



ABGSC Oil Service Conference

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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 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.

This is TGS

Main offices:

Houston and Oslo

Regional offices: London, Perth, Calgary, Singapore and Rio de Janeiro

Fundamental values:

Unmatched Quality and Service, Growth for Stakeholders

Approximately **900** employees

Traded on Oslo Stock Exchange,
part of OBX Index
(25 most liquid shares at the OSE)

Market Cap:

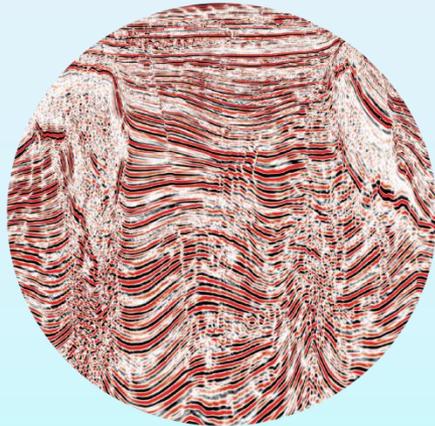
~\$2.5 billion



Leading and global provider of multi-client seismic and geoscience data

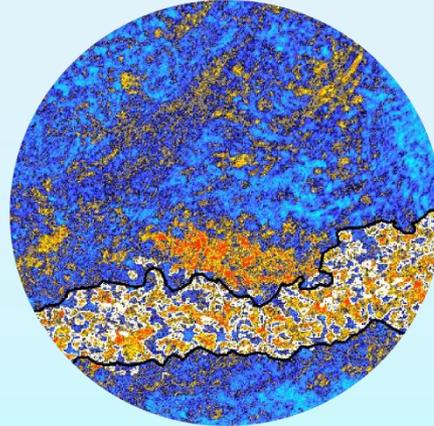
Well positioned in the seismic value chain

MULTI-CLIENT



Geophysical Data

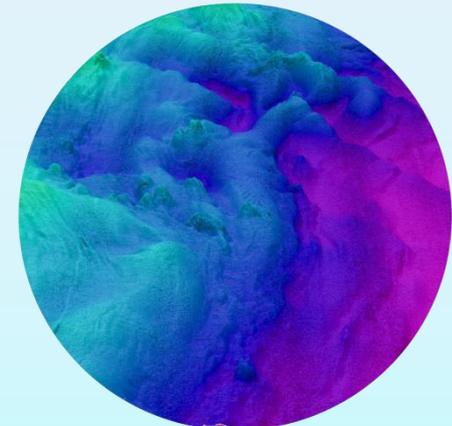
- 2D Seismic
- 3D Seismic
- Wide Azimuth (WAZ) Seismic
- M-WAZ Seismic
- Full Azimuth Nodal Seismic
- Electromagnetics (CSEM)
- Aeromagnetics
- Gravity
- Multi-beam



Geological Data

- Digital well data
- Directional Surveys
- Production data
- Seabed / Seep studies
- Regional geologic interpretation
- Facies Map Browser
- Interpretive services

SERVICES



Imaging Services

- Seismic processing
- Complex depth imaging
- Proprietary technology
- Ongoing R&D investment
- Contract business model

TGS competitive advantage



Asset light business model

- Flexibility
- Investment decisions not driven by vessel utilization
- Vendor neutral philosophy allows access to capacity and technology as needed



Global

- Geographically diverse data library
- Leadership in mature basins
- Leadership in frontier basins



Quality

- Balance sheet
- People and culture
- Data processing
- Geoscience

Diversified Portfolio With Different Characteristics

Return targets

+ 1.7X

2.0X – 2.5X

+ 2.5X

Prefunding requirements

70 – 120%

40 – 60%

20 – 40%

Project characteristics

- Awarded acreage
- Onshore areas
- Fewer clients
- Farm-ins / relinquishments
- Low downside risk

- Mainly open acreage
- Regular license rounds
- Established multi-client areas
- Many clients
- Medium risk

- Open acreage
- Early stage
- Geo knowledge
- Many potential clients
- Medium / high risk

