TGS EARNINGS RELEASE
1st QUARTER RESULTS

1st QUARTER HIGHLIGHTS

- Consolidated net revenues were USD 172 million, compared to USD 222 million in Q1 2014.
- Net late sales totaled USD 72 million, down 48% from USD 137 million in Q1 2014.
- Net pre-funding revenues were USD 94 million, up 26% from Q1 2014, funding 58% of the Company's operational multi-client investments during Q1 (investments of USD 163 million, up 26% from Q1 2014).
- Proprietary revenues were USD 6 million, compared to USD 11 million in Q1 2014.
- Operating profit (EBIT) was USD 37 million (22% of net revenues), compared to USD 94 million (42% of net revenues) in Q1 2014.
- Cash flow from operations was USD 260 million, compared to USD 221 million in Q1 2014.
- Earnings per share (fully diluted) were USD 0.28, down from USD 0.66 in Q1 2014.

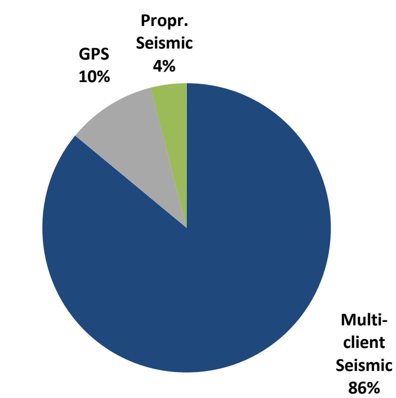
"Net revenues in Q1 were lower than our expectations due to weaker late sales from the data library in all geographic regions. Demand for seismic data has significantly deteriorated over the first three months of 2015 and the outlook for improvement in the market remains quite uncertain. On a positive note, cash flow in Q1 was strong and the Company has a cash balance of USD 352 million as of 31 March 2015. TGS continues to be uniquely positioned within our industry with a strong balance sheet combined with a flexible asset-light business model," TGS' CEO Robert Hobbs stated.

KEY FIGURES

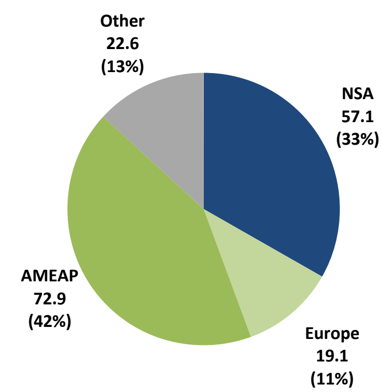
(All amounts in USD 1,000s)	Q1 2015	Q1 2014
Net operating revenues	171,590	222,322
EBIT	37,368	93,788
Pre-tax profit	36,018	97,113
Net income	28,666	68,017
EBIT margin	22%	42%
Return on average capital employed	23%	40%
Equity ratio	81%	77%
MC library opening net book value	818,132	758,093
Investments in new projects	162,522	129,451
Amortization	(104,511)	(87,365)
Exchange rate adjustments	-	(216)
MC library ending net book value	876,144	799,963
Pre-funding % on operational investments	58%	57%

REVENUE BREAKDOWN

TGS' largest business activity is developing, managing, conducting and selling multi-client seismic surveys. This activity accounted for 86% of the Company's business during the quarter. Geological Products and Services (GPS) accounted for 10% of net revenues in the first quarter, while proprietary seismic revenues accounted for 4% of net revenues.



Net late sales for the quarter amounted to USD 71.7 million compared to USD 137.4 million in Q1 2014. Net pre-funding revenues in the quarter totaled USD 93.6 million, an increase of 26% from Q1 2014. The pre-funding revenues recognized in the first quarter funded 58% of the operational investments of USD 162.5 million in the multi-client library. Proprietary contract revenues during the quarter totaled USD 6.2 million compared to USD 10.7 million in Q1 2014.



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 an "Other" segment. This segment includes GPS Well Data, GPS Interpretations, Global Services and Imaging. The Company's land seismic projects in North America are reported under the business segment NSA.

Sales from NSA totaled USD 57.1 million in Q1 2015 (USD 100.0 million in Q1 2014). Sales from EUR amounted to USD 19.1 million in Q1 2015 (USD 41.5 million in Q1 2014), while AMEAP had total sales of USD 72.9 million in Q1 2015 (USD 55.7 million in Q1 2014).

