

TGS EARNINGS RELEASE

2nd QUARTER RESULTS

2nd QUARTER HIGHLIGHTS

- Consolidated net revenues were USD 210 million, a decrease of 2% compared to Q2 2012.
- Net late sales totaled USD 155 million, up 43% from Q2 2012.
- Net pre-funding revenues were USD 43 million, down 57% from Q2 2012, funding 39% of the Company's operational multi-client investments during Q2 (investments of USD 110 million, down 32% from Q2 2012).
- Proprietary revenues were USD 12 million, compared to USD 6 million in Q2 2012.
- Operating profit (EBIT) was USD 98 million (47% of net revenues), compared to USD 94 million (44% of net revenues) in Q2 2012.
- Cash flow from operations was USD 34 million after an extraordinary tax payment of USD 58 million, down from USD 144 million in Q2 2012.
- Earnings per share (fully diluted) were USD 0.66, compared to USD 0.63 in Q2 2012.

6 MONTHS FINANCIAL HIGHLIGHTS

- Consolidated net revenues were USD 421 million, an increase of 4% compared to H1 2012.
- Net late sales from the multi-client library totaled USD 282 million, up 27% from USD 221 million in 2012.
- Net pre-funding revenues were USD 99 million, down 43% from 2012, funding 42% of the Company's operational multi-client investments during H1 (investments of USD 236 million, down 10% from 2012).
- Proprietary revenues were USD 41 million, compared to 10 million in H1 2012.
- Operating profit (EBIT) was USD 187 million (44% of net revenues), compared to USD 183 million (45% of net revenues) in 2012.
- Cash flow from operations was USD 212 million, a decrease of 27% from USD 291 million in 2012.
- Earnings per share (fully diluted) were USD 1.24 which is the same as for the same period in 2012.

"Q2 2013 was a quarter with strong late sales particularly from older vintages. We appreciate that our customers continue to demand high quality data from our existing library and we are pleased to report a profit margin of 47% in Q2," TGS' CEO Robert Hobbs stated.

KEY FIGURES

(All amounts in USD 1,000s)	Q2 2013	Q2 2012	YTD 2013	YTD 2012
Net operating revenues	209,770	214,780	420,949	406,093
EBIT	97,565	94,207	186,862	183,119
Pre-tax profit	94,949	94,021	181,784	181,654
Net income	68,209	64,469	128,552	127,337
EBIT margin	47%	44%	44%	45%
Return on capital employed	34%	30%	34%	30%
Equity ratio	76%	69%	76%	69%
MC library opening net book value	706,814	538,383	651,165	511,131
Investments in new projects	109,672	161,892	235,467	263,073
MC data purchased from third parties	-	29,120	-	29,120
Amortization	(78,162)	(88,933)	(148,309)	(162,862)
Exchange rate adjustments	(1,147)	-	(1,147)	-
MC library ending net book value	737,176	640,462	737,176	640,462
Pre-funding % on operational investments	39%	62%	42%	66%

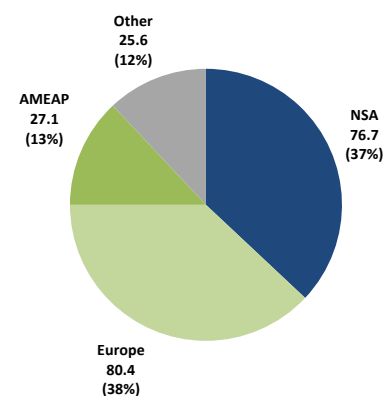
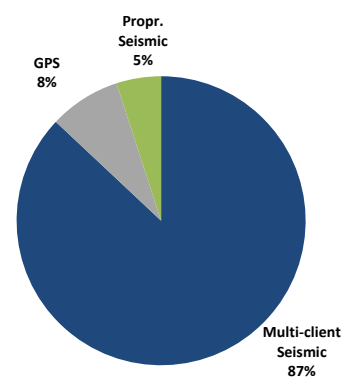
REVENUE BREAKDOWN

TGS' largest business activity is developing, managing, conducting and selling multi-client seismic surveys. This activity accounted for 87% of the Company's business during the quarter. Geological Products and Services (GPS) accounted for 8% of net revenues in the 2nd quarter, while proprietary seismic revenues accounted for 5% of net revenues.

Net late sales were up 43% compared to Q2 2012. Net pre-funding revenues totaled USD 43.0 million, a decrease of 57% from Q2 2012. The pre-funding revenues recognized in the second quarter funded 39% of the operational investments of USD 109.7 million in the multi-client library. During the first half of 2013, pre-funding amounted to 98.8 million (42% of operational investments) representing a decrease of 43% over the same period of 2012. Proprietary contract revenues during the quarter totaled USD 11.6 million compared to USD 6.3 million in Q2 2012. For the 6 months ended June 2013, proprietary revenues totaled USD 40.5 million, compared to USD 10.1 million in the first half of 2012.

TGS' reporting structure is broken down in the following seismic business segments; North and South America (NSA), Europe (EUR), and Africa, Middle East and Asia Pacific (AMEAP). In addition to these areas, several business units are aggregated to form "Other segments." These segments include GPS Well Data, GPS Interpretations, Global Services, Imaging and Permanent Reservoir Monitoring. The Company's land seismic projects in North America are reported under the geographic region NSA.

