



Presentation of the 3rd Quarter 2007 Results

October 25th 2007

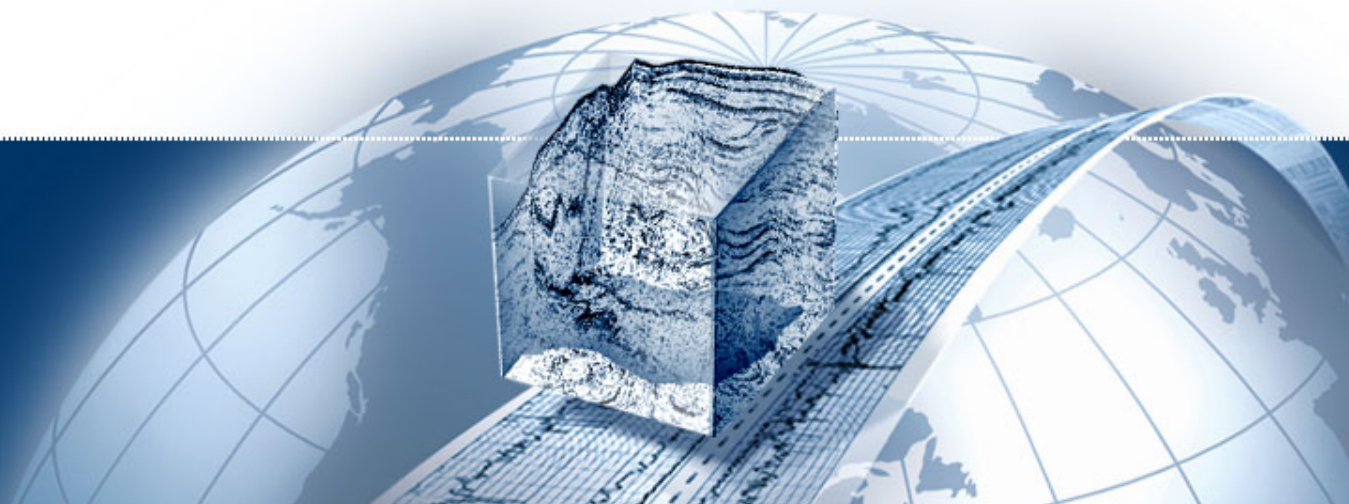
A webcast of this presentation is available at www.tgsnopec.no

Arne Helland
Chief Financial 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.

TGS Wavefield

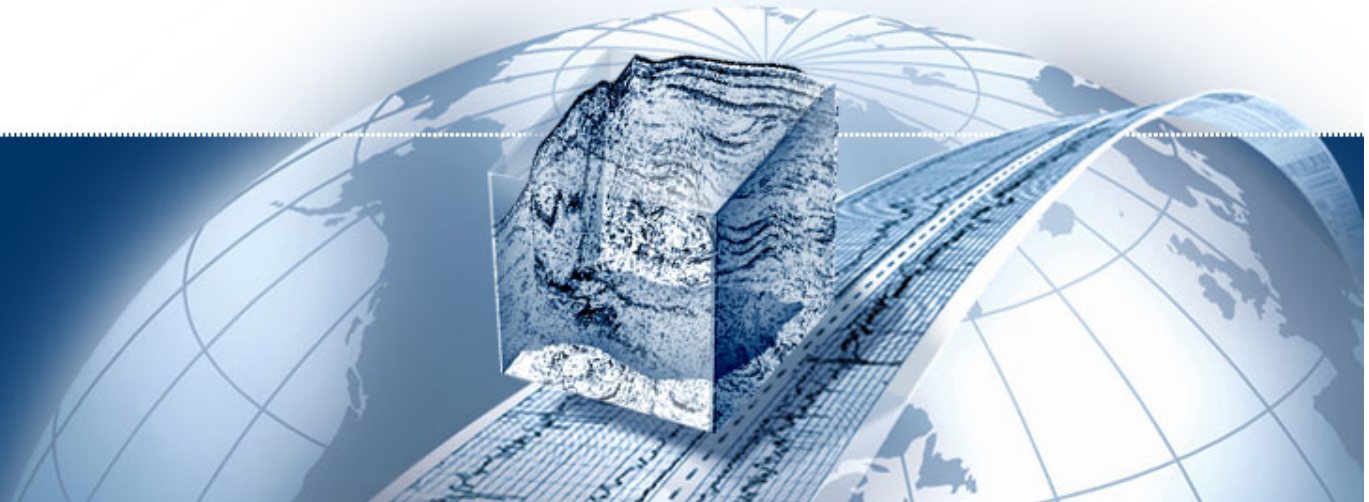
Merger approved by shareholders

Currently in Creditor Review Period

**Arne Helland
Chief Financial Officer**



TGS-NOPEC Geophysical Company



TGS Wavefield, Merger in Process

- **Merger Plan approved by the shareholders in EGMs on September 20th**
 - Currently in Creditor Review Period till November 20th
- **TGS spent USD 149.6 million on share buybacks/purchases of TGS/Wave shares in August and September.**
- **TGS holdings of WAVE shares to be redeemed (no new shares issued)**
- **Effective date of merger for accounting purposes is the date of the EGMs**
 - WAVE financial results consolidated as from September 20th, 2007 in this report
 - Consolidated accounts presented applying a preliminary PPA
- **NOTE :Two Shareholders (approx 8%) of Wavefield Inseis have requested that the Wavefield Board convene a new EGM in regard to the merger**

TGS Wavefield Profit & Loss Breakdown

| | TGS | WAVE | PPA ¹⁾ | TOTAL |
|---|--------------|-------------|-------------------|--------------|
| Multi-Client Revenue | 82.3 | 0.4 | - | 82.7 |
| Proprietary Revenue | 18.5 | 9.4 | - | 27.9 |
| Net Operating Revenues | 100.8 | 9.8 | - | 110.6 |
| Materials | 10.7 | 4.1 | - | 14.8 |
| MC Amortization | 23.8 | 0.2 | 0.0 | 24.0 |
| Gross Margin | 66.4 | 5.5 | (0.0) | 71.9 |
| Other Operating Expenses | 16.6 | 0.2 | - | 16.8 |
| Cost of Stock Options | 0.9 | 0.2 | - | 1.1 |
| Depreciation | 3.0 | 1.0 | 1.1 | 5.0 |
| Operating Profit (EBIT) | 45.8 | 4.2 | (1.1) | 48.9 |
| EBIT margin | 45% | 43% | | 44% |
| Net Income | 30.5 | 3.1 | (0.8) | 32.9 |
| EPS, undiluted ²⁾ | 0.29 | 0.02 | (0.02) | 0.30 |
| EPS, fully diluted ²⁾ | 0.29 | 0.02 | (0.02) | 0.29 |

¹⁾ PPA - Purchase Price Allocation (Preliminary)

²⁾ EPS effected by Wave shares held by TGS

Q3 2007 PROFIT & LOSS (MUSD)

| | | Q3 2007 | Q3 2006 | Change | % |
|-------------------------------|-----|--------------|---------|--------|-------|
| Net Operating Revenues | | 110.6 | 99.8 | 10.8 | 11% |
| Materials | | 14.8 | 0.6 | 14.2 | 2437% |
| MC Amortization | 29% | 24.0 | 28.7 | (4.7) | -16% |
| Gross Margin | | 71.9 | 70.6 | 1.3 | 2% |
| Other Operating Expenses | | 16.8 | 14.3 | 2.5 | 18% |
| Cost of Stock Options | | 1.1 | 0.6 | 0.5 | 91% |
| Depreciation | | 5.0 | 0.9 | 4.1 | 437% |
| Operating Profit | 44% | 48.9 | 54.8 | (5.8) | -11% |
| Net Financial Items | | 1.1 | 2.4 | (1.3) | -54% |
| Pre-tax Profit | 45% | 50.0 | 57.1 | (7.1) | -12% |
| Taxes | | 17.1 | 19.0 | (1.9) | -10% |
| Net Income | 30% | 32.9 | 38.1 | (5.2) | -14% |
| EPS, undiluted | | 0.30 | 0.36 | (0.1) | -18% |
| EPS, fully diluted | | 0.29 | 0.35 | (0.1) | -17% |

Preliminary Purchase Price Allocation

*figures in 1000 USD

| | | Q3 2007 | Depreciation Period |
|---|------------------|----------------|----------------------|
| Purchase Price | 1,399,458 | | |
| Book value of Wavefield Inseis | 266,956 | | |
| Excess Values | | | |
| Multi-Client Library | 3,000 | (23) | 5 years (non-linear) |
| Time Charter Contracts & Purchase Options | 110,000 | (353) | 5.4 - 11.5 years |
| Customer Relationships & Backlog | 32,000 | (699) | 1 - 3 years |
| Technologies | 20,693 | (27) | 8 years |
| Identified Assets | 165,693 | (1,103) | |
| Deferred Tax | (46,394) | 309 | |
| Goodwill | 1,013,203 | | |

