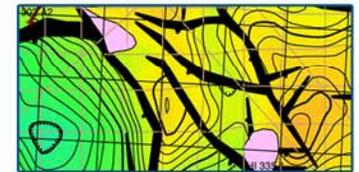
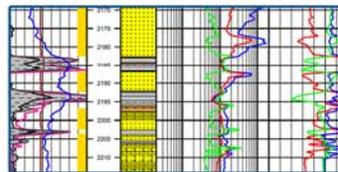
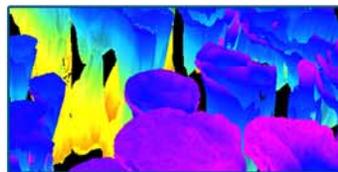
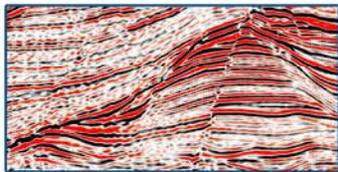


# TGS

## SEB Enskilda Nordic Seminar

8 January 2013



# Forward Looking Statements

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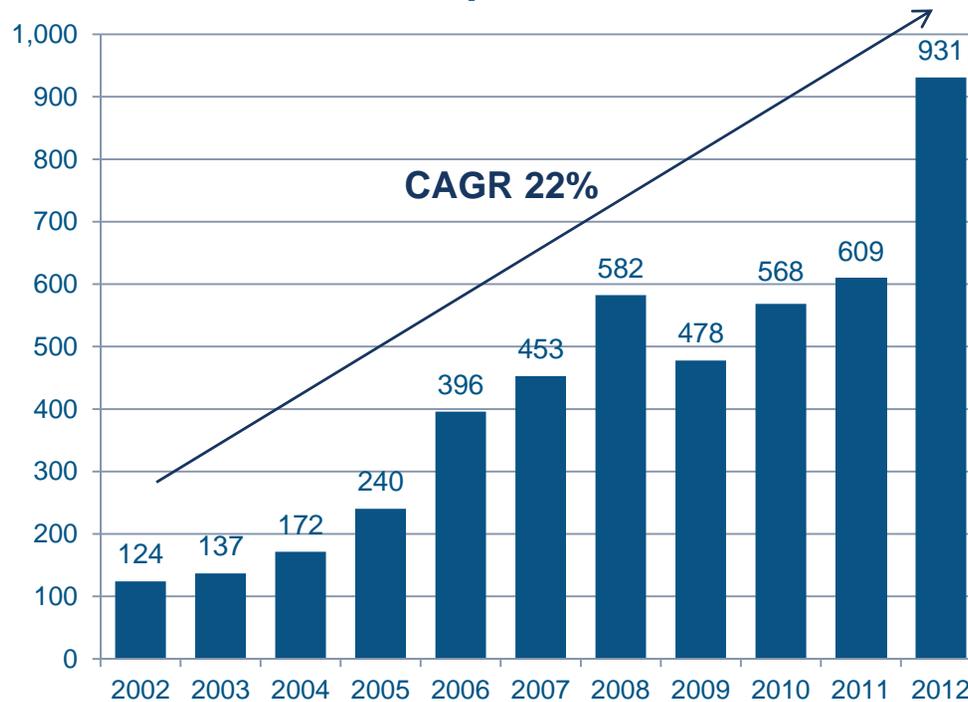


*All statements in this presentation other than statements of historical fact, are forward-looking statements, which are subject to a number of risks, uncertainties, and assumptions that are difficult to predict and are based upon assumptions as to future events that may not prove accurate. These factors 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.*

# 2012 – Another Record Year for TGS



## Revenue development last 10 Years



- In 10 years, TGS revenues have grown by 7 times from 124 MUSD to 931 MUSD (CAGR of 22%)
  - Q4 revenues expected to be approximately 280 MUSD, up 55% from Q4 2011
  - Expected 2012 full year revenues of approximately 931 MUSD, up 53% from 2011
  - Q4 investments of approximately 93 MUSD to reach full year investments of 494 MUSD
  - Full year guidance exceeded
  - Final Q4 results to be reported on 7 February 2013

# Superior Value Creation for Shareholders



## Share price performance vs. OBX last 10 years



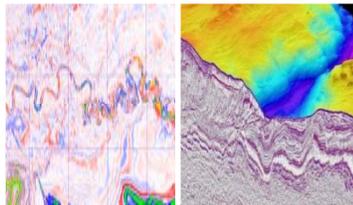
- Strong commitment to return cash to shareholders
- Healthy cash generation and strong cash balance
- Business model proven through the cycles
- Last 3 year average payout ratio of 67%

# Well Positioned in the Seismic Value Chain

## Multi-client

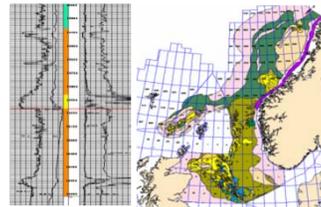
## Services

### Geophysical Data



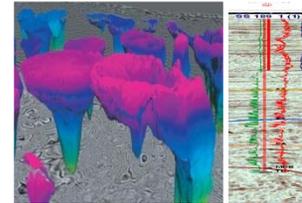
- 2D Seismic
- 3D Seismic
- Wide Azimuth Seismic
- Aeromagnetics
- Gravity
- Electromag (CSEM)
- Multi-beam