Sales from NSA totaled USD 76.7 million in Q2 2013 (USD 66.9 million in Q2 2012). Sales from EUR amounted to USD 80.4 million in Q2 2013 (USD 63.6 million in Q2 2012), while AMEAP had total sales of USD 27.1 million in Q2 2013 (USD 59.7 million in Q2 2012).



OPERATIONAL COSTS

The amortization of the multi-client library for Q2 2013 amounted to USD 78.2 million (USD 88.9 million in Q2 2012) which corresponds to 39% (43% in Q2 2012) of the net revenues from the multi-client library for the quarter. Amortization fluctuates from quarter to quarter, depending on the sales mix of projects. The amortization rate for the first 6 months of 2013 was 39% compared to 41% in H1 2012. In Q2 2013, 18% of net multi-client revenues came from pre-2009 vintages which are fully written off the books in line with the Company's amortization policy.

Cost of goods sold (COGS) were USD 2.0 million for the quarter, compared to USD 0.4 million in Q2 2012. The increase is due to higher proprietary activity in Q2 2013 compared to Q2 2012. Personnel and other operating costs expensed during the quarter were USD 27.5 million, a slight decrease from 27.7 million in 2012, mainly due to reduced costs related to employee incentive schemes.

EBITDA AND EBIT

Reported EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization) for the quarter ended 30 June 2013 was USD 179.1 million, which corresponds to 85% of net revenues, down 4% from USD 186.0 million in Q2 2012. Operating profit (EBIT) for the quarter amounts to USD 97.6 million which is slightly up from USD 94.2 million in Q2 2012.

FINANCIAL ITEMS

TGS has recorded financial expenses of USD 3.3 million in Q2 2013 which is mainly due to interest expenses related to the tax payments for the income years 2009 and 2010 resulting from the resolution received from the Norwegian Tax Authorities in May 2013. In addition, TGS recorded an unrealized currency exchange loss of USD 1.2 million in Q2 2013, of which the majority relates to the payment of dividend on 19 June 2013. This has no cash effect as the NOK cash payments were hedged by converting USD to NOK beforehand.

TAX

For the full year, TGS reports tax charges in accordance with the Accounting Standard IAS 12. Tax charges are computed based on the USD value relating to the appropriate tax provisions according to local tax regulations and currencies in each jurisdiction. The tax charges are influenced not only from local profits, but also from fluctuations in exchange rates between the local currencies and USD. This method makes it difficult to predict tax charges on a quarterly or annual basis.

In some tax jurisdictions, the Company receives a tax deduction in respect of remuneration paid as stock options. The Company recognizes an expense for employee services in accordance with IFRS 2 which is based on the fair value of the award at the date of the grant.

Management assesses that the normalized operating consolidated tax rate is approximately 31%. The tax rate reported for the quarter is at 28% compared to 31% last year.

Effective from Q2 2013, TGS presents its financial statements based on the resolution from the Norwegian Tax Authorities received in May 2013. The low rate for Q2 2013 is a consequence of reflecting the effects of this resolution which states that taxable depreciation rates should equal amortization in the financial statements. Changes in deferred taxes resulting from the resolution in Q2 2013 have caused an exchange gain which is included in the recognized tax rate.

TGS does not agree with the resolution from the Norwegian Tax Authorities and considers issuing a writ to the relevant district court within the deadline which is 6 months from receiving the resolution.

NET INCOME AND EARNINGS PER SHARE (EPS)

Net income for Q2 2013 was USD 68.2 million (33% of net revenues), up 6% compared to Q2 2012. Quarterly earnings per share (EPS) were USD 0.66 fully diluted (USD 0.67 undiluted), an increase of 5% from Q2 2012.

MULTI-CLIENT INVESTMENTS AND LIBRARY

The Company's operational investments in its data library during Q2 2013 were USD 109.7 million, 32% lower than in Q2 2012. The Company recognized USD 43.0 million in net pre-funding revenues in Q2 2013, funding 39% of its operational multi-client investments during the quarter. For the first 6 months of 2013, pre-funding revenues totaled USD 98.8 million, funding 42% of operational multi-client investments (USD 235.5 million).

MUSD	Q2 2013	Q2 2012	6M 2013	6M 2012	2012	2011	2010
Beginning net book value	706.8	538.4	651.2	511.1	511.1	475.7	424.3
Non-operational investments	-	29.1	-	29.1	31.1	-	4.0
Operational investments	109.7	161.9	235.5	263.1	496.2	276.9	295.3
Amortization	(78.2)	(88.9)	(148.3)	(162.9)	(387.3)	(241.5)	(247.9)
Exchange Rate Adjustment	(1.1)	-	(1.1)	-	-	-	-
Ending net book value	737.2	640.4	737.2	640.4	651.2	511.1	475.7

