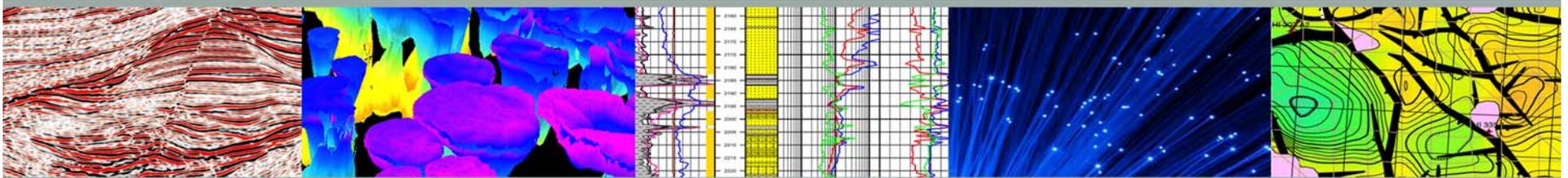


Earnings Release Q2 2012

Robert Hobbs
Chief Executive Officer

Kristian K. Johansen
Chief Financial Officer



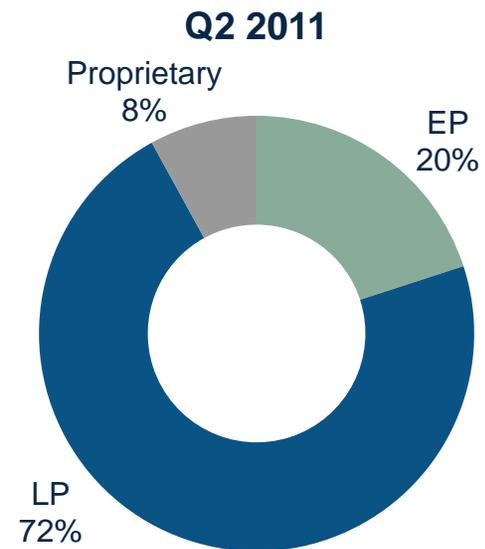
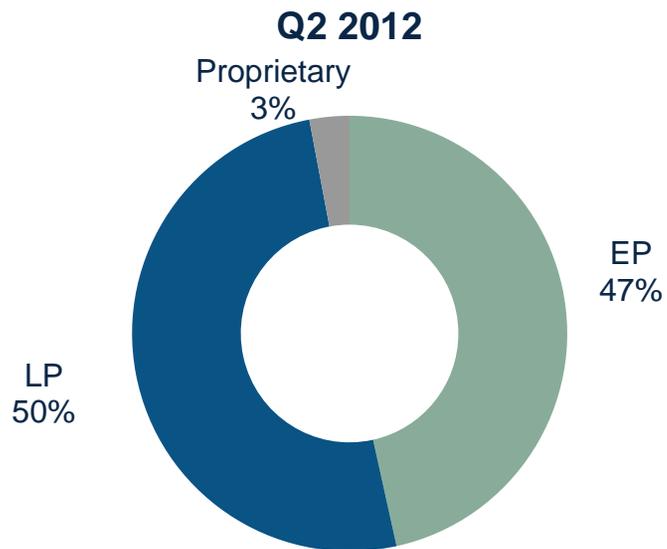
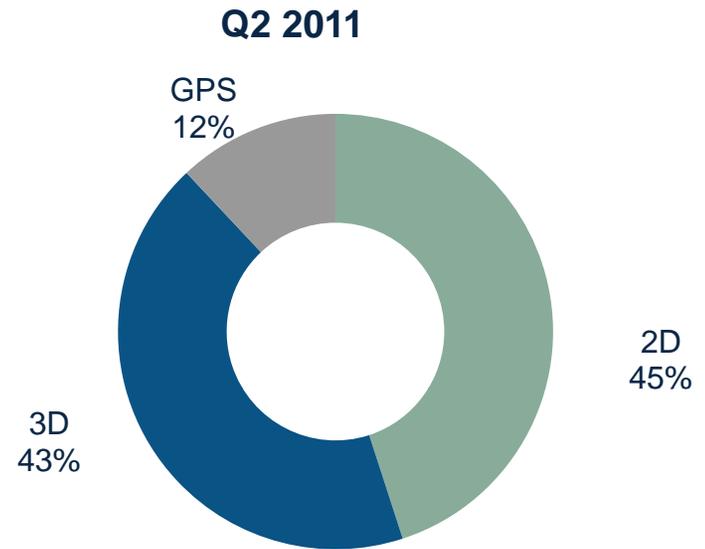
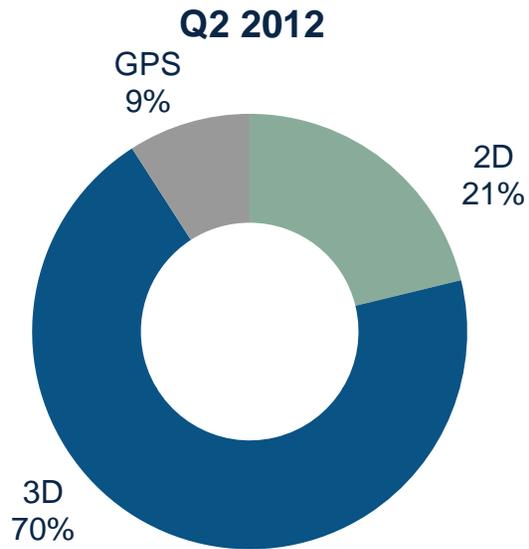
Forward-Looking Statements

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.

Q2 2012 Highlights

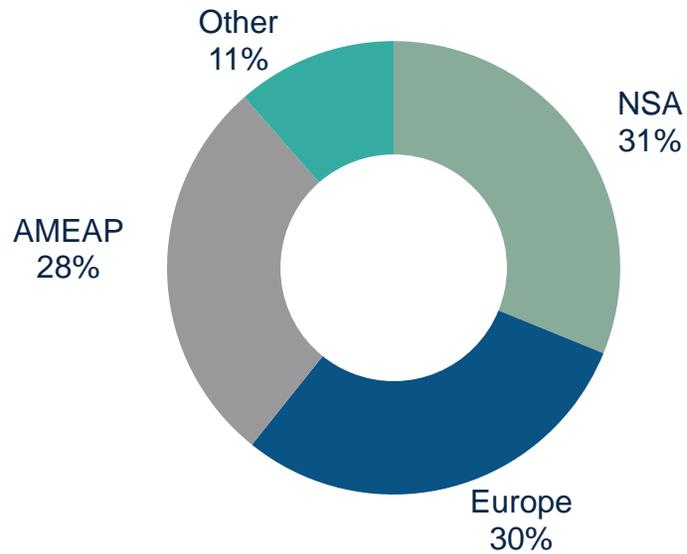
- Record high net revenues of 214.8 MUSD, up 58% from Q2 2011
- Operating profit for the quarter of 94.2 MUSD, 44% of net revenues, up 63% from Q2 2011
- Record high investment activity with operational investments of 161.9 MUSD (62% prefunded)
 - Vessels under TGS' control through charter during all or parts of Q2 included six 3D vessels and one wide-azimuth crew
 - An additional four 2D vessels, two 3D vessels and one wide-azimuth crew were involved in joint ventures with others during Q2
 - Three land crews were working for TGS during Q2
- Acquisitions of Volant Solutions and Arcis Seismic Solutions completed during Q2, facilitating further growth
- Full year 2012 guidance revised

Net Revenue Breakdown

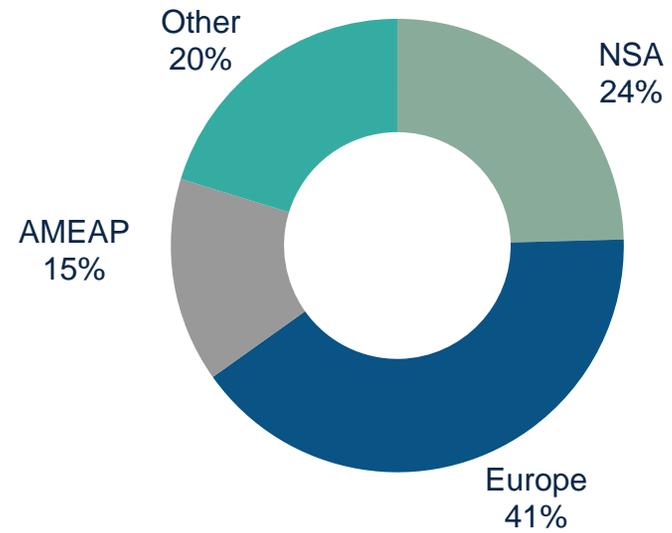


Net Revenue Breakdown

Q2 2012



Q2 2011



Key M&A Facilitates Further Growth



- Canadian geophysical company founded in 1996 with a head office located in Calgary.
- Arcis employs over 80 professional and technical personnel who have a broad range of skills, expertise and experience.
- The 3D multi-client library consists of 12,689 km² with core activity in many prolific hydrocarbon trends in Alberta, British Columbia and Saskatchewan (including Bakken, Horn River, Montney and Duvernay).
- In 2010 and 2011, Arcis generated average annual revenues of CAD 50 million.
- The enterprise value (EV) of the transaction was USD 72 million.



