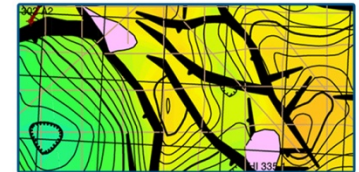
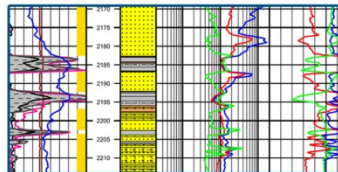
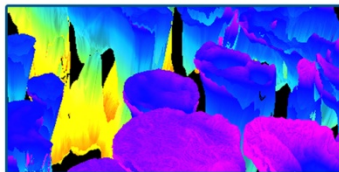
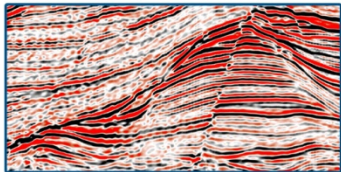


TGS

Q3 2014 Earnings Release

Robert Hobbs
Chief Executive Officer

Kristian K. Johansen
Chief Financial Officer

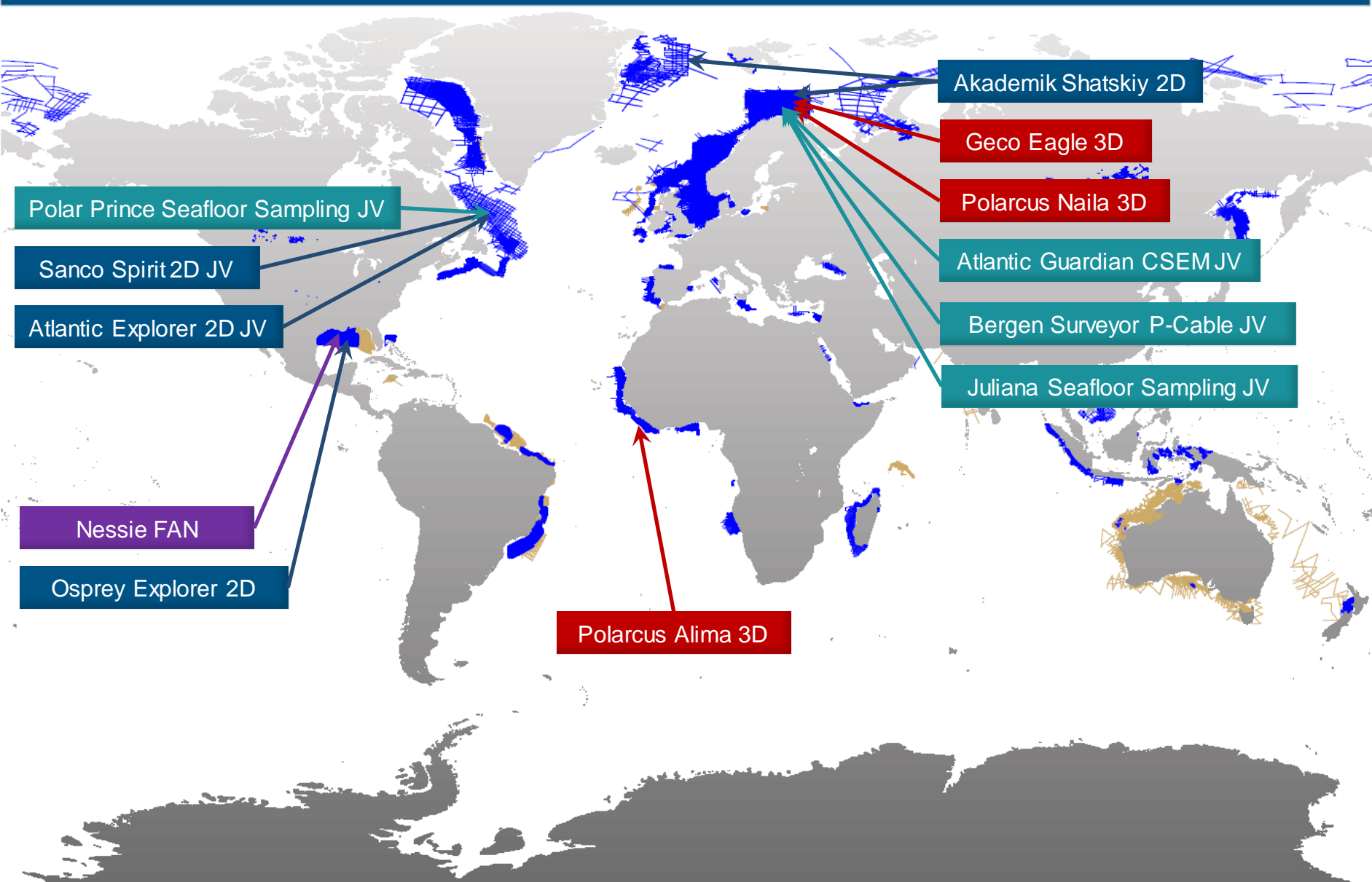


All statements in this presentation other than statements of historical fact, are forward-looking statements, which are subject to a number of risks, uncertainties, and assumptions that are difficult to predict and are based upon assumptions as to future events that may not prove accurate. These factors include TGS' reliance on a cyclical industry and 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 for any reason.

- Net revenues were 190 MUSD compared to 191 MUSD in Q3 2013
 - Net late sales of 130 MUSD, down 6% from 138 MUSD in Q3 2013
 - Net pre-funding revenues of 51 MUSD were up 17%, funding 55% of TGS' operational multi-client investments for the quarter (93 MUSD)
- Operating profit for the quarter was 71 MUSD, 38% of net revenues, compared to 80 MUSD (42% of net revenues) in Q3 2013
- Cash flow from operations was 184 MUSD compared to 118 MUSD in Q3 2013
- Three 3D vessels and two 2D vessels operating under TGS control in Q3 2014
 - TGS was also a participant in two 2D marine JV projects, one high resolution P-Cable™ marine JV project and one CSEM marine project
 - TGS commenced its first commercial Full Azimuth Node (FAN™) multi-client survey in the Gulf of Mexico