MUSD	Q2 2013	Q2 2012	6M 2013	6M 2012	2012	2011	2010
Net MC revenues	198.2	208.5	380.4	396.0	902.0	566.9	543.0
Change in MC revenue	-5%	67%	-4%	61%	59%	4%	22%
Change in MC investment	-43%	210%	-19%	178%	90%	-7%	13%
Amort. in % of net MC revs.	39%	43%	39%	41%	43%	43%	46%
Change in net book value	4%	18%	13%	25%	27%	7%	12%

BALANCE SHEET AND CASH FLOW

The net cash flow from operations for the quarter, after taxes, before investments, totaled USD 33.6 million compared to USD 144.0 million in Q2 2012. The operational cash flow includes an extraordinary tax payment of USD 57.8 million related to the resolution from the Norwegian Tax Authorities announced on 16 May, 2013. A dividend of USD 142.2 million for the 2012 accounting year was paid on 19 June 2013. As of 30 June 2013, the Company's total cash holdings amounted to USD 172.4 million compared to USD 338.7 million at 31 December 2012.

As of 30 June 2013, TGS held USD 3.7 million in Auction Rate Securities (ARS), all in AAA-rated closed-end funds.

The Company believes that no impairment to goodwill and other intangible assets exists in Q2 2013.

TGS currently does not have any interest bearing debt.

Total equity per 30 June 2013 was USD 1,156.3 million, representing 76% of total assets. A total of 5,000 new shares were issued during Q2 2013 in relation to stock options exercised by key employees in May 2013. Further, the Company transferred 16,500 treasury shares to cover the exercise of options by key employees and distributed 8,000 treasury shares to Board members. As of 30 June 2013 TGS holds 1,221,200 treasury shares.

BACKLOG

TGS' backlog amounted to USD 185.1 million at the end of Q2, an increase of 26% from last quarter and 2% below the level of one year ago. The increase from Q1 is mainly due to pre-commitments to surveys that will be acquired in H2 2013.

OPERATIONAL HIGHLIGHTS

Vessels under TGS' control through charter during all or parts of Q2 included five 3D vessels and two 2D vessels. TGS was also a participant in two 2D marine joint venture projects, and one electromagnetic survey joint venture during Q2.

North and South America

During Q2, TGS continued acquisition of the Amerigo 3D survey in the Central Gulf of Mexico. This program totals 7,500 km², with acquisition scheduled to complete in Q3. TGS also announced the 4,662 km² Francisco 3D in the Central Gulf of Mexico. Acquisition of the Francisco survey will be completed in Q4 2013. On both of these surveys, TGS is utilizing its Clari-Fi™ processing technology to provide broadband data to its customers.

In Q2, TGS completed acquisition of a 10,000 km 2D proprietary program for the Agencia Nacional de Hidrocarburos (ANH) of Colombia. TGS also returned to the NE Newfoundland Flemish Pass 2D project started in 2012. This 20,000 km program is 49% complete with 9,800 km acquired. The full program is anticipated to be complete in Q3 2013.

In the onshore U.S., TGS commenced the permitting for the Cheyenne 3D in eastern Colorado. The recording of this 1,689 km² program is expected to commence in early August.

Europe and Russia

TGS continued acquisition of the Finnmark Platform 2013 (FP13) 3D survey during Q2. This 3,500 km² dataset will be acquired and processed for clients to utilize in the Norway APA license round in Q4 2013. The Company also commenced the 8,600 km² Hoop Fault (HF13) 3D survey. With the completion of this dataset, TGS will have over 16,000 km² of high quality modern 3D coverage in the very attractive Hoop Basin of the Norwegian Barents Sea.

TGS also commenced a 7,000 km 2D survey offshore Denmark. This dataset will play an important role in assisting oil companies in evaluating acreage that is expected to be offered for tender in late 2013.

In Q2, TGS commenced a 3,300 km² Controlled Source Electromagnetic Survey in the Hoop Basin in partnership with EMGS. Acquisition of this survey is expected to be complete in Q3.

Africa, Middle East and Asia Pacific

During the quarter, TGS completed acquisition of a 4,064 km² extension of an original 3D survey over blocks 36 and 37 offshore Angola. Upon completion of processing, TGS will have over 16,500 km² of contiguous 3D data in the Angola deepwater play.

TGS completed a 6,200 km² multi-client 3D survey offshore Liberia, called Sunfish. This survey is now being processed in preparation for a tender round expected in late 2013 in deep water Liberia. The Company also continued acquisition of a 9,200 km 2D survey offshore Sierra Leone. With this survey, TGS' 2D coverage of Sierra Leone has reached 15,000 km. TGS also has 6,000 km² of multi-client 3D data in Sierra Leone.

In Q2, TGS announced a three-year agreement with BGP to jointly acquire and process 2D and 3D seismic data offshore Madagascar and East Africa. As part of this agreement, TGS and BGP have completed the acquisition of 13,135 km of 2D data offshore Madagascar.

Other Segments

The Geologic Products and Services Division continued the growth of TGS' well log data library with the addition of 36,775 new digital well logs, 3,587 new enhanced digital well logs and 5,880 directional surveys to the database.

OTHER MATTERS

The Annual General Meeting on 4 June, 2013, approved the payment of a dividend of NOK 8 per share of outstanding common stock from the Company's 2012 earnings. The dividend was paid to the shareholders who were registered shareholders of TGS as of 4 June 2013. The shares in TGS were quoted ex-dividend from 5 June 2013. The dividend was paid on 19 June 2013.