OPERATIONAL COSTS

The amortization of the multi-client library for Q1 2015 amounted to USD 104.5 million, (USD 87.4 million in Q1 2014) which corresponds to 63% (41% in Q1 2014) 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 high amortization rate in Q1 2015 relates mainly to one highly prefunded project where the late sales are expected to represent a lower share of total project revenues. In Q1 2015, 8% of net multi-client revenues came from pre-2011 vintages, which are fully amortized in line with the Company's amortization policy.

Cost of goods sold (COGS) were USD 0.5 million for the quarter, compared to USD 2.4 million in Q1 2014. The decrease is due to lower proprietary seismic activity in Q1 2015 compared to Q1 2014. Personnel costs expensed during the quarter were USD 16.5 million compared to USD 24.2 million in Q1 2014. The decrease is mainly due to lower costs related to employee incentive schemes. Other operating expenses were USD 8.6 million compared to USD 9.7 million in Q1 2014, which corresponds to a decrease of 11%. The decrease comes partly as a result of a cost reduction program initiated to position the company for the more challenging seismic market caused by the significant drop in oil price.

EBITDA AND EBIT

Reported EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization) for the quarter ended 31 March 2015 was USD 145.4 million, which corresponds to 85% of net revenues, down 21% from USD 184.6 million in Q1 2014. Operating profit (EBIT) for the quarter amounts to USD 37.4 million, which is down from USD 93.8 million in Q1 2014.

FINANCIAL ITEMS

The Company recorded a net currency exchange loss of USD 3.7 million in Q1 2015, which is mainly due to unrealized losses related to translating local currency bank accounts into USD. TGS holds NOK bank accounts to pay taxes and dividends in NOK during 2015. These bank accounts are translated into USD at the balance sheet date and represent a significant unrealized loss during Q1 2015.

TAX

TGS reports tax charges in accordance with the Accounting Standard IAS 12. Taxes are computed based on the USD value of 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. Currency effects within the current year are classified as tax expenses.

Management assesses that the normalized operating consolidated tax rate is approximately 30%. The tax rate reported for the quarter is at 20% compared to 30% last year. Most of TGS' taxable income is taxed in Norway where the taxes are calculated and paid in NOK on an annual basis. During Q1 2015, the USD appreciated by 9% compared to NOK. Of TGS' total taxes payable at 31 March 2015, taxes payable in Norway represented more than 90%. As the Norwegian taxes are settled on an annual basis, the YTD exchange variation will impact the quarterly calculations of taxes. Accordingly, the low tax rate in Q1 2015 is mainly due to currency effects for the Parent Company on the taxes payables and to changes in temporary differences measured in NOK.

NET INCOME AND EARNINGS PER SHARE (EPS)

Net income for Q1 2015 was USD 28.7 million (17% of net revenues), down from USD 68.0 million in Q1 2014. Quarterly earnings per share (EPS) were USD 0.28 fully diluted (USD 0.28 undiluted), which is down 57% from Q1 2014.

MULTI-CLIENT INVESTMENTS AND LIBRARY

MUSD	Q1 2015	Q1 2014	2014	2013	2012	2011
Beginning net book value	818.1	758.1	758.1	651.2	511.1	475.7
Non-operational investments	-	-	-	-	31.1	-
Operational investments	162.5	129.5	462.3	438.9	496.2	276.9
Amortization	(104.5)	(87.4)	(396.7)	(329.8)	(387.3)	(241.5)
Exchange Rate Adjustment	-	(0.2)	(5.6)	(2.1)	-	-
Ending net book value	876.1	800.0	818.1	758.1	651.2	511.1

MUSD	Q1 2015	Q1 2014	2014	2013	2012	2011
Net MC revenues	165.4	211.6	877.7	824.1	902.0	566.9
Change in MC revenue	-22%	16%	7%	-9%	59%	4%
Change in MC investment	26%	3%	5%	-17%	90%	-7%
Amort. in % of net MC revs.	63%	41%	45%	40%	43%	43%
Change in net book value	7%	6%	8%	16%	27%	7%

Exchange rate adjustments are related to libraries with functional currencies other than USD

BALANCE SHEET AND CASH FLOW

The net cash flow from operations for the quarter, after taxes, before investments, totaled USD 260.4 million compared to USD 220.9 million in Q1 2014. As of 31 March 2015, the Company's total cash holdings amounted to USD 351.8 million compared to USD 256.4 million at 31 December 2014.

The Company has not recognized any impairments to goodwill or other intangible assets during Q1 2015.

TGS currently does not have any interest bearing debt.