Operational Highlights

Q3 2014 Operations

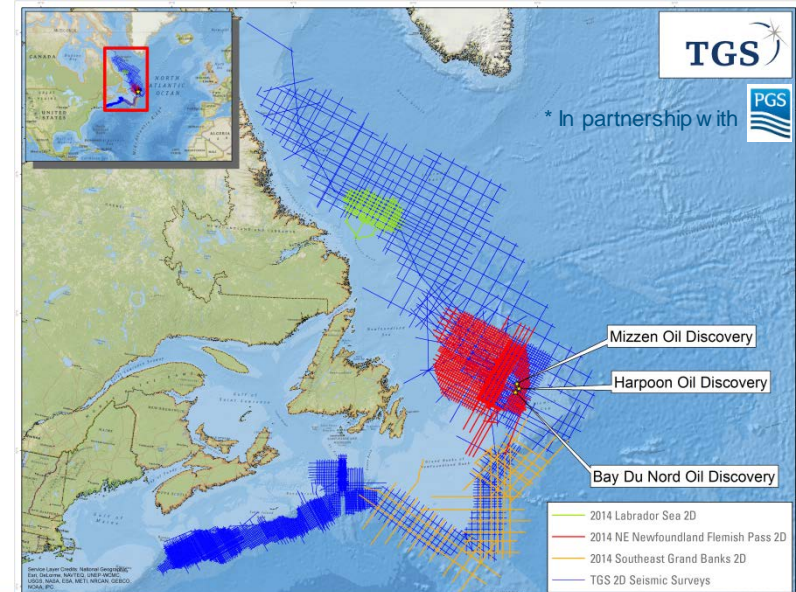
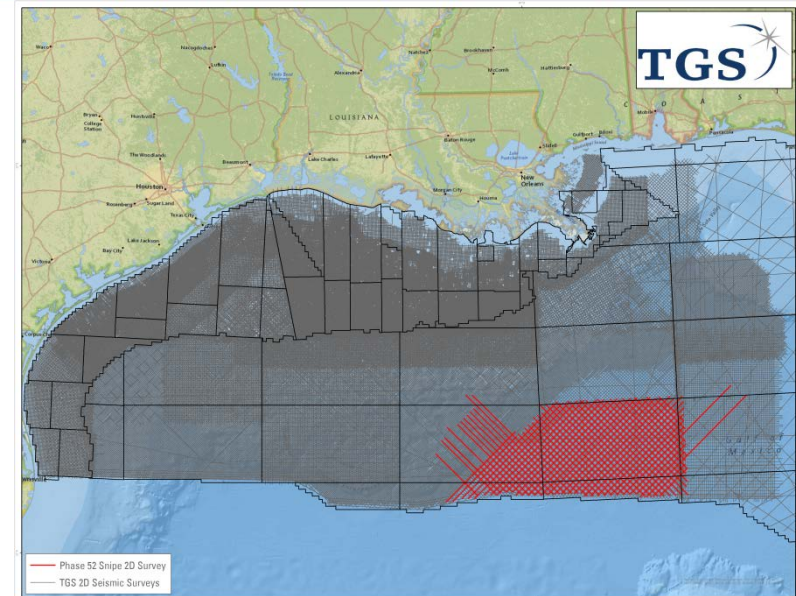


Central Gulf of Mexico

- **Snipe Phase 52** – 12,000 km multi-client 2D survey
- Long offset, high resolution data in ultra deep water, extending to the U.S. – Mexico boundary
- Supplements TGS' existing library in the region and provides critical well ties to a number of recent discoveries

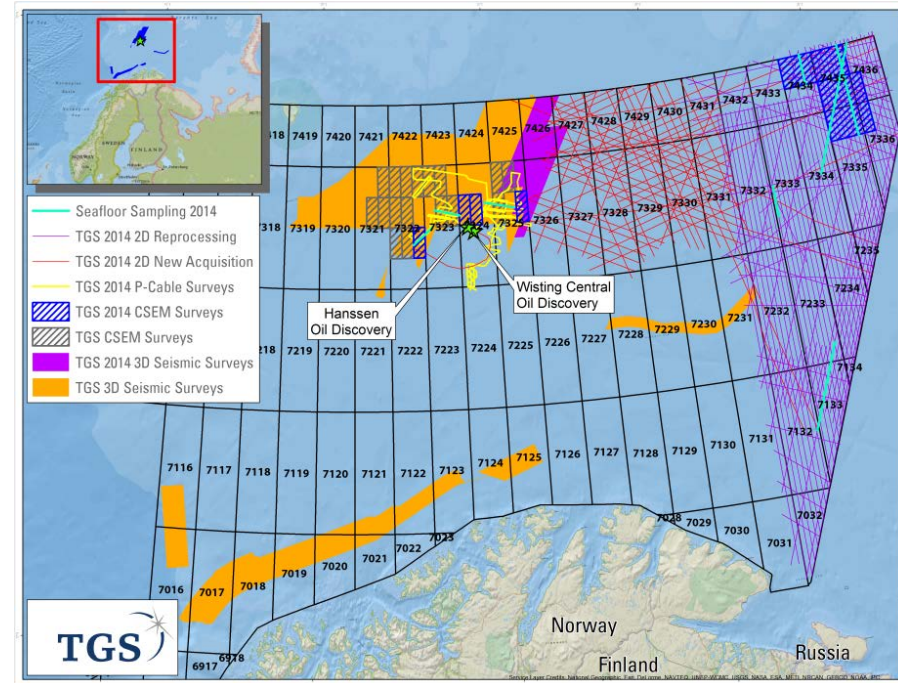
East Canada

- **Newfoundland Labrador 2014** - 30,000 km multi-client 2D survey in partnership with PGS
- Continuation of a multi-year program targeting Sectors announced for Newfoundland Labrador's new Scheduled Land Tender system
- Complements TGS' existing 47,500 km of 2D in this region
- Data being acquired utilizing PGS' Geostreamer® technology with data processing performed by TGS
- **Seafloor sampling** – samples collected in partnership with PGS and VBPR to improve understanding of stratigraphy and source rock potential in this frontier play



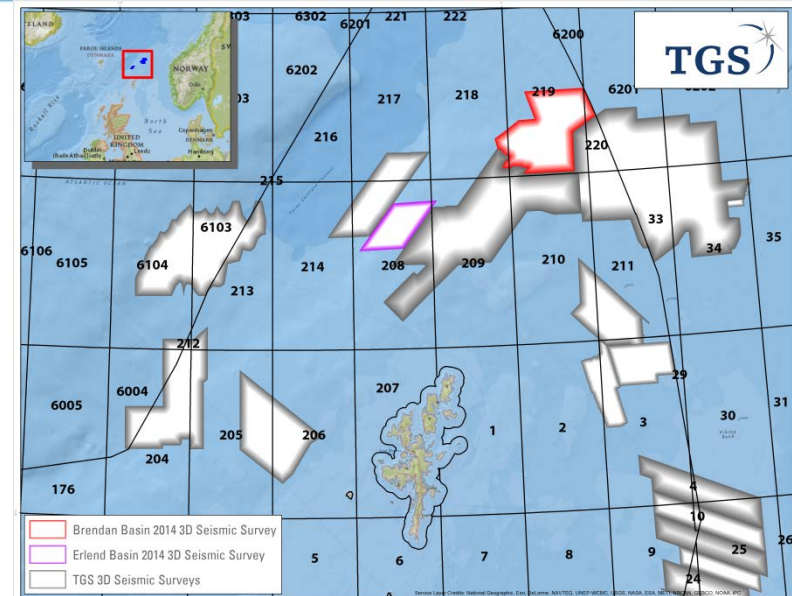
Barents Sea

- Significant TGS activity in Barents Sea targeting 23rd Round (including Hoop Basin and SE Barents) with multiple data products
- NBR14 2D – 9,300 km multi-client extension of TGS long offset 2D grid into eastern Barents Sea including the newly opened area in the former disputed Norway-Russia zone
- Clari-Fi™ – 2D multi-client broadband reprocessing of >18,000 km data owned by the Norwegian Petroleum Directorate
- HFCE14 3D – 3,100 km² multi-client survey extending TGS' existing 3D Hoop Basin coverage to >20,000 km²
- P-Cable™ – approx. 500 km² multi-client high resolution survey in partnership with WGP
- CSEM – electromagnetic multi-client data being acquired over 18 blocks in partnership with EMGS