On 28 June 2013, TGS implemented a sponsored American Depositary Receipt (ADR) program. BNY Mellon has been appointed as depositary bank for this program. Each TGS ADR represents one ordinary share and trades on the over-the-counter market under the symbol "TGSGY". The TGS ADR program will offer U.S. investors the convenience of stock quotes and dividend payments in U.S. dollars with transactions cleared and settled according to normal U.S. standards. TGS ADRs can be purchased and sold in the same way as other U.S. stocks via a U.S. broker and can provide investors with a cost-effective means of international portfolio diversification.

OUTLOOK

As stated in a stock exchange release on 8 July 2013, TGS expects annual multi-client investments and prefunding levels to be slightly lower than originally communicated in January 2013. Based on a review of the investment plans for the remainder of the year, TGS expects total investments of USD 520 – 590 million with a pre-funding ratio of 40% - 50%. Originally the guidance was investments of USD 530 – 600 million with average pre-funding ratio of 50% - 60%. As a result of the revised investment plan, net revenues for 2013 are expected to be USD 920 – 1,000 million.

TGS' customers continue to communicate their intention to invest in new data to enable exploration in new and mature plays where TGS is active. TGS believes that the Company's high quality data library, solid financial position and highly flexible business model enable the Company to continue to deliver profitable growth built on a foundation of strong investment opportunities. The investment plan for 2013 is now expected to be back-end loaded with significant contribution in H2 from highly funded onshore projects as well as marine projects that have been delayed from H1.

TGS has secured a significant amount of necessary vessel capacity to execute on its investment plan in 2013. At this time the Company sees adequate available additional vessel capacity in the market to execute on the guided plan.

For 2013, the revised full year guidance is as follows:

- Multi-client investments 520 – 590 MUSD
- Average pre-funding 40 – 50%
- Average multi-client amortization rate 40 – 46%
- Net revenues 920 – 1,000 MUSD
- Contract revenues approximately 5% of total revenues

Asker, 31 July 2013

The Board of Directors of TGS-NOPEC Geophysical Company ASA

ABOUT TGS

TGS provides multi-client geoscience data to oil and gas Exploration and Production companies worldwide. In addition to extensive global geophysical and geological data libraries that include multi-client seismic data, magnetic and gravity data, digital well logs, production data and directional surveys, TGS also offers advanced processing and imaging services, interpretation products, permanent reservoir monitoring and data integration solutions.

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

TGS sponsored American Depositary Shares trade on the U.S. over-the-counter market under the symbol "TGSGY".