- Volant is a small, six-employee software technology company based in Houston Texas.
- Volant offers an innovative approach to helping clients connect many types of well data to multiple geoscience applications.
- Volant's ENVOY integration platform enables geoscientists to move data directly into their geological and geophysical (G&G) applications and databases.
- This integration of internal and external data sources with geoscience applications used by the industry enables scientists and engineers to reduce interpretation cycle time and increase efficiency.
- The enterprise value (EV) of the transaction was USD 4 million.

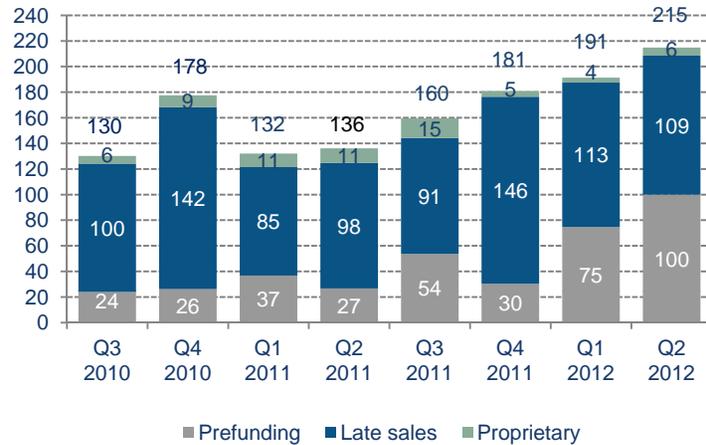
Financials

Kristian K. Johansen
Chief Financial Officer



Key Financials

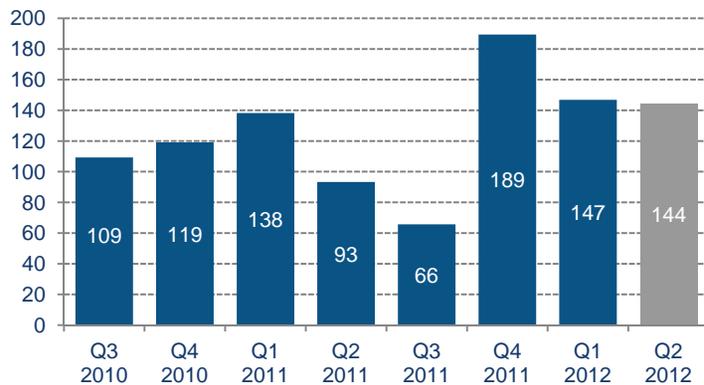
Net Revenues



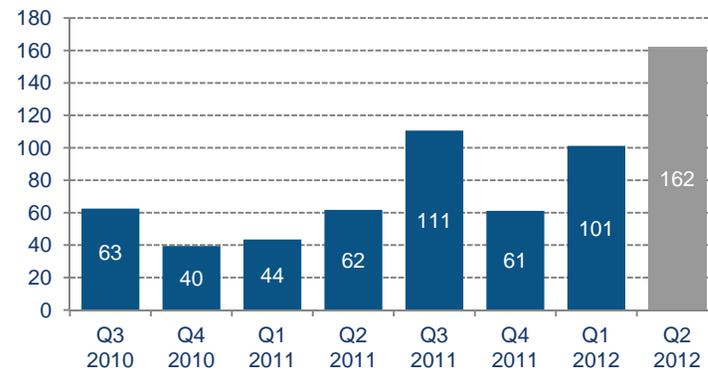
EBIT before non-recurring items



Cash Flow from Operations



MC Investments (operational)



Q2 2012 Income Statement

<i>USD million, except EPS</i>		Q2 2012	Q2 2011	Change in %
Net operating revenues		215	136	58%
Cost of goods sold - proprietary and other		0.4	4	-88%
Amortization of multi-client library	43%	89	48	84%
Gross margin		125	84	49%
Other operating expenses		28	24	16%
Cost of stock options		0.7	0.4	60%
Depreciation		3	2	45%
Operating profit	44%	94	58	63%
Net financial items		(0.2)	1	-113%
Profit before taxes	44%	94	59	59%
Tax expense		30	17	78%
Net income	30%	64	43	52%
EPS, Undiluted		0.63	0.42	52%
EPS, Fully Diluted		0.63	0.41	52%

Q2 2012 Cash Flow Statement

<i>USD million</i>	Q2 2012	Q2 2011	Change in %
Received payments	208	137	52%
Payments for operational expenses	(27)	(24)	11%
Net gain/(loss) from currency exchange	(1)	0.3	-427%
Paid taxes	(36)	(19)	89%
Operational cash flow	144	93	54%
Investments in tangible fixed assets	(9)	(4)	116%
Investments in multi-client library	(169)	(43)	296%
Investments through mergers and acquisitions	(76)	(44)	73%
Proceeds from sale of short-term investments	13	4	210%
Interest received	1	0.7	46%
Interest paid	(0.3)	(0.1)	344%
Dividend payments	(103)	(93)	11%
Purchase of own shares	-	(15)	-100%
Proceeds from share offerings	0.3	4	-92%
Change in cash balance	(199)	(97)	106%

YTD 2012 Income Statement

<i>USD million, except EPS</i>	6M 2012	6M 2011	Change in %
Net operating revenues	406	268	51%
Cost of goods sold - proprietary and other	0.9	8	-89%
Amortization of multi-client library 41%	163	97	68%
Gross margin	242	164	48%
Other operating expenses	53	43	24%
Cost of stock options	1	0.8	60%
Depreciation	5	4	39%
Operating profit 45%	183	117	57%
Net financial items	(1)	0.7	-300%
Profit before taxes 45%	182	117	55%
Tax expense	54	33	63%
Net income 31%	127	84	51%
EPS, Undiluted	1.25	0.82	52%
EPS, Fully Diluted	1.24	0.81	52%

YTD 2012 Cash Flow Statement

<i>USD million</i>	6M 2012	6M 2011	Change in %
Received payments	395	335	18%
Payments for operational expenses	(50)	(50)	1%
Net loss from currency exchange	(2)	(1)	55%
Paid taxes	(52)	(53)	0%
Operational cash flow	291	232	26%
Investments in tangible fixed assets	(14)	(7)	97%
Investments in multi-client library	(231)	(92)	151%
Investments through mergers and acquisitions	(76)	(44)	73%
Proceeds from sales of short-term investments	16	4	306%
Interest received	2	0.9	84%
Interest paid	(0.3)	(0.1)	212%
Dividend payments	(103)	(93)	11%
Purchase of own shares	-	(15)	-100%
Proceeds from share offerings	2	13	-85%
Change in cash balance	(114)	(2)	5472%