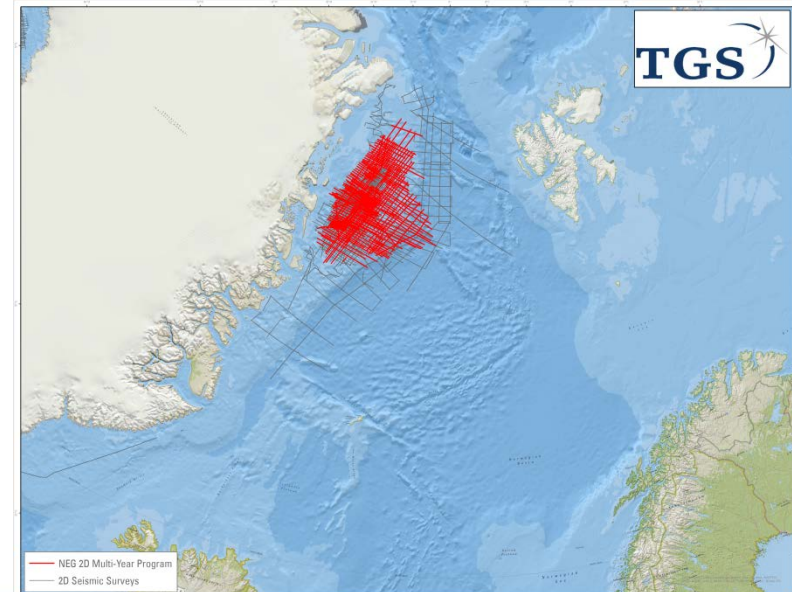
West of Shetland

- **Brendan Basin** - 2,500 km² multi-client 3D survey
- **Erlend Basin** - 1,700 km² multi-client 3D survey
- Data being processed utilizing TGS' proprietary Clari-Fi™ broadband technology
- Extends TGS library in this highly prospective region to 19,200 km² of modern 3D data



Greenland

- **NE Greenland 2014** – 5000 km multi-client 2D survey, part of a 13,000 km multi-year program
- Data being processed utilizing TGS' proprietary Clari-Fi™ broadband technology
- Upon completion of the program TGS' 2D multi-client library in the region will total more than 36,000 km

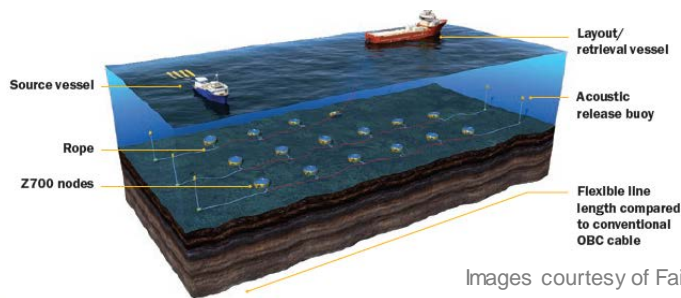
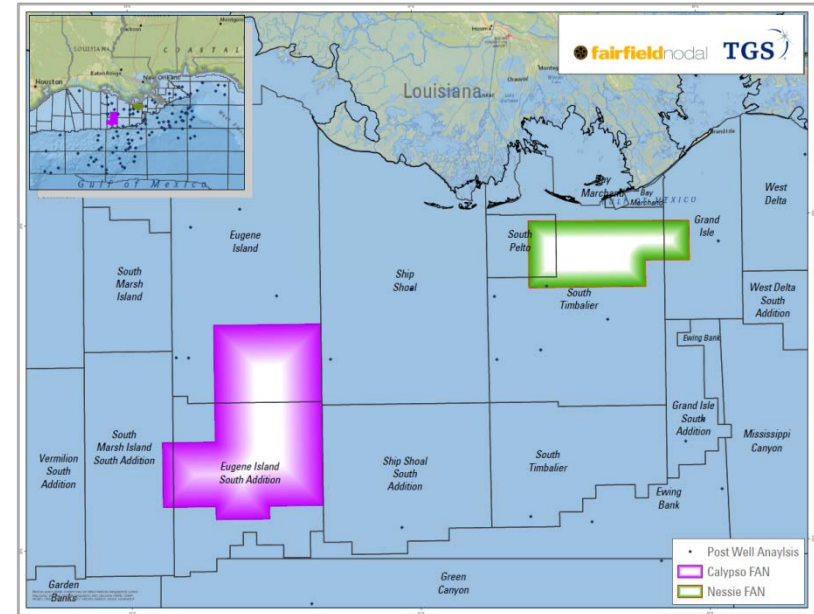


Sierra Leone

- **Sierra Leone Block 4A Extension** – 1,200 km² multi-client 3D survey
- Extends TGS library in this region to approximately 7,500 km² of modern 3D data

Full Azimuth Ocean Bottom Nodes

- Multi-year collaboration agreement with FairfieldNodal to execute multi-client Full Azimuth Nodal (FAN™) seismic surveys across a substantial area within the U.S. Gulf of Mexico shelf region
- Nessie FAN™** - 54 block multi-client FAN™ survey in the South Timbalier protraction area covering a number of existing fields and exploratory acreage
- FAN™ data will provide significant uplift in illumination of existing Miocene reservoirs and emerging inboard Cretaceous and Lower Tertiary opportunities
- Acquisition commenced in Q3 and will complete in Q4 2014
- Calypso FAN™** - 136 block multi-client FAN™ survey in the Eugene Island protraction area
- Survey already partially acquired and operations are scheduled to restart end November 2014 continuing through the full year 2015



Images courtesy of FairfieldNodal

FAN™ Technology Benefits

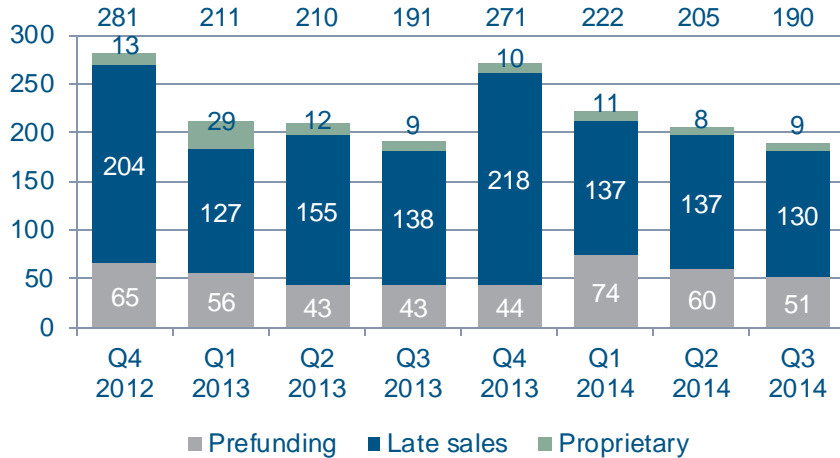
- Longer offsets
- Full and all-azimuth data
- Unlimited record lengths
- Continuous recording
- Direct coupling with earth and superior vector fidelity
- Deployment in congested areas and obstructed waters