Total equity per 31 March 2015 was USD 1,365.0 million, representing 81% of total assets. During the quarter, the Company transferred 103,400 treasury shares to cover the exercise of options by key employees. Further, the Company bought back 180,000 shares for the treasury. As of 31 March 2015, TGS held 1,920,112 treasury shares.

BACKLOG

TGS' backlog amounted to USD 192.8 million at the end of Q1 2015, a decrease of 9% from Q1 2014 and 34% lower than last quarter. The decrease is mainly due to high production on the Nerites project in Australia, a project carrying high prefunding due to the ownership structure of the underlying acreage.

OPERATIONAL HIGHLIGHTS

Vessels under TGS' control through charter during all or parts of Q1 included three 3D vessels, two 2D vessels and one Wide Azimuth (WAZ) 3D crew. TGS was also a participant in two 3D ocean bottom seismic joint venture projects and one electromagnetics (EM) joint venture project. In addition, three land crews operated under TGS control in Q1 2015.

North and South America

In early Q4 last year, the Company commenced acquisition of its latest multi-wide azimuth (M-WAZ) program in the Mississippi Canyon area of the Central Gulf of Mexico. An extension to the project was announced in Q1 2015 and represents an additional 3,000 km^2 of data with acquisition completed in Q2 2015. The survey, Declaration, utilizes a variation of CGG's StagSeis^{TM} technology to integrate with previously acquired wide azimuth data. The resulting dataset will provide long-offset rich azimuth imaging in one of the most prolific hydrocarbon basins in the world. Including the extension, the Declaration project totals 9,600 km^2.

In late Q1 2015, the Company completed an 11,500 km^2 3D survey, Panfilo, in the deep water Gulf of Mexico. TGS also completed acquisition of the Snipe Phase 52 2D survey in the deep water US Gulf of Mexico during Q1. This 12,000 km survey at the Mexican border, positions TGS well for the upcoming activities in Mexico.

In collaboration with FairfieldNodal, TGS completed work on the Nessie FAN (Full Azimuth Node) project in Q1 in the South Timbalier area of the US Gulf of Mexico shelf. The partnership also commenced work on phase 2 of the Ogo FAN project located in the Eugene Island protraction area. The project will continue through the full year 2015 and will cover 136 shelf blocks in total when completed.

In Q1, the Company continued acquisition of the 1,777 km^2 Freeport 3D survey in eastern Ohio. Recording of this survey will be complete in Q3 of 2015. Also in Q1, TGS completed the acquisition of a 722 km^2 3D survey in the Alberta Duvernay play called Kaybob-Bigstone.

Europe and Russia

In partnership with EMGS, TGS commenced in Q1 an electromagnetic survey covering nine blocks in the Norwegian Barents Sea. The survey completed in early Q2 2015.

Activity in Europe for the remainder of the quarter consisted of the processing of the Company's surveys after a very active acquisition season in 2014.

Africa, Middle East and Asia Pacific

TGS continued a 17,500 km 2D survey offshore northeast New Zealand. Acquisition of this survey completed in early Q2 2015. In addition, the Company continued acquisition of the second phase of its Nerites survey in the Great Australian Bight of Australia. This 13,000 km^2 survey was acquired using two vessels for most of the quarter and will be complete in Q2 2015.

Other Segments

The Geologic Products and Services Division continued to add to its inventory of multi-client products in the quarter. The well data library grew with the addition of 40,984 new digital well logs, 3,839 new enhanced digital well logs and over 73,000 new Validated Well Headers. The division also initiated new multi-client interpretive projects geared towards supplying customers with information on stratigraphy, structure and basin maturity in Norway, the UK, Eastern Canada, and the US.

OTHER MATTERS

TGS refers to the Q4 2014 earnings release of 5 February 2015 announcing the Board of Directors' decision to propose a dividend of NOK 8.5 per share to the shareholders at the 6 May 2015 Annual General Meeting. Based on the General Meeting's resolution regarding the share dividend, the shares will be quoted exclusive of dividend on 7 May 2015. Dividend will be paid out on 21 May 2015 to shareholders of record as of the date of the General Meeting.

The Board of Directors has reviewed the Company's financial situation, including the Company's distributable reserves according to the annual accounts for 2014. On this basis and in accordance with the Company's resolved dividend policy, the Board of Directors wishes to be authorized to distribute quarterly dividend payments from Q1 2016. Reference is made to the Notice to the Annual General Meeting published on 13 April 2015 for more information on the quarterly dividend proposal.