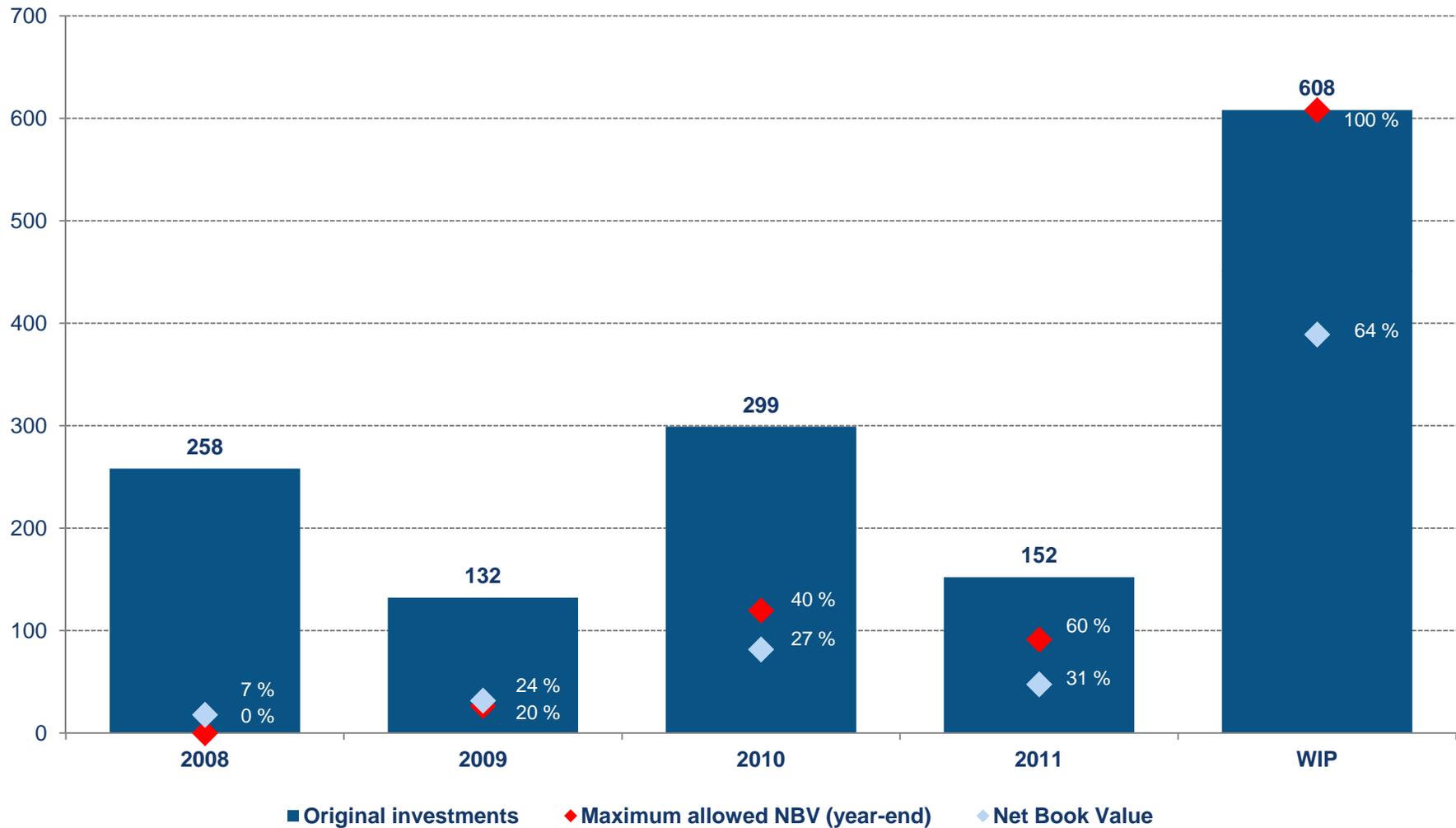
Balance Sheet

<i>USD million</i>	Q2 2012	Q1 2012	Change in %	Q4 2011
Assets				
Cash equivalents	222	421	-47%	336
Financial investments available for sale	4	15	-75%	19
Other current assets	341	291	17%	278
Total current assets	567	727	-22%	632
Intangible assets and deferred tax asset	195	147	32%	156
Other non-current assets	17	14	18%	14
Multi-client library	637	538	18%	511
Fixed assets	32	21	54%	20
Total assets	1,447	1,448	0%	1,333
Liabilities				
Current liabilities	311	279	11%	218
Non-current liabilities	35	29	20%	29
Deferred tax liability	99	101	-2%	113
Total liabilities	445	409	9%	360
Equity	1,002	1,038	-3%	973
Total liabilities and equity	1,447	1,448	0%	1,333

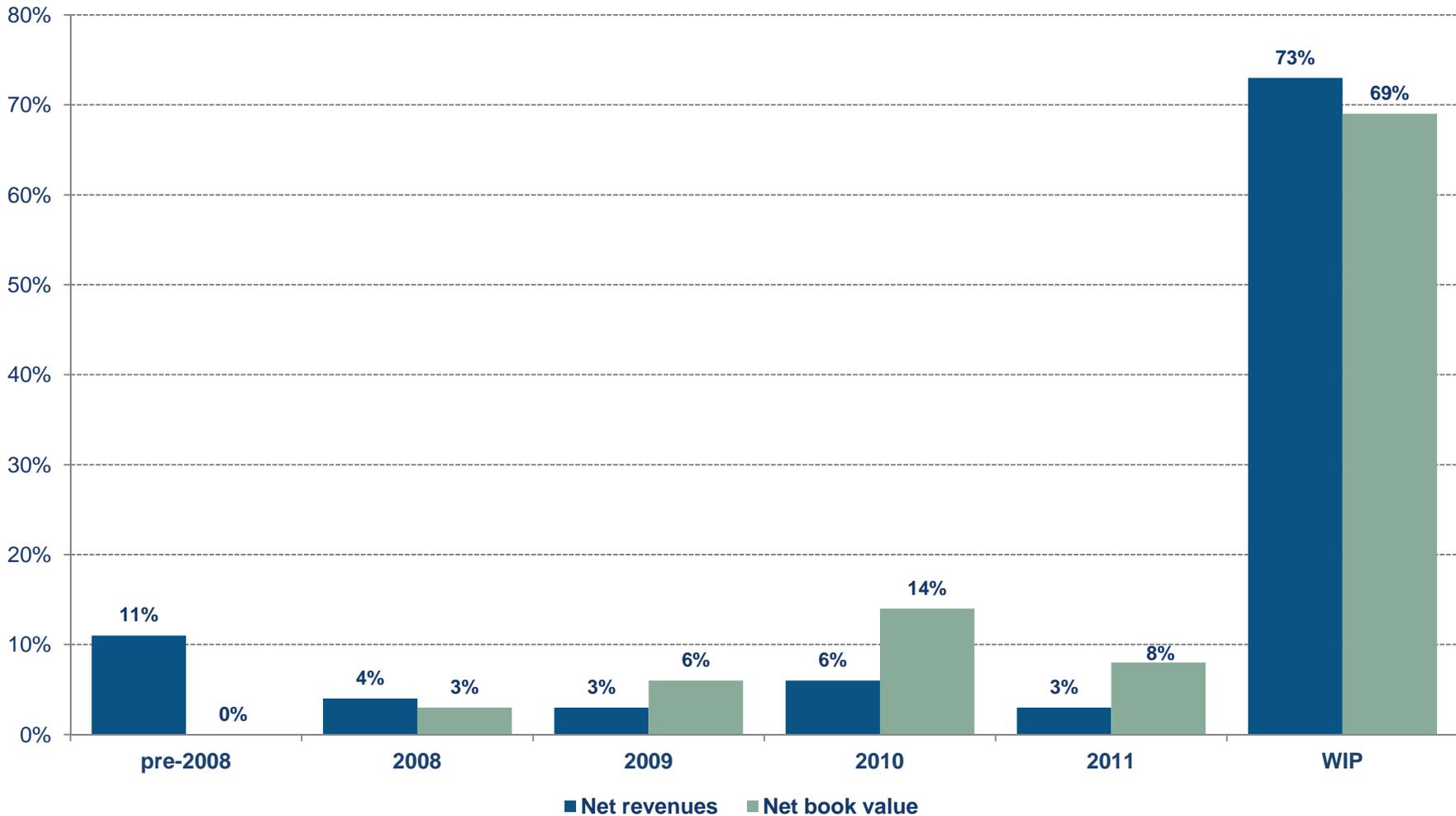
TGS has no interest bearing debt

Investments per Vintage

Net Book Value (NBV) in % of original investment (year-end) vs allowed maximum % (year-end)