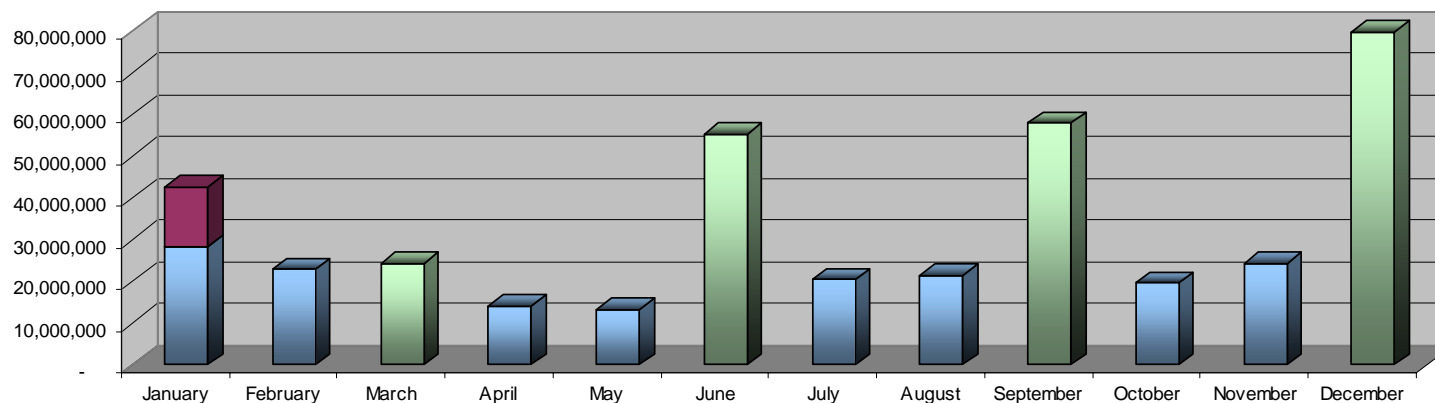
Preliminary estimates of PPA-depreciation per full quarter say Q4 2007 – Q4 2008 may vary from 10.0 MUSD (start) to 5.0 MUSD (Q4-2008)

Q3 2007 Consolidated Financial Highlights

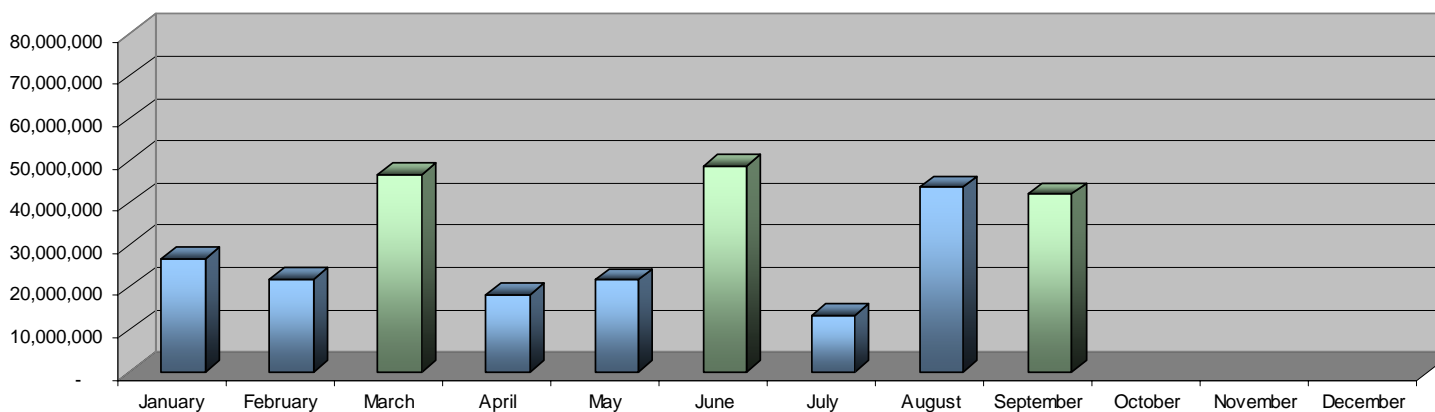
- **Net Revenues 110.6 MUSD, up 11% from Q3 2006**
 - Net Prefunding 81% of investments
 - Net Late Sales 57.1 MUSD, down 16% from Q3 2006 (see Update 8. Oct)

Net Revenues by month 2006 - 2007

Net revenues by month 2006



Net revenues by month 2007



Note: January 2006 revenues excludes \$14 million of IFRS revenues recognized in January 2006 but sold in December 2005. Q4 2005 includes \$14 million.

Q3 2007 Consolidated Financial Highlights

- **Net Revenues 110.6 MUSD, up 11% from Q3 2006**
 - Net Prefunding 81% of investments
 - Net Late Sales 57.1 MUSD, down 16% from Q3 2006 (see Update 8. Oct)
 - Proprietary Contract work MUSD 27.9, vs MUSD 3.4 in Q3 2006
- **Operational Investments down 27% from 43.4 MUSD in Q3 2006 to 31.6 MUSD supported by 81% prefunding (25,6 MUSD)**
- **Multi-Client Amortization rate 29%**
- **EBIT Margin 44% of Net Revenues**
- **EPS \$0.30, down 18% from \$0.36 in Q3 2006**
- **Bought back 2,410,052 TGS shares and 11,012,200 Wave shares for approx. 149.6 MUSD**

TGS Wavefield Balance Sheet Breakdown

| | TGS | WAVE | PPA ¹⁾ | GROUP | % |
|------------------------------------|--------------|--------------|-------------------|----------------|-------------|
| Assets | | | | | |
| Cash | 142.9 | 67.9 | | 210.8 | 9% |
| Other Current Assets | 133.9 | 110.3 | | 244.3 | 11% |
| Total Current Assets | 276.8 | 178.2 | - | 455.1 | 20% |
| Intangible Assets & LT Receivables | 113.2 | 53.1 | 1,174.8 | 1,341.1 | 58% |
| MC Library | 219.1 | 20.3 | 3.0 | 242.4 | 10% |
| Fixed Assets | 25.9 | 259.3 | | 285.2 | 12% |
| Total Assets | 635.0 | 511.0 | 1,177.8 | 2,323.8 | 100% |
| Liabilities | | | | | |
| Short-term debt | 0.0 | 27.7 | | 27.7 | 1% |
| Current Liabilities | 134.2 | 54.7 | | 188.9 | 8% |
| Long-term loans | 55.2 | 156.8 | | 211.9 | 9% |
| Deferred Tax Liability | 51.3 | 1.6 | 46.1 | 98.9 | 4% |
| Equity | 394.4 | 270.2 | 1,131.7 | 1,796.3 | 77% |

¹⁾ PPA - Purchase Price Allocation (Pr

Balance Sheet – Key Figures

| | 9/30/2007 | % | 6/30/2007 | % | 12/31/2006 | % |
|------------------------------------|----------------|-------------|--------------|-------------|--------------|-------------|
| Assets | | | | | | |
| Cash | 210.8 | 9% | 254.0 | 35% | 270.6 | 40% |
| Other Current Assets | 244.3 | 11% | 126.1 | 17% | 152.9 | 23% |
| Total Current Assets | 455.1 | 20% | 380.1 | 52% | 423.4 | 63% |
| Intangible Assets & LT Receivables | 1,341.1 | 58% | 111.6 | 15% | 42.8 | 6% |
| MC Library | 242.4 | 10% | 211.8 | 29% | 195.6 | 29% |
| Fixed Assets | 285.2 | 12% | 25.1 | 3% | 14.4 | 2% |
| Total Assets | 2,323.8 | 100% | 728.6 | 100% | 676.2 | 100% |
| Liabilities | | | | | | |
| Short-term debt | 27.7 | 1% | - | 0% | 0.0 | 0% |
| Current Liabilities | 188.9 | 8% | 105.9 | 15% | 114.0 | 17% |
| Long-term loans | 211.9 | 9% | 50.9 | 7% | 48.3 | 7% |
| Deferred Tax Liability | 98.9 | 4% | 43.2 | 6% | 37.0 | 5% |
| Equity | 1,796.3 | 77% | 528.6 | 73% | 477.0 | 71% |