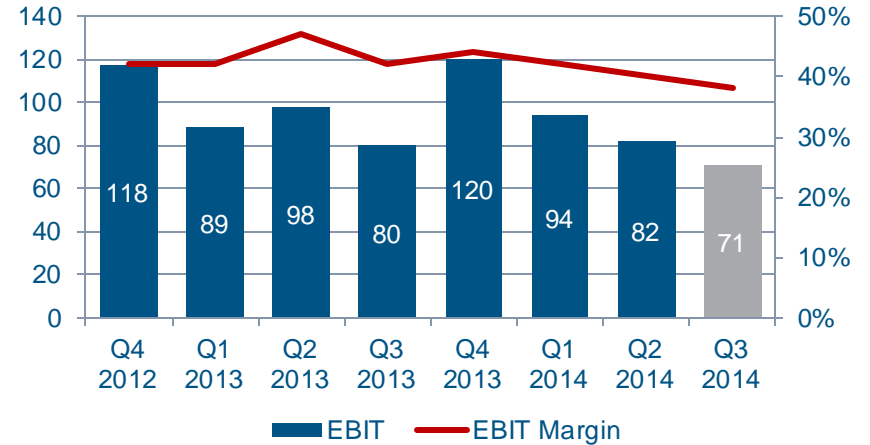
Financials

Key Financials

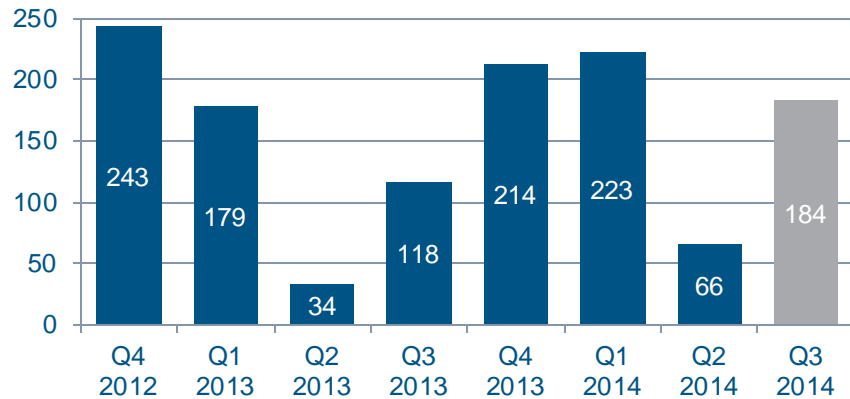
Net Revenues



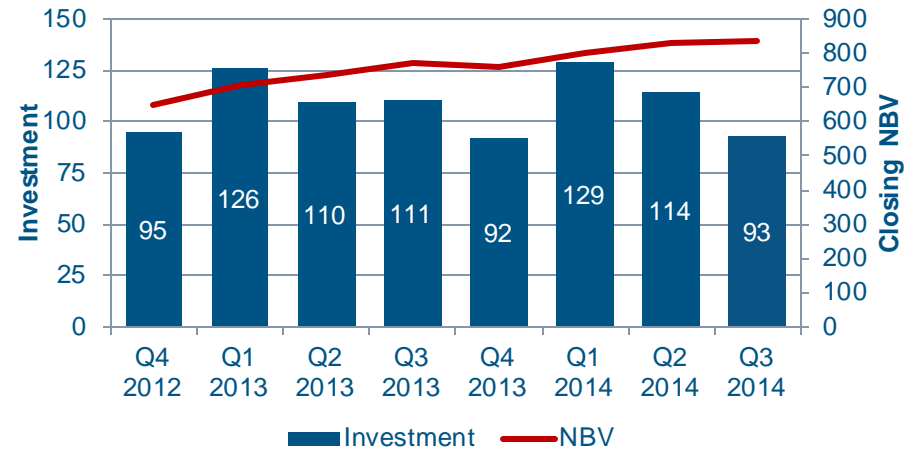
EBIT before non-recurring items



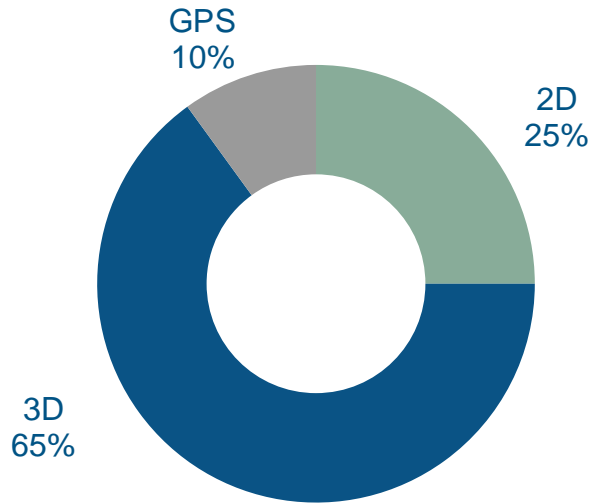
Cash Flow from Operations



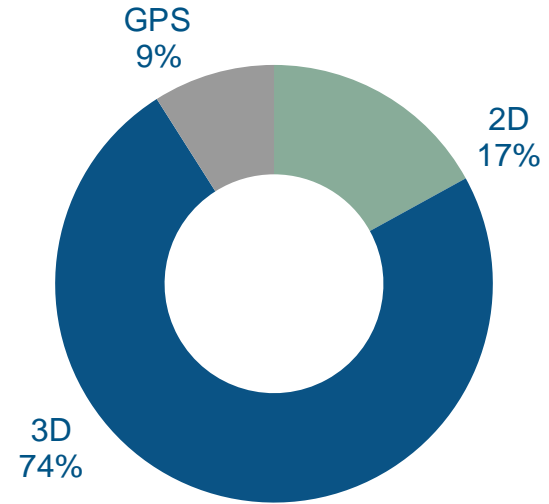
Multi-client NBV and Investments (operational)



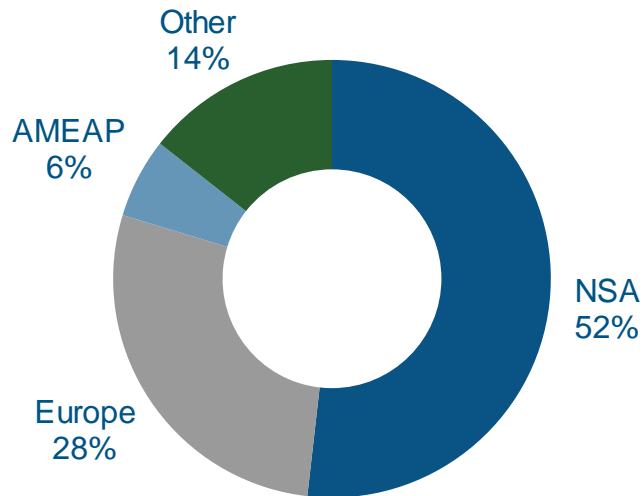
Q3 2014



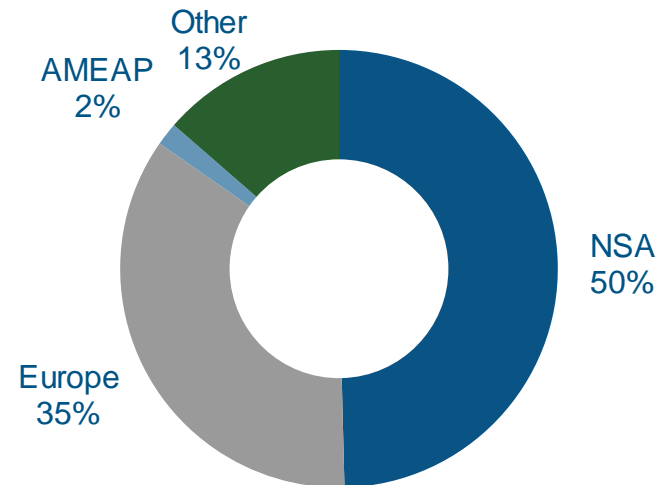
Q3 2013



Q3 2014



Q3 2013



Q3 2014 Income Statement

USD million, except EPS	Q3 2014	Q3 2013	Change in %
Net operating revenues	190	191	-1%
Cost of goods sold – proprietary and other	0.1	0.5	-73%
Amortization of multi-client library 45%	81	75	9%
Gross margin	109	116	-6%
Personnel costs	20	20	2%
Other operating expenses	11	11	1%
Cost of stock options	1	1	5%
Depreciation	4	4	9%
Operating profit 38%	71	80	-11%
Net financial items	0.2	2	-90%
Profit before taxes 38%	72	82	-13%
Tax expense	17	26	-34%
Net Income 29%	55	56	-3%
EPS, Undiluted	0.54	0.55	-2%
EPS, Fully Diluted	0.53	0.54	-2%