Net Revenues vs. Net Book Value per Vintage

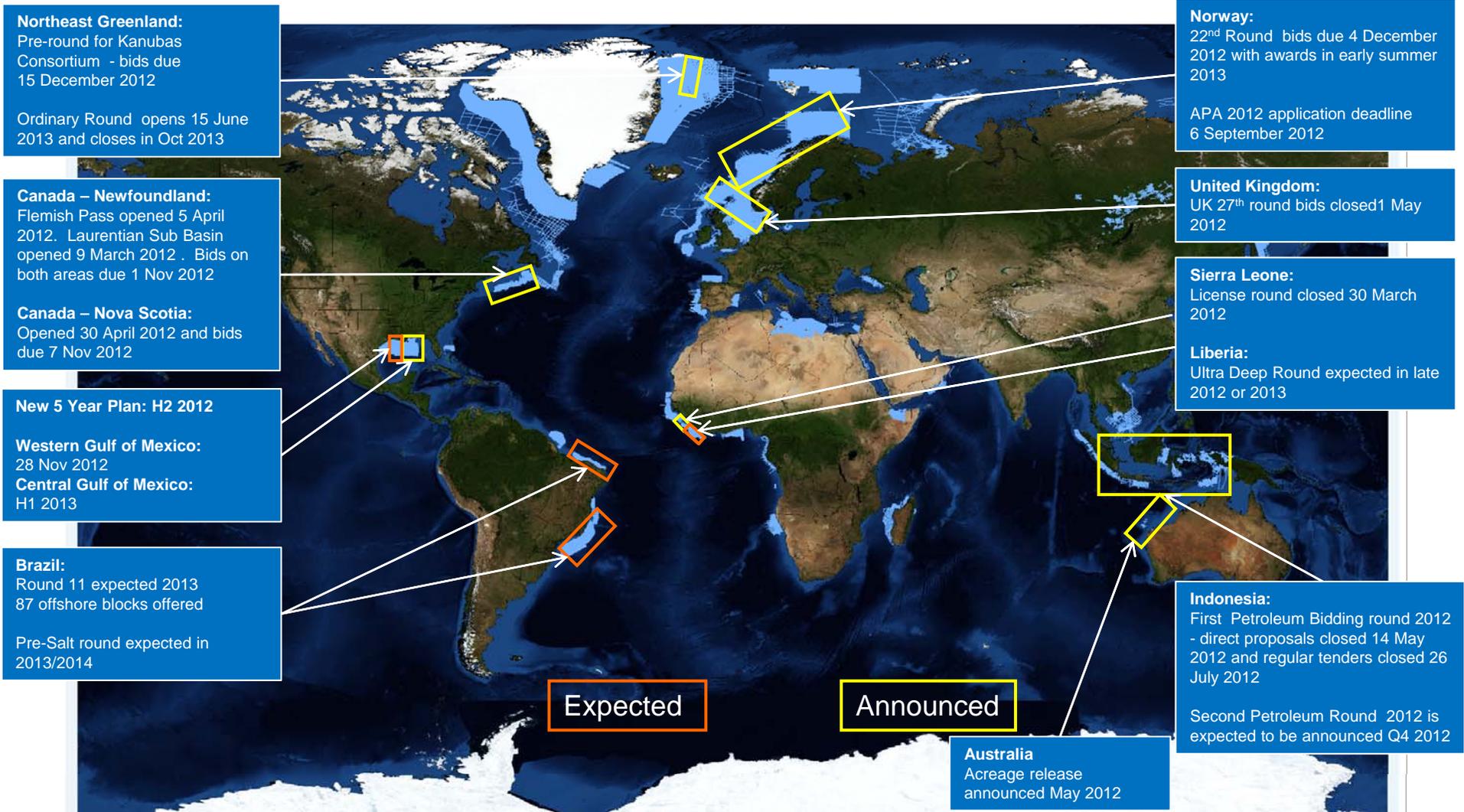


Operational Highlights

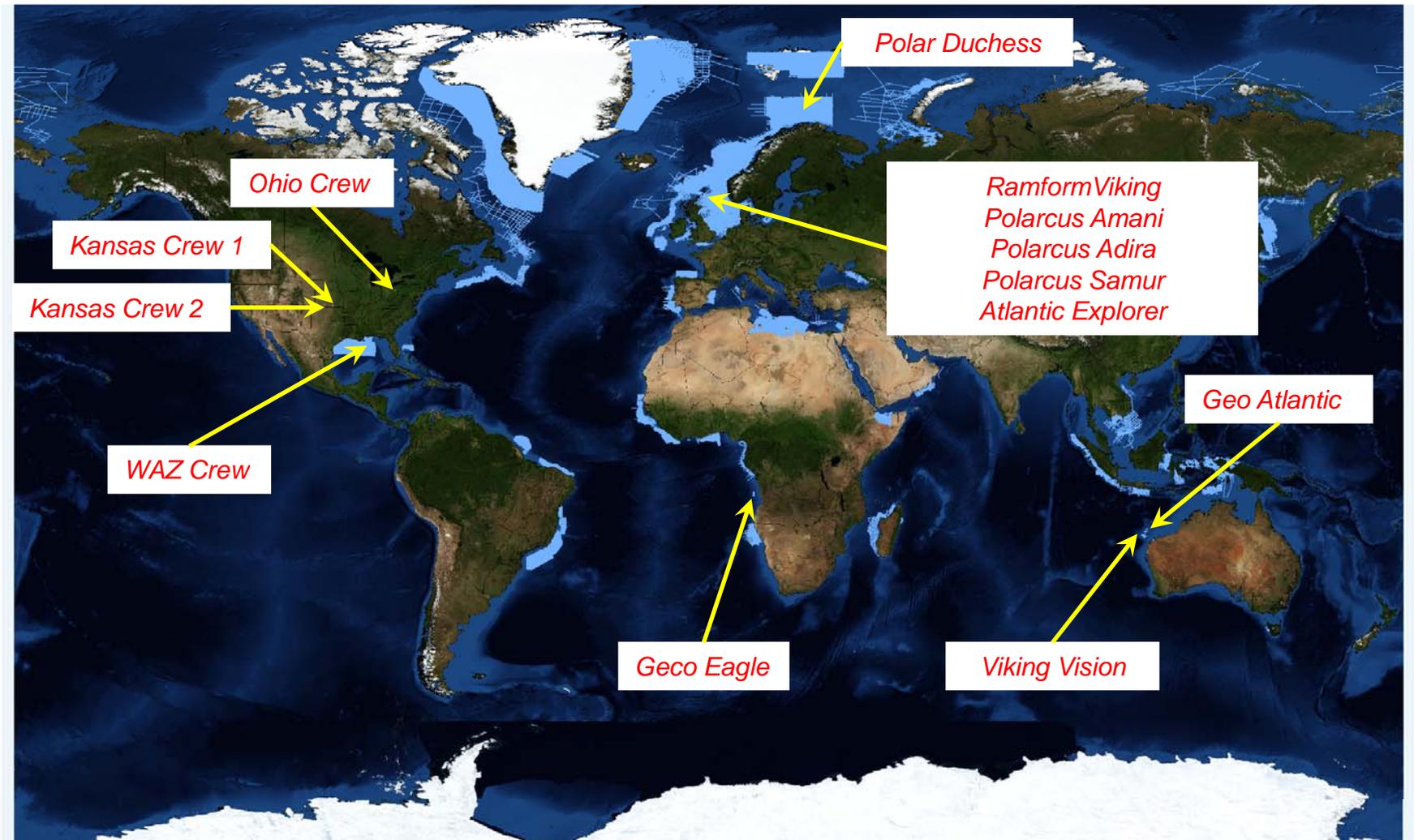
Robert Hobbs
Chief Executive Officer



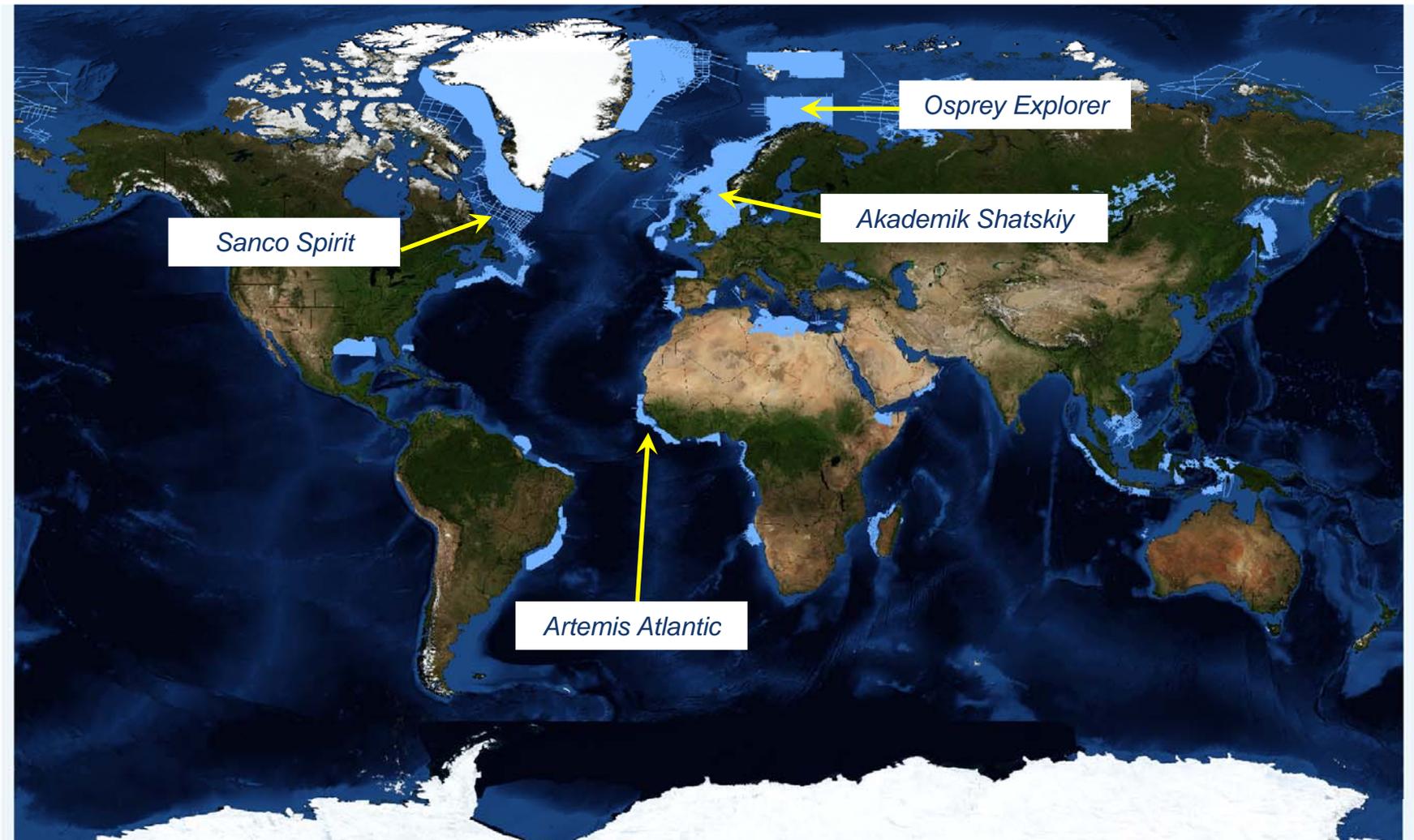
License Round Activity and TGS Positioning



Q2 2012 – 3D Operations

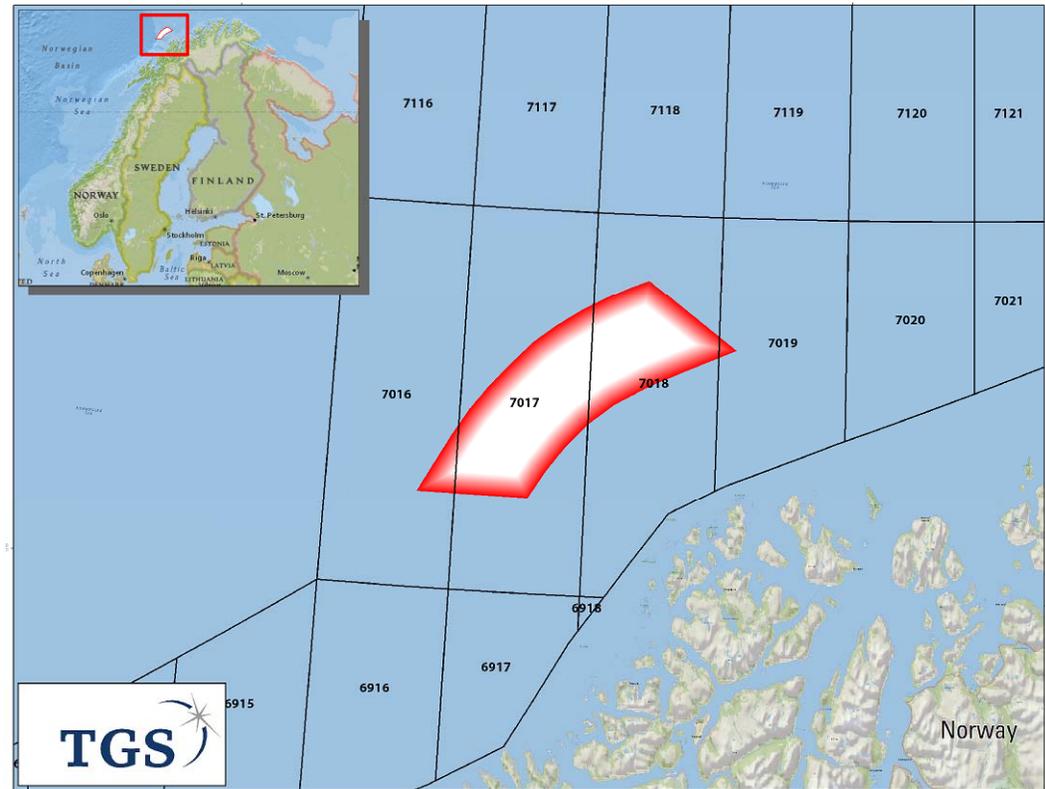