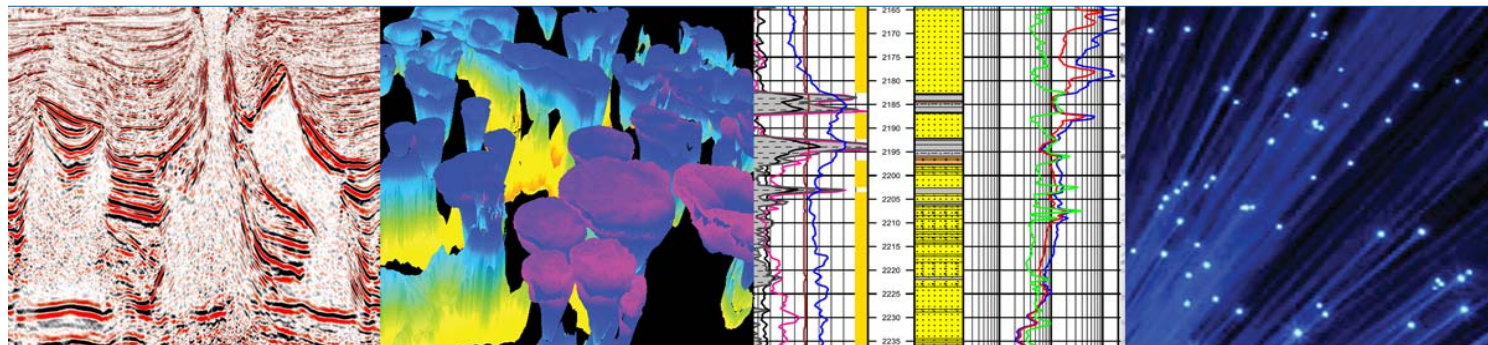
Website: www.tgs.com

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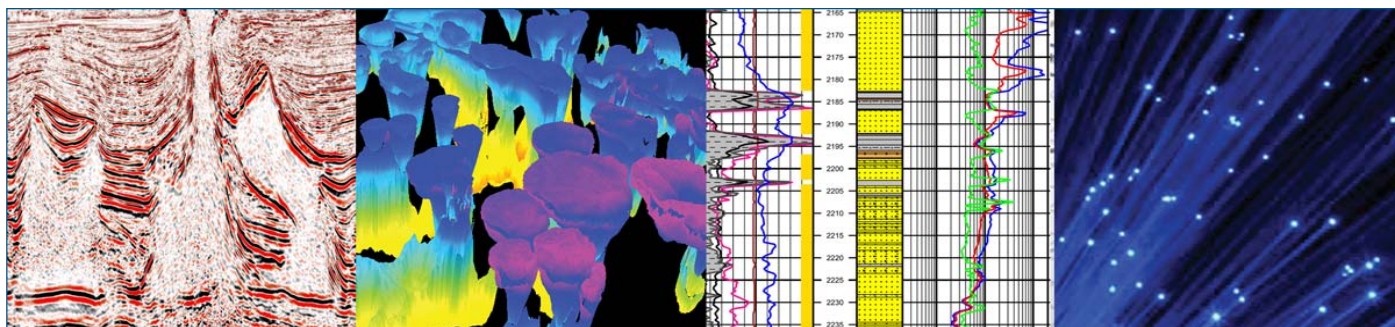
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All statements in this earnings release other than statements of historical fact are forward-looking statements, which are subject to a number of risks, uncertainties and assumptions that are difficult to predict, and are based upon assumptions as 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.



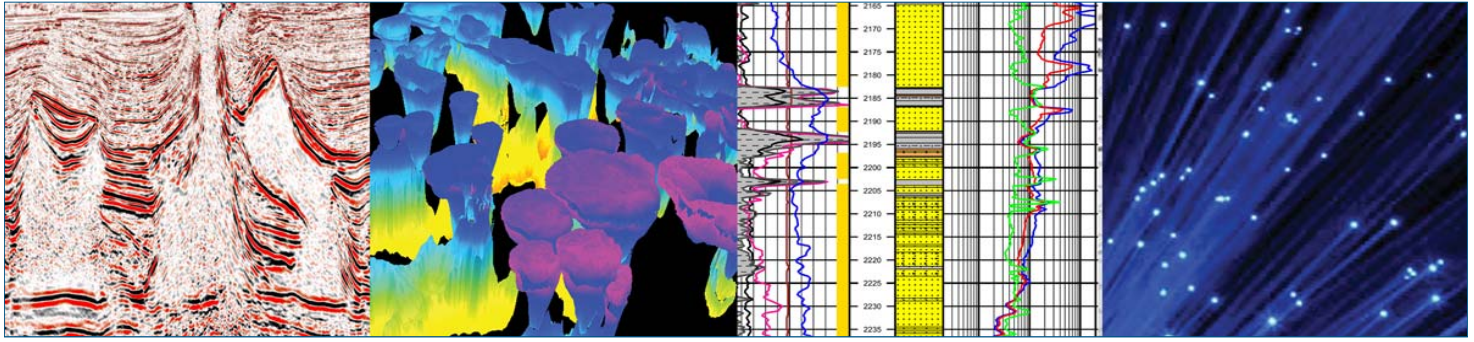
Interim Statement of Comprehensive Income

(All amounts in USD 1,000s unless noted otherwise)	Note	2013 Q2 Unaudited	2012 Q2 Unaudited	2013 YTD Unaudited	2012 YTD Unaudited
Net operating revenues	4	209,770	214,780	420,949	406,093
<i>Operating expenses</i>					
Cost of goods sold - proprietary and other		2,033	440	17,949	853
Amortization of multi-client library		78,162	88,933	148,309	162,862
Personnel costs		16,894	18,019	38,833	36,321
Cost of stock options		1,072	670	2,169	1,350
Other operating expenses		10,622	9,631	19,938	16,713
Depreciation and amortization		3,423	2,881	6,888	4,875
Total operating expenses		112,206	120,574	234,087	222,975
Operating profit	4	97,565	94,207	186,862	183,119
<i>Financial income and expenses</i>					
Financial income		1,861	1,144	3,641	1,938
Financial expense		-3,266	-364	-3,349	-365
Other financial items		-1,211	-966	-5,369	-3,038
Net financial items		-2,616	-186	-5,078	-1,465
Profit before taxes		94,949	94,021	181,784	181,654
Tax expense	5	26,740	29,552	53,232	54,317
Net income		68,209	64,469	128,552	127,337
EPS USD		0.67	0.63	1.26	1.25
EPS USD, fully diluted		0.66	0.63	1.24	1.24
<i>Other comprehensive income:</i>					
Exchange differences on translation of foreign operations		-1,993	-424	-4,316	-67
Net (loss)/gain on available-for-sale financial assets		-	-1,414	-	-1,748
Other comprehensive income for the period, net of tax		-1,993	-1,838	-4,316	-1,815
Total comprehensive income for the period, net of tax		66,216	62,631	124,237	125,522