The Company announced on 6 February 2014 a buy-back program of USD 30 million. The shares are purchased from the open market and in accordance with the Safe Harbour provisions of the EU Commission Regulations for buy-back programs. The plan to repurchase stock started 7 February 2014 and the authorization expires at the 2015 General Meeting on 6 May 2015. As of 31 March 2015, TGS had purchased 1,118,548 shares as part of this program for a total value of approximately USD 30 million and expects to purchase no additional shares under the current authorization.

OUTLOOK

Demand for seismic data has significantly deteriorated over the first three months of 2015 and the outlook for improvement in the market remains quite uncertain. TGS is in constant communication with its customers and many of these energy companies have not finalized their spending plans for 2015. From these discussions and an assumption that the price of oil will remain under pressure, TGS has revised its guidance to reflect the negative market development, as announced to the market on 13 April 2015. TGS now expects annual net revenues of approximately USD 630 million for 2015, down from USD 750 million as originally communicated in January. Operating profit (EBIT) is expected to be negatively affected by higher amortization, and management is carefully monitoring the book value of the multi-client library in light of the current market conditions.

Higher amortization will be partly compensated by the effects of a Cost Reduction Program implemented in Q1. A key element of this program is a reduction of more than 10% of TGS' global workforce effective from April. Restructuring charges of approximately USD 4 million will be booked in Q2 as a result of this Program. The company expects annual cost savings of approximately USD 10 million from the Cost Reduction Program. In addition to the reduction in headcount, Management has taken concrete actions to recognize additional operational cost savings from the original 2015 budget. Management will continue to review the Company's cost structure and if necessary, take additional action to reduce cost if the market continues to deteriorate.

Despite these near-term market challenges, TGS believes the long-term future of its business, and particularly the Company's focused asset-light multi-client model, is strong. Energy companies continue to demand higher resolution subsurface images in mature basins, as well as new regional data in frontier basins to guide their exploration efforts. Companies exploring and producing unconventional shale plays continue to seek high quality wellbore-based information to guide their petrophysical analysis. TGS' customers see the economic value of the multi-client business model and are increasingly comfortable accessing their geoscience data through this method.

For 2015, the Company has secured adequate land and marine crew capacity at very favorable arrangements. This has encouraged TGS to continue investments in prolific areas with proven returns. This countercyclical approach has historically proven successful and TGS will continue to take advantage of the asset-light business model combined with a strong balance sheet.

Asker, 22 April 2015

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 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

CONTACT FOR ADDITIONAL INFORMATION

Kristian Johansen, COO/CFO **tel +47 47 60 33 34**
Will Ashby, Director, Finance Western Hemisphere & Investor Relations **tel +1-713-860-2184**

****

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 Consolidated Statement of Comprehensive Income

(All amounts in USD 1,000s unless noted otherwise)	Note	2015 Q1 Unaudited	2014 Q1 Unaudited
Net revenues	4	**171,590**	**222,322**
Operating expenses			
Cost of goods sold - proprietary and other		513	2,437
Amortization of multi-client library		104,511	87,365
Personnel costs		16,534	24,180
Cost of stock options		549	1,364
Other operating expenses		8,590	9,738
Depreciation and amortization		3,526	3,450
Total operating expenses		**134,222**	**128,534**
Operating profit	4	**37,368**	**93,788**
Financial income and expenses			
Financial income		2,381	1,274
Financial expenses		-34	-108
Other financial items		-3,697	2,160
Net financial items		**-1,350**	**3,325**
Profit before taxes		**36,018**	**97,113**
Taxes		7,353	29,096
Net income		**28,666**	**68,017**
EPS USD		**0.28**	**0.67**
EPS USD, fully diluted		**0.28**	**0.66**
Other comprehensive income:			
Exchange differences on translation of foreign operations		-194	-3,357
Other comprehensive income for the period, net of tax		-194	-3,357
Total comprehensive income for the period		28,471	64,660