Illustrative IRR / cash profile

IRR: High



IRR: High / Medium

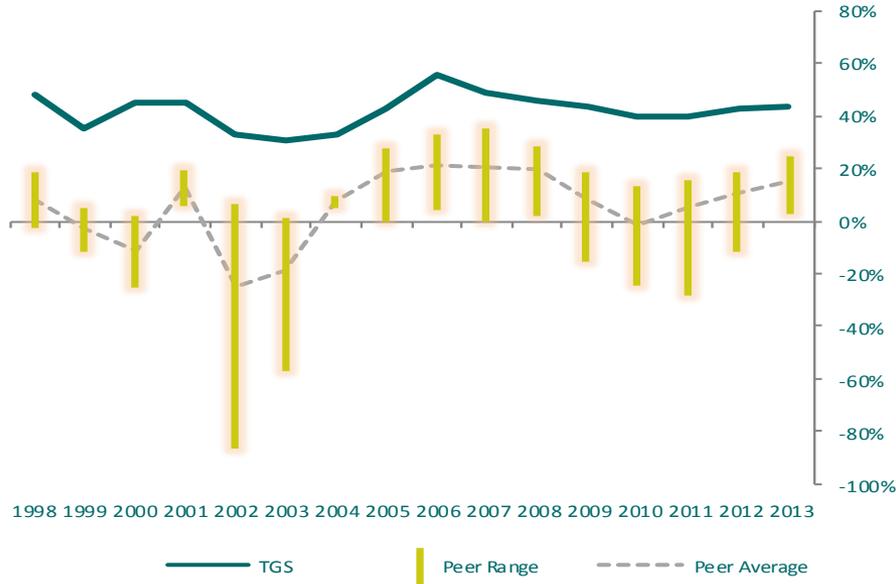


IRR: Medium

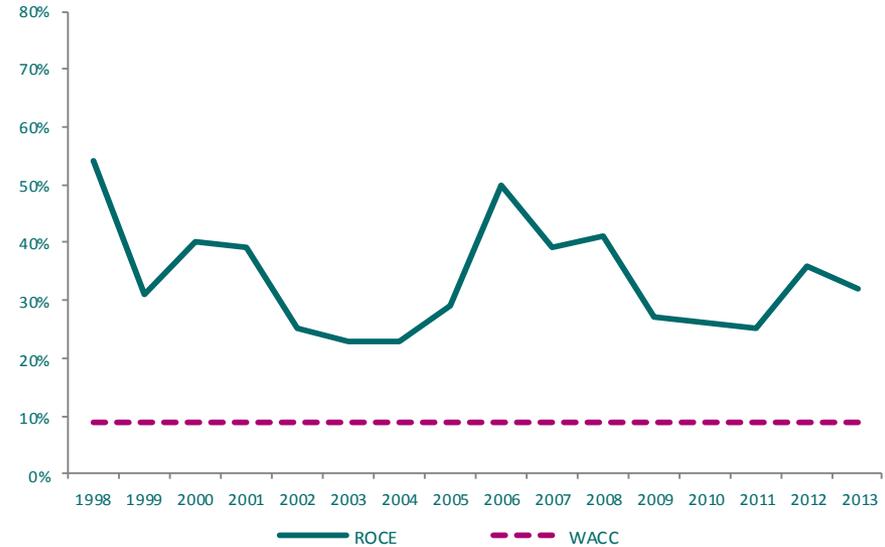


TGS Performs in all Cycles

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



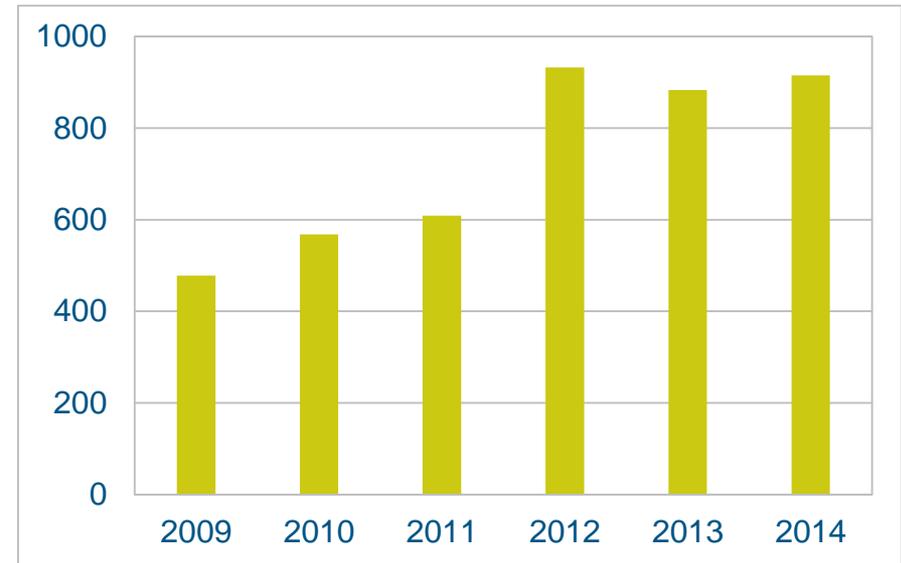
Financials



2014 – Delivering on expectations

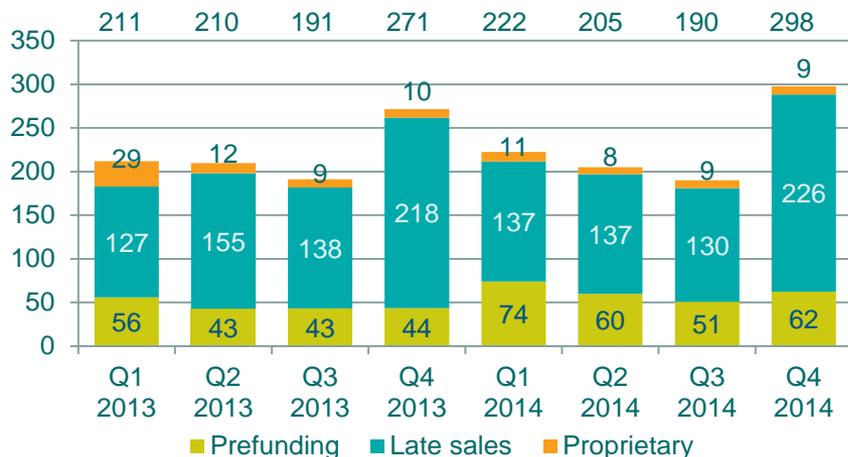
- Q4 revenues were 298 MUSD, up 10% from Q4 2013 – record high quarterly revenues for TGS
- 2014 full year revenues of 915 MUSD, up 4% from 2013
- Q4 operational multi-client investments of 126 MUSD to reach full year investments of 462 MUSD
- Full year Guidance achieved

TGS Revenues 2011 – 2014 (MUSD)