### Geological Data



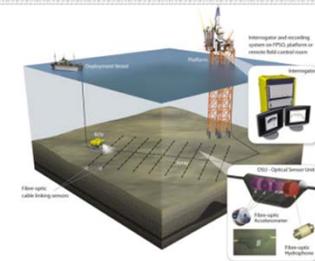
- Digital well data
- Directional Surveys
- Production data
- Regional geologic interpretation
- Facies Map Browser
- Interpretive services

### Imaging Services

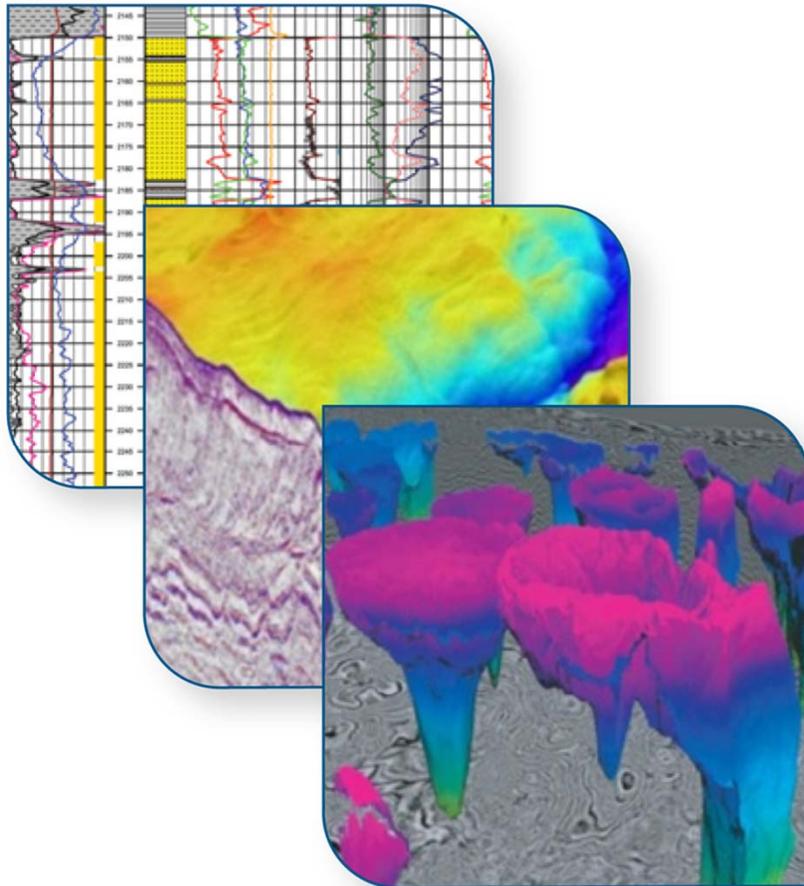


- Seismic processing
- Complex depth imaging
- Proprietary technology
- Ongoing R&D investment
- Contract business model

### Reservoir

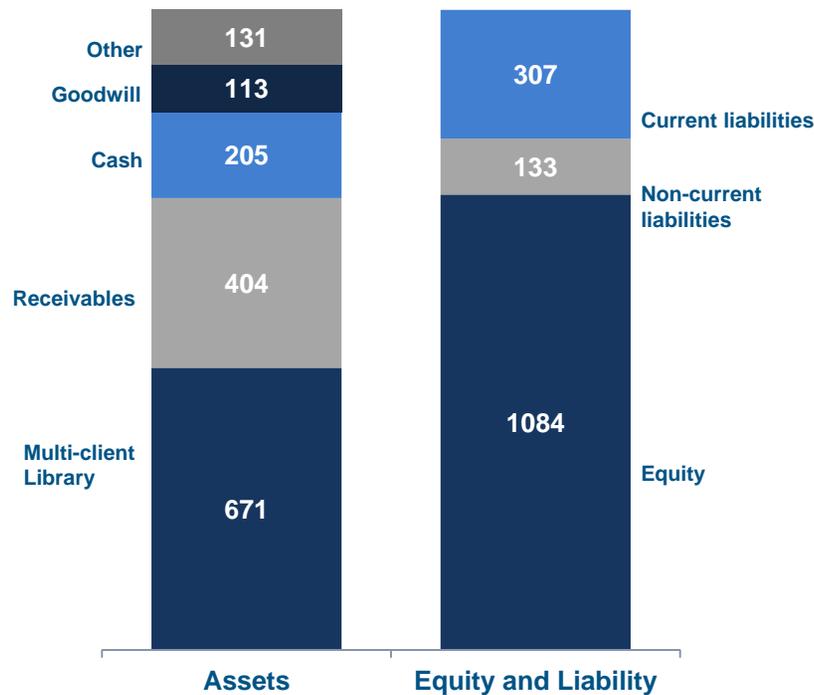


- Integrated Permanent Reservoir Monitoring solutions
- Deepwater and congested seabed solutions
- 4D seismic surveys
- Well integrity monitoring
- Micro-seismic monitoring



- Strong balance sheet provides flexibility
- Unique high-quality data in the right place at the right time
- Multi-client model allows customers to access data at a reduced cost
- Vendor neutral philosophy allows access to capacity and technology as needed
- Project modeling and investment merit drive major project decisions
- Diversified portfolio with a variety of data types and geographical locations covering frontier, emerging and mature markets

