

TGS-NOPEC EARNINGS RELEASE

October 26th, 2006



3rd QUARTER 2006 RESULTS

3rd QUARTER FINANCIAL HIGHLIGHTS

- Consolidated net revenues were USD 99.8 million, an increase of 40% compared to Q3 2005.
- Net late sales from the multi-client library totaled USD 68.3 million, up 22% from USD 56.1 million in Q3 2005.
- Operating profit (EBIT) was USD 54.8 million (55% of Net Revenues), up 79% from USD 30.6 million in Q3 2005.
- Cash flow from operations after taxes but before investments was USD 81.0 million, versus USD 39.2 million in Q3 2005.
- Earnings per share were USD 0.36, up 79% compared to USD 0.20 in Q3 2005.

9 MONTHS FINANCIAL HIGHLIGHTS

- Consolidated net revenues were USD 272.2 million, an increase of 65% compared to the same period in 2005.
- Net late sales from the multi-client library totaled USD 205.9 million, up 56% from USD 132.0 million in 2005.
- Operating profit (EBIT) was USD 149.2 million (55% of Net Revenues), up 124% from USD 66.7 million in 2005.
- Cash flow from operations after taxes but before investments was USD 208.6 million, versus USD 112.3 million in 2005.
- Earnings per share (undiluted) were USD 0.96, up 120% compared to USD 0.44 in for the same period in 2005.

"Both net revenues and profitability in the quarter reached new records for TGS ", stated Chairman Claus Kampmann. "We experienced excellent growth in all regions and in all product lines, with the most notable sales growth in our newest projects and in the Africa, Middle East, Asia-Pacific geographic region."

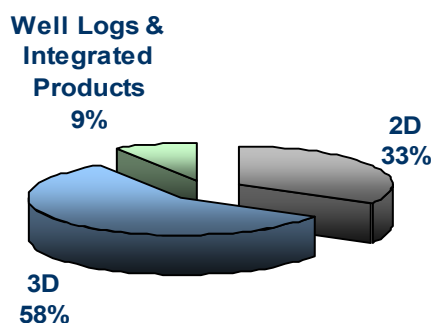
REVENUE BREAKDOWN

Consolidated gross late sales in Q3 were USD 73.6 million, up 25% from last year, representing 69% of gross revenues for the quarter. Net late sales were up 22% compared to Q3 2005. Net pre-funding revenues totaled USD 28.1 million, funding 65% of the Company's operational investments into new multi-client products during Q3 (USD 43.4 million). Proprietary contract and other revenues during the quarter totaled USD 3.4 million compared to USD 2.9 million in Q3 2005.

Consolidated Net Revenues Q3 2006 vs. Q3 2005 per Geographical Region					
(in million USD)	Q3 2006	Q3 2005	Q3 2006	Q3 2005	Change
Eastern Hemisphere	31.1	18.9	31%	27%	64%
Western Hemisphere	68.7	52.4	69%	73%	31%
Total	99.8	71.3	100%	100%	40%

Consolidated Net Revenues 9M 2006 vs. 9M 2005 per Geographical Region					
(in million USD)	9M 2006	9M 2005	9M 2006	9M 2005	Change
Eastern Hemisphere	76.4	47.9	28%	29%	59%
Western Hemisphere	195.8	117.2	72%	71%	67%
Total	272.2	165.1	100%	100%	65%

YTD Net Revenues by Product Type:



OPERATIONAL COSTS

The consolidated amortization charge associated with multi-client revenues was 30% of net multi-client revenues during Q3 2006 compared to 40% in Q3 2005. This rate does fluctuate from quarter to quarter, depending on the sales mix of projects. The year-to-date amortization rate of 28% is towards the low end of management's guidance (27-32%) for the full year.

Costs of materials were negligible for the quarter as a direct consequence of no proprietary seismic acquisition contract activity. Personnel and other operating costs expensed for the quarter, excluding materials, were USD 14.3 million, an increase of 16% from Q3 2005 (USD 12.3 million).