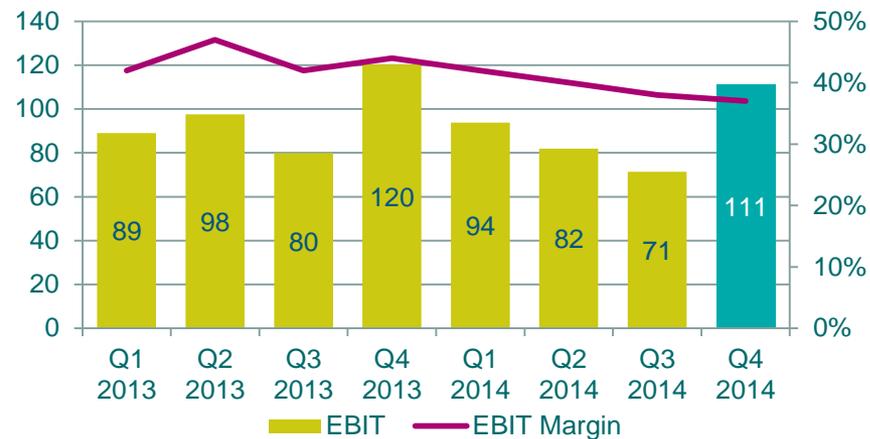


Key Financials

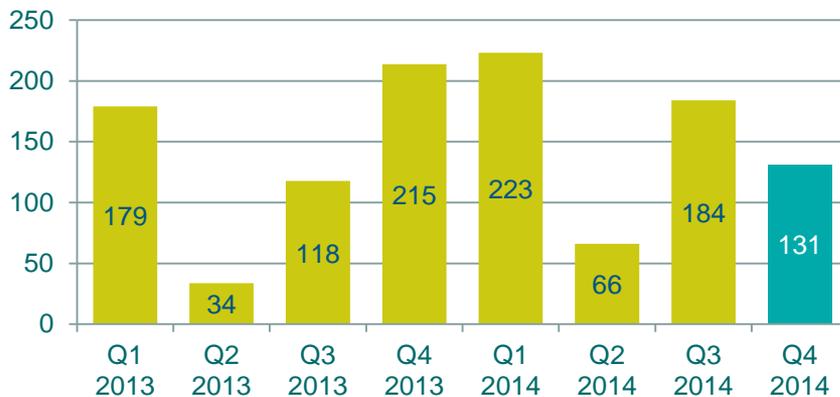
Net Revenues



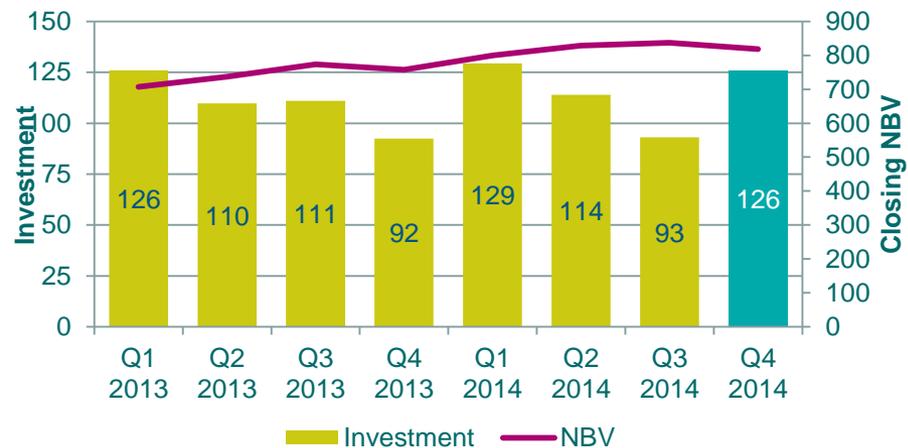
EBIT before non-recurring items



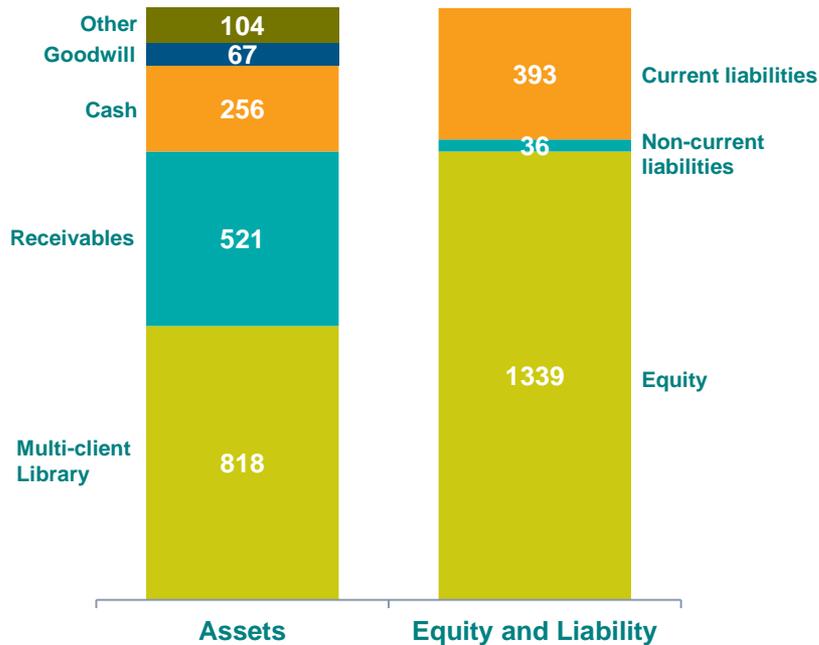
Cash Flow from Operations



Multi-client NBV and Investments (operational)