# Strong Balance Sheet Backing TGS Strategy

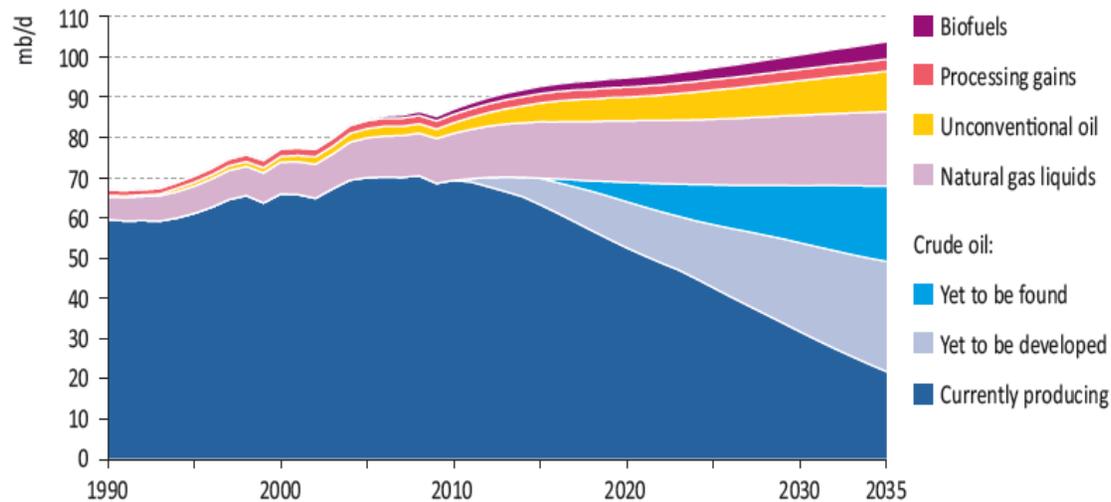


- Cash balance per Q3 2012 represents 205 MUSD
- Dividend paid in June 2012 of 103 MUSD
- Strong balance sheet provides excellent opportunities to continue growth
  - M&A
  - Strong credit quality attracts prefunding
  - Flexibility

**No interest bearing debt and strong cash balance**

# Positive Market Drivers in Oil Services

## World Liquid Fuel Supply



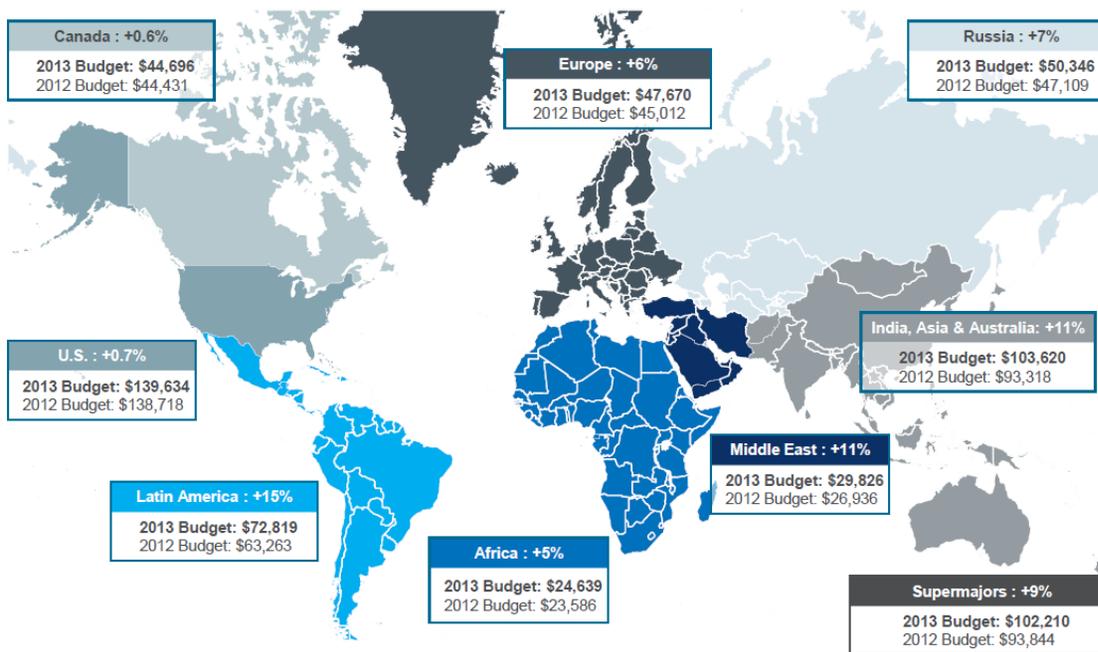
Source: IEA World Energy Outlook 2011

- Oil and gas reserves continue to decline
- More oil produced from existing reserves than we are discovering
- Political instability and closed markets reduces available acreage in known oil producing areas, putting more pressure on exploring new frontiers offshore and onshore

