

TGS-NOPEC EARNINGS RELEASE

February 8th, 2007



4th QUARTER 2006 RESULTS

4th QUARTER FINANCIAL HIGHLIGHTS

- Consolidated net revenues were USD 123.7 million, an increase of 64% compared to Q4 2005.
- Net late sales from the multi-client library totaled USD 95.4 million, up 62% from USD 58.8 million in Q4 2005.
- Operating profit (EBIT) was USD 72.1 million (58% of Net Revenues), up 146% from USD 29.3 million in Q4 2005.
- Cash flow from operations after taxes but before investments was USD 77.9 million, versus USD 39.6 million in Q4 2005.
- Earnings per share were USD 0.48, up 143% compared to USD 0.20 in Q4 2005.

12 MONTHS FINANCIAL HIGHLIGHTS

- Consolidated net revenues were USD 395.9 million, an increase of 65% compared to 2005.
- Net late sales from the multi-client library totaled USD 301.4 million, up 58% from USD 190.7 million in 2005.
- Operating profit (EBIT) was USD 221.3 million (56% of Net Revenues), up 131% from USD 96.0 million in 2005.
- Cash flow from operations after taxes but before investments was USD 286.5 million, versus USD 151.9 million in 2005.
- Earnings per share (undiluted) were USD 1.43, up 127% compared to USD 0.63 in for the same period in 2005.

"TGS' performance in 2006 was truly exceptional, with impressive growth in both sales and margins in all our business units around the world", stated Chairman Claus Kampmann. "We enter 2007 in excellent financial condition with an aggressive investment plan to capitalize on a healthy market outlook."

REVENUE BREAKDOWN

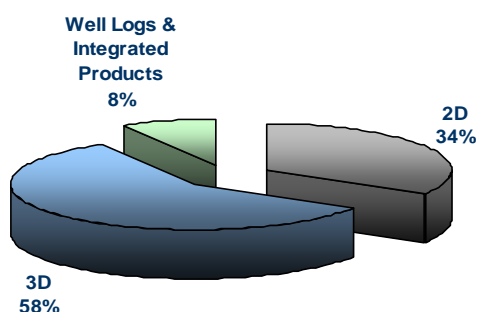
TGS' largest business activity is developing, managing, conducting, and selling non-exclusive seismic surveys. This activity accounted for 87% of the Company's business during the quarter. Well logs and integrated products (A2D and Aceca), accounted for 8% of net revenues in the 4th quarter. Other contract proprietary revenues represented the remaining 5% of total revenues.

Consolidated gross late sales in Q4 were USD 105.5 million, up 59% from last year, representing 78% of gross revenues for the quarter. Net late sales were up 62% compared to Q4 2005. Net pre-funding revenues totaled USD 20.8 million, funding 58% of the Company's operational investments into new multi-client products during Q4 (USD 35.9 million). Proprietary contract and other revenues during the quarter totaled USD 7.5 million compared to USD 3.0 million in Q4 2005.

Consolidated Net Revenues Q4 2006 vs. Q4 2005 per Geographical Region					
(in million USD)	Q4 2006	Q4 2005	Q4 2006	Q4 2005	Change
Eastern Hemisphere	41.5	25.5	34%	34%	63%
Western Hemisphere	82.1	49.8	66%	66%	65%
Total	123.7	75.2	100%	100%	64%

Consolidated Net Revenues (in million USD)	2006	vs. 2005	per Geographical Region		
	2006	2005	2006	2005	Change
Eastern Hemisphere	117.9	73.4	30%	31%	61%
Western Hemisphere	278.0	166.9	70%	69%	67%
Total	395.9	240.4	100%	100%	65%

YTD Net Revenues by Product Type:



OPERATIONAL COSTS

The consolidated amortization charge associated with multi-client revenues was 25% of net multi-client revenues during Q4 2006 compared to 43% in Q4 2005. This rate does fluctuate from quarter to quarter, depending on the sales mix of projects. The unusually low amortization rate this quarter resulted from a mix of high sales of surveys with a little or no net book values combined with very low forced write-downs. The full year amortization rate is 27%. This is at the low end of management's given guidance (27-32%) for the full year.