The theoretical, non-cash cost of employees' stock options in accordance with IFRS was USD 0.6 million in Q3 2006, versus USD 0.4 million in Q3 2005 (reported negative 0.2 million in the Q3 2005 report to correct an error during the 1st half of 2005).

EBIT and EBITDA

Operating profit (EBIT) for the quarter of USD 54.8 million represented 55% of net revenues. This was 79% higher than the USD 30.6 million in Q3 2005.

EBITDA (Earnings before Interest, Tax, Depreciation and Amortization) for the quarter ended September 30th was USD 84.4 million, 85% of net revenues, up 44% from USD 58.8 million in Q3 2005.

TAX

The nominal Norwegian corporate income tax rate is 28%. The effective tax rate for the group for the fiscal year 2006 is estimated at 33.3% and used as basis for calculating the tax expense for the quarter. The effective tax rate is affected by taxes related to companies outside Norway, fluctuations in exchange rates between functional currencies and USD for non-USD group entities, the non-cash, non-deductible charge for employees' stock options and other non-deductible expenses. The actual effective tax rate for 2006 may deviate from the estimated rate.

NET INCOME AND EARNINGS PER SHARE (EPS)

Net income for Q3 2006 was USD 38.1 million (38% of net revenues) up 83% compared to USD 20.8 million (29% of net revenues) in Q3 2005. Quarterly earnings per share (EPS) were USD 0.35 fully diluted (USD 0.36 undiluted), an increase of 81% from Q3 2005 EPS of USD 0.19 (USD 0.20 undiluted).

BUSINESS SEGMENTS AND INVESTMENTS

TGS' largest business segment is developing, managing, conducting, and selling non-exclusive seismic surveys. This activity accounted for 89% of the Company's business during the quarter. Well logs and integrated products (A2D and Aceca), accounted for 8% of net revenues in the 3rd quarter. Other contract proprietary revenues represented the remaining 3% of total revenues.

The Company's operational investments in its data library during Q3 2006 were USD 43.4 million, 35% higher than in Q3 2005. The Company recognized USD 28.1 million in net pre-funding revenues in Q3, funding approximately 65% of its operational multi-client investments during the quarter. On a year-to-date basis, pre-funding revenues represent 55% of operational multi-client investments.

BALANCE SHEET & CASH FLOW

The net cash flow from operations for the quarter, after taxes, before investments, totaled USD 81.0 million compared to USD 39.2 million in Q3 2005. The increase is mainly due to high collections from sales during the quarter. For the 9 months 2006, cash flow from operations after taxes but before investments was USD 208.6 million, versus USD 112.3 million 9 months 2005. As of September 30th, 2006, the Company's total cash holdings amounted to USD 218.5 million compared to USD 192.7 million at June 30th, 2006.

The Company repurchased 640,500 of its own shares during September at an average price of NOK 101.51 per share totaling a cost of USD 10.0 million. In June 6,800 shares were distributed to the non-executive Directors of the Board as part of their remuneration fixed by the General Assembly. Following these transactions, the Company holds a balance of 665,368 shares.

The Company issued in 2004 a five year 300 MNOK bond loan that in accordance with IAS 39 is measured at amortized cost and recognized as a non-current liability in the balance sheet (USD 46.1 million at September 30th,2006). To eliminate the currency risk associated with the NOK bond loan the Company at the same time entered into a derivative currency swap contract that fixes the amount to be repaid at maturity at USD 43.7 million. As the Company does not apply hedge accounting for the transaction the fair value of the derivative instrument is in accordance with IAS 39 recognized as a separate non-current asset and included under the line item "Non-current receivables including pre-payments" in the balance sheet (USD 2.4 million at September 30th,2006).

Total equity per September 30th, 2006 was USD 424.6 million, representing 74% of total assets.

