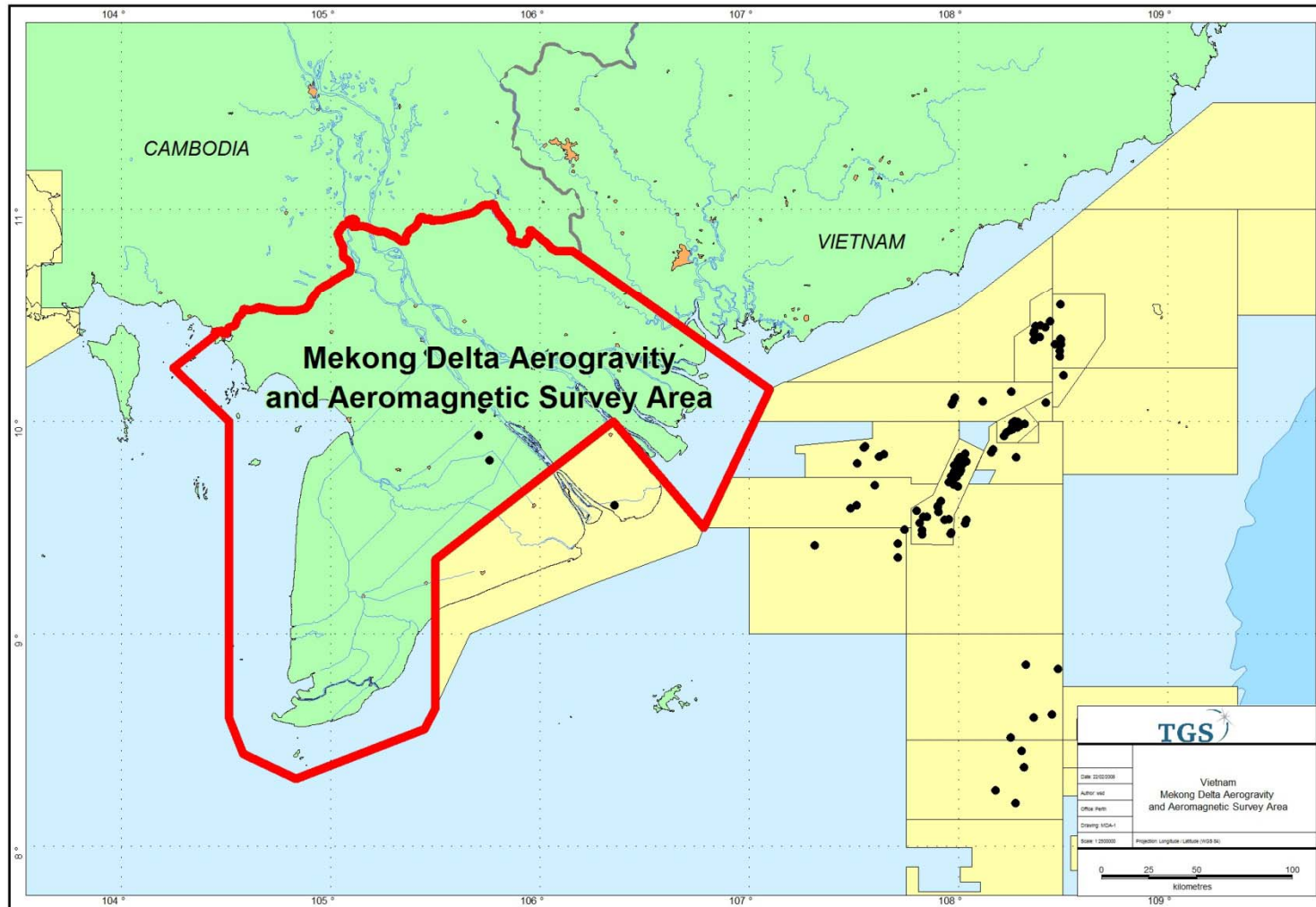
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Africa / Middle East / Asia Pacific

- Equatorial Guinea 3D surveys completed (MC and Contract)
- Sierra Leone multi-client 3D survey commenced (2650 km²)
- Somaliland 2D seismic and Aeromagnetic surveys
- Libya Aeromagnetic Survey Commenced
- Completed the Indonesia Frontier Basins Project
- 2D contract work in New Zealand
- Commenced second phase of an Aeromagnetic and gravity survey of Vietnam

Vietnam Aerogravity and Magnetic Survey



Operational Highlights

Europe

- Preparations for Greenland seismic and aeromagnetic acquisition season
- Preparations for 3D and 2D MC seismic season in the Barents Sea and North Sea