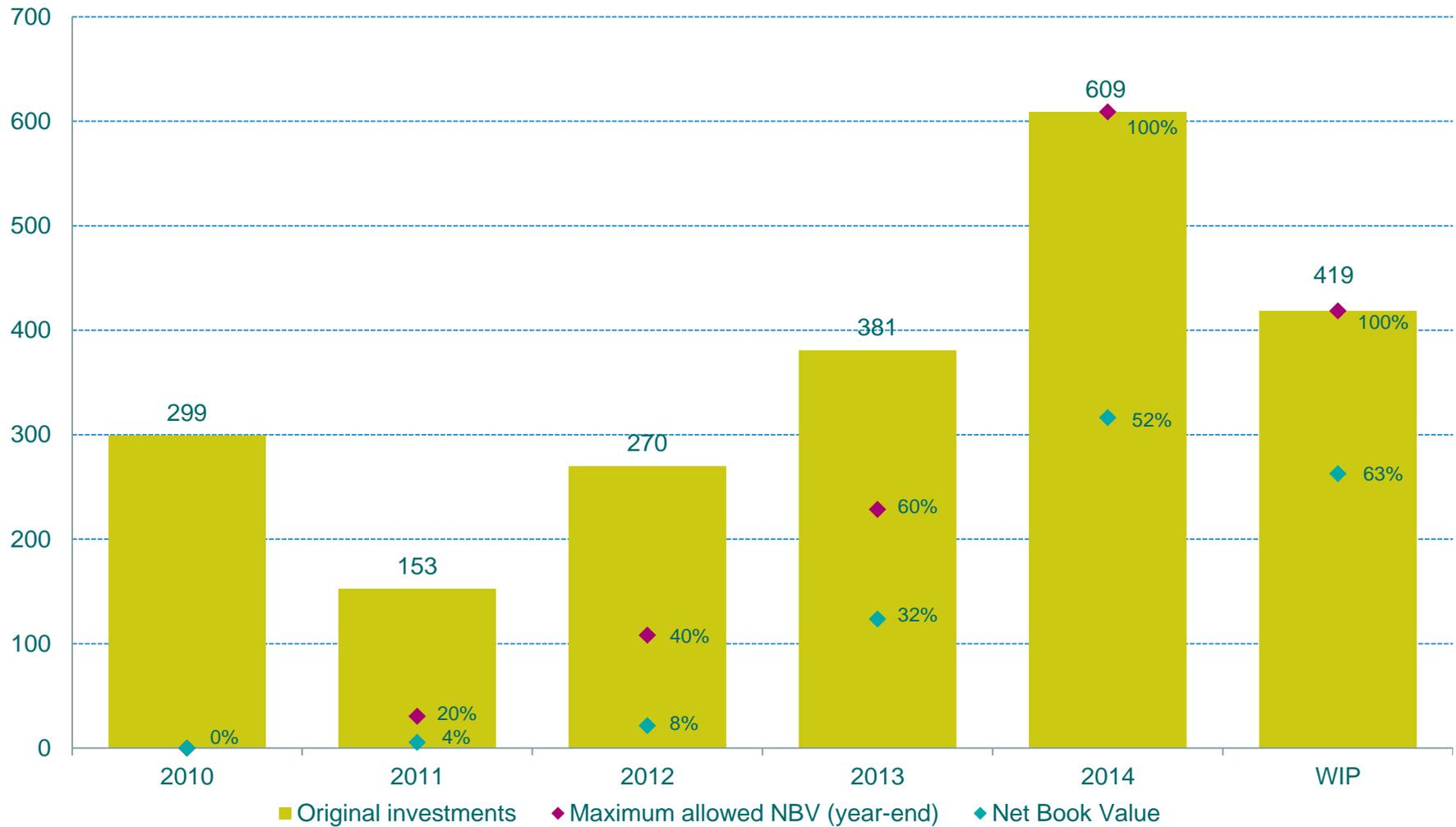
Solid balance sheet backing TGS strategy



- Cash balance per Q4 2014 represents 256 MUSD
- Strong balance sheet provides excellent opportunities to continue growth
 - M&A
 - Strong credit quality attracts prefunding
 - Flexibility

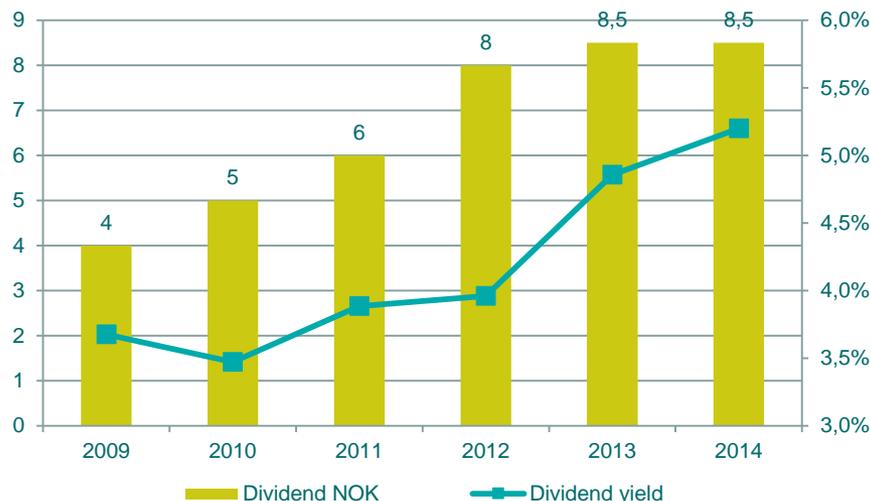
No interest bearing debt and strong cash balance

Investments per Vintage – ahead of schedule



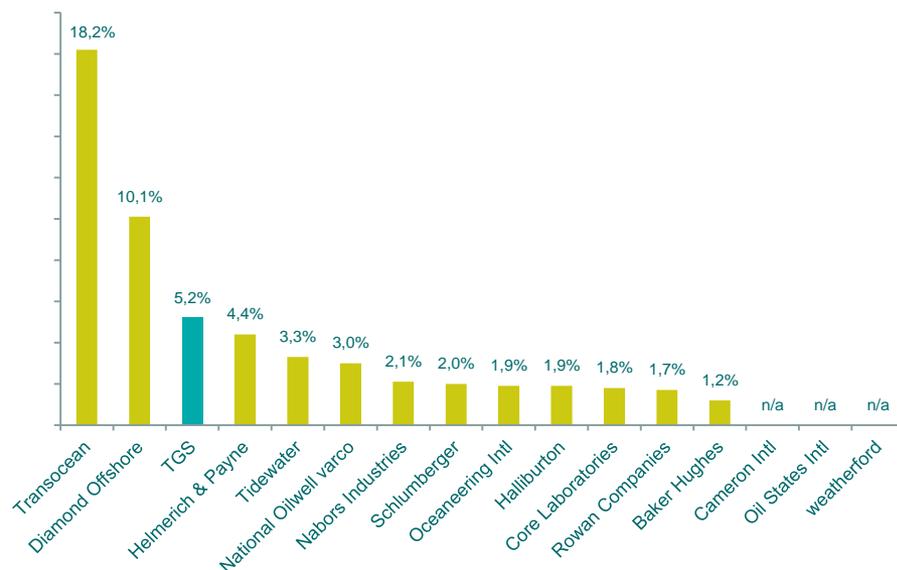
Strong Cash Generation Delivers Shareholder Value