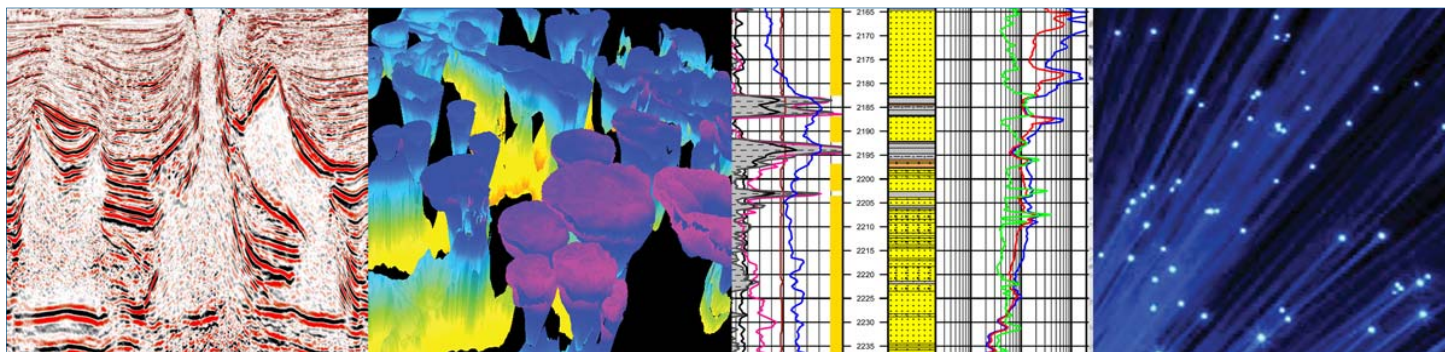
Interim Consolidated Balance Sheet

(All amounts in USD 1,000s)	Note	2013 30-Jun Unaudited	2013 31-Mar Unaudited	2012 31-Dec Audited
ASSETS				
Non-current assets				
Goodwill		85,260	85,903	86,616
Multi-client library		737,176	706,814	651,165
Other intangible non-current assets		54,771	55,380	55,641
Deferred tax asset	5	11,246	15,711	17,897
Buildings		5,305	4,148	4,273
Machinery and equipment		39,331	32,200	27,752
Other non-current assets		16,794	16,810	16,828
Total non-current assets		949,882	916,966	860,172
Current assets				
Financial investments available for sale		3,689	3,689	3,689
Accounts receivable		235,630	162,360	281,755
Accrued revenues		137,905	141,994	129,471
Other short-term receivables		30,355	43,809	46,962
Cash and cash equivalents		172,411	412,341	338,673
Total current assets		579,990	764,193	800,550
TOTAL ASSETS		1,529,872	1,681,159	1,660,721
EQUITY AND LIABILITIES				
Equity				
Share capital		3,660	3,658	3,655
Other equity		1,152,620	1,225,932	1,164,705
Total equity	3	1,156,280	1,229,591	1,168,360
Non-current liabilities				
Other non-current liabilities		4,285	4,285	4,356
Deferred tax liability	5	60,682	122,971	113,480
Total non-current liabilities		64,967	127,256	117,836
Current liabilities				
Accounts payable and debt to partners		157,717	161,484	201,914
Taxes payable, withheld payroll tax, social security	5	71,946	66,059	79,369
Other current liabilities		78,963	96,769	93,242
Total current liabilities		308,626	324,311	374,525
TOTAL EQUITY AND LIABILITIES		1,529,872	1,681,159	1,660,721



Interim Consolidated Statement of Cash flow

(All amounts in USD 1,000s)	2013 Q2 Unaudited	2012 Q2 Unaudited	2013 YTD Unaudited	2012 YTD Unaudited
Cash flow from operating activities:				
Received payments from customers	152,891	207,332	415,351	392,954
Payments for salaries, pensions, social security tax	-18,304	-16,990	-41,456	-32,276
Other operational costs	-12,655	-10,071	-37,887	-17,566
Paid taxes	-88,366	-36,263	-123,921	-52,292
Net cash flow from operating activities ¹	33,565	144,008	212,086	290,820
Cash flow from investing activities:				
Investments in tangible and intangible assets	-14,524	-9,440	-25,197	-14,280
Investments in multi-client library	-116,866	-168,593	-213,172	-231,230
Investment through mergers and acquisitions, net of cash acquired	-	-75,750	-	-75,750
Proceeds from sale of short-term financial investments	-	12,575	-	16,450
Interest received	2,745	1,045	3,773	1,669
Net cash flow from investing activities	-128,645	-240,163	-234,596	-303,141
Cash flow from financing activities:				
Interest paid	-3,223	-302	-3,275	-303
Dividend payments	-142,164	-103,325	-142,164	-103,325
Proceeds from share offerings	534	324	1,687	1,994
Net cash flow from financing activities	-144,853	-103,303	-143,752	-101,634
Net change in cash and cash equivalents	-239,933	-199,456	-166,263	-113,953
Cash and cash equivalents at the beginning of period	412,341	421,212	338,673	335,709
Cash and cash equivalents at the end of period	172,411	221,755	172,411	221,755
1) Reconciliation				
Profit before taxes	94,949	94,021	181,784	181,654
Depreciation/amortization/impairment	81,585	91,813	155,197	167,737
Changes in accounts receivables and accrued revenues	-69,367	-25,200	37,323	-36,839
Changes in other receivables	6,725	-8,347	-137	-2,096
Changes in other balance sheet items	8,041	27,985	-38,161	32,656
Paid taxes	-88,366	-36,263	-123,921	-52,292
Net cash flow from operating activities	33,565	144,008	212,086	290,820