Q2 2012 – 2D Operations



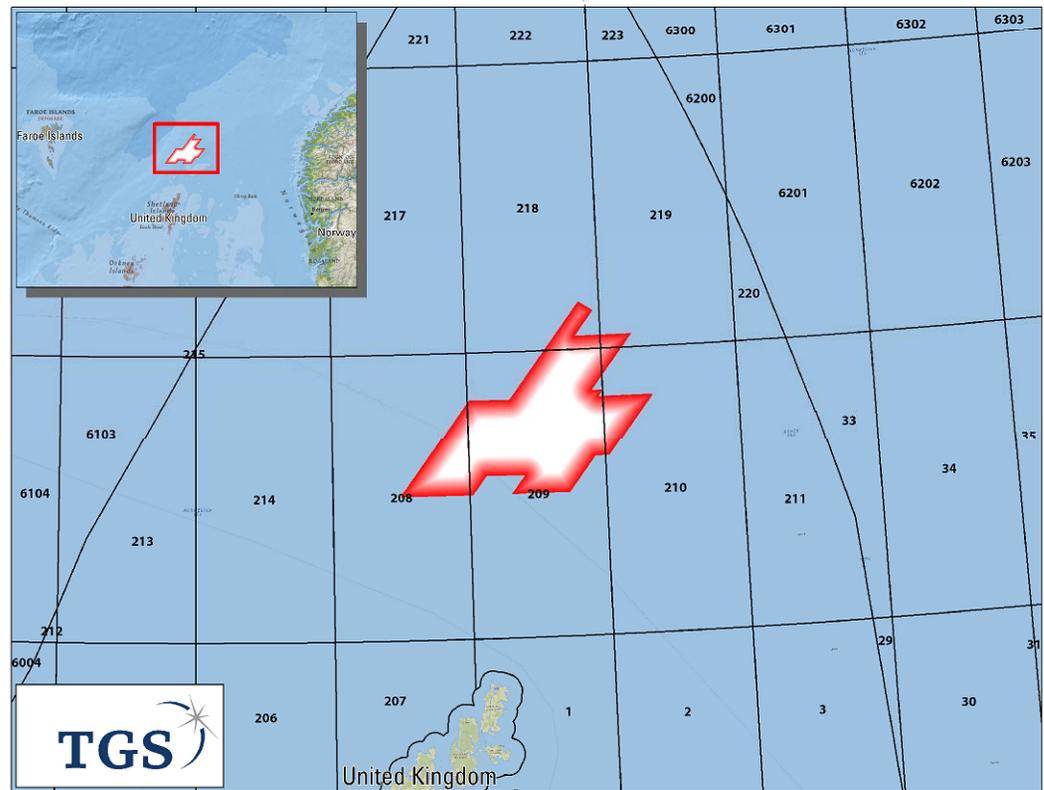
Finnmark Platform 3D

- FP12 adds 2,400 km² of 3D data in the Norwegian Barents Sea
- Survey designed parallel to the margin of Finnmark Platform
- The survey covers 5 blocks included by Norway Ministry of Petroleum and Energy in 22nd round
- TGS has a total of 14,870 km² of 3D data in the Barents Sea