Q3 2007 CASH FLOW

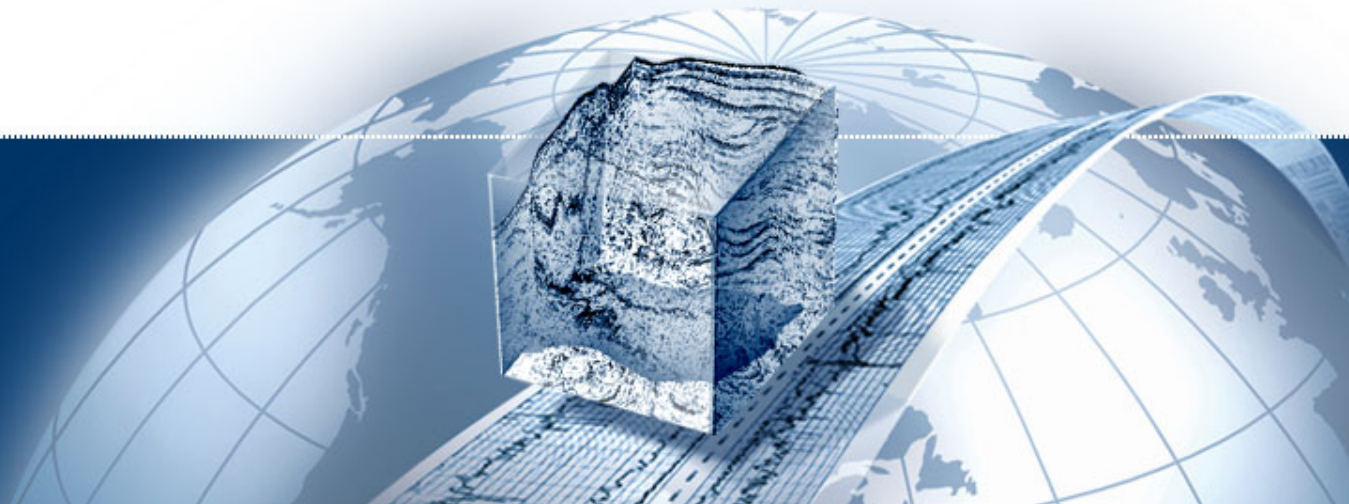
| | Q3 2007 | Q3 2006 |
|---------------------------------------|---------------|-------------|
| Payments from Sales Received | 122.6 | 99.4 |
| Operational Costs Paid | (31.3) | (9.8) |
| Gain/(Loss) from Currency Exchange | (2.5) | 0.9 |
| Taxes Paid | (3.1) | (10.0) |
| Operational Cash Flow | 85.7 | 80.5 |
| Investments in Fixed Assets | (5.3) | (0.9) |
| Investments in Multi-Client | (41.7) | (47.4) |
| Net Cash from Mergers and Acquisition | (49.6) | - |
| Financial Income | 10.3 | 2.4 |
| Net Change in Long-term Receivables | (0.0) | 0.2 |
| Net Change in Long-term loans | (0.8) | (0.2) |
| Financial Expense | (2.2) | (1.0) |
| Purchase of own Shares | (40.7) | (10.0) |
| Paid in Equity | 1.1 | 3.1 |
| Change in Cash Balance | (43.2) | 26.8 |

(Operational CF incl. approx 3.3 MUSD from WAVE, timing eliminated)

9 Months 2007



TGS-NOPEC Geophysical Company



9 Months 2007 Financial Highlights

- **Net Revenues 294.8 MUSD, up 8% from 9M 2006**
 - Net Late Sales 180.4 MUSD, down 12% from 9M 2006
 - Proprietary revenues 45.9 MUSD vs 11.9 MUSD in 9M 2006 (Up 286%)
- **Operational MC Investments up 1% from 96.0 MUSD to 97.4 MUSD supported by 70% prefunding (68.5 MUSD)**
- **Multi-Client Amortization rate 30%**
- **EBIT Margin 47% of Net Revenues**
 - EBIT 137.6 MUSD, down 8% from 149.2 MUSD 9M 2006
- **Cashflow from Operations before MC investments 221.9 MUSD compared to 204.5 MUSD 9M 2006**

2007 YTD PROFIT & LOSS (MUSD)

| | | 9M 2007 | 9M 2006 | Change | % |
|-------------------------------|-----|--------------|---------|--------|------|
| Net Operating Revenues | | 294.8 | 272.2 | 22.6 | 8% |
| Materials | | 22.5 | 2.5 | 20.0 | 786% |
| MC Amortization | 30% | 75.2 | 72.3 | 2.9 | 4% |
| Gross Margin | | 197.1 | 197.4 | (0.3) | 0% |
| Other Operating Expenses | | 46.6 | 43.4 | 3.3 | 8% |
| Cost of Stock Options | | 3.3 | 2.0 | 1.3 | 65% |
| Depreciation | | 9.5 | 2.8 | 6.7 | 238% |
| Operating Profit | 47% | 137.6 | 149.2 | (11.6) | -8% |
| Net Financial Items | | 0.6 | 1.8 | (1.2) | -67% |
| Pre-tax Profit | 47% | 138.2 | 151.0 | (12.8) | -8% |
| Taxes | | 46.1 | 50.4 | (4.3) | -9% |
| Net Income | 31% | 92.2 | 100.6 | (8.4) | -8% |
| EPS, undiluted | | 0.86 | 0.96 | (0.1) | -10% |
| EPS, fully diluted | | 0.84 | 0.92 | (0.1) | -10% |

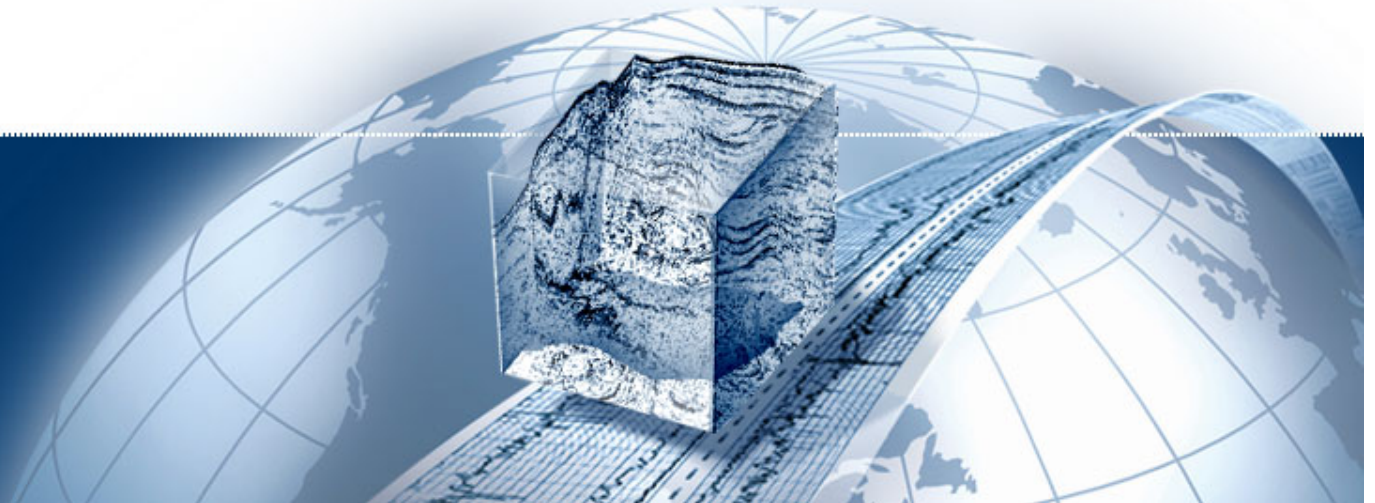
2007 YTD CASH FLOW

| | 9M 2007 | 9M 2006 |
|---------------------------------------|---------------|--------------|
| Payments from Sales Received | 327.7 | 286.4 |
| Operational Costs Paid | (71.7) | (37.3) |
| Gain/(Loss) from Currency Exchange | (7.1) | (1.7) |
| Taxes Paid | (27.0) | (42.9) |
| Operational Cash Flow | 221.9 | 204.5 |
| Investments in Fixed Assets | (17.1) | (2.8) |
| Investments in Multi-Client | (108.6) | (110.2) |
| Net Cash from Mergers and Acquisition | (107.8) | (7.2) |
| Financial Income | 19.0 | 6.2 |
| Net Change in Long-term Receivables | (0.2) | (3.8) |
| Net Change in Long-term loans | (0.8) | 2.5 |
| Financial Expense | (3.9) | (2.7) |
| Purchase of own Shares | (65.9) | (10.0) |
| Paid in Equity | 3.7 | 7.4 |
| Change in Cash Balance | (59.8) | 83.8 |