**Increasing investments are required just to maintain reserve replacement**

# E&P Spending Increase of 7% Expected For 2013

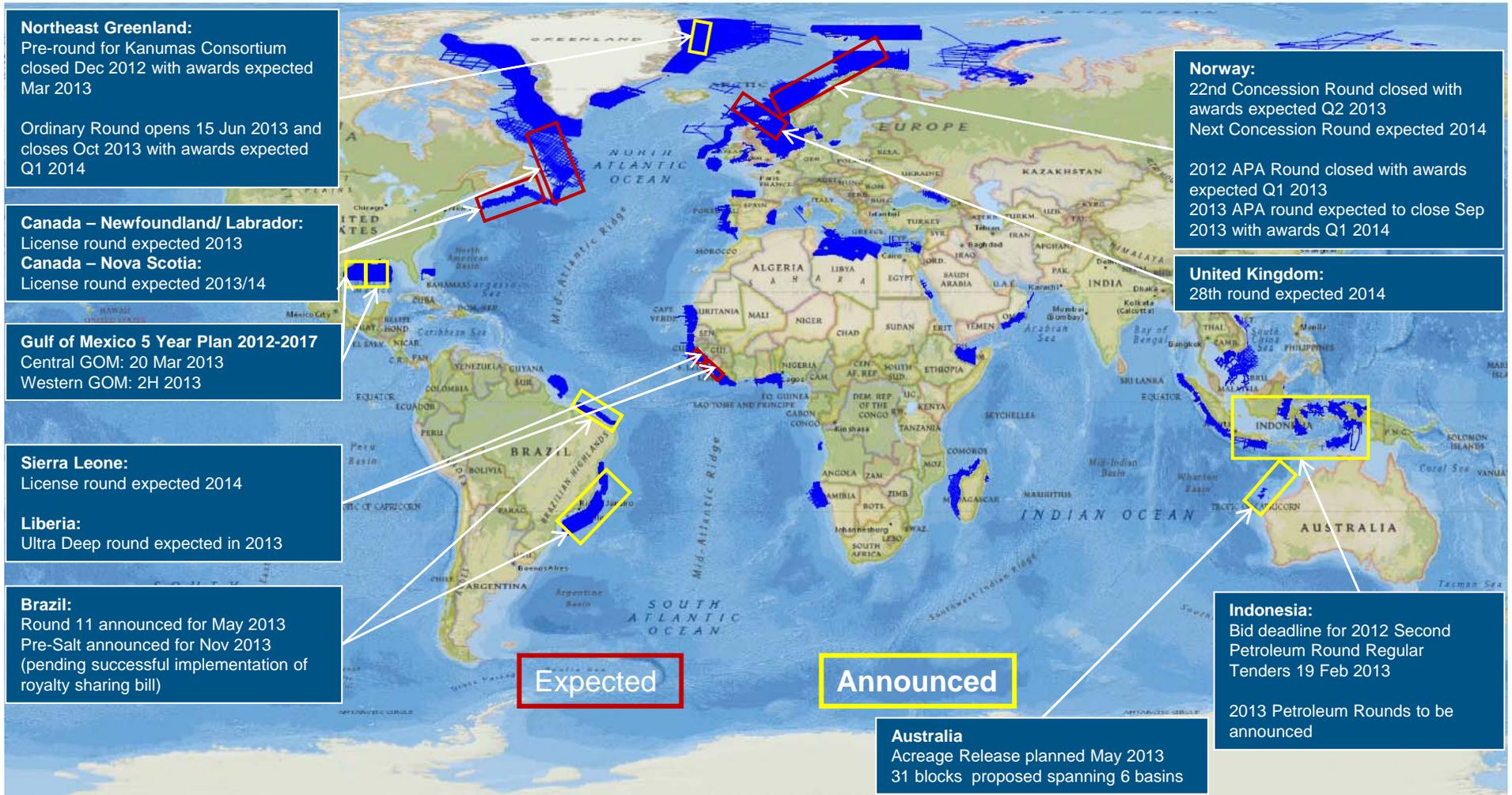
- Barclays expect 2013 global E&P spending to surpass 640 BUSD



Note: \$ in millions  
Source: Company data and Barclays Research

- More than 300 oil and gas companies worldwide participated in the Barclays Capital survey about their spending intentions for 2013
- According to the Barclays Capital survey, global E&P spending in 2013 is expected to increase 7% to 644 BUSD, versus 604 BUSD in 2012
- Acceleration expected to be led by increased expenditures internationally (up 9%)
- Companies are on average basing 2013 capital spending budgets on an average oil price of \$85 WTI and \$98 Brent

# License Round Activity and TGS Positioning



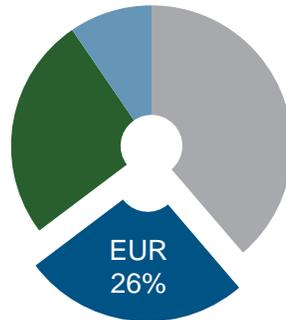
# Key Drivers for Continued Outperformance

## Geographic region

## Share of 2012 revenues

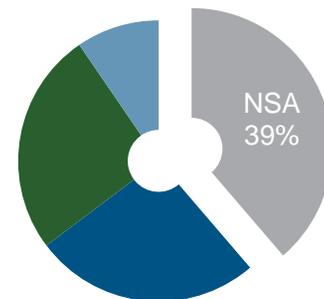
## Key drivers for 2013 investments and growth