THE MULTI-CLIENT DATA LIBRARY:

MUSD	Q3 2006	Q3 2005	9M 2006	9M 2005	2005	2004	2003
Beginning Net Book Value	173.3	151.4	160.8	149.5	149.5	133.2	117.8
Non-Operational Investments	-	-	3.5	-	1.6	2.1	5.0
Operational Investments	43.4	32.2	96.0	69.9	103.8	84.5	68.7
Amortization	(28.7)	(27.3)	(72.3)	(63.1)	(94.1)	(70.3)	(58.3)
Ending Net Book Value	188.1	156.3	188.1	156.3	160.8	149.5	133.2

KEY MULTI CLIENT FIGURES:

MUSD	Q3 2006	Q3 2005	9M 2006	9M 2005	2005	2004	2003
Net MC Revenues	96.4	68.5	260.3	159.9	232.1	163.1	132.6
Change in MC Revenue	41%	63%	63%	48%	42%	23%	9%
Change in MC Investment	35%	45%	42%	-8%	22%	17%	17%
Amort. in % of Net MC Revs.	30%	40%	28%	39%	41%	43%	44%
Change in Net Book Value	9%	3%	17%	5%	8%	12%	13%

OPERATIONAL HIGHLIGHTS

In the Gulf of Mexico, TGS continued acquisition of both its Stanley 3D streamer project and its Eastern Delta 3D ocean bottom cable survey. Acquisition of both projects will extend well into 2007. In Europe, TGS utilized two vessels throughout the quarter for the 2006 continuation of the North Sea Renaissance (NSR) long offset 2D survey, and another two vessels for the 2006 East Russia 2D campaign. To support current and expected future activity in Russia, the Company established a Russian subsidiary and opened an office in Moscow. TGS also launched a series of up to ten new multi-client Controlled Source Electromagnetic (CSEM) surveys in the Norwegian Sea and Troms III area, offshore Norway. Elsewhere, TGS commenced acquisition of a new 3D project offshore Tunisia.

During the 3rd quarter A2D signed a five-year comprehensive agreement to provide a customer with unlimited access to A2D's depth-calibrated smartRASTER well log database. Also, the unit secured funding to begin the digital conversion of its UK North Sea well log database and entered into a revenue sharing agreement with the National Oil Company of Liberia (NOCAL) to make its well log data assets available online. Aceca secured funding to conduct a major update to its UK central North Sea facies map browser (FMB) product and experienced very high demand for its contract interpretation services.

TGS' backlog for new seismic projects and services was USD 53.7 million per September 30th, 2006. This was 3% lower than one quarter ago but 136% higher than one year ago. Well log and integrated products (A2D and Aceca) backlog increased 16% during the quarter from USD 18.3 million to USD 21.2 million, and is 57% higher than one year ago. Total Company backlog increased 1% during the quarter and stands at a record high of USD 74.9 million at the end of the 3rd quarter, 106% higher than one year ago.

OUTLOOK

As a result of higher-than-expected sales during the first nine months of 2006, a record order backlog, and continued strong interest in our library products, TGS management now expects full year net revenue growth in the range of 55-60%, up from the 50-55% communicated in August 2006. Also, due to stronger than anticipated customer support of our projects in progress, we now expect the average annualized pre-funding level to be in the range of 50-60% of investments, up from our original estimate of 40-50%. We expect our multi-client library investments to remain at the level initially planned (USD 125-135 million), and our average annualized amortization rate to remain in the range of 27-32% of multi-client sales.

As previously communicated, TGS has secured access to three 3D crews and five 2D vessels for all or part of 2007, representing all of the capacity we need to execute a strong multi-client investment plan.

Houston, October 25th, 2006

The Board of Directors of TGS-NOPEC Geophysical Company ASA

TGS-NOPEC Geophysical Company ASA is listed on the Oslo Stock Exchange (OSLO:TGS).

Web-site: www.tgsnopec.com

CONTACTS FOR ADDITIONAL INFORMATION

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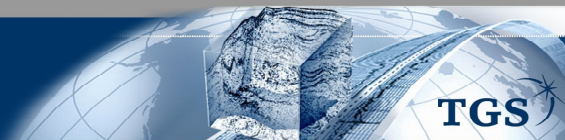
This interim Financial Report has been prepared applying the IAS 34 "Interim Financial Reporting" principles. The accounting principles adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2005.

All statements in this earnings release 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.