Multi-Client Library



TGS-NOPEC Geophysical Company



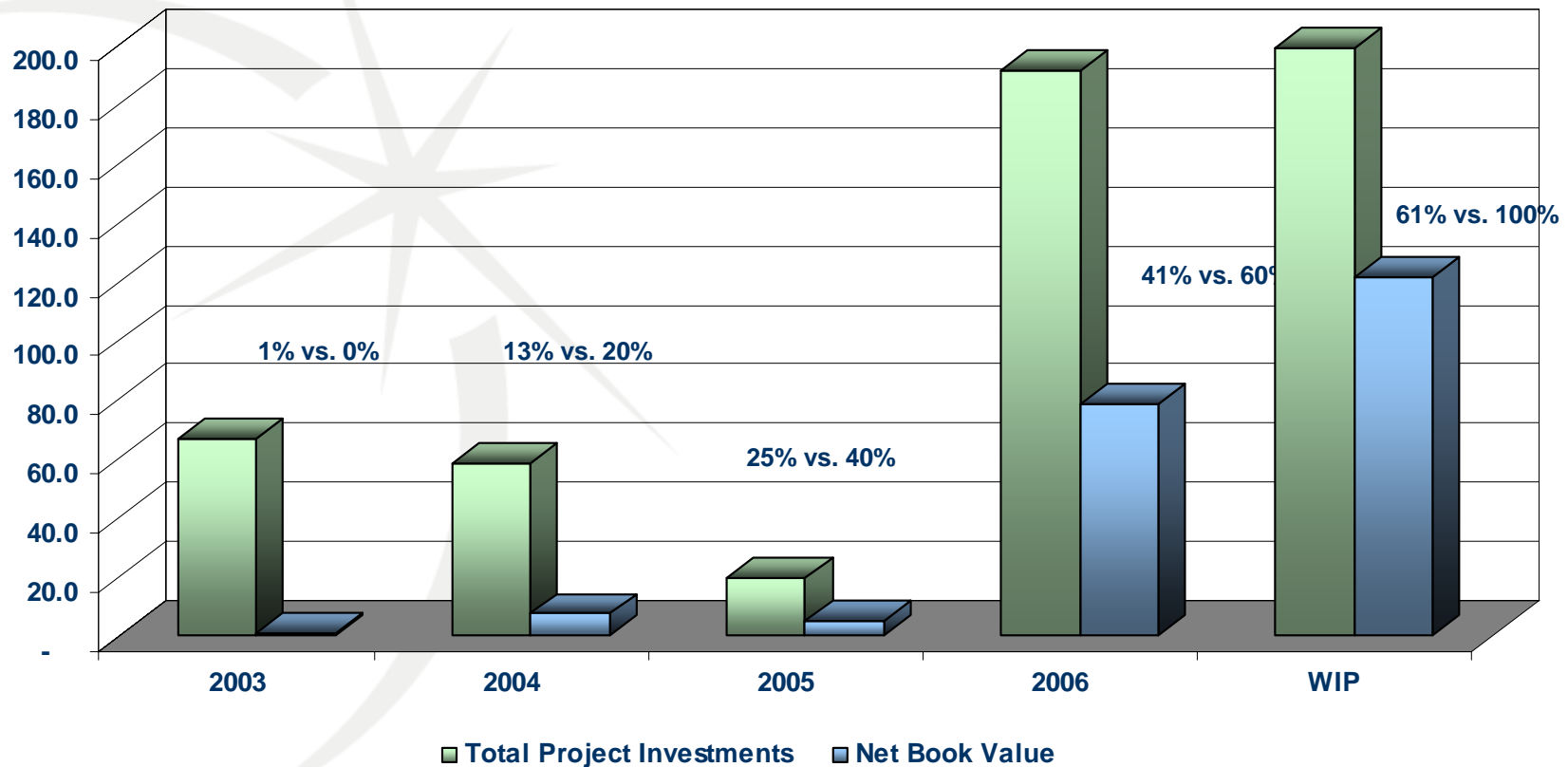
MCS Accounting – Matching Principle

- **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

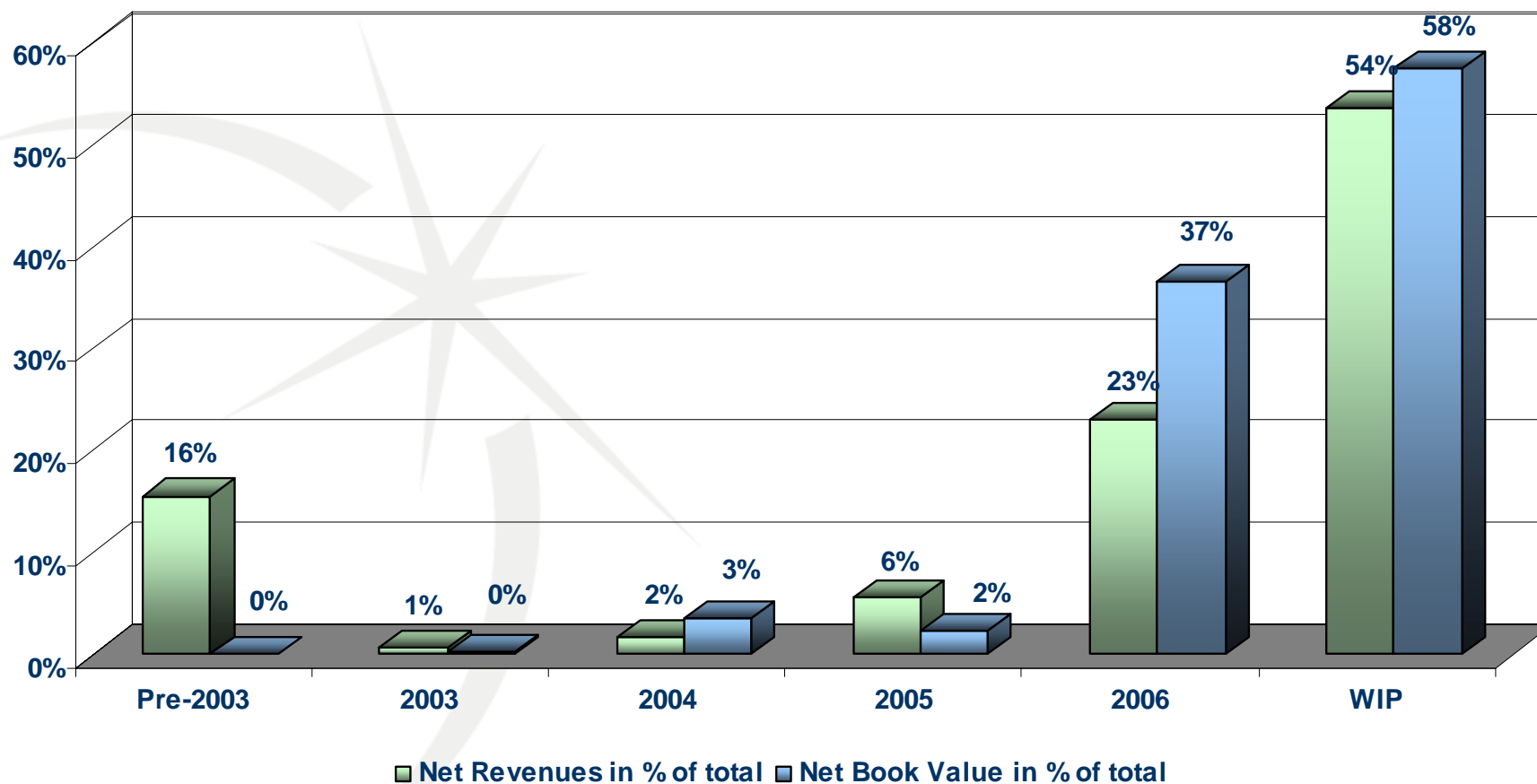
Seismic Segment as of September 30th 2007

Net Book Values below the max. NBV
criteria for year end 2007



Q3 2007 Multi-Client Net Revenues & Ending NBV

- Seismic Segment

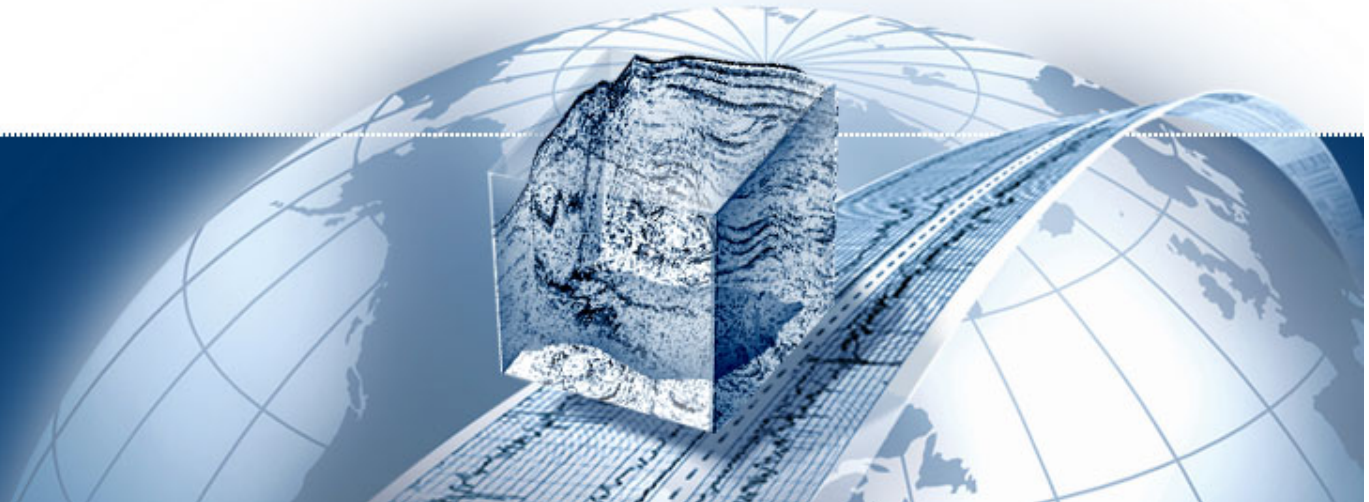


Operations & Outlook

Hank Hamilton
Chief Executive Officer

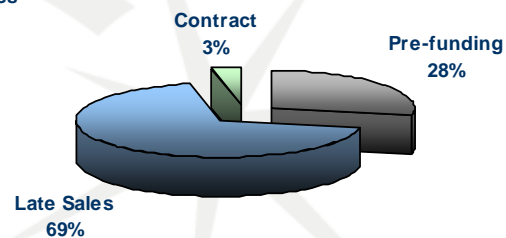
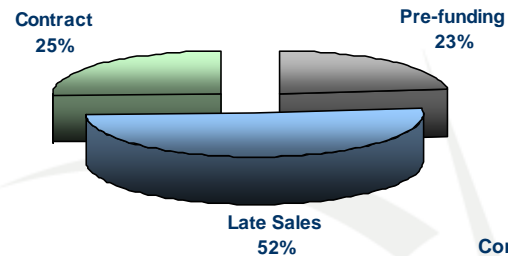