Dividend per Share (NOK) and Dividend Yield*



* Dividend yield calculated based on share price at day of announcement

2015 Dividend Yield vs OSX Index*

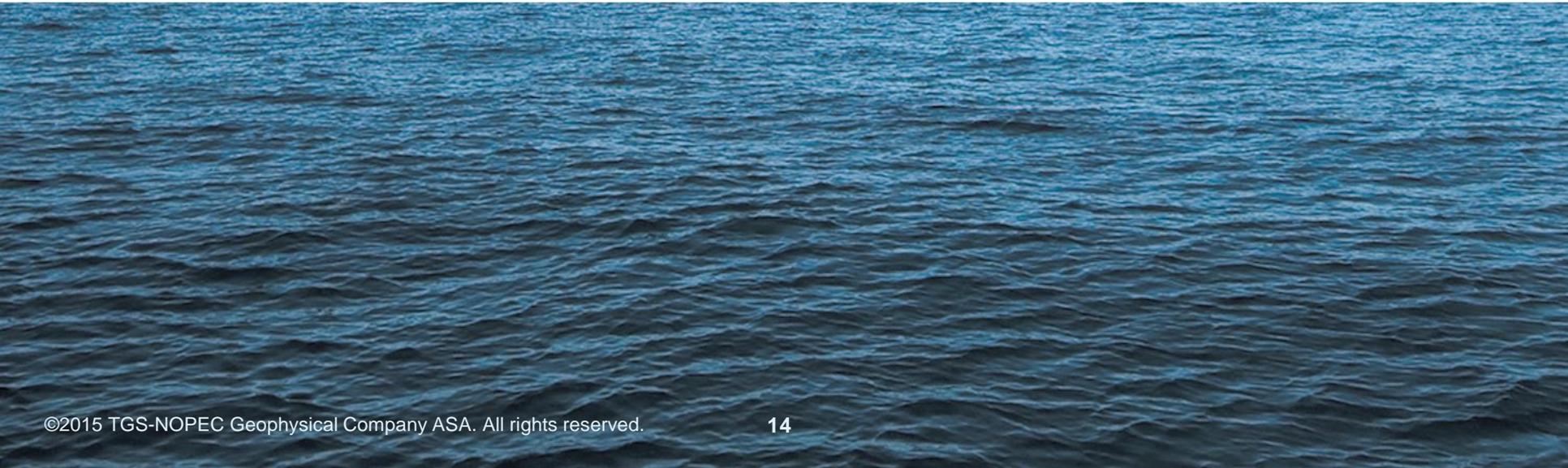


* The OSX Index (PHLX Oil Service Sector Index) is a price weighted index composed of companies involved in the oil services sector

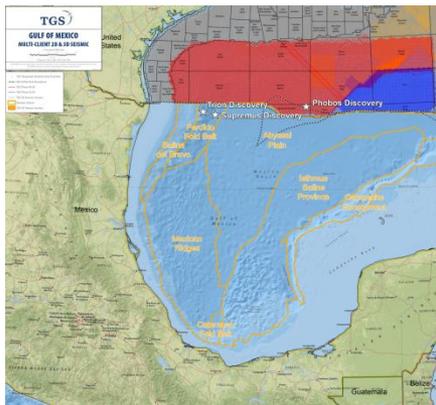
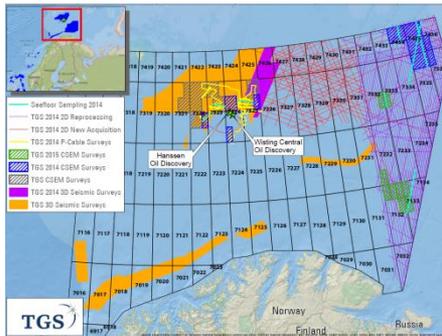
- The Board proposes a dividend of NOK 8.5 per share to the AGM in May 2015
- In addition to a dividend, the Board authorized in 2014 a share buy back program of USD 30 million of which approximately USD 26 million has been implemented to date. The remaining USD 4 million will be purchased under the current authorization.



Outlook



Outlook



■ Macro Outlook

- Recent oil price development to result in decreased exploration spend from customers

■ EUR

- Norwegian 23rd Licensing Round bids due 2 December 2015
- Further CSEM investment in partnership with EMGS
- 2015 season of Greenland 13,500 km multi-year program to commence in Q3