EUR



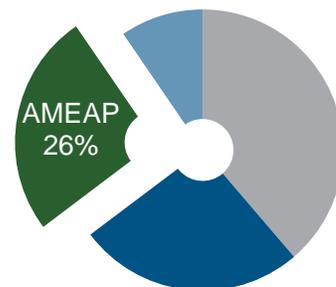
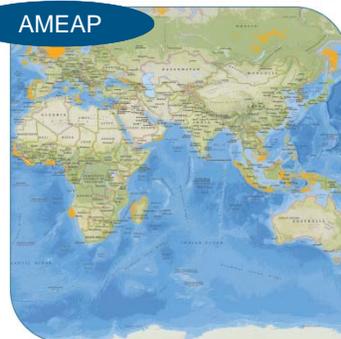
- Recent discoveries in mature markets in North Sea triggers increased optimism and demand for modern seismic
- Exploration success in the Barents Sea attracts new entrants
- TGS has developed a modern 3D database in the key areas of the North & Barents Seas which is to be further developed in 2013
- Significant 2D footprint forms the basis for future 3D's

NSA



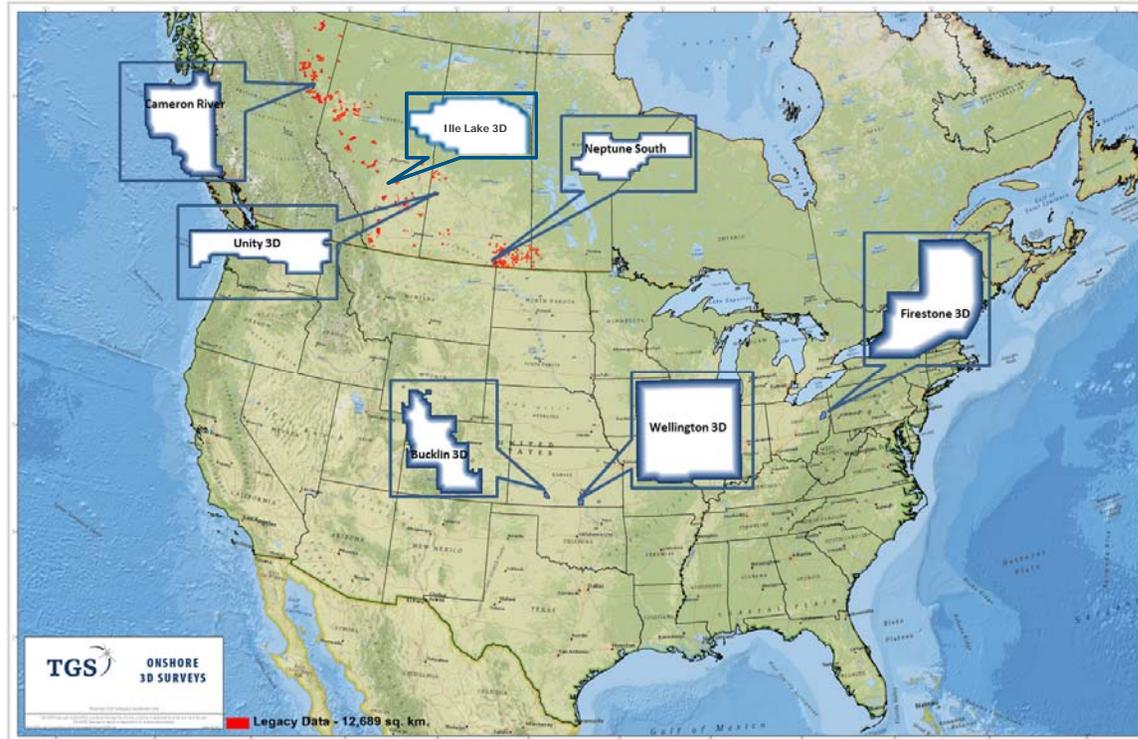
- GOM slowly getting back to normal with new seismic surveys and license rounds (CGOM 20 March 2013)
  - TGS is uniquely positioned in the most prolific areas of the Central GOM
  - Permits in place to increase footprint in 2013
- Planned Brazil License Rounds should renew interest in Latin America
- Technological developments generate new opportunities in mature areas
- Unconventional onshore plays provide new opportunities for growth

AMEAP



- Lower exposure to Angola in 2013 to be substituted by strong pipeline of investment ideas in the West African transform margin where TGS has a solid track record
- Increasing industry interest in Australia facilitates additional multi-client projects
- Carefully monitoring the developments in new frontier areas

# Current Onshore Surveys



## United States

- **Firestone 3D** - expanded to 658 km<sup>2</sup> in liquid rich Utica play
- **Bucklin 3D** - 421 km<sup>2</sup> of 3D data in Mississippi Lime Oil Play
- **Wellington 3D** - 510 km<sup>2</sup> of 3D data in the Mississippi Lime Oil Play

## Canada

- **Neptune South** - 218 km<sup>2</sup> of 3D data in the Bakken Oil play
- **Unity North** - 130 km<sup>2</sup> of 3D data in the Birdbear play of Western Saskatchewan
- **Cameron River** - 461 km<sup>2</sup> of 3D data in the liquids rich Triassic Montney and Doig unconventional fairways
- **Ille Lake** – 180 km<sup>2</sup> of 3D data in the deep basin of Central Alberta
- **Legacy 3D Data** - 12,689 km<sup>2</sup>