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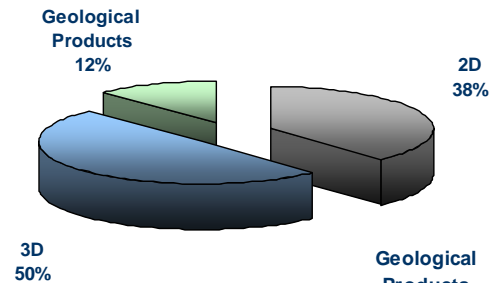
Q3 2007 Net Revenue Breakdown

Q3 2007

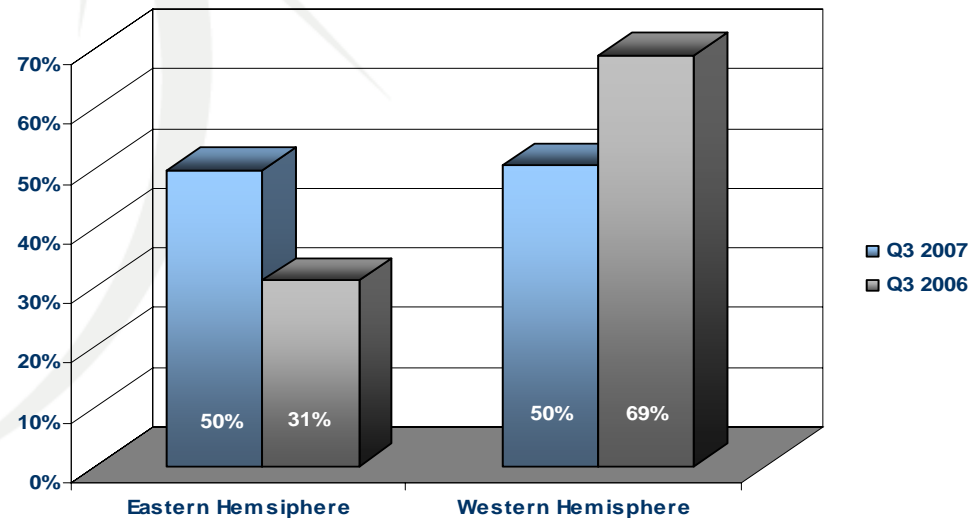
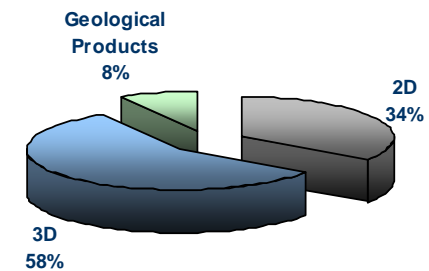