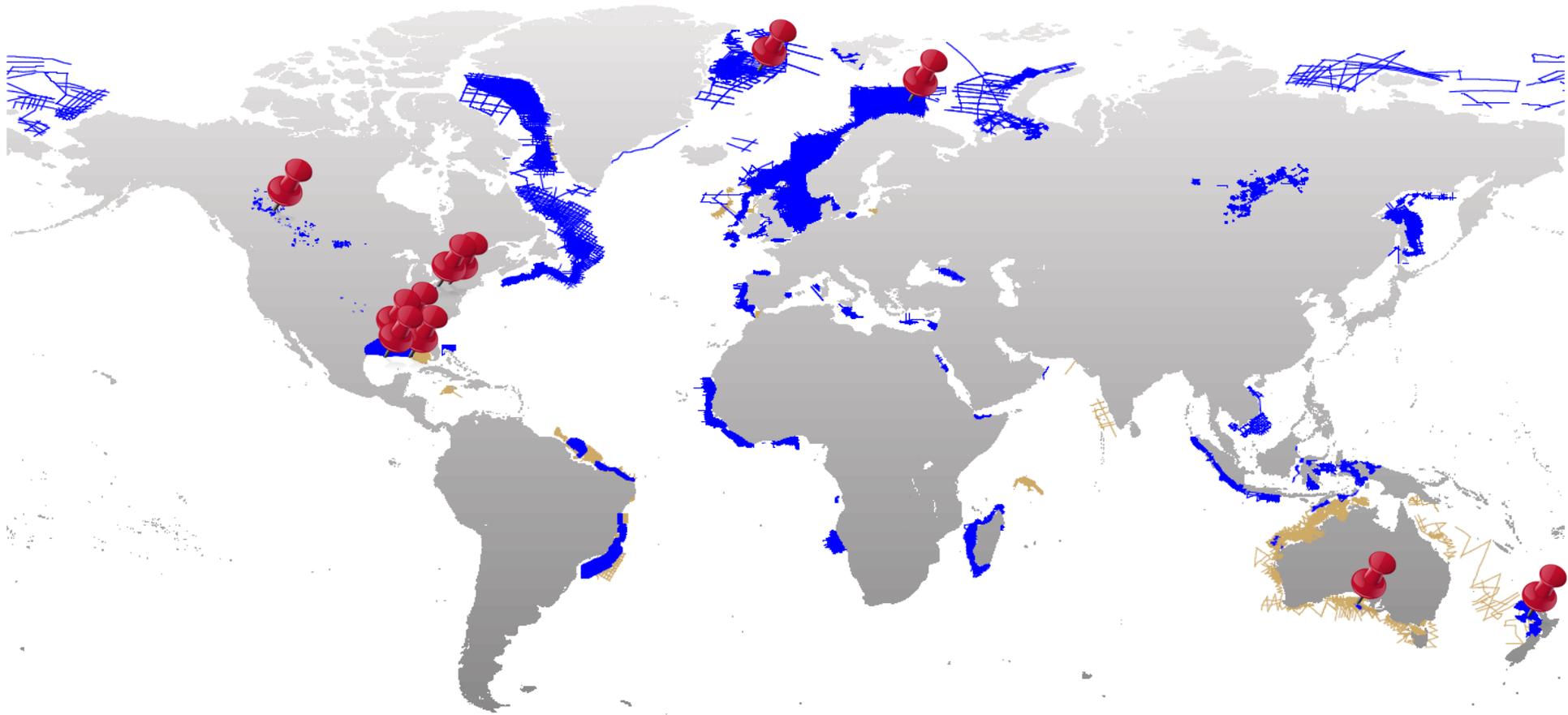
■ NSA

- BOEM five-year plan (2017-2022) proposal includes 10 lease sales in GOM and one Atlantic lease sale
- TGS positioning for particularly high GOM lease turnover 2017 - 2019
- Continued strong interest in Newfoundland Labrador's scheduled land tender system
- Vessels secured for entry into Mexico (subject to permit)
- Three onshore projects announced for 2015

■ AMEAP

- 13,000 km² Nerites Season 2 expected to complete in Q2 2015
- 17,500 km 2D multi-client survey in Northwest New Zealand to complete in Q2 2015
- Awaiting further Africa license round announcements

2015 Announced Projects



North & South America Marine

- Panfilo 3D, 11,500 km²
- Declaration M-WAZ, 6,000 km²
- Snipe Phase 52 2D, 12,000 km
- Nessie & Ogo FAB, 180 blocks (with Fairfield Nodal)

North America Land

- Kaybob-Bigstone 3D, 722 km²
- Freeport 3D, 1,777 km²
- Blanchard 3D, 1,100 km²

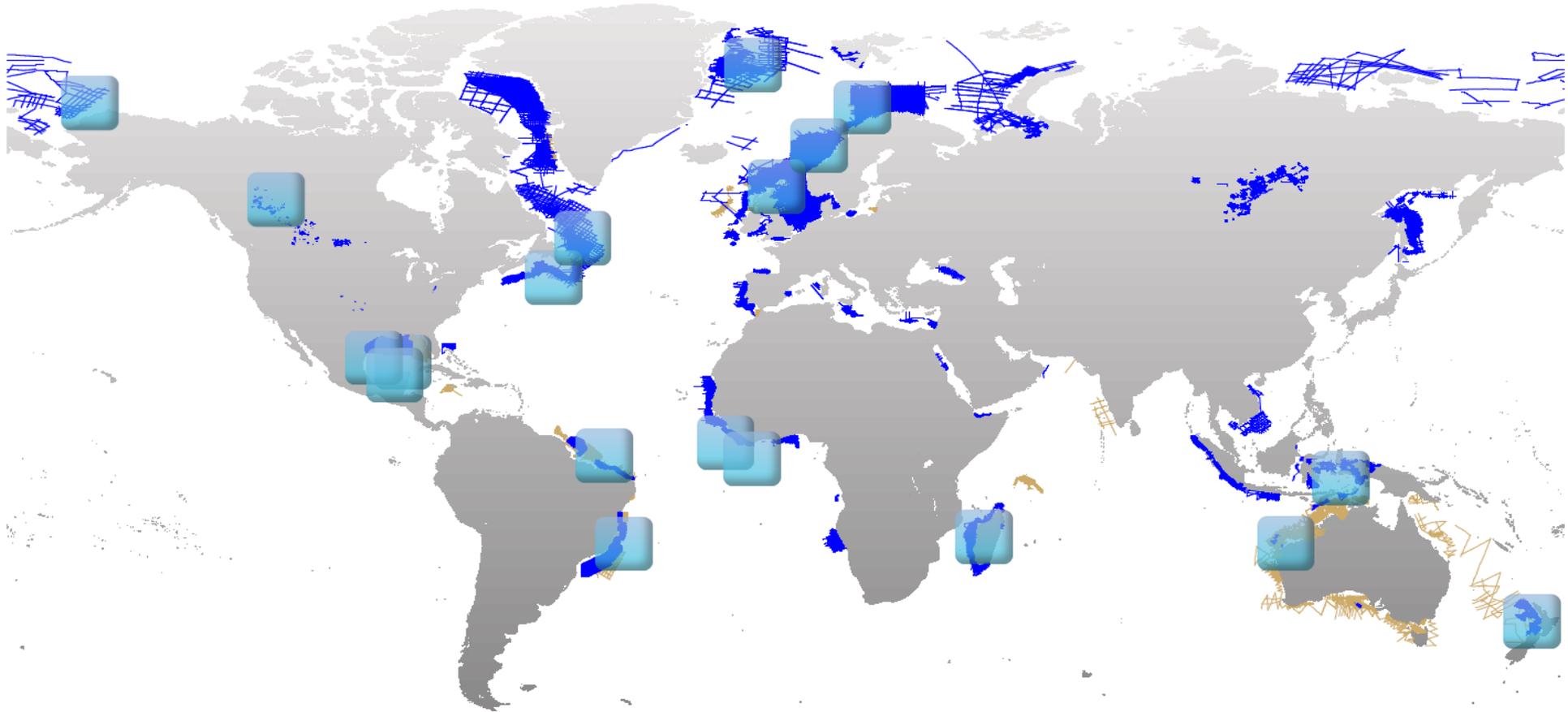
Africa, Middle East, Asia Pacific

- Nerites Season 2 3D, 13,000 km²
- New Zealand 2D, 17,500 km

Europe / Russia

- NE Greenland 2D, 13,500 km (multi-year)
- Barents Sea CSEM, 10 blocks (with EMGS)