Q3 2014 Cash Flow Statement

USD million	Q3 2014	Q3 2013	Change in %
Received payments	223	159	40%
Payments for operational expenses	(35)	(33)	-7%
Paid taxes	(3)	(8)	63%
Operational cash flow	184	118	57%
Investments in tangible and intangible assets	(3)	(10)	72%
Investments in multi-client library	(101)	(94)	-8%
Proceeds from sales of short-term investments	5	-	N/A
Interest received	0.7	0.6	8%
Interest paid	(0.01)	(0.05)	89%
Dividend payments	(19)	-	N/A
Purchase of treasury shares	(12)	-	N/A
Proceeds from share offerings	1	0.8	82%
Change in cash balance	56	15	273%

YTD 2014 Income Statement

USD million, except EPS	YTD 2014	YTD 2013	Change in %
Net operating revenues	617	612	1%
Cost of goods sold – proprietary and other	3	18	-84%
Amortization of multi-client library 43%	254	223	14%
Gross margin	360	371	-3%
Personnel costs	65	58	12%
Other operating expenses	32	31	1%
Cost of stock options	4	3	20%
Depreciation	12	11	9%
Operating profit 40%	247	267	-7%
Net financial items	5	(3)	290%
Profit before taxes 41%	253	264	-4%
Tax expense	69	79	-13%
Net Income 30%	184	185	-1%
EPS, Undiluted	1.80	1.81	-1%
EPS, Fully Diluted	1.78	1.78	0%

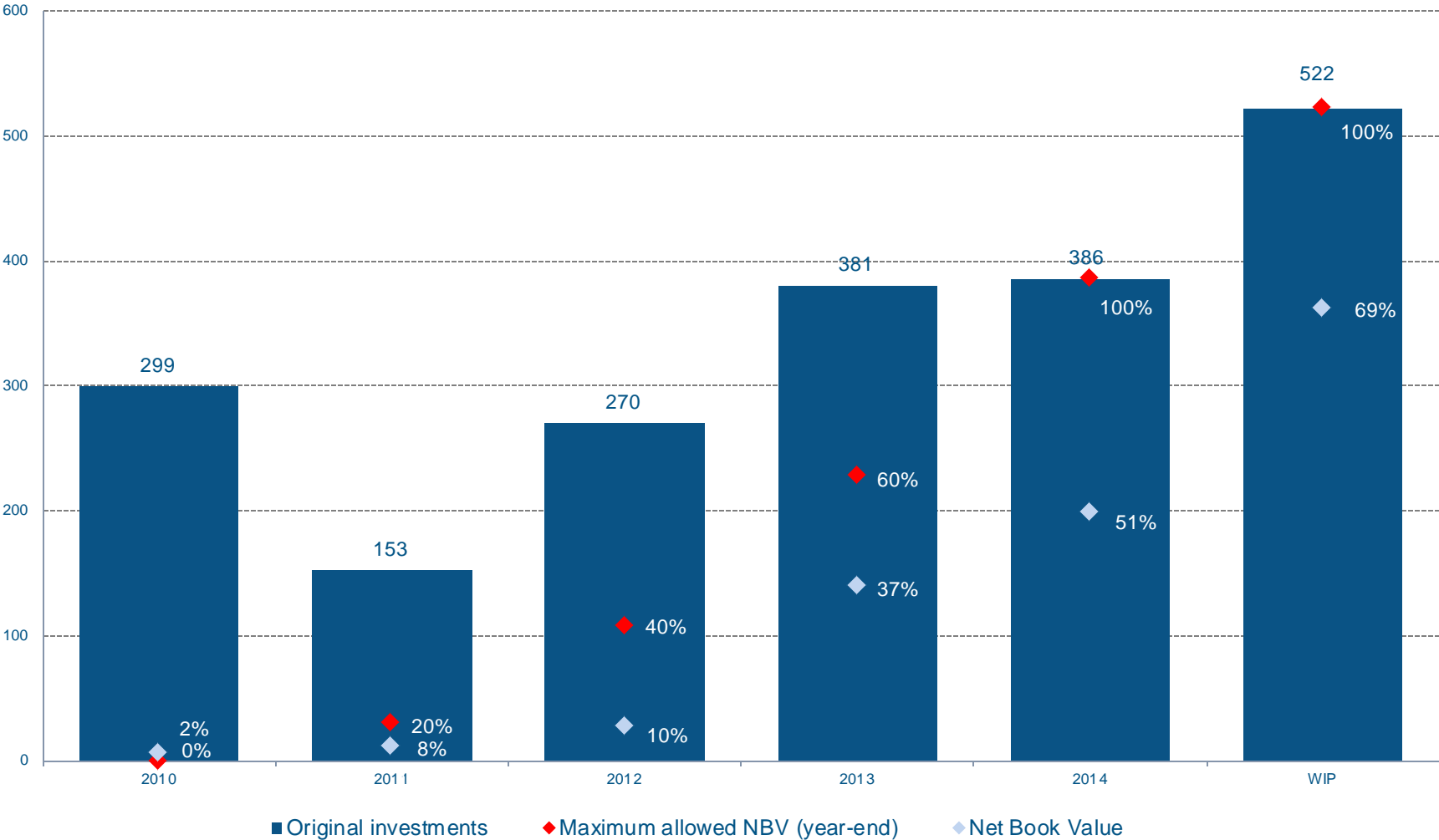
YTD 2014 Cash Flow Statement

USD million	YTD 2014	YTD 2013	Change in %
Received payments	692	574	21%
Payments for operational expenses	(105)	(112)	7%
Paid taxes	(115)	(132)	13%
Operational cash flow	473	330	44%
Investments in tangible and intangible assets	(21)	(35)	42%
Investments in multi-client library	(320)	(307)	-4%
Proceeds from sales of short-term investments	5	-	N/A
Interest received	5	4	5%
Interest paid	(0.3)	(3)	91%
Dividend payments	(145)	(142)	-2%
Purchase of own shares	(16)	-	N/A
Proceeds from share offerings	3	2	5%
Change in cash balance	(16)	(151)	-89%