Costs of materials were USD 3.5 million for the quarter as a direct consequence of proprietary seismic acquisition contracts.

Personnel and other operating costs expensed for the quarter, excluding materials, were USD 15.8 million, an increase of 20% from Q4 2005 (USD 13.2 million).

The theoretical, non-cash cost of employees' stock options in accordance with IFRS was USD 1.0 million in Q4 2006, versus USD 0.7 million in Q4 2005.

EBIT and EBITDA

Operating profit (EBIT) for the quarter of USD 72.1 million represented 58% of net revenues. This was 146% higher than the USD 29.3 million in Q4 2005.

EBITDA (Earnings before Interest, Tax, Depreciation and Amortization) for the quarter ended December 31st was USD 103.4 million, 84% of net revenues, up 69% from USD 61.3 million in Q4 2005.

FINANCIAL INCOME AND EXPENSES

The effects of the derivative currency swap contracts the Company entered in connection with the Bond loan in May 2004 (see section "Balance Sheet and Cash Flow" below) are as from this quarter disclosed on a gross basis instead of on a net basis which had been the practice previously applied. This presentation inflates both the "Financial Income" and "Exchange gains/losses" lines in the income statement, but is in accordance with IFRS rules.

During the fall of 2006, the Company made a short-term loan of USD 5 million to a start-up company as part of an intended larger strategic business transaction. The Company now recognizes that there is a high risk that this loan will not be repaid, and has subsequently filed a collection lawsuit. The full balance of the loan has been expensed under "Financial Expense" in Q4 2006.

TAX

The nominal Norwegian corporate income tax rate is 28%. The effective tax rate for the Group 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 was 31.3%.

NET INCOME AND EARNINGS PER SHARE (EPS)

Net income for Q4 2006 was USD 50.3 million (41% of net revenues) up 147% compared to USD 20.4 million (27% of net revenues) in Q4 2005. Quarterly earnings per share (EPS) were USD 0.46 fully diluted (USD 0.48 undiluted), an increase of 146% from Q4 2005 EPS of USD 0.19 (USD 0.20 undiluted).

MULTI-CLIENT INVESTMENTS

The Company's operational investments in its data library during Q4 2006 were USD 35.9 million, 6% higher than in Q4 2005. The Company recognized USD 20.8 million in net pre-funding revenues in Q4, funding approximately 58% of its operational multi-client investments during the quarter. On a full year basis, pre-funding revenues represented 57% of operational multi-client investments.

BALANCE SHEET & CASH FLOW

The net cash flow from operations for the quarter, after taxes, before investments, totaled USD 77.9 million compared to USD 39.6 million in Q4 2005. For the full year 2006, cash flow from operations after taxes but before investments was USD 286.5 million, versus USD 151.9 million 2005. As of December 31st, 2006, the Company's total cash holdings amounted to USD 270.6 million compared to USD 218.5 million at September 30th, 2006.

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 47.7 million at December 31st, 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.

Total equity per December 31st, 2006 was USD 477.0 million, representing 71% of total assets. The issuance of new shares during 2006 was solely a result of employees' exercise of stock options.

THE MULTI-CLIENT DATA LIBRARY:

MUSD	Q4 2006	Q4 2005	2006	2005	2004	2003
Beginning Net Book Value	188.1	156.3	160.8	149.5	133.2	117.8
Non-Operational Investments	1.0	1.6	4.5	1.6	2.1	5.0
Operational Investments	35.9	33.9	131.9	103.8	84.5	68.7
Amortization	(29.4)	(31.0)	(101.7)	(94.1)	(70.3)	(58.3)
Ending Net Book Value	195.6	160.8	195.6	160.8	149.5	133.2

KEY MULTI CLIENT FIGURES:

MUSD	Q4 2006	Q4 2005	2006	2005	2004	2003
Net MC Revenues	116.2	72.3	376.5	232.1	163.1	132.6
Change in MC Revenue	61%	31%	62%	42%	23%	9%
Change in MC Investment	4%	229%	29%	22%	17%	17%
Amort. in % of Net MC Revs.	25%	43%	27%	41%	43%	44%
Change in Net Book Value	4%	3%	22%	8%	12%	13%