License Round Activity and TGS Positioning



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 – 2015, 2016 & 2017 (3-Year Plan)
- Canada Onshore – at least monthly
- Brazil - 2015 / 2016 (expected)
- Mexico – 2015 (Round 1 phased across 2015)

Africa, Middle East, Asia Pacific

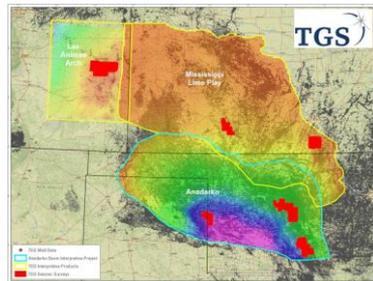
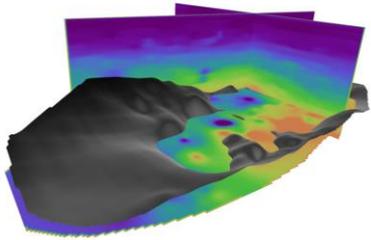
- Madagascar – 2015 (expected)
- Sierra Leone – 2015 (expected)
- Liberia Harper Basin - 2015 (expected)
- Australia – Feb 2015 & Apr 2015 (bids due)
- Indonesia – 2015 (expected)
- New Zealand – Sept 2015 (bids due)

Europe / Russia

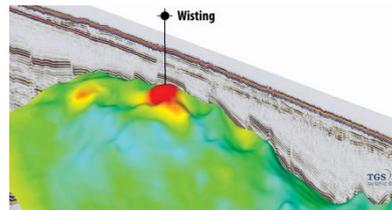
- Norway APA – 2014 Round awards announced in Q1 2015
- Norway 23rd Round – 2H 2015 (bids due)
- United Kingdom – 2016 (expected)
- Greenland – three rounds planned 2016-18

Enhancing Value through Technology

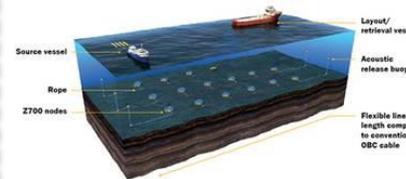
- TGS applies appropriate technologies to address imaging challenges associated with specific geologies and operating environments
- TGS acquires complementary data products to expand and enhance its geoscience data library



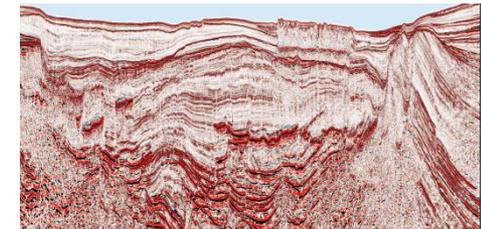
Basin Interpretation
(formation tops, temperature volume, pressure volume, etc.)



CSEM
(Images courtesy of EMGS / TGS)

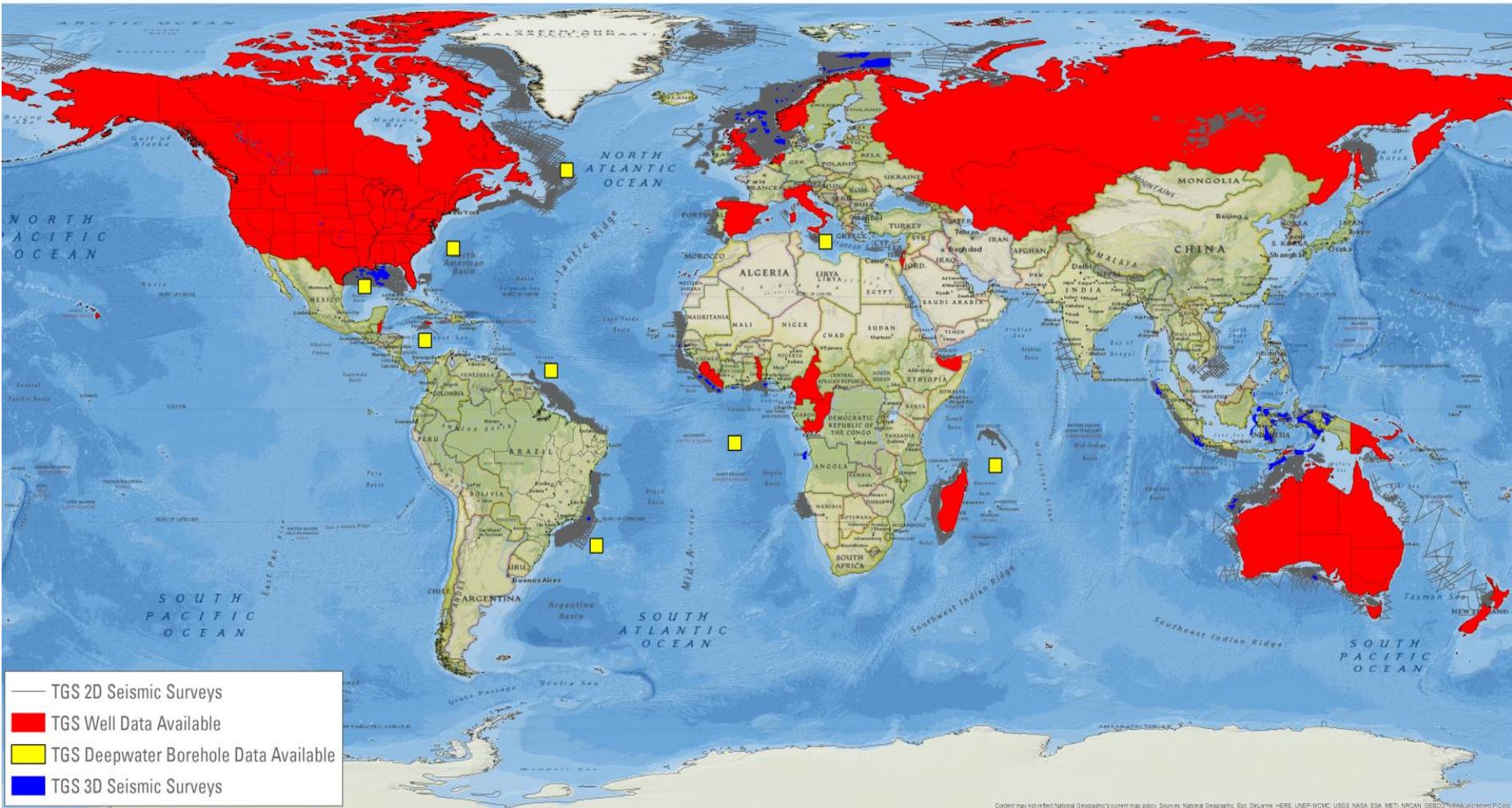


Ocean Bottom Nodes
(Images courtesy of Fairfield)