Q3 2006

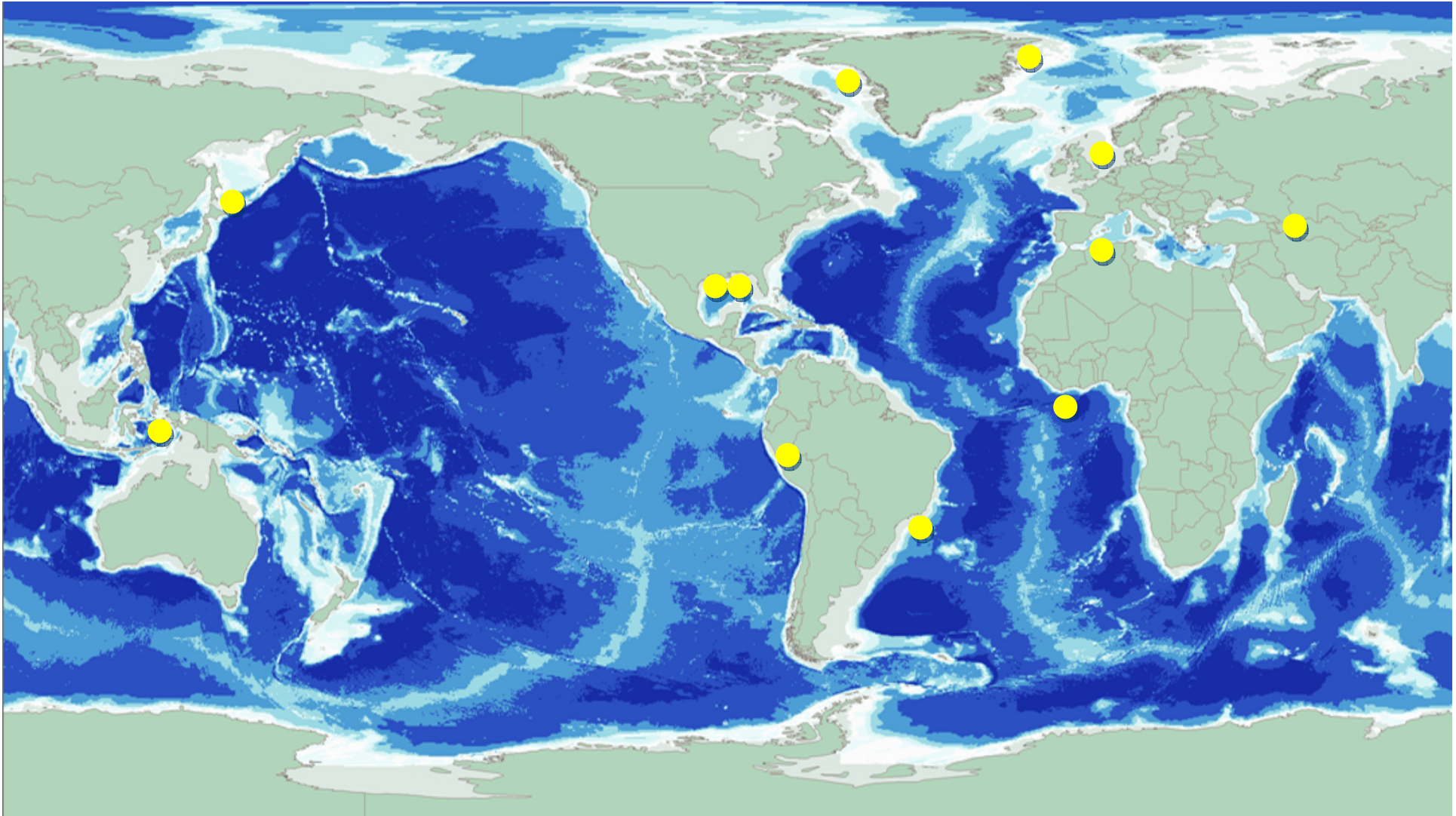
Q3 2007



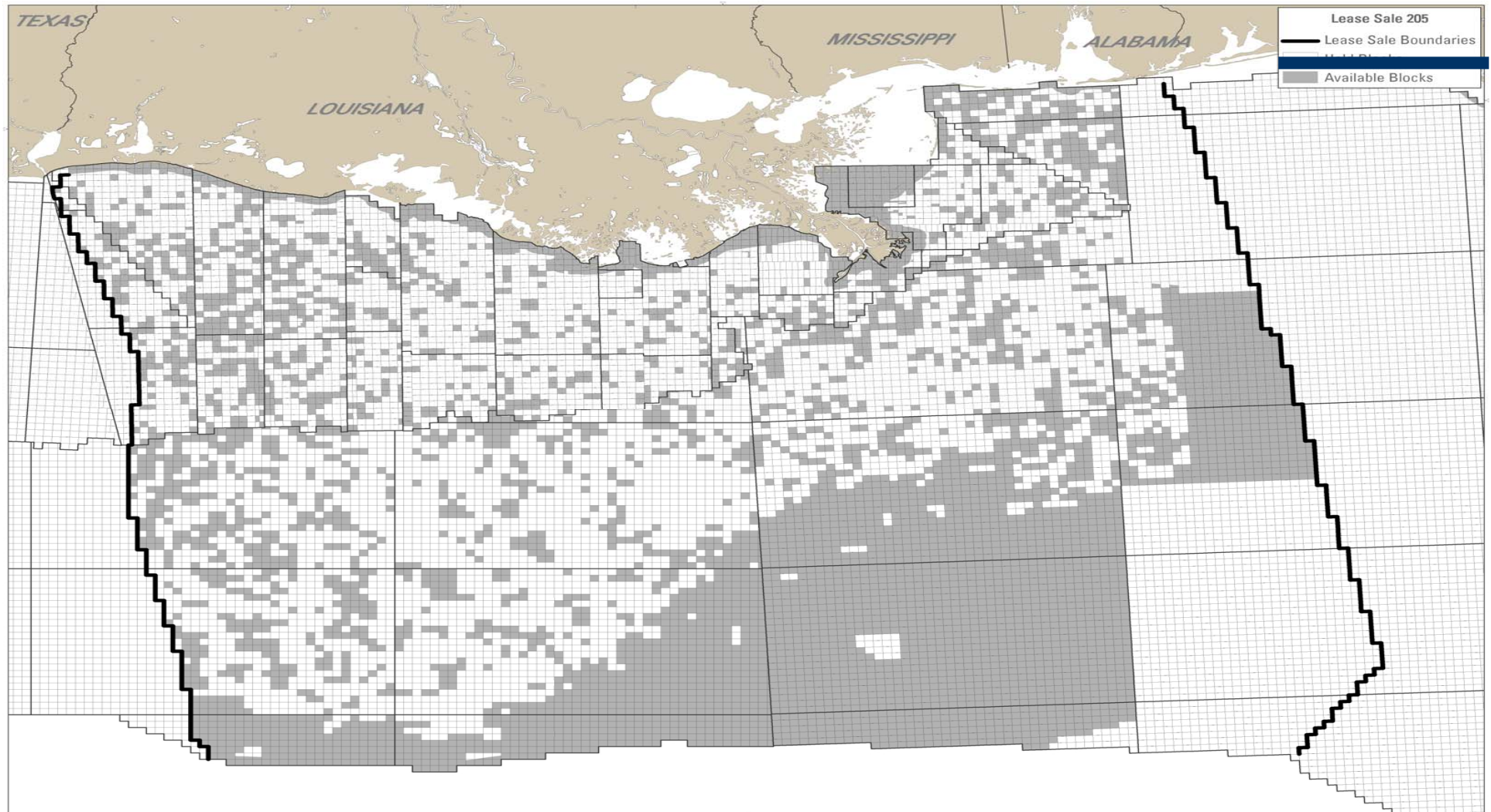
Q3 2006



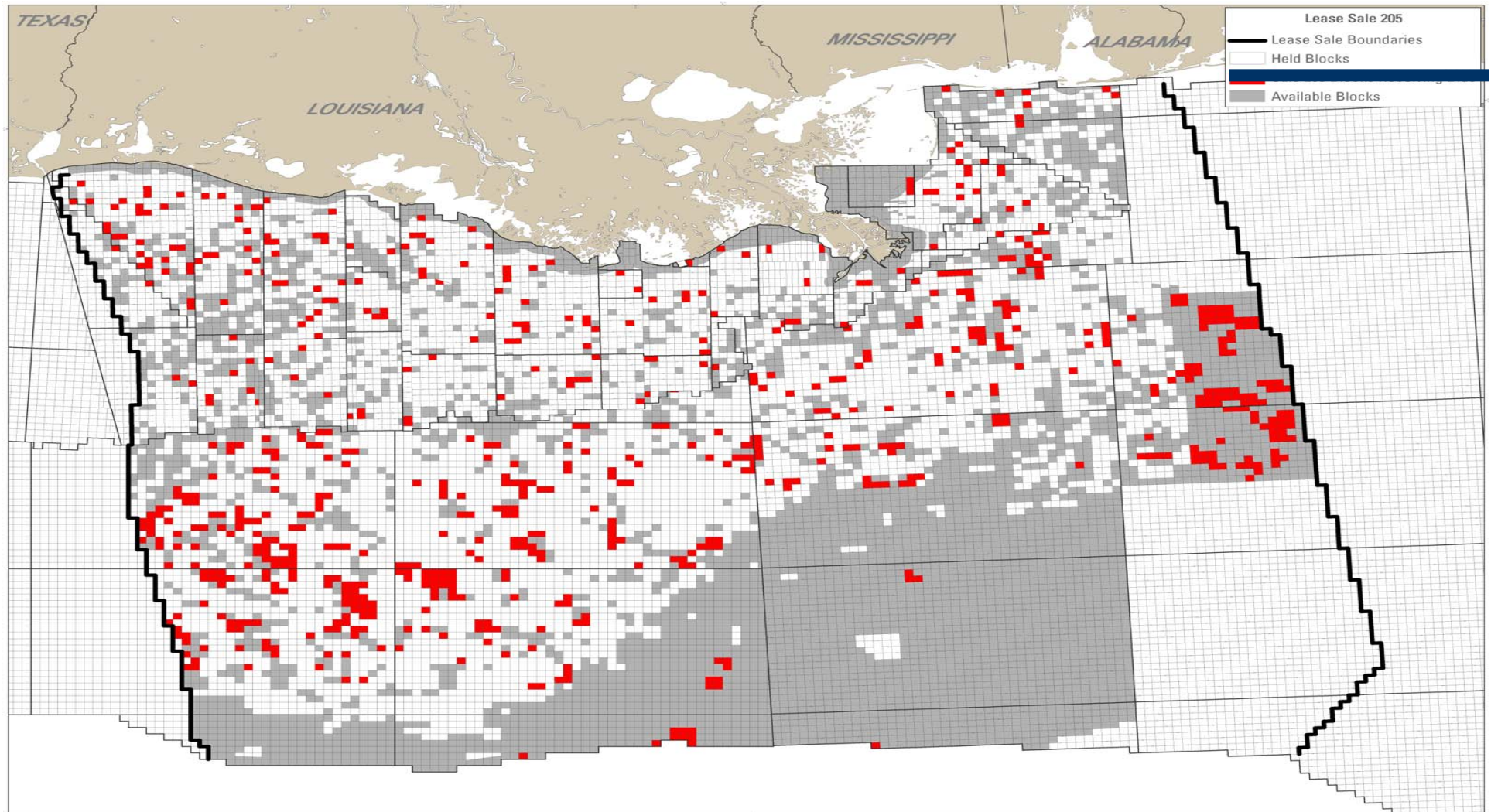
Operational Review



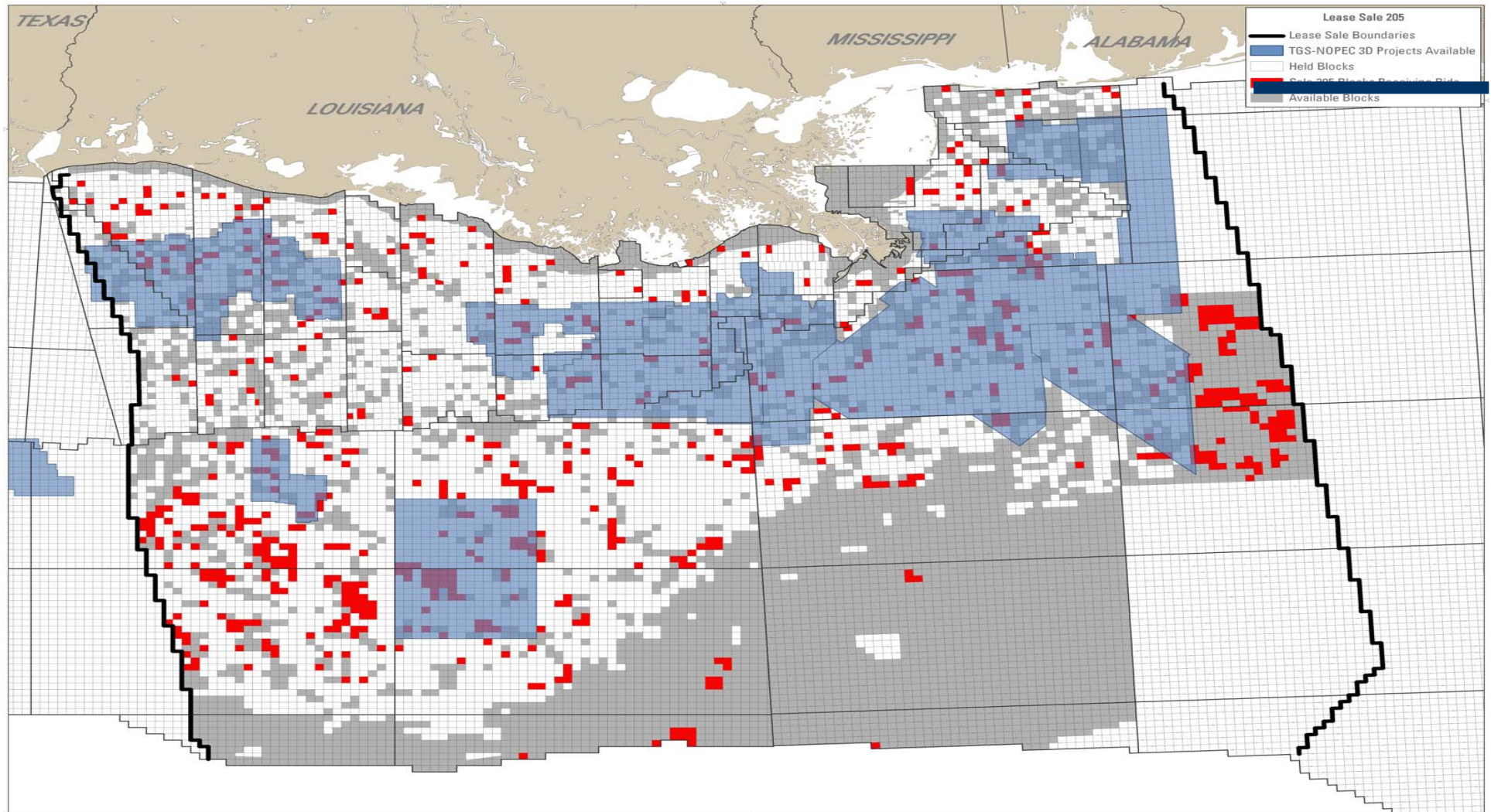