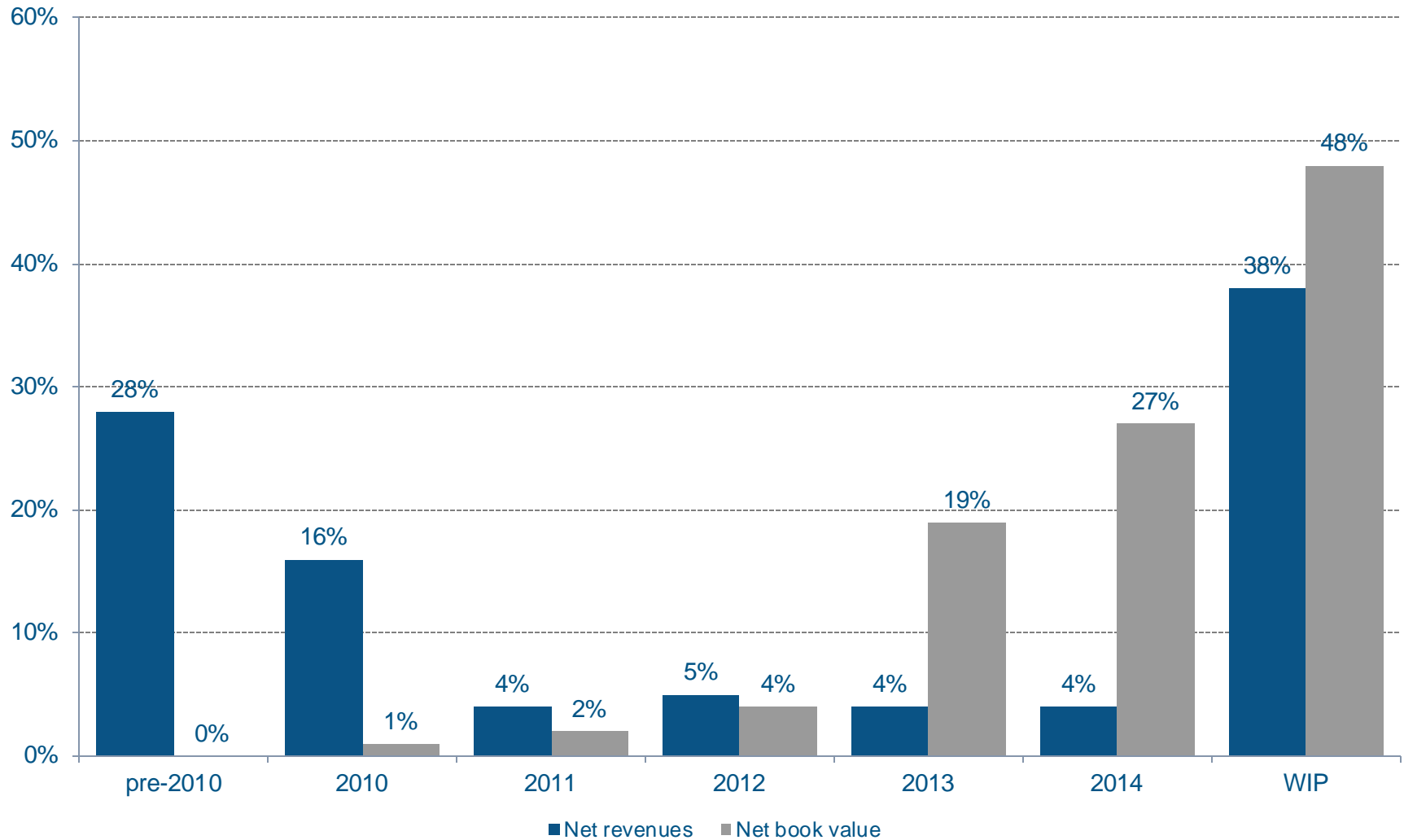
USD million	Q3 2014	Q3 2013	Change in %	Q4 2013
Assets				
Cash equivalents	264	187	41%	281
Financial investments available for sale	-	4	-100%	4
Other current assets	365	429	-15%	447
Total current assets	629	620	1%	731
Intangible assets and deferred tax asset	137	150	-9%	138
Other non-current assets	53	18	205%	56
Multi-client library	837	774	8%	758
Fixed assets	53	48	10%	53
Total Assets	1,710	1,610	6%	1,736
Liabilities				
Current liabilities	317	318	-1%	342
Non-current liabilities	19	4	349%	17
Deferred tax liability	56	71	-21%	85
Total Liabilities	392	394	0%	443
Equity	1,318	1,216	8%	1,293
Total Liabilities and Equity	1,710	1,610	6%	1,736

The Company holds no interest-bearing debt

Investments per Vintage

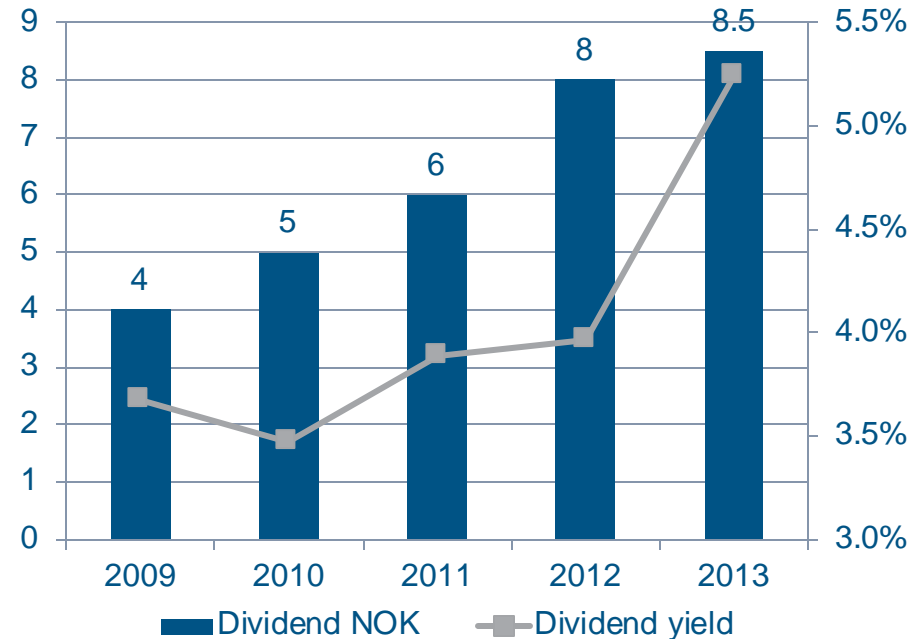


Net Revenues vs. Net Book Value per Vintage



- Dividend of NOK 8.5 per share for the 2013 accounting year
 - Shares were quoted ex dividend on 4 June 2014
 - Dividend was paid out on 18 June 2014
- In addition, the Board has authorized a share buy back program of USD 30 million of which USD 15.7 million has been implemented at end of Q3
- Dividend and share buy back program represent approximately USD 175 million in cash returns to shareholders
 - NOK 10.3 per share

Dividend per share (NOK) and Dividend Yield



Dividend yield calculated based on share price at day of announcement

Strong commitment on delivering shareholder returns from a combination of growth and dividend payout

Outlook

■ Macro Outlook

- Near-term uncertainty in exploration spending has been increased by negative oil price development
- Likely that energy companies will continue their efforts to reduce capital expenditures and become more selective when prioritizing investments

■ EUR

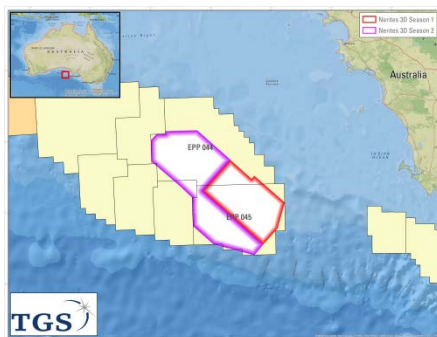
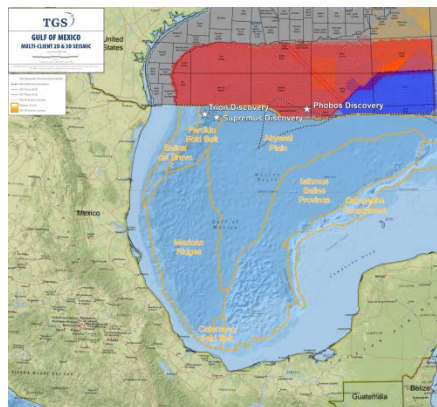
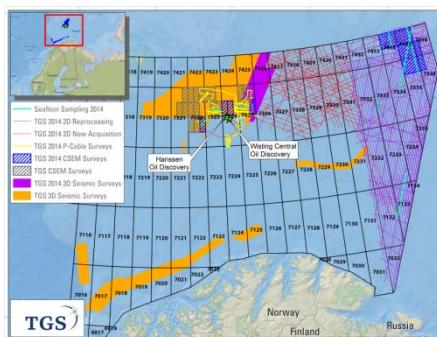
- Awaiting official announcement of the Norwegian 23rd Licensing Round
- 2014 season of Greenland 13,000 km multi-year program to complete in Q4