Interim Consolidated Statement of Changes in Equity

(All amounts in USD 1,000s)	Share-Capital	Own Shares Held	Share Premium Reserve	Other Paid-In Equity	Available for Sale Reserve	Foreign Currency		Retained Earnings	Total Equity
						Translation Reserve			
Opening balance 1 January 2013	3,712	-57	56,008	23,595	212	-6,491		1,091,380	1,168,360
Net income	-	-	-	-	-	-		128,552	128,552
Other comprehensive income	-	-	-	-	-	-4,316		-	-4,316
Total comprehensive income	-	-	-	-	-	-4,316		128,552	124,237
Paid-in-equity	1	-	332	-	-	-		-	333
Distribution of treasury shares	-	3	-	-	-	-		1,351	1,354
Cost of stock options	-	-	-	2,169	-	-		-	2,169
Dividends	-	-	-	-	-	-		-140,029	-140,029
Deferred tax asset related to stock options	-	-	-	-	-	-		-146	-146
Closing balance per 30 June 2013	3,713	-54	56,340	25,764	212	-10,807		1,081,108	1,156,280

(All amounts in USD 1,000s)	Share-Capital	Own Shares Held	Share Premium Reserve	Other Paid-In Equity	Available for Sale Reserve	Foreign Currency		Retained Earnings	Total Equity
						Translation Reserve			
Opening balance 1 January 2012	3,713	-76	53,256	20,310	1,960	-8,593		902,451	973,021
Net income	-	-	-	-	-	-		127,337	127,337
Other comprehensive income	-	-	-	-	-1,748	-67		-	-1,815
Total comprehensive income	-	-	-	-	-1,748	-67		127,337	125,522
Paid-in-equity	2	-	777	-	-	-		-	780
Distribution of own shares	-	3	-	-	-	-		1,211	1,214
Cost of stock options	-	-	-	1,350	-	-		-	1,350
Dividends	-	-	-	-	-	-		-99,911	-99,911
Deferred tax asset related to stock options	-	-	-	-	-	-		397	397
Closing balance per 30 June 2012	3,715	-73	54,033	21,660	212	-8,660		931,485	1,002,373

Largest Shareholders per 26 July 2013

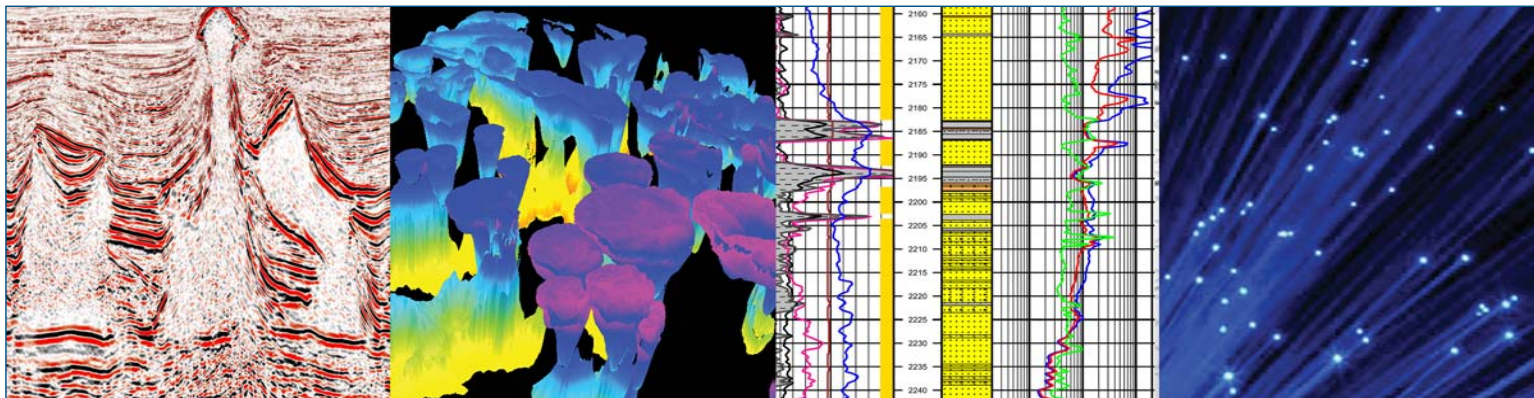
			Shares	%
1	FOLKETRYGDFONDET	NORWAY	9,240,870	9.0%
2	STATE STREET BANK AND TRUST CO.	U.S.A.	6,049,763	5.9%
3	J.P. MORGAN CHASE BANK N.A. LONDON	GREAT BRITAIN	3,613,398	3.5%
4	CLEARSTREAM BANKING S.A.	LUXEMBOURG	3,349,719	3.3%
5	THE BANK OF NEW YORK MELLON	U.S.A.	2,971,636	2.9%
6	STATE STREET BANK AND TRUST CO.	U.S.A.	2,552,757	2.5%
7	PARETO AKSJE NORGE	NORWAY	2,505,956	2.5%
8	THE BANK OF NEW YORK MELLON	U.S.A.	2,239,393	2.2%
9	STATE STREET BANK AND TRUST CO.	U.S.A.	2,041,300	2.0%
10	J.P. MORGAN CHASE BANK N.A. LONDON	GREAT BRITAIN	1,811,310	1.8%
10 Largest			36,376,102	36%
Total Shares Outstanding *			102,234,524	100%

* Total shares outstanding are net of shares held in treasury

Average number of shares outstanding for Current Quarter *

Average number of shares outstanding during the quarter	102,218,090
Average number of shares fully diluted during the quarter	103,585,772

* Shares outstanding net of shares held in treasury (1,221,200 TGS shares), composed of average outstanding TGS shares during the full quarter



Note 1 General information

TGS-NOPEC Geophysical Company ASA (the Company) is a public limited company listed on the Oslo Stock Exchange. The address of its registered office is Lensmannsliå 4, 1386 Asker, Norway.