October 2007 Sale – Leases Available



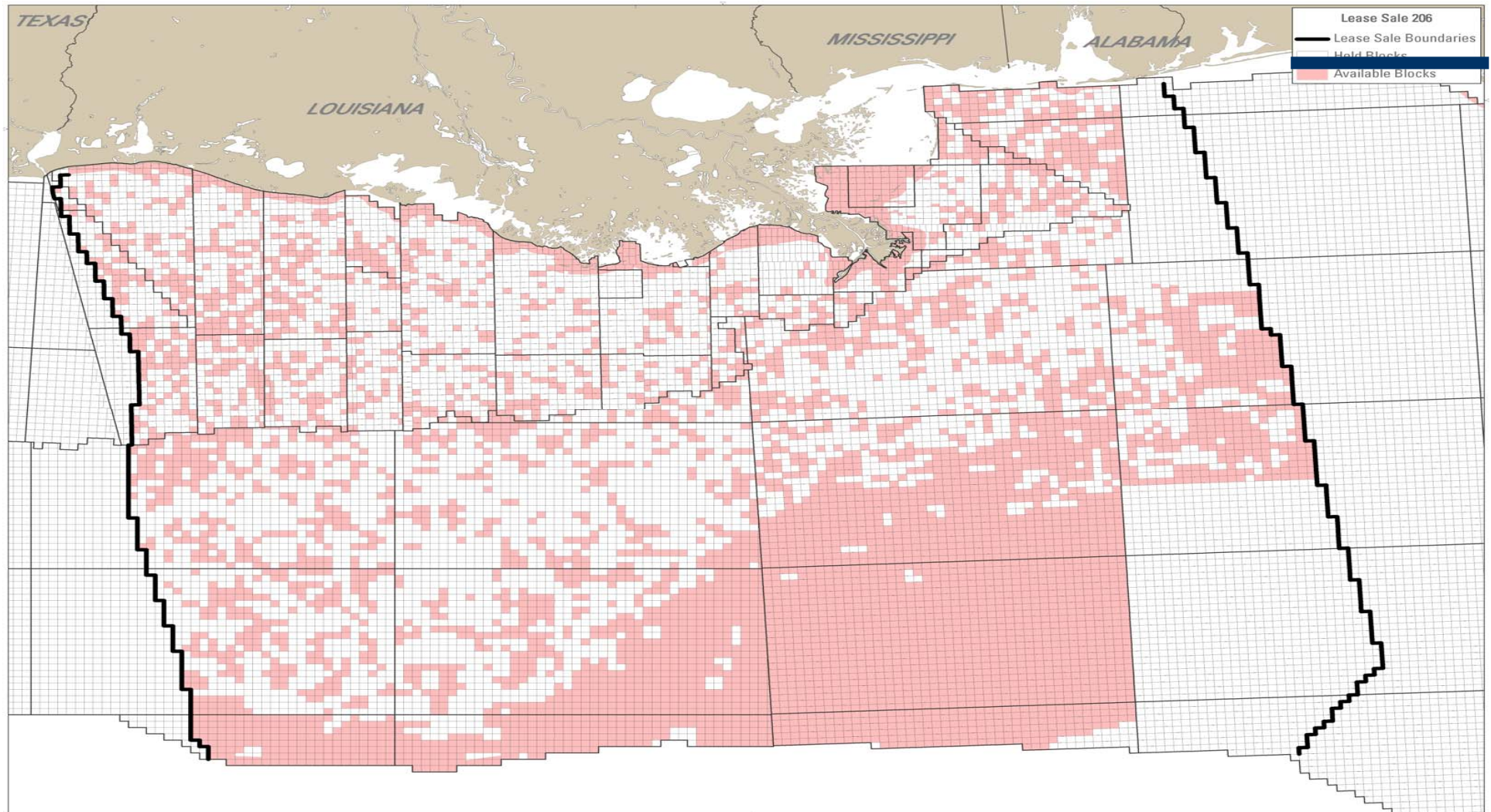
October 2007 Sale- Leases Receiving Bids



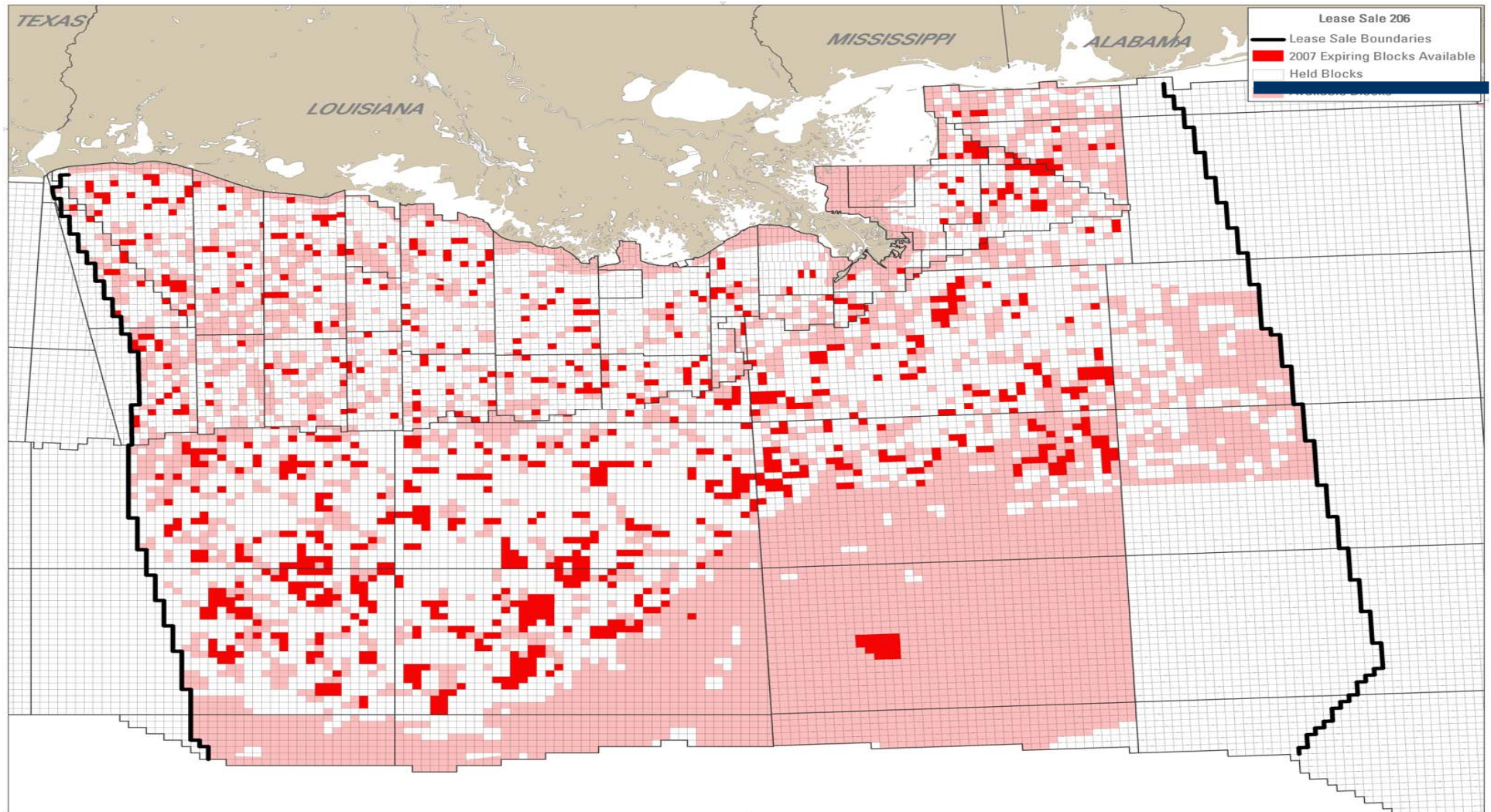
October 2007 Sale- Leases Receiving Bids