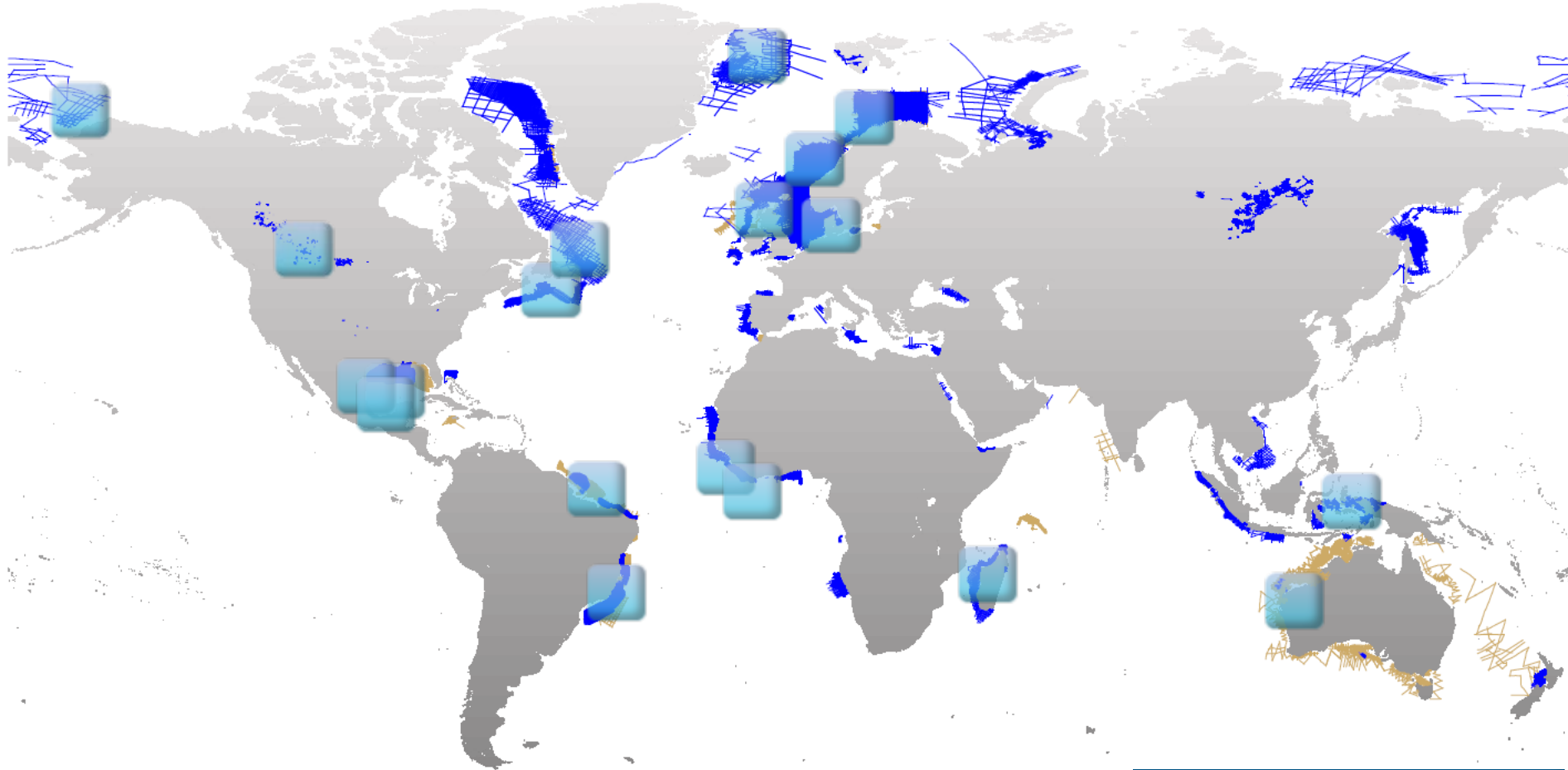
■ NSA

- BOEM has commenced process to develop next five year leasing program in U.S (2017-2022)
- TGS expanding library in core Central GOM region with Nessie FAN™, Calypso FAN™, Declaration multi-WAZ, Panfilo 3D and Snipe Phase 52 2D programs
- Sectors announced for Newfoundland Labrador's new Scheduled Land Tender system
- Vessels secured for entry into Mexico (subject to permit)
- Five onshore projects scheduled for recording during Q4 and 2015 (including Utica, SCOOP and Duvernay plays)

■ AMEAP

- 13,000 km² Nerites Season 2 expected to commence Q4 2014
- 17,000 km 2D multi-client survey planned in Northwest New Zealand
- Awaiting further Africa license round announcements





North & South America

- Central GOM – Mar 2015 (5-Year Plan)
- Western GOM – Aug 2015 (5-Year Plan)
- Alaska Offshore - 2016 & 2017 (5-Year Plan)
- Newfoundland & Labrador – Scheduled Land Tenure system
- Nova Scotia – Oct 2014 (bids due)
- Canada Onshore – at least monthly
- Brazil - mid-2015 (expected)
- Mexico – 2015 (Round 1 phased across 2015)

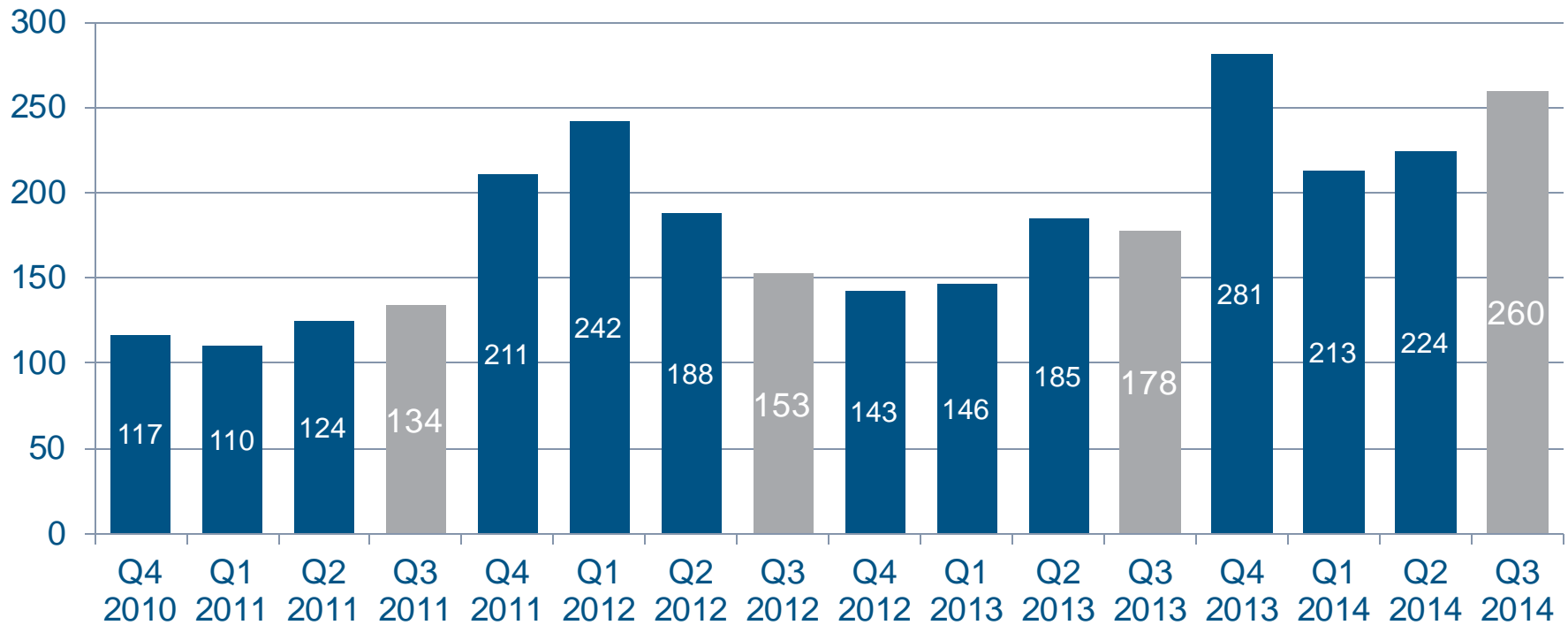
Africa, Middle East, Asia Pacific

- Madagascar – 2014 / 2015 (expected)
- Sierra Leone – 2015 (expected)
- Liberia – Nov 2014 (bids due), Harper Basin 2015 (expected)
- Australia – Oct 2014, Feb 2015 & Apr 2015 (bids due)
- Indonesia – Jul & Oct 2014 (bids due)