Geological Products

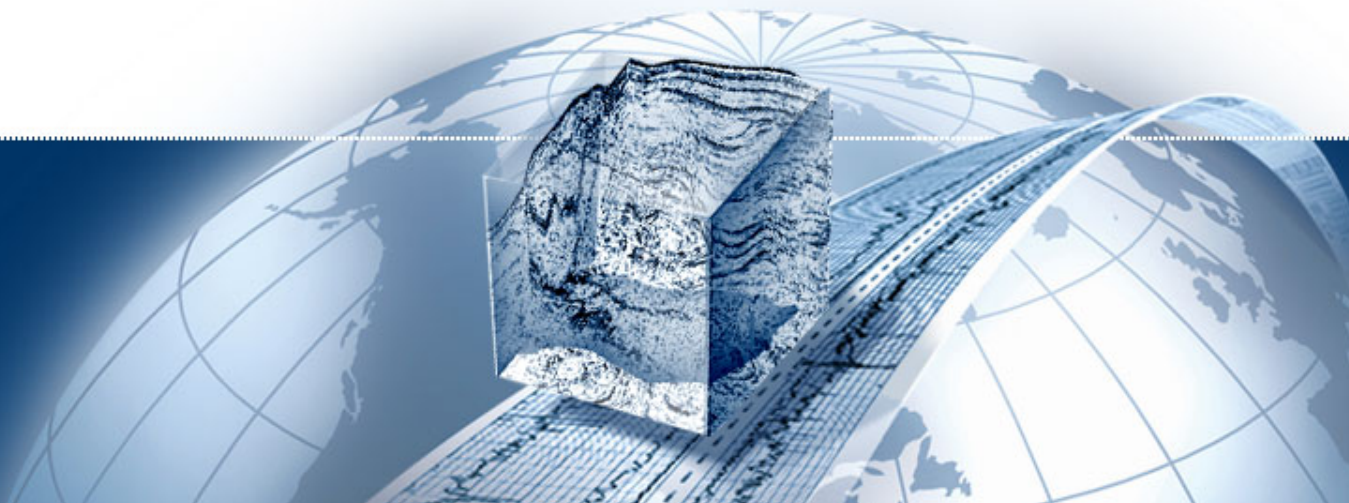
- Launch of Oyster well log subscription service
- Record digital well log library sale achieved first week of Q2