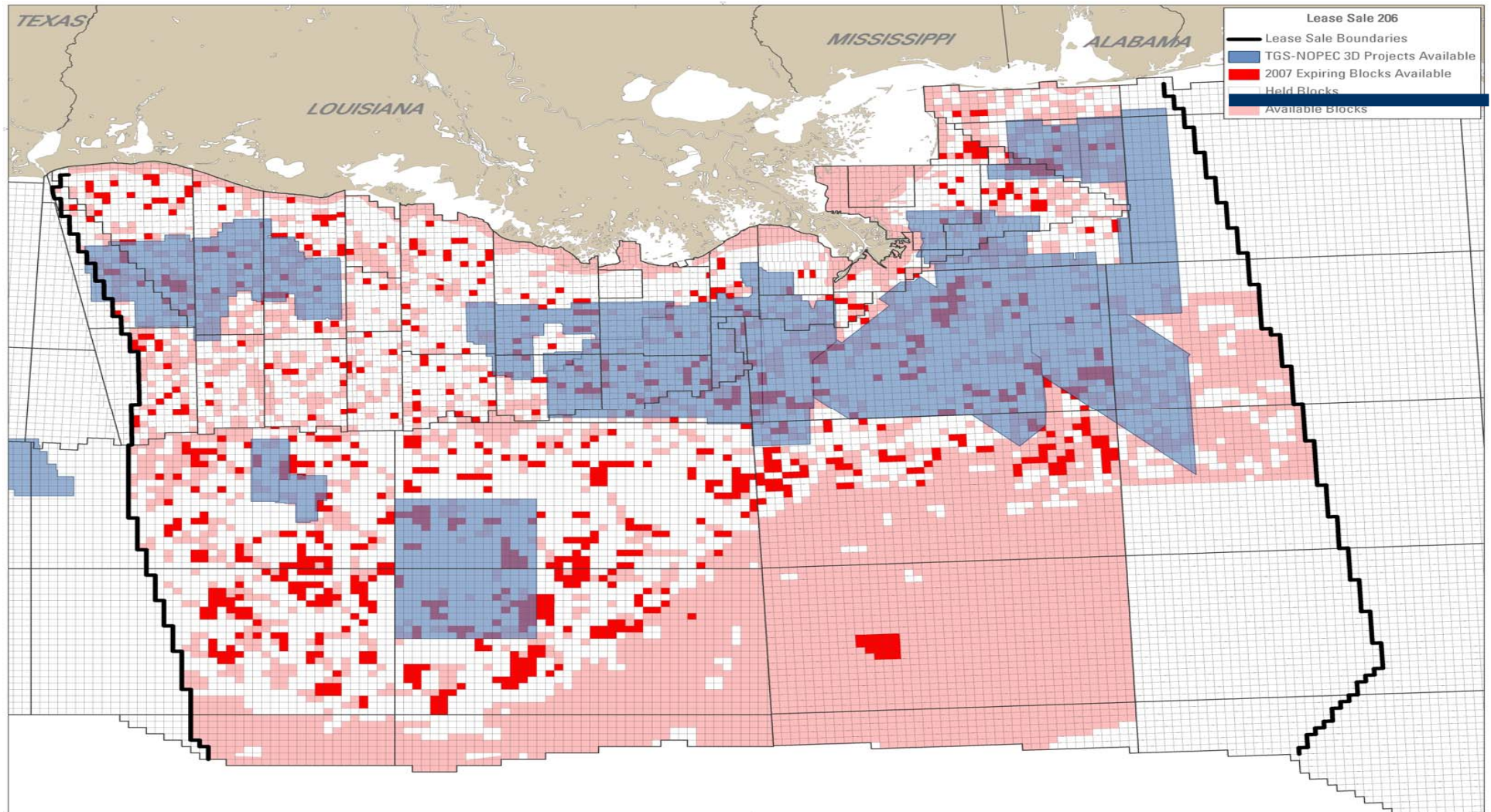
March 2008 Sale- Leases Available



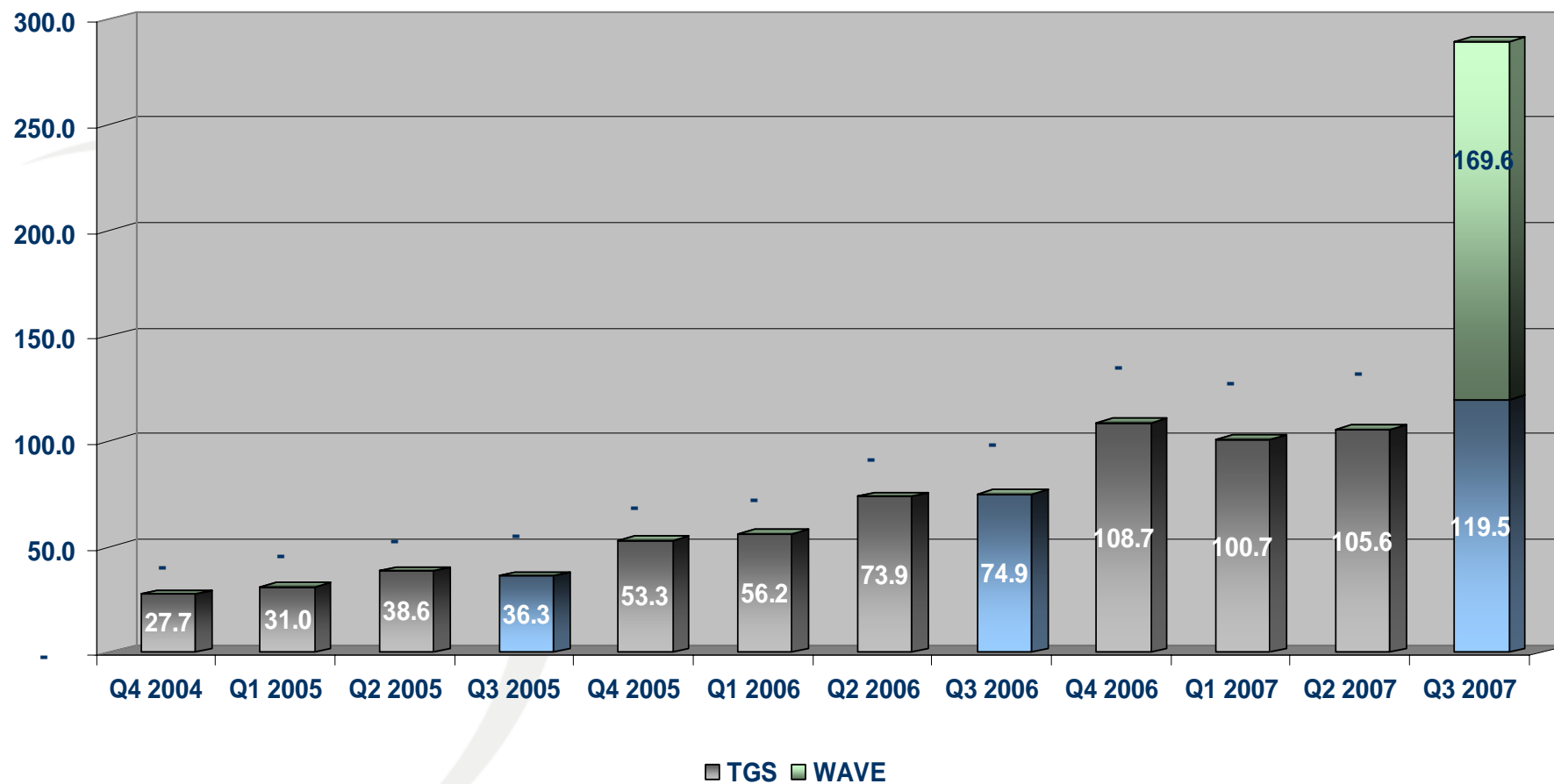
March 2008 Sale- Leases Expiring



March 2008 Sale- Expiring Leases



Backlog



Outlook

- **Excellent opportunities in both contract & mc sectors**
- **MC wide azimuth 3D in Gulf of Mexico**
 - Planned start late Q4 2007
 - Large block pre-funding secured, expect significant additions Q4
- **Q4 vessel utilization rates lower than normal**
 - Steaming time to optimally position fleet
 - Unplanned dry-dock for repair of chartered vessel
- **Expect late sales in GoM to return to normal pattern**

2007 Expectations

- **Multi-client library investments: USD 145 - 155 million**
- **Average annual pre-funding: 60 - 70 % of investments**
- **Average annual amortization rate: 28 – 33 % of net multi-client revenues**
- **Q4 net revenues 190 MUSD – 210 MUSD**
- **Full year net revenues 485 MUSD – 505 MUSD**