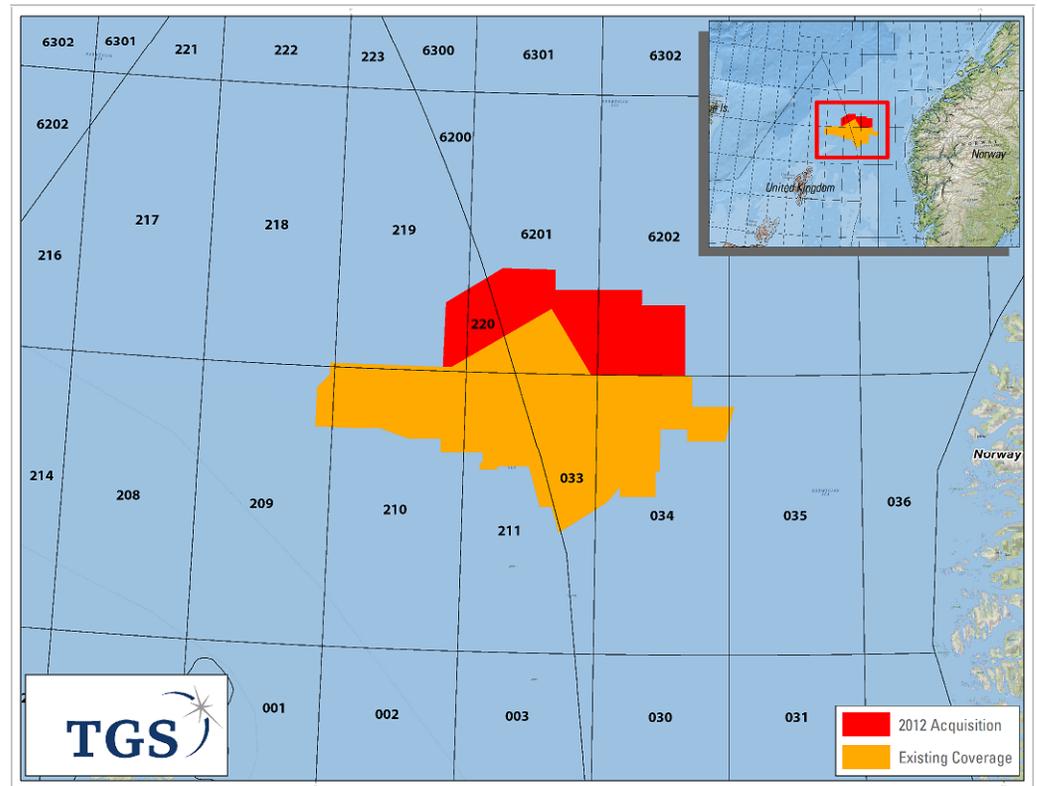
Erlend Basin 3D

- Survey adds 3,210 km² in the Erlend Basin on the UK Continental Shelf
- Industry's first multi-client 3D survey in the Erlend Basin
- Survey covers open blocks offered in the UKCS 27th licensing round
- TGS has over 10,000 km² of contiguous 3D data in the Northern North Sea



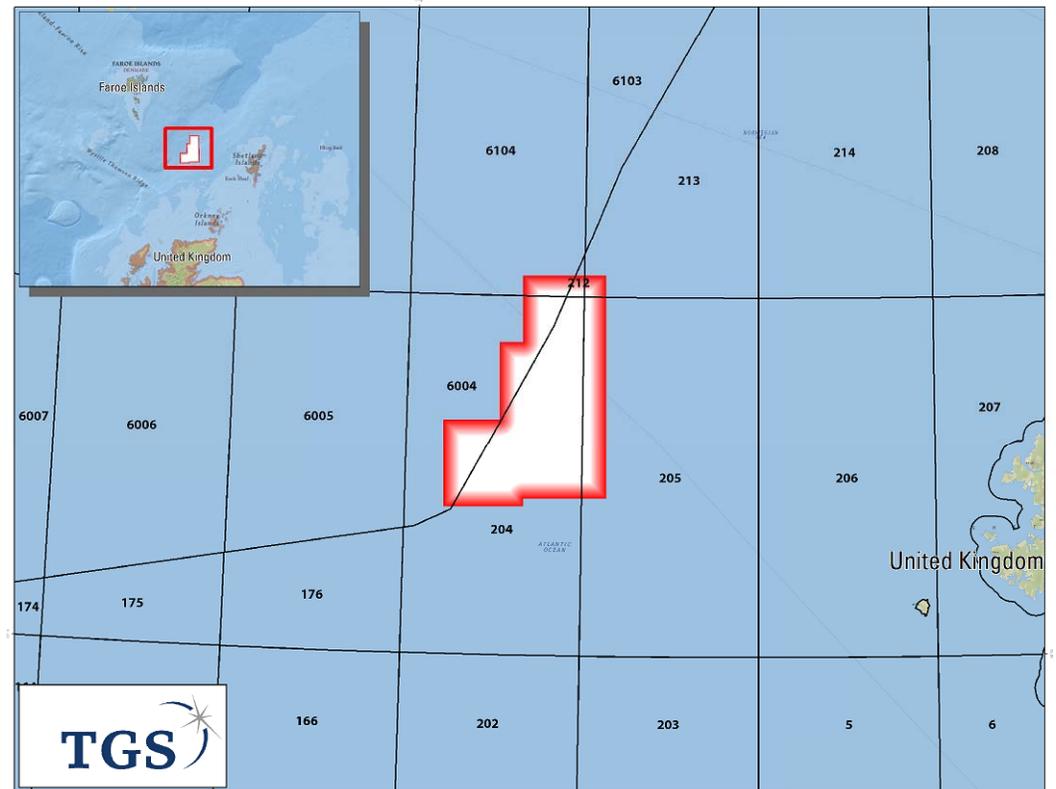
Northern North Sea 3D

- EOTW12 adds 4,000 km² of 3D data in the Northern North Sea
- Survey builds upon the Erlend Basin 3D survey
- TGS has 13,000 km² of contiguous 3D data in this area



Faroe Shetland Basin 3D

- FSB12 survey adds 2,000 km² in the high potential Atlantic Margin exploration trend
- Survey is in partnership with PGS and builds upon the FSB11 survey from 2011



Constitution Wide Azimuth Complex

Patriot - 11,665 km²

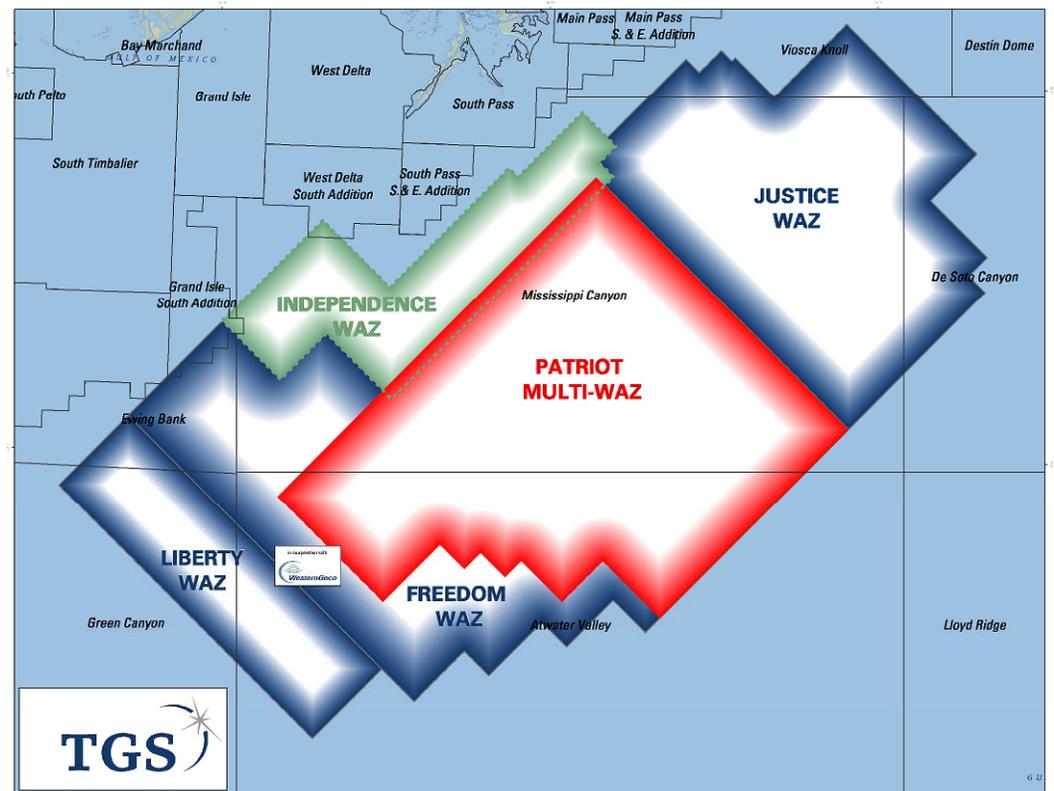
- Acquisition completed in May 2012
- Industry's first Multi-WAZ survey
 - Acquired 90 degrees to original survey and integrated through processing