OPERATIONAL HIGHLIGHTS

In the Gulf of Mexico TGS continued acquisition of its Stanley 3D streamer project and its Eastern Delta 3D ocean bottom cable survey. Approximately 250 blocks of the 550-block Stanley project were acquired prior to the termination of the charter of the M/V Polar Search at the end of October. The newly converted 3D vessel Geo Barents was originally scheduled to continue acquisition of Stanley in November, but delivery of the vessel has been delayed until March 2007. TGS completed the final Sophie's Link 3D pre-stack time migration (PSTM) product and the final Deep Resolve 3D pre-stack depth migration (PSDM) product in December and launched a 40,000-kilometer 2D PSTM and PSDM reprocessing project in the DeSoto Canyon and Lloyd Ridge areas now scheduled to be included in the October 2007 OCS Central Gulf Lease Sale.

In Europe TGS completed acquisition of its 2006 North Sea Renaissance (NSR) 2D campaign, two 2D projects in East Russia (one in the Sea of Okhotsk and another in the Chukchi Sea), and a total of seven new Controlled Source Electromagnetic (CSEM) surveys in Norway. In the Africa/Middle East region, TGS completed acquisition of a 3D survey offshore Tunisia and commenced a new 2D project offshore Oman. In Indonesia TGS initiated a unique new project designed to investigate a number of unexplored frontier basins using a range of technologies including 2D seismic, 3D multi-beam bathymetry, gravity and magnetics, sediment coring, geochemical analyses, and heat flow probes.

During the 4th quarter A2D completed the Nigeria well log database and subsequently licensed data to nine companies exploring in the country. The unit also secured another multi-year contract for GOM workstation ready, new release and new drill services from a major oil and gas company and continued the digital conversion of its well log database which now contains a total of 3,535,000 log images from 1,674,000 wells. Aceca secured additional funding for a two-year program to upgrade its UK central North Sea facies map browser (FMB) product as well as funding for a pilot FMB product offshore Nova Scotia.

TGS' backlog for new seismic projects and services was USD 87.7 million per December 31st, 2006. This was 63% higher than one quarter ago and 131% higher than one year ago. Well log and integrated products (A2D and Aceca) backlog decreased 0.1 million during the quarter from USD 21.2 million to USD 21.1 million, but is 37% higher than one year ago. Total Company backlog increased 45% during the quarter and stands at a record high of USD 108.7 million at the end of the year, 104% higher than one year ago.

OUTLOOK

With the resurgence in oil company exploration programs, demand for geoscientific products and services continues to grow. As a result TGS has expanded its investment plan for 2007, securing access to three 3D seismic crews and six 2D seismic crews for all or part of 2007 at average rates in the range of 15-20% higher than in 2006. As in previous years, TGS expects to pass these cost increases through to its customers in the form of higher pricing on new projects. The majority of TGS' current contracts with vessel suppliers contain options for extensions though 2008 with no additional rate increases.

TGS management's expectations for the full year 2007 are as follows: multi-client library investments of USD 175–185 million, average pre-funding in the range of 50-60% of investments, an average annualized multi-client amortization rate in the range of 28-33% of net revenues, and net revenue growth in the range of 20-25%.