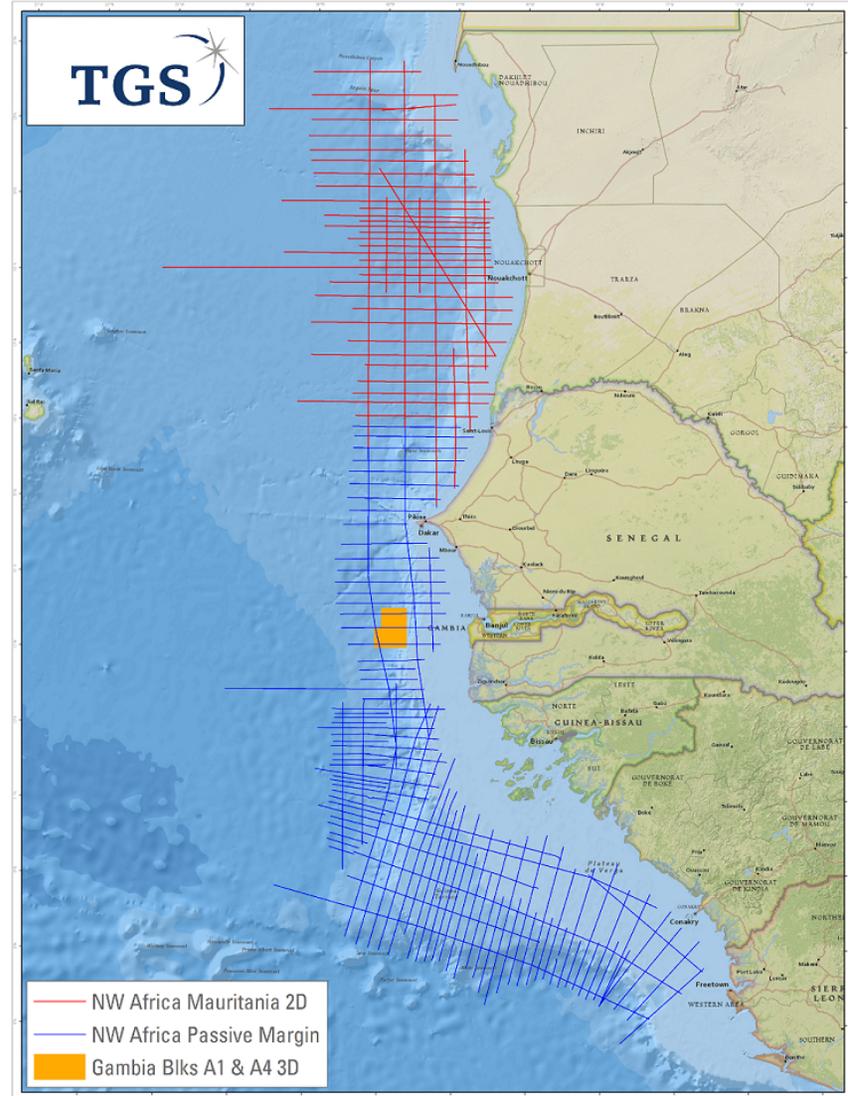
## Mauritania expansion

- 11,032 km 2D\*
- Acquisition completed November 2012

## Phase 1 data available

- 17,674 km 2D\*
- 2,567 km<sup>2</sup> 3D

\*In partnership with Dolphin Geophysical



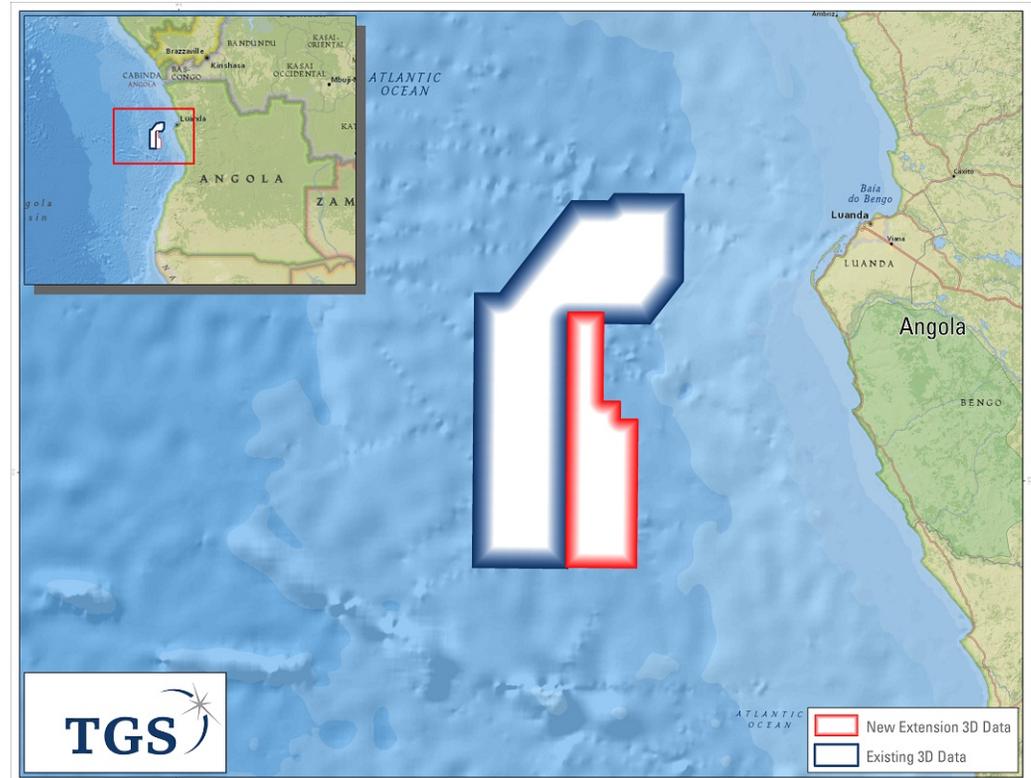
# Angola 3D Extension

## Original survey

- 12,500 km<sup>2</sup>
- Conjugate margin pre-salt basins, similar to hydrocarbon rich basins offshore Brazil
- Acquisition completed in late November 2012