Clari-Fi™ Data Processing
(Images courtesy of TGS)

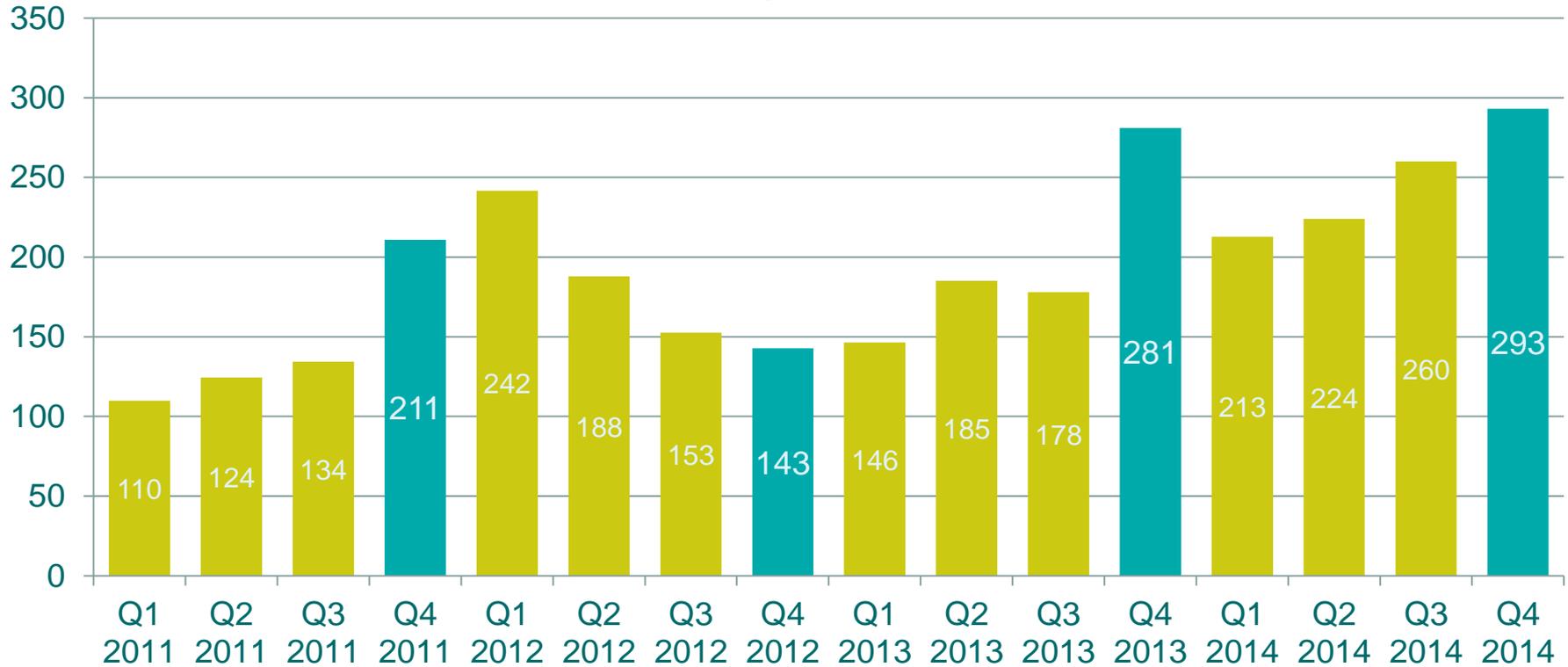
Global Well Data Coverage



- TGS owns and manages a global well log database
- Strong synergies with multi-client seismic data business

Backlog

Historical Backlog (MUSD) 2011 - 2014



2015 Projects Schedule



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
3D & WAZ	Sanco Swift	Australia										
	Sanco Sword	Australia										
	Polarcus Adira	Gulf of Mexico										
	CGG StagSeis™ Crew	Gulf of Mexico										
OBN	Ogo FAN	Gulf of Mexico JV										
	Nessie FAN	Gulf of Mexico										
2D & Other	Akademik Shatskiy						Greenland					
	Atlantic Guardian (CSEM)	NW Eur EMGS JV										
	Aquila Explorer	New Zealand										
	Osprey Explorer	Gulf of Mexico										
	PGS JV						Canada (provisional, to be confirmed)					
Land Crew	Canada Crew	Kaybob-Bigstone										
	Ohio Crews (2)	Freeport										
	Oklahoma Crew			Blanchard								

Letter of Award with Seabird Exploration provides access to up to six seismic vessels over a period of approximately 36 months in Mexico and US Atlantic waters (subject to issuance of seismic acquisition permits from relevant authorities)

Summary

- Record Q4 net revenues of 298 MUSD with highest ever net late sales of 226 MUSD
- Full year 2014 Guidance achieved with net revenues of 915 MUSD
- Full year 2014 investment of 462 MUSD
- Recent oil price development to result in decreased exploration spend from customers
- However, long-term future of asset-light, focused multi-client business remains strong and TGS has record high backlog entering into 2015
- Guidance for 2015
 - TGS expects multi-client investments of approximately 420 MUSD and additional Capex of 15 MUSD
 - TGS targets revenues of approximately 750 MUSD
 - TGS targets an EBIT of approximately 260 MUSD
 - The Board will propose to the AGM in May a dividend of NOK 8.5 per share



Thank you

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