Asker, February 7th, 2007

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

Arne Helland, CFO **tel +47-66-76-99-00/+47-91-88-78-29**

John Adamick, VP Business Development **tel +1-713-860-2114**

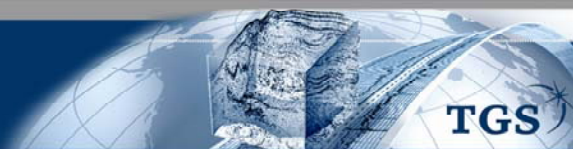
This interim Financial Report has been prepared applying the IAS 34 "Interim Financial Reporting" principles. The accounting principles adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial 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 Q4	2005 Q4	2006 YTD	2005 YTD
<i>Operating Revenues</i>				
Sales	135,330	83,614	426,975	263,946
Revenue sharing	-11,665	-8,368	-31,123	-23,594
Net Operating Revenues	123,665	75,246	395,853	240,352
<i>Operating expenses</i>				
Materials	3,533	120	6,078	848
Amortization of Multi-Client Data Library	29,393	31,020	101,655	94,122
Personnel costs	11,059	9,568	43,051	31,806
Cost of stock options	1,000	691	2,988	2,002
Other operating expenses	4,703	3,587	16,082	12,792
Depreciation	1,869	995	4,688	2,786
Total operating expenses	51,559	45,981	174,542	144,357
Operating profit	72,106	29,265	221,311	95,995
<i>Financial income and expenses</i>				
Financial income	7,419	1,107	13,621	3,006
Financial expense	-5,960	-786	-8,674	-2,635
Exchange gains/losses	-5,061	162	-6,734	837
Net financial items	-3,601	483	-1,788	1,208
Profit before taxes	68,505	29,748	219,523	97,203
Tax expense	18,237	9,385	68,633	32,078
Net Income	50,268	20,363	150,890	65,124
EPS USD	0.48	0.20	1.43	0.63
EPS USD, fully diluted	0.46	0.19	1.39	0.60

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TGS-NOPEC Geophysical Company ASA Consolidated Balance Sheet

	2006	2005
(All amounts in USD 1000's)	31-Dec	31-Dec
ASSETS		
Non-Current Assets		
<i>Intangible non-current assets</i>		
Goodwill	27,770	20,150
Multi-Client Data Library, net	195,572	160,809
Other Intangible non-current assets	3,417	3,947
Deferred Tax Asset	6,397	217
<i>Tangible non-current assets</i>		
Buildings	2,415	4,995
Machinery and Equipment	11,999	9,731
<i>Financial Assets</i>		
Non-current receivables including pre-payments	5,223	909
Total non-current assets	252,793	200,757
Current assets		
<i>Receivables</i>		
Accounts receivable	145,066	125,820
Other short term receivables	7,788	4,092
<i>Cash and cash equivalents</i>		
Cash and cash equivalents	270,585	134,069
Total current assets	423,439	263,981
TOTAL ASSETS	676,232	464,738

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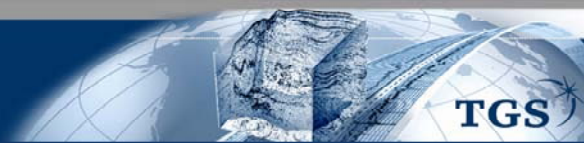
The TGS logo is located in the top right corner of the header banner. It consists of the letters 'TGS' in a bold, white, sans-serif font, positioned over a blue background that features a stylized globe and a 3D seismic data cube.

TGS-NOPEC Geophysical Company ASA Consolidated Balance Sheet

	2006 31-Dec	2005 31-Dec
(All amounts in USD 1000's)		
LIABILITIES AND EQUITY		
<i>Equity</i>		
Share capital	3,808	3,749
Other equity	473,231	317,019
Total equity	477,039	320,768
Provisions and liabilities		
<i>Provisions</i>		
Deferred tax liability	36,952	25,316
<i>Non-current liabilities</i>		
Non-current loans	47,734	44,322
Capitalized lease liabilities	535	736
<i>Current liabilities</i>		
Current interest-bearing debt	0	0
Accounts payable and debt to partners	51,013	33,355
Taxes payable, withheld payroll tax, social security	24,632	4,722
Other current liabilities	38,327	35,519
Total provisions and liabilities	199,193	143,971
TOTAL LIABILITIES AND EQUITY	676,232	464,738

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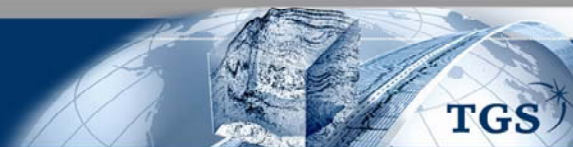
TGS-NOPEC Geophysical Company ASA