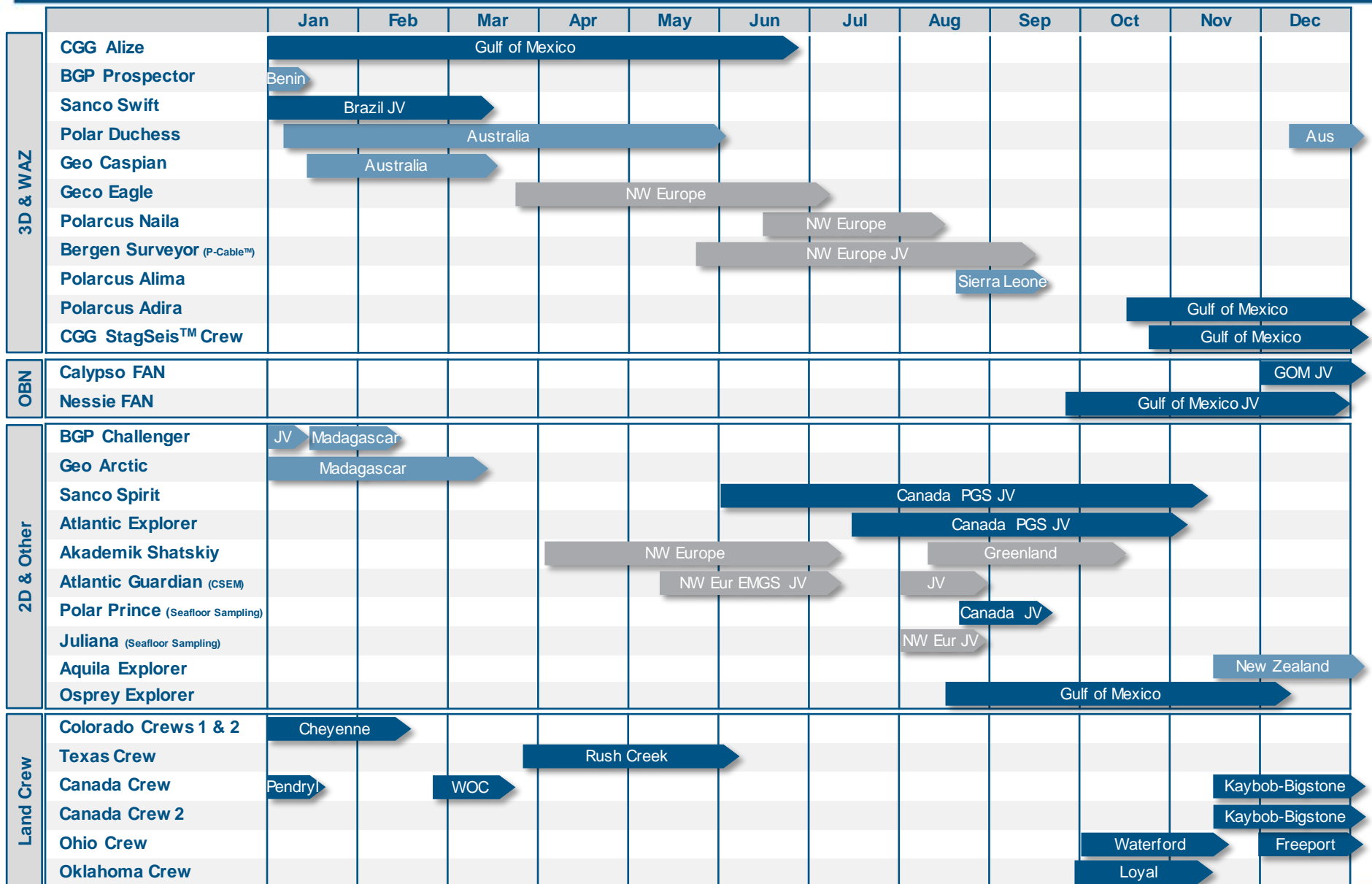
Europe / Russia

- Norway APA – awards 1H2015, next round 2H 2014 (expected)
- Norway 23rd Concession – 2H 2015 (bids due)
- United Kingdom – 2015 (expected)
- Denmark – Oct 2014 (bids due)
- Greenland – Nov 2014 (bids due) and three rounds planned 2016-18

Historical Backlog (MUSD) 2010 - 2014

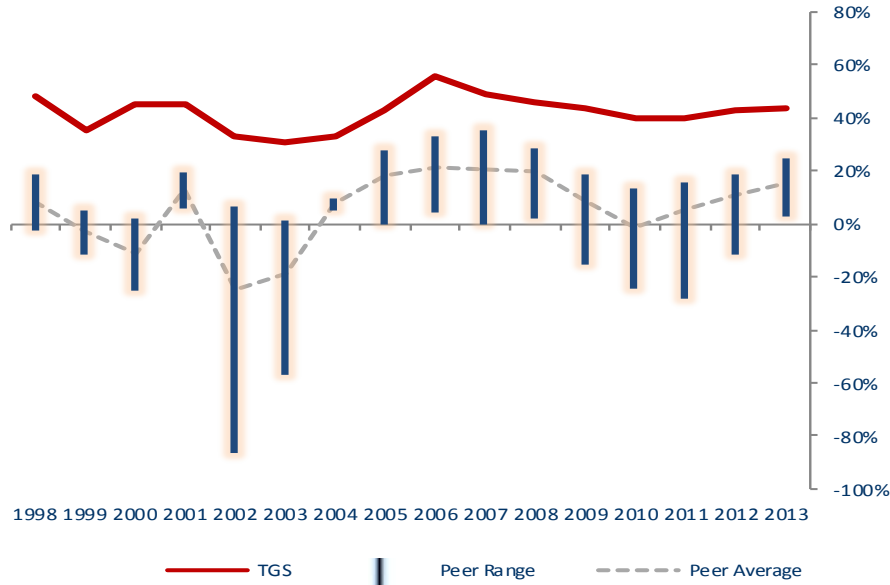


Capacity Secured for 2014



- 2014 on track with Q3 revenues of 190 MUSD
- Q3 2014 Operating profit of 71 MUSD, 38% of net revenues
- Q3 2014 multi-client investments of 93 MUSD (55% prefunding)
- Strong backlog entering into 2015
- Near term uncertainty in exploration spending
 - Important events expected in 2014 including Norwegian 23rd Exploration Round blocks
 - Long-term future of asset-light, focused multi-client business remains strong
- Guidance for 2014 unchanged:
 - Multi-client investments 390 – 460 MUSD
 - Average pre-funding 45 – 55%
 - Average multi-client amortization rate 40 – 46%
 - Net revenues 870 – 950 MUSD
 - Contract revenues approximately 5% of total revenues

EBIT margin vs. Seismic peers



Return on Capital Employed



- Average EBIT margin above 40% - stable EBIT – performance through the cycles
- ROCE significantly above WACC – substantial value creation in any industry cycle

*Peer group includes CGG, Geokinetics, ION Geophysical, PGS, Western Geco, Dolphin, Polarcus
Source Platou Markets and TGS



Thank you

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