Interim Consolidated Balance Sheet

(All amounts in USD 1,000s)	**Note**	**2015** **31-Mar** **Unaudited**	**2014** **31-Mar** **Unaudited**	**2014** **31-Dec** **Audited**
ASSETS				
Non-current assets				
Goodwill		67,361	84,036	67,361
Multi-client library		876,144	799,963	818,132
Other intangible non-current assets		9,221	44,136	9,349
Deferred tax asset		6,268	10,644	7,992
Buildings		9,438	10,147	9,568
Machinery and equipment		29,307	46,610	33,608
Other non-current assets	6	24,307	54,526	43,882
Total non-current assets		**1,022,045**	**1,050,062**	**989,892**
Current assets				
Financial investments available for sale		-	3,868	-
Accounts receivable		141,617	156,192	241,519
Accrued revenues		120,365	158,235	235,781
Other receivables		50,214	34,365	44,010
Cash and cash equivalents		351,768	365,745	256,416
Total current assets		**663,964**	**718,405**	**777,726**
TOTAL ASSETS		**1,686,009**	**1,768,468**	**1,767,618**
EQUITY AND LIABILITIES				
Equity				
Share capital		3,624	3,651	3,626
Other equity		1,361,376	1,352,902	1,335,575
Total equity	3	**1,365,000**	**1,356,553**	**1,339,201**
Non-current liabilities				
Other non-current liabilities		8,519	16,698	7,149
Deferred tax		30,286	77,851	28,752
Total non-current liabilities		**38,805**	**94,549**	**35,901**
Current liabilities				
Accounts payable and debt to partners		118,092	137,481	163,282
Taxes payable, withheld payroll tax, social security		47,827	72,388	98,696
Other current liabilities		116,285	107,497	130,538
Total current liabilities		**282,203**	**317,365**	**392,516**
TOTAL EQUITY AND LIABILITIES		**1,686,009**	**1,768,468**	**1,767,618**

Interim Consolidated Statement of Cash flow

(All amounts in USD 1,000s)	Note	2015 Q1 Unaudited	2014 Q1 Unaudited
Cash flow from operating activities:			
Received payments from customers		337,024	304,585
Payments for salaries, pensions, social security tax		-22,126	-24,488
Payments of other operational costs		-9,103	-12,175
Paid taxes		-45,410	-47,005
Net cash flow from operating activities [1]		**260,385**	**220,917**
Cash flow from investing activities:			
Investments in tangible and intangible assets		-2,449	-8,655
Investments in multi-client library		-150,610	-127,080
Payments made to acquire debt instruments	6	-5,000	-
Interest received		1,972	674
Net cash flow from investing activities		**-156,087**	**-135,061**
Cash flow from financing activites:			
Interest paid		-18	-58
Purchase of treasury shares	3	-4,844	-3,431
Proceeds from share issuances	3	1,558	409
Net cash flow from financing activites		**-3,304**	**-3,080**
Net change in cash and cash equivalents		**100,993**	**82,775**
Cash and cash equivalents at the beginning of period		256,416	280,688
Net unrealized currency gains/(losses)		-5,643	2,282
Cash and cash equivalents at the end of period		**351,768**	**365,745**
1) Reconciliation			
Profit before taxes		36,018	97,113
Depreciation/amortization/impairment		108,037	90,815
Changes in accounts receivables and accrued revenues		215,319	92,364
Unrealised currency gain/(loss)		5,423	-4,444
Changes in other receivables		14,488	183
Changes in other balance sheet items		-73,490	-8,109
Paid taxes		-45,410	-47,005
Net cash flow from operating activities		**260,385**	**220,917**

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 Translation Reserve	Retained Earnings	Total Equity
Opening balance 1 January 2015	**3,702**	**-76**	**58,107**	**32,915**	**-**	**-21,123**	**1,265,675**	**1,339,201**
Net income	-	-	-	-	-	-	28,666	**28,666**
Other comprehensive income	-	-	-	-	-	-194	-	**-194**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-194**	**28,666**	**28,471**
Paid-in-equity	5	-	1,553	-	-	-	-	**1,558**
Purchase of treasury shares	-	-7	-	-	-	-	-4,838	**-4,844**
Cost of stock options	-	-	-	549	-	-	-	**549**
Deferred tax asset related to stock options	-	-	-	-	-	-	65	**65**
Closing balance per 31 December 2014	**3,707**	**-83**	**59,660**	**33,464**	**-**	**-21,317**	**1,289,568**	**1,365,000**

(All amounts in USD 1,000s)	Share-Capital	Own Shares Held	Share Premium Reserve	Other Paid-In Equity	Available for Sale Reserve	Foreign Currency Translation Reserve	Retained Earnings	Total Equity
Opening balance 1 January 2014	**3,716**	**-62**	**57,206**	**27,924**	**328**	**-12,475**	**1,216,341**	**1,292,979**
Net income	-	-	-	-	-	-	68,017	**68,017**
Other comprehensive income	-	-	-	-	-	-3,357	-	**-3,357**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-3,357**	**68,017**	**64,660**
Paid-in-equity	1	-	408	-	-	-	-	**409**
Purchase of treasury shares	-	-5	-	-	-	-	-3,426	**-3,431**
Cost of stock options				1,364	-	-		**1,364**
Deferred tax asset related to stock options	-	-	-	-	-	-	571	**571**
Closing balance per 31 March 2014	**3,717**	**-67**	**57,614**	**29,288**	**328**	**-15,832**	**1,281,503**	**1,356,553**