## Extension

- 4,064 km<sup>2</sup>
- M/V Geco Eagle
- Data processing performed by TGS
- Preliminary data will be available to clients from Q4 2013



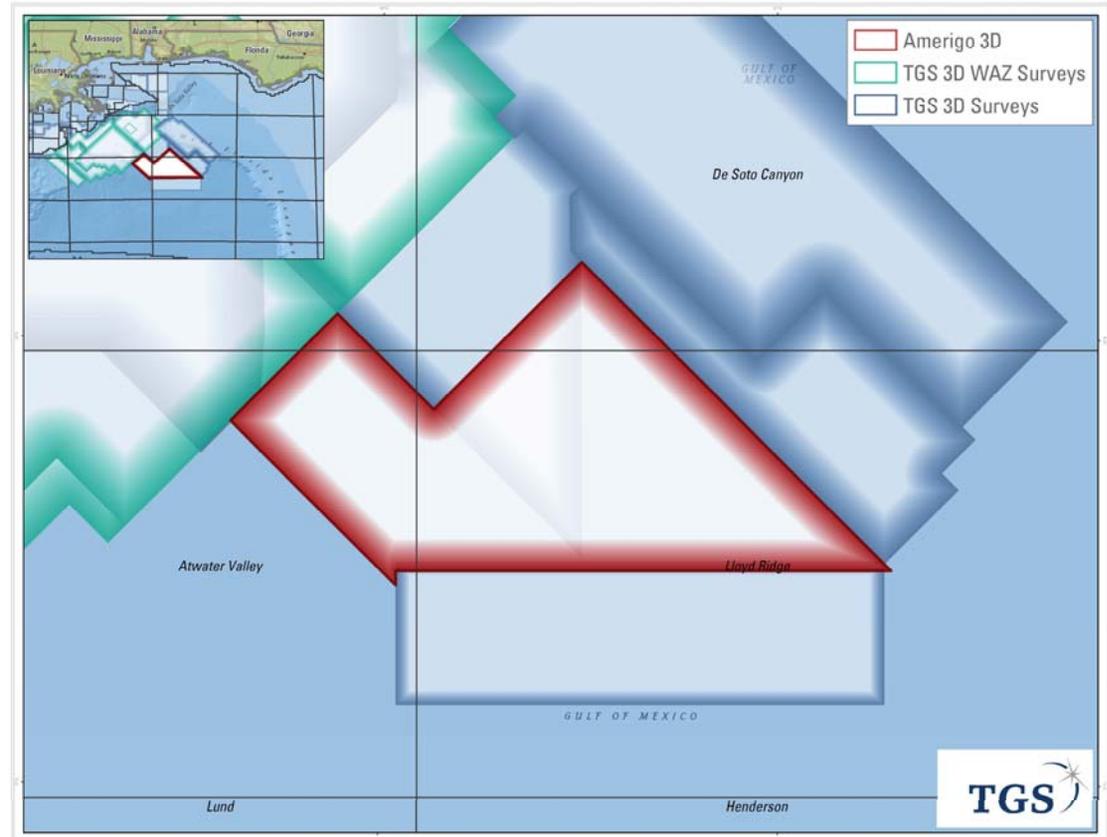
# Amerigo 3D – Central Gulf of Mexico

## Amerigo - 7,000 km<sup>2</sup>

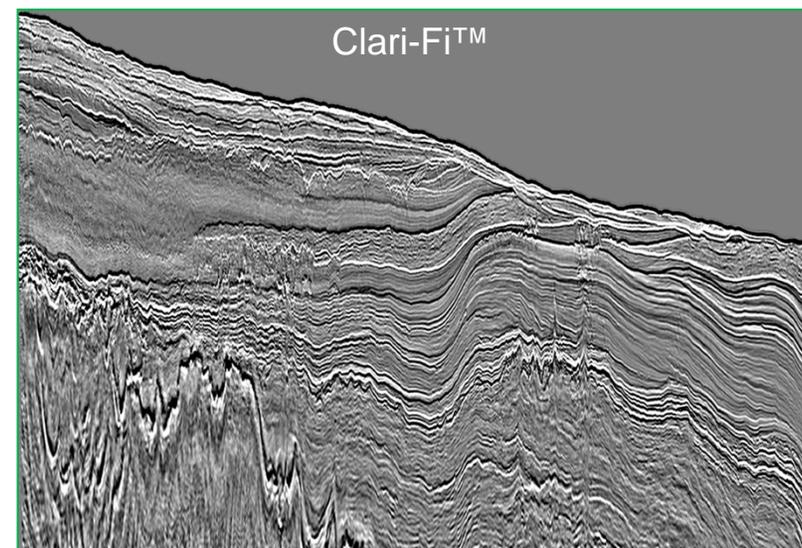
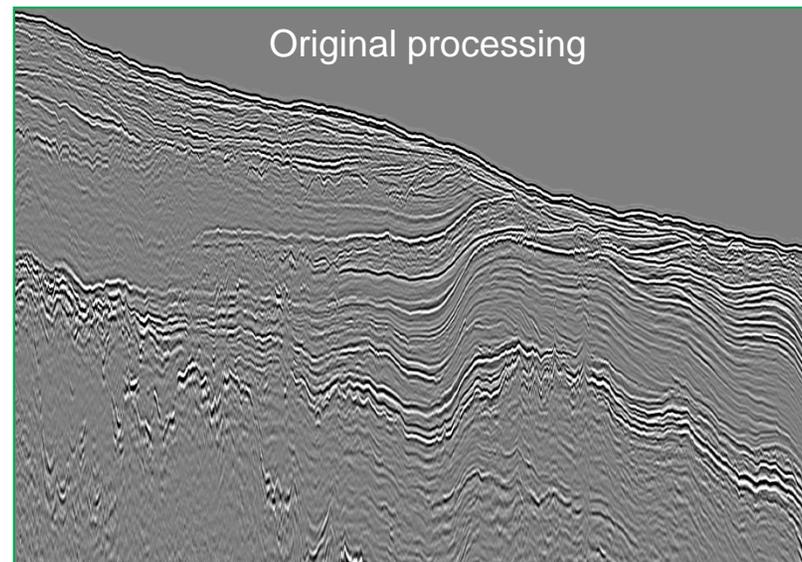
- Acquisition commenced Dec 2012 and will complete in Q2 2013
- Leverages adjacent TGS 3D data
- 12,000 m offsets allow for a deeper image
- Broadband Clari-Fi™ processing
- Preliminary data available Q3 2012