Independence – 3,400 km²

- Acquisition completed in July 2012
- Northwest expansion of existing program
- 100% TGS project

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

- Freedom – 16,500 km²
- Liberty – 3,100 km²
- Justice – 7,900 km²
- Patriot – 11,655 km²
- Independence – 3,400 km²



Location of the high-bid block in the 2012 CGOM License Round

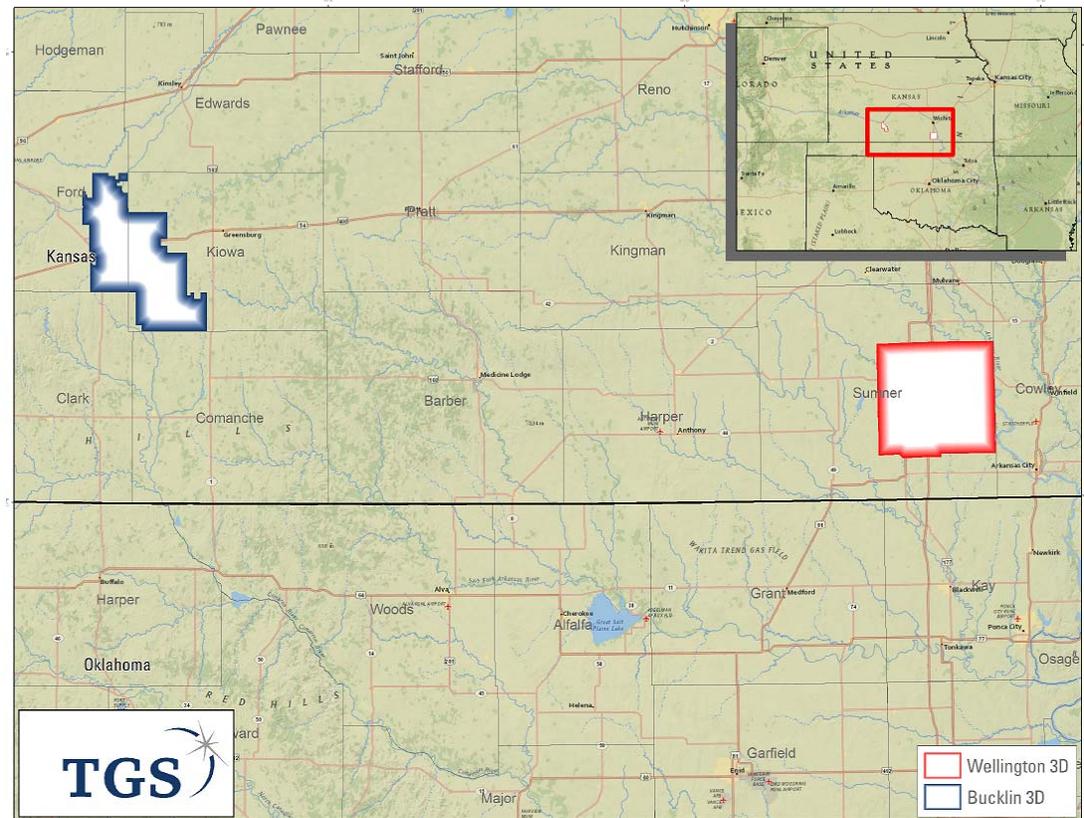
Q2 New Onshore US Acquisition Activity

Bucklin 3D

- 710 km² of 3D data
- Designed to illuminate the Mississippi Lime Oil Play
- Located in Ford and Kiowa Counties, Kansas

Wellington 3D

- 790 km² of 3D data
- Designed to illuminate the Mississippi Lime Oil Play
- Located in Sumner County, Kansas



Outlook

Robert Hobbs
Chief Executive Officer



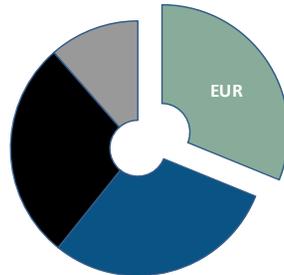
Key Drivers for Continued Seismic Outperformance

Geographic region

Share of Q2 2012 revenues

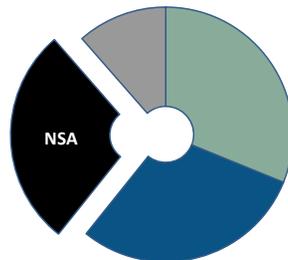
Key drivers for future investments and growth

EUR



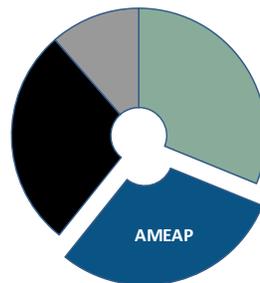
- Recent discoveries in mature markets in North Sea triggers increased optimism and demand for modern seismic
- Exploration success in the Barents Sea attracts new entrants
- Expectations around the 22nd Norwegian License round

NSA



- GOM slowly getting back to normal with new seismic surveys and 20 June 2012 Central Gulf of Mexico Lease Sale
- Technological developments generate new opportunities in mature areas
- Unconventional land plays provide new opportunities for growth

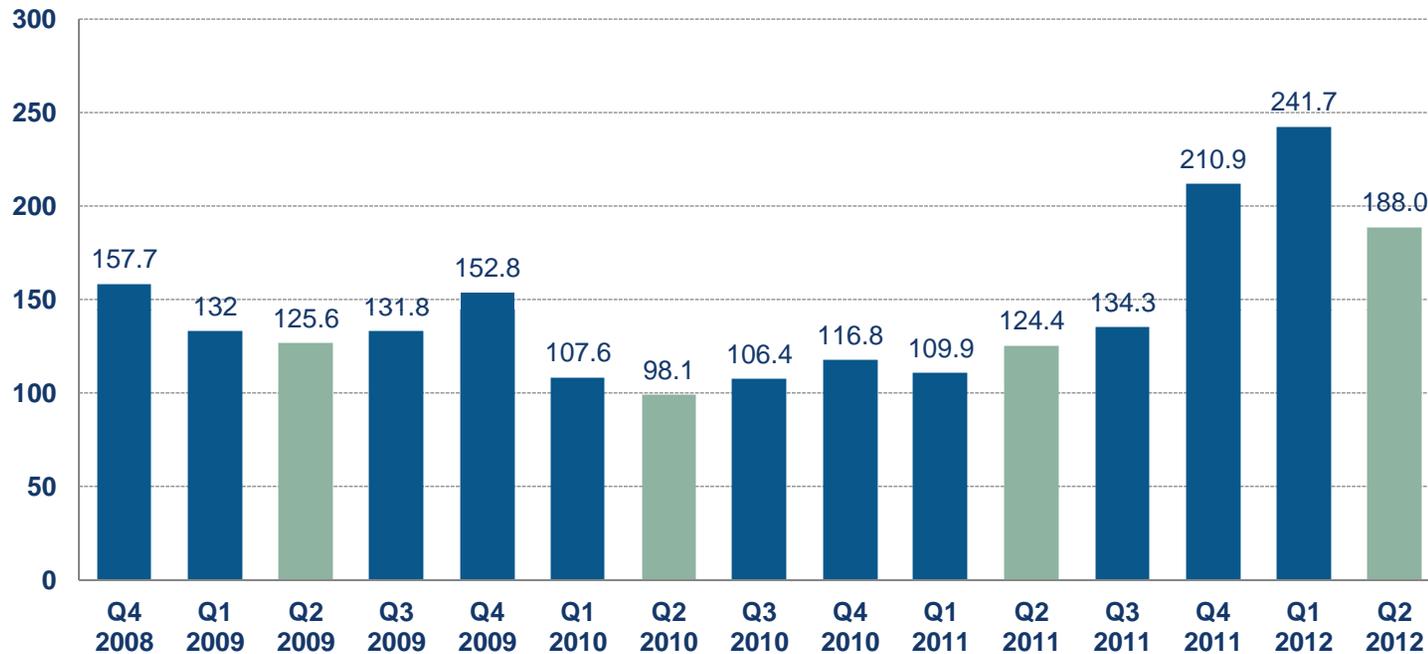
AMEAP



- Strong industry interest in the West African transform margin with proven potential
- Increasing industry interest in Australia and changed regulations facilitate for new multi-client projects
- South Atlantic pre-salt plays in Africa could prove potential similar to Brazil

