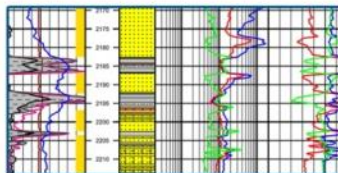
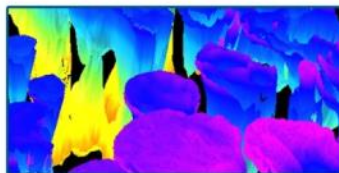