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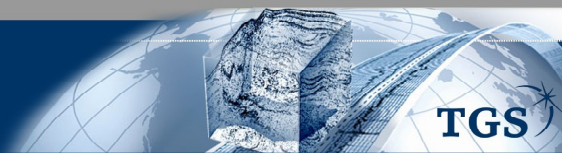
TGS-NOPEC Geophysical Company ASA

Consolidated Profit & Loss Accounts

(All amounts in USD 1000's unless noted otherwise)	2006 Q3	2005 Q3	2006 YTD	2005 YTD
<i>Operating Revenues</i>				
Sales	107 038	76 279	291 645	180 332
Revenue sharing	-7 223	-4 936	-19 458	-15 226
Net Operating Revenues	99 815	71 342	272 187	165 106
<i>Operating expenses</i>				
Materials	582	485	2 544	728
Amortization of Multi-Client Data Library	28 671	27 290	72 262	63 102
Personnel costs	10 743	9 135	31 992	22 238
Cost of stock options	591	-170	1 988	1 311
Other operating expenses	3 542	3 134	11 379	9 205
Depreciation	929	889	2 818	1 791
Total operating expenses	45 059	40 762	122 983	98 376
Operating profit	54 756	30 580	149 205	66 730
<i>Financial income and expenses</i>				
Interest Income	2 398	841	6 201	1 899
Interest Expense	-963	-664	-2 714	-1 849
Exchange gains/losses	923	215	-1 673	675
Net financial items	2 358	393	1 814	725
Profit before taxes	57 115	30 972	151 018	67 455
Tax provision	19 043	10 165	50 396	22 694
Net Income	38 072	20 808	100 622	44 762
EPS USD	0,36	0,20	0,96	0,44
EPS USD, fully diluted	0,35	0,19	0,92	0,41

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TGS-NOPEC Geophysical Company ASA

Consolidated Balance Sheet

	2006 30-Sep	2005 30-Sep	2005 31-Dec
(All amounts in USD 1000's unless noted otherwise)			
ASSETS			
Non-Current Assets			
<i>Intangible non-current assets</i>			
Goodwill	27 400	20 150	20 150
Multi-Client Data Library, net	188 064	156 296	160 809
<i>Tangible non-current assets</i>			
Buildings	2 500	5 329	4 995
Machinery, Equipment and Software	14 757	13 809	13 678
<i>Financial Assets</i>			
Non-current receivables including pre-payments	2 812	3 476	909
Total non-current assets	235 534	199 061	200 541
Current assets			
<i>Receivables</i>			
Accounts receivable	110 445	91 733	125 820
Other short term receivables	12 177	5 102	4 092
<i>Cash and cash equivalents</i>			
Cash and cash equivalents	218 547	122 044	134 069
Total current assets	341 170	218 879	263 981
TOTAL ASSETS	576 704	417 940	464 522

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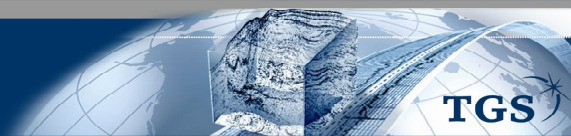


TGS-NOPEC Geophysical Company ASA Consolidated Balance Sheet

	2006 30-Sep	2005 30-Sep	2005 31-Dec
(All amounts in USD 1000's unless noted otherwise)			
LIABILITIES AND EQUITY			
<i>Equity</i>			
Share capital	3 796	3 747	3 749
Other equity	420 838	295 732	317 019
Total equity	424 634	299 479	320 768
Provisions and liabilities			
<i>Provisions</i>			
Deferred tax liability	41 548	25 261	25 099
<i>Non-current liabilities</i>			
Non-current loans	46 120	45 862	44 322
Capitalized lease liabilities	497	975	736
<i>Current liabilities</i>			
Current interest-bearing debt	0	18	0
Accounts payable and debt to partners	38 495	28 163	33 355
Taxes payable, withheld payroll tax, social security	6 889	51	4 722
Other current liabilities	18 521	18 131	35 519
Total provisions and liabilities	152 069	118 461	143 754
TOTAL LIABILITIES AND EQUITY	576 704	417 940	464 522