Outlook

Hank Hamilton
Chief Executive Officer



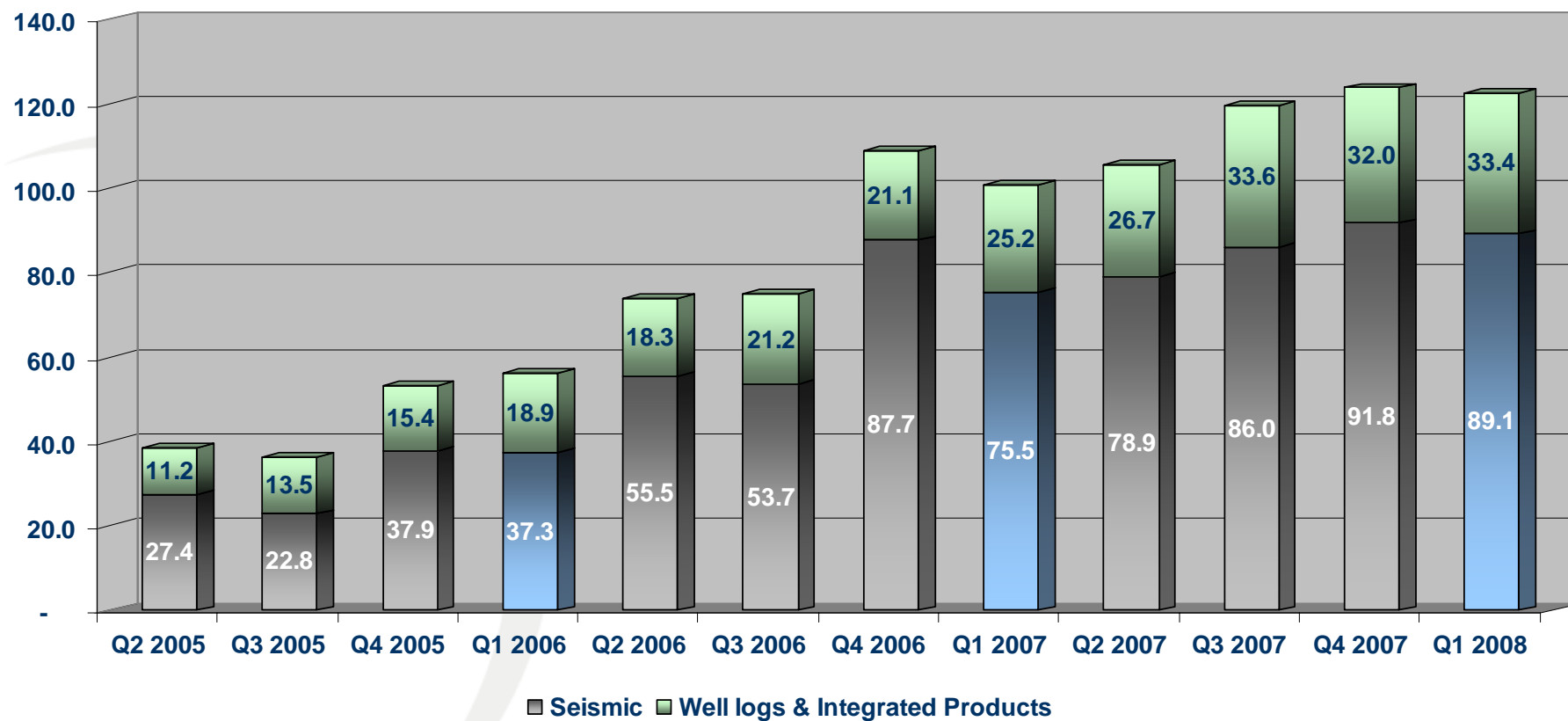
TGS-NOPEC Geophysical Company



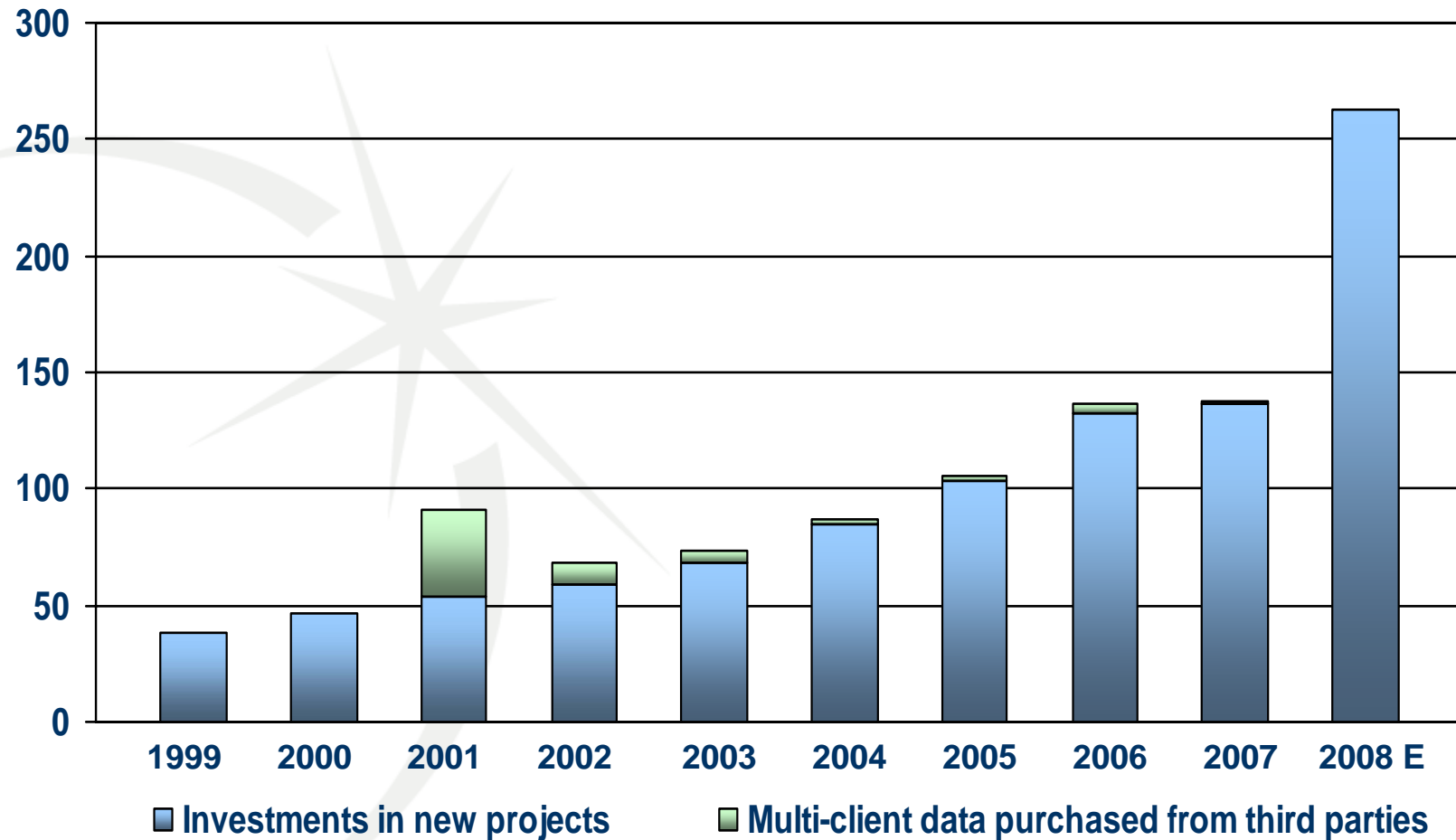
Merger Process

- Pursuing completion of agreed merger through arbitration process as described in merger plan
- Arbitration Panel selected and writ filed
- Court hearing scheduled in September
- Conducting business as usual in interim period

Backlog



Investments in Multi-Client Library



Outlook / Expectations

- Oil and gas prices continue to increase
- Two significant MC sales closed in early April
- Q1 results in line with our expectations
- Demand remains strong, full year expectations unchanged
 - Multi-Client Investments USD 250 – 275 million
 - Average Pre-funding 50 – 60%
 - Average Multi-Client Amortization rate 32 – 37%
 - Net Revenues USD 550 – 580 million
 - Contract Revenues 10 – 15% of Total Revenues