## TGS WAZ coverage is in the most active and prolific area of the deep water GOM

- Freedom – 16,500 km<sup>2</sup>
- Liberty – 3,100 km<sup>2</sup>
- Justice – 7,900 km<sup>2</sup>
- Patriot – 11,655 km<sup>2</sup>
- Independence – 3,400 km<sup>2</sup>



- Processing methodology that increases bandwidth and improves imaging
- May be applied to conventionally acquired pre- or post-stack data
- Addresses ghost and filtering effects
- Opportunities for reprocessing of existing library
- Strengthens technology offerings on new projects



# Capacity Secured for 2013



EUR  
 AMEAP  
 NSA  
 Option

## Vessels committed per Jan 2012

Vessel	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Viking Vision	Mary Rose											
Geo Atlantic	Mary Rose ext.											
Geco Eagle	Angola 36/37											
WG WAZ Crew	Patriot WAZ											
Ramform Viking						FSB12						
Polar Duchess				NW Europe								
Polarcus Amani				NW Europe								
Ak. Fersman						Laptev Sea/ East Siberia Sea						
Sanco Spirit						Labrador, Canada						
Artemis Atlantic		NWAAM										

## Vessels committed per Jan 2013

Vessel	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Geco Eagle	Angola											
Geo Caribbean	Gulf of Mexico						Option					
12 streamer CGV Vessel				NW Europe						Option		
Geo Barents				NW Europe						Option		
Sanco Swift						NW Europe						
Akademik Shatskiy	Columbia				Option							

- Record high revenues in Q4 2012 of approximately 280 MUSD (up 55% Y/Y)
  - Full year revenue guidance exceeded with 2012 revenues of approximately 931 MUSD
- Q4 investments of approximately 93 MUSD to reach full year investments of 494 MUSD
- Strong seismic demand in all key markets allows TGS to continue profitable growth. Guidance for 2013:
  - Multi-client investments 530 – 600 MUSD
  - Average pre-funding 50 – 60%
  - Average multi-client amortization rate 40 – 46%
  - Net revenues 970 – 1050 MUSD
  - Contract revenues approximately 5% of total revenues

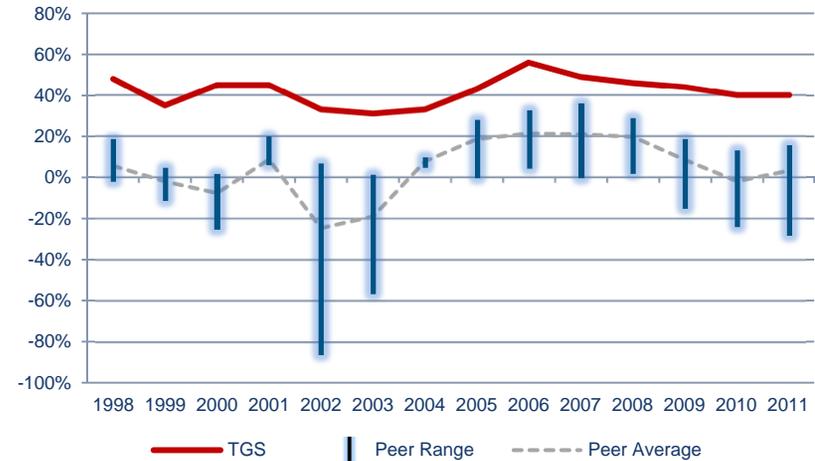
# TGS Performs in all Cycles



### ROCE vs. Seismic Peers



### EBIT Margins vs. Seismic Peers



- ROCE consistently outperforming peers

- Average EBIT margin above 40%
- Stable EBIT – performance through the cycles

\* ROCE is based on EBIT divided by average capital employed.  
Peer group includes CGG Veritas, Fugro, Geokinetics, ION Geophysical, PGS, Western Geco, and GGS  
Source Platou Markets and TGS



**Thank you**

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