Largest Shareholders per 16 April 2015

				Shares	%
1	FOLKETRYGDFONDET	NORWAY		7,273,743	7.2%
2	THE BANK OF NEW YORK MELLON	U.S.A.	NOM	6,698,012	6.6%
3	THE NORTHERN TRUST CO.	GREAT BRITAIN	NOM	4,332,571	4.3%
4	J.P. MORGAN CHASE BANK N.A. LONDON	GREAT BRITAIN	NOM	4,250,613	4.2%
5	STATE STREET BANK & TRUST CO.	U.S.A.	NOM	4,226,591	4.2%
6	CLEARSTREAM BANKING S.A.	LUXEMBOURG	NOM	3,472,689	3.4%
7	J.P. MORGAN CHASE BANK N.A. LONDON	GREAT BRITAIN	NOM	3,176,360	3.1%
8	BROWN BROTHERS HARRIMAN &CO	U.S.A.	NOM	2,599,445	2.6%
9	J.P. MORGAN BANK LUXEMBOURG SA	GREAT BRITAIN	NOM	2,401,221	2.4%
10	THE BANK OF NEW YORK MELLON	U.S.A.	NOM	2,319,031	2.3%
10 Largest				**40,750,276**	**40%**
Total Shares Outstanding *				**101,264,176**	**100%**

* Total shares outstanding are net of shares held in treasury per 16 April 2015

Average number of shares outstanding for Current Quarter *

Average number of shares outstanding during the quarter	101,300,325
Average number of shares fully diluted during the quarter	102,041,347

* Shares outstanding net of shares held in treasury per 31 March 2015 (1,920,112 TGS shares), composed of average outstanding TGS shares during the full quarter

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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 Lensmannslia 4, 1386 Asker, Norway.

Note 2 Basis for Preparation

The condensed consolidated interim financial statements of TGS 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 interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with TGS' annual report for 2014 which is available on www.tgs.com.

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the annual financial statements for 2014. None of the new accounting standards or amendments that came into effect from 1 January 2015 has a significant impact on the presentation of the financial statements during the first quarter of 2015.

Note 3 Share capital and equity

Ordinary shares	Number of shares
1 January 2015	**103,184,288**
31 March 2015	**103,184,288**

Treasury shares	Number of shares
1 January 2015	**1,843,512**
26 January 2015, shares bought back	20,000
27 January 2015, shares bought back	20,000
29 January 2015, shares bought back	20,000
10 February 2015, shares bought back	20,000
12 February 2015, shares bought back	20,000
19 February 2015, treasury shares transferred to cover exercise of stock options	(103,400)
20 February 2015, shares bought back	10,000
24 February 2015, shares bought back	10,000
2 March 2015, shares bought back	20,000
11 March 2015, shares bought back	20,000
16 March 2015, shares bought back	20,000
31 March 2015	**1,920,112**

The Board of Directors has proposed to the shareholders at the May 2015 Annual General Meeting a dividend of NOK 8.5 per share for outstanding common stock.

Note 4 Segment information

2015 Q1	North & South America	Europe & Russia	Africa, Middle East & Asia/Pacific	Other segments/ Corporate costs	Consolidated
Net external revenues	57,060	19,067	72,895	22,569	**171,590**
Operating profit	24,616	13,270	6,995	-7,511	**37,368**

2014 Q1	North & South America	Europe & Russia	Africa, Middle East & Asia/Pacific	Other segments/ Corporate costs	Consolidated
Net external revenues	100,003	41,546	55,742	25,031	**222,322**
Operating profit	70,198	26,677	8,965	-12,052	**93,788**

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 Related parties

On 19 February 2015, members of the executive management exercised 42,200 options and sold the same number of shares. No other material transactions with related parties took place during the first quarter of 2015.

Note 6 3-year secured bond – SeaBird Exploration

On 3 March 2015, TGS signed an agreement to participate as a new lender in the restructuring of SeaBird Exploration. SeaBird issued to TGS a USD 5.0 million secured bond carrying a 12% interest p.a. and maturing on 3 March 2018. The bond is primarily secured by certain multi-client data assets of the SeaBird Group.

The bond is classified as a non-derivative financial asset in the category "Loans and receivables" and is included in Other non-current assets.