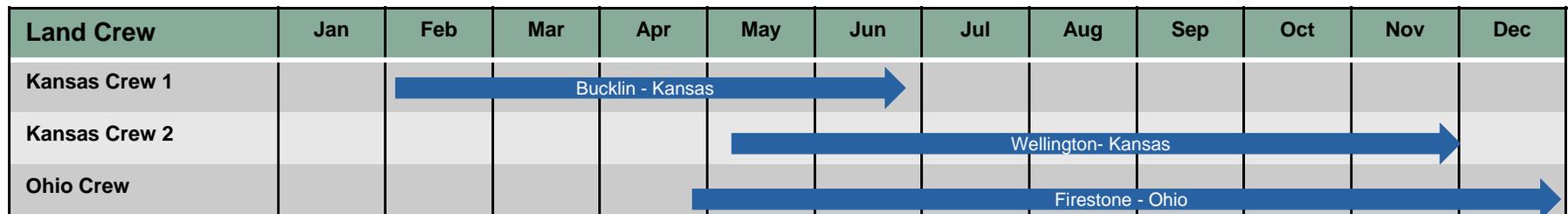
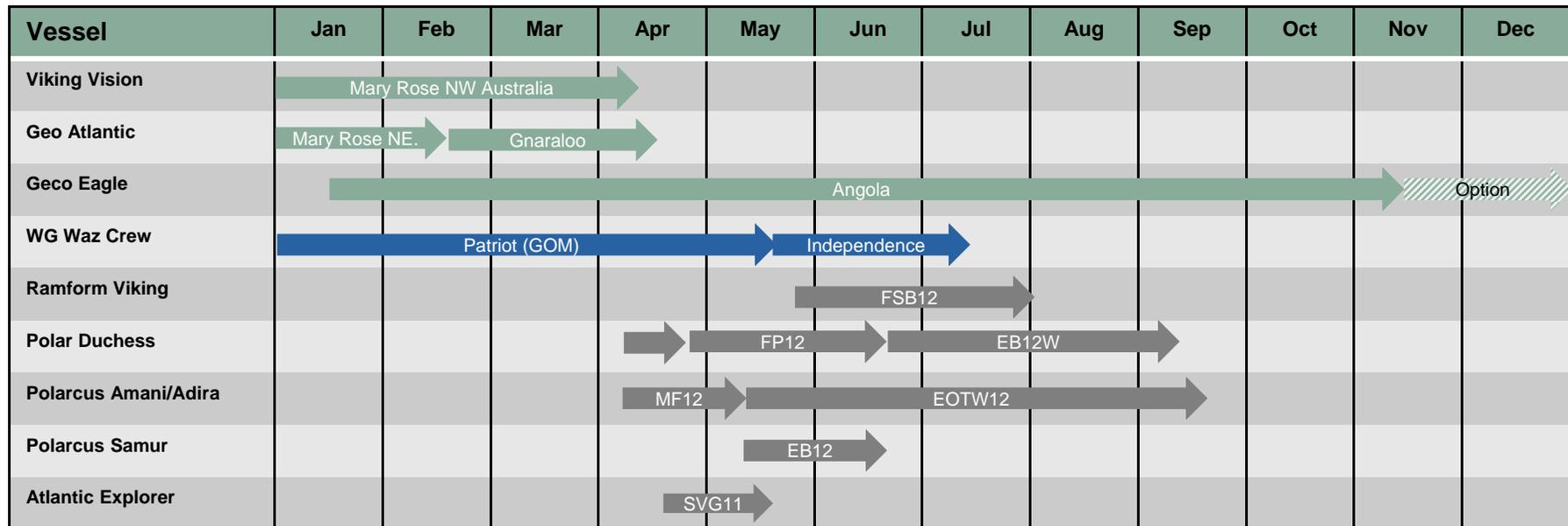
Backlog

Historical Backlog (MUSD) 2008 – 2012



- Record high investments in Q2 has reduced backlog in line with expectations
- Strong pipeline of investment opportunities being evaluated to secure further growth

3D Acquisition Capacity Secured



2D Acquisition Capacity Secured



Vessel	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Sanco Spirit						Canada (NSA)						
Osprey Explorer					NBR12 - NW Europe (EUR)							
Akademik Shatskiy				NSR12 - NW Europe (EUR)				Option (Option)				
Akademik Fersman								Russian Arctic (EUR)				
Artemis Atlantic			W-Africa (AMEAP)									

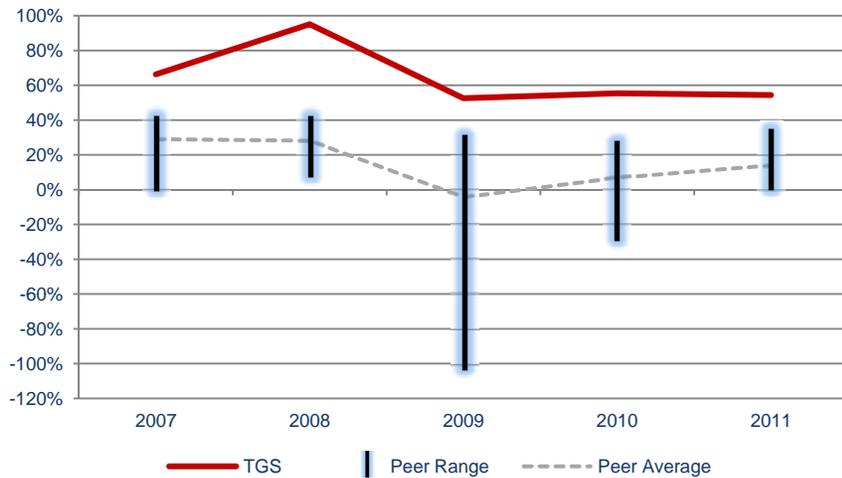
- Additional projects expected in 2012 in both onshore and offshore areas
- Vessel capacity is available for Q4
- Additional projects will be announced as commitments are finalized

Summary

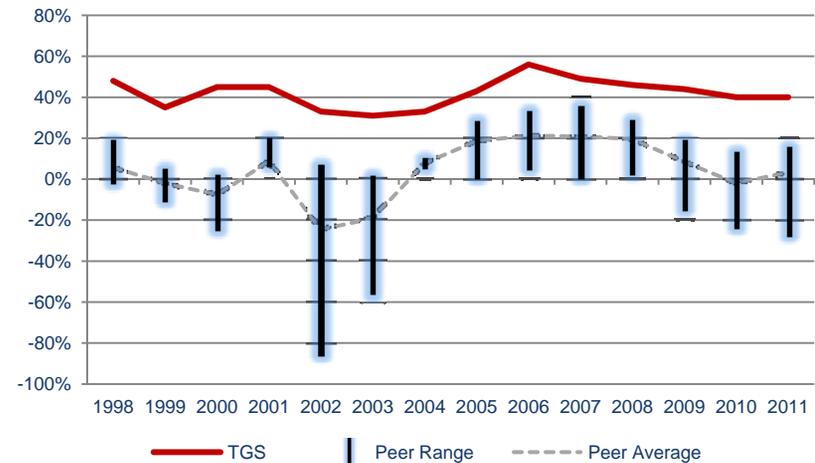
- Record high revenues in Q2 2012 of 214.8 MUSD (up 58% Y/Y)
- Solid operating profit of 94.2 MUSD, 44% of net revenues (up 63% Y/Y)
- All-time high investments of 161.9 MUSD backed by prefunding of 62%
- Acquisitions facilitate further growth in areas of high customer interest
- Strong pipeline of investment opportunities in all key markets allows TGS to update guidance:
 - Multi-client investments 425 – 475 MUSD
 - Average pre-funding 60 – 70%
 - Average multi-client amortization rate 41 – 47%
 - Net revenues 810 – 870 MUSD
 - Contract revenues less than 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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