Note 2 Basis for Preparation

The condensed consolidated interim financial statements of the TGS Group have been prepared in accordance with International Financial Reporting Standards (IFRS) IAS 34 Interim Financial Reporting as approved by EU and additional requirements in the Norwegian Securities Trading Act.

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the annual financial statements for 2012. None of the new accounting standards or amendments that came into effect from 1 January 2013 had a significant impact during the first half of 2013. The annual report for 2012 is available on www.tgs.com.

Note 3 Share capital and equity

Ordinary shares	Number of shares
1 January 2013	103,431,474
26 February 2013, shares issued for cash on exercise of stock options	19,250
15 May 2013, shares issued for cash on exercise of stock options	5,000
30 June 2013	103,455,724
Treasury shares	Number of shares
1 January 2013	1,317,200
21 February 2013, treasury shares transferred to cover exercise of stock options	(71,500)
10 May 2013, treasury shares transferred to cover exercise of stock options	(16,500)
5 June 2013, distribution of shares to board members	(8,000)
30 June 2013	1,221,200

The Annual General Meeting on 4 June 2013 approved a dividend of NOK 8 per share for outstanding common stock. Dividend payments of USD 142.2 million were made to the shareholders on 19 June 2013.

Note 4 Segment information

	North & South America	Europe & Russia	Africa, Middle East & Asia/Pacific	Other segments/ Corporate costs	Consolidated
2013 Q2					
Net external revenues	76,667	80,429	27,067	25,607	209,770
Operating profit	56,195	38,360	7,774	-4,765	97,565
2013 YTD					
Net external revenues	211,166	108,075	55,247	46,460	420,949
Operating profit	136,110	52,178	16,981	-18,407	186,862
2012 Q2					
Net external revenues	66,904	63,591	59,705	24,580	214,780
Operating profit	36,958	37,108	26,071	-5,930	94,207
2012 YTD					
Net external revenues	139,674	84,627	134,321	47,472	406,093
Operating profit	84,088	47,726	61,564	-10,259	183,119

There are no intersegment revenues between the reportable operating segments.

The Company does not allocate all cost items to its reportable operating segments during the year. Unallocated cost items are reported as "Other segments/Corporate costs".

Note 5 Resolution from the Norwegian Tax Authorities

As disclosed in the 2012 Annual Report, TGS received a letter from the Norwegian Tax Authorities in October 2011 questioning TGS' historical taxable depreciations of the multi-client library. TGS has during 2011 to 2013 responded with documentation. On 15 May 2013, TGS received a resolution from the Norwegian Tax Authorities stating that depreciation rates for tax purposes should follow the depreciation rates used in the financial statements. Further, the taxable revenue recognition and depreciation should not commence until the final product is ready for delivery to a client. The resolution implied an increased taxable income by approximately NOK 1.27 billion for the period up to and including 2010. As a result, tax payments of USD 57.8 have been made in Q2 2013. The resolution had a one-off cash effect and has an impact on the timing of future tax payments compared to how the Company previously has presented its financial statements. Except for interest expenses related to the tax payments and foreign exchange gains/loss related to the NOK tax invoice, there are no P&L effects related to the resolution. The resolution implied a reclassification between deferred tax liabilities and taxes payable in the balance sheet.

TGS does not agree with the resolution from the Norwegian Tax Authorities and considers issuing a writ to the relevant district court within the deadline which is 6 months from receiving the resolution.

Independent of a decision to issue a writ and take legal action, TGS does present its financial statements as of and from Q2 2013 based on the resolution from the Norwegian Tax Authorities. The change has implied a lower tax rate for Q2 2013 as the changes to deferred taxes are measured in NOK and then translated into USD. Changes in deferred taxes resulting from the resolution in Q2 2013 have therefore caused an exchange gain which is included in the recognized tax expense.

Responsibility Statement

We confirm to the best of our knowledge that the condensed set of financial statements for the period 1 January to 30 June 2013 has been prepared in accordance with IAS 34 – Interim Financial Reporting as adopted by EU, and additional requirements found in the Norwegian Securities Trading Act, and gives a true and fair view of the Company's consolidated assets, liabilities, financial position and result for the period. We also confirm to the best of our knowledge that the financial review includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the financial statements, any major related parties transactions, and a description of the principal risks and uncertainties for the remaining six months of the financial year.

Asker, 31 July 2013

Hank Hamilton (Board Chairman)

Colette Lewiner

Elisabeth Harstad

Tor Magne Lønnum

Mark Leonard

Bengt Lie Hansen

Vicki Messer

Robert Hobbs (CEO)