Consolidated Cash flow Statement

	2006	2005	2006	2005
(All amounts in USD 1000's)	Q4	Q4	YTD	YTD
Cash flow from operating activities:				
Received payments from sales	111,422	56,217	397,845	216,999
Payments for salaries, pensions, social security tax and tax deducted	-12,210	-9,149	-38,161	-28,885
Other operational costs	-10,781	-3,587	-22,160	-12,792
Received interest and other financial income	-22	1,269	6,179	3,842
Interest payments and other financial expenses	-5,170	-786	-8,917	-2,635
Paid taxes	-5,339	-4,360	-48,252	-24,615
Net cash flow from operating activities 1)	77,900	39,604	286,535	151,915
Cash flow from investing activities:				
Received payments from fixed assets	3,092	1,305	4,002	1,419
Investment in tangible fixed assets	-6,360	-1,087	-10,056	-8,544
Investments in seismic and well logs	-23,241	-28,706	-133,478	-87,935
Investment through Mergers and Acquisitions	145	0	-7,093	0
Net change in non-current receivables	3,620	918	-190	1,651
Net cash flow from investing activities	-22,744	-27,569	-146,815	-93,408
Cash flow from financing activities:				
Net change in current loans	0	-18	0	-70
Net change in non-current loans	-4,534	-239	-2,058	-873
Purchase of own shares	0	0	-9,969	-2,160
Paid in equity	1,415	247	8,823	16,284
Net cash flow from financing activities	-3,119	-9	-3,204	13,181
Net change in cash and cash equivalents	52,038	12,025	136,516	71,687
Cash and cash equivalents at the beginning of period	218,547	122,044	134,069	62,381
Cash and cash equivalents at the end of period	270,585	134,069	270,585	134,069
1) Reconciliation				
Profit before taxes	68,505	29,760	219,523	97,217
Depreciation/Amortization	31,263	32,014	106,343	96,908
Loss/Gain from sale of fixed asset	1,278	-1,166	706	-1,166
Changes in accounts receivables	-34,461	-34,087	-17,723	-38,662
Changes in other receivables	825	1,010	-3,150	1,260
Changes in other balance sheet items	15,829	16,433	29,089	20,972
Paid tax	-5,339	-4,360	-48,252	-24,615
Net cash flow from operating activities	77,900	39,604	286,535	151,915

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TGS-NOPEC Geophysical Company ASA

Equity Reconciliation (All amounts in USD 1000's)	2006	2005
Opening Balance 01.01	320,768	239,542
Paid in Equity	8,777	16,156
Purchase of own shares	-9,969	-2,160
Distribution of own shares	3,376	128
Net Income	150,890	65,138
Cost of stock options under IFRS	2,988	2,002
Effect of change in exchange rates and other items	209	-39
Closing balance per December 31st	477,039	320,768

Largest Shareholders per January 30th 2007

			Shares	%
1 STATE STREET BANK AND TRUST CO.	U.S.A.	NOM	8,269,589	8%
2 FOLKETRYGDFONDET	NORWAY		6,850,664	6%
3 JPMORGAN CHASE BANK	GREAT BRITAIN	NOM	4,554,514	4%
4 HSBC BANK PLC	GREAT BRITAIN	NOM	3,184,800	3%
5 GOLDMAN SACHS INTERNATIONAL	GREAT BRITAIN	NOM	2,942,498	3%
6 STATE STREET BANK AND TRUST CO.	U.S.A.	NOM	2,697,590	3%
7 STATE STREET BANK AND TRUST CO.	U.S.A.	NOM	2,675,372	3%
8 MELLON BANK AS AGENT FOR CLIENTS	U.S.A.	NOM	2,229,858	2%
9 BANK OF NEW YORK, BRUSSELS BRANCH	BELGIUM	NOM	2,200,100	2%
10 FIDELITY FUNDS-EUROP. GROWTH/SICAV	LUXEMBOURG		2,139,200	2%
10 Largest			37,744,185	36%
Total Shares Outstanding *			105,740,160	100%

Shareholders per Country per January 30th 2007

	Shares	%
NORWAY	24,054,356	23%
GREAT BRITAIN	34,236,542	32%
USA	31,172,023	29%
LUXEMBOURG	5,214,686	5%
OTHER	11,062,553	10%
Total Shares Outstanding *	105,740,160	100%

Average number of shares outstanding for Current Quarter *

Average number of shares outstanding during the quarter	105,557,225
Average number of shares fully diluted during the quarter	108,814,160

* Shares outstanding net of own shares held in treasury (665,368)