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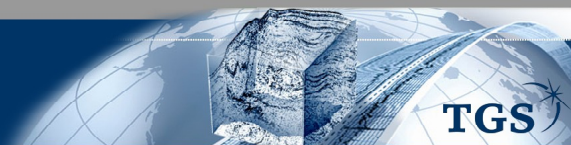
TGS-NOPEC Geophysical Company ASA

Consolidated Cash flow Statement

	2006	2005	2006	2005
(All amounts in USD 1000's unless noted otherwise)	Q3	Q3	YTD	YTD
<i>Cash flow from operating activities:</i>				
Received payments from sales	99 364	55 002	286 424	160 782
Payments for salaries, pensions, social security tax and tax deducted	-6 273	-6 527	-25 951	-19 736
Other operational costs	-3 542	-3 134	-11 379	-9 205
Received interest and other financial income	2 398	1 056	6 201	2 574
Interest payments and other financial expenses	-963	-664	-3 747	-1 849
Paid taxes	-9 958	-6 554	-42 914	-20 254
Net cash flow from operating activities	81 027	39 180	208 635	112 311
<i>Cash flow from investing activities:</i>				
Received payments from fixed assets	0	114	910	114
Investment in tangible fixed assets	-929	-5 892	-3 696	-7 457
Investments in seismic and well logs	-47 395	-28 361	-110 237	-59 229
Investment through Mergers and Acquisitions	0	0	-7 238	0
Net change in non-current receivables	238	566	-3 811	733
Net cash flow from investing activities	-48 087	-33 572	-124 072	-65 839
<i>Cash flow from financing activities:</i>				
Net change in current loans	0	-26	0	-52
Net change in non-current loans	-200	-253	2 476	-634
Purchase of own shares	-9 969	0	-9 969	-2 160
Paid in equity	3 082	6 651	7 408	16 037
Net cash flow from financing activities	-7 086	6 372	-85	13 190
Net change in cash and cash equivalents	25 854	11 979	84 478	59 662
Cash and cash equivalents at the beginning of period	192 694	110 064	134 069	62 381
Cash and cash equivalents at the end of period	218 547	122 044	218 547	122 044

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TGS-NOPEC Geophysical Company ASA

Equity Reconciliation per September 30th 2006

(All amounts in USD 1000's)

	320 768
Opening Balance 01.01.2006	320 768
Paid in Equity	7 362
Purchase of own shares	-9 969
Distribution of own shares	3 376
Net Income	100 622
Cost of stock options under IFRS	1 988
Effect of change in exchange rates and other items	487
Closing balance per September 30th 2006	424 634

Largest Shareholders per October 17th 2006

			Shares	%
1 STATE STREET BANK & TRUST CO.	USA	NOM	8 117 125	8 %
2 FOLKETRYGDFONDET	NORWAY		6 885 664	7 %
3 JPMORGAN CHASE BANK	GREAT BRITAIN	NOM	5 477 571	5 %
4 MORGAN STANLEY AND CO. INTL. LIMITED	GREAT BRITAIN	NOM	4 065 825	4 %
5 FIDELITY FUNDS-EUROP. GROWTH/SICAV	LUXEMBOURG		3 461 500	3 %
6 HSBC BANK PLC	GREAT BRITAIN	NOM	3 078 800	3 %
7 MELLON BANK AS AGENT FOR CLIENTS	USA	NOM	2 102 224	2 %
8 HAMILTON, HENRY H.	USA		2 040 000	2 %
9 WORTHINGTON, DAVID W.	USA		2 018 124	2 %
10 STATE STREET BANK & TRUST CO.	USA	NOM	1 882 271	2 %
20 Largest			39 129 104	37 %
Total Shares Outstanding			105 434 160	100 %

Shareholders per Country per October 17th 2006

	Shares	%
NORWAY	26 913 959	26 %
GREAT BRITAIN	33 170 274	31 %
USA	28 199 756	27 %
LUXEMBOURG	7 659 704	7 %
OTHER	9 490 467	9 %
Total Shares Outstanding	105 434 160	100 %

Average number of Shares for Current Quarter

Average number of shares outstanding during the quarter	105 600 589
Average number of shares fully diluted during the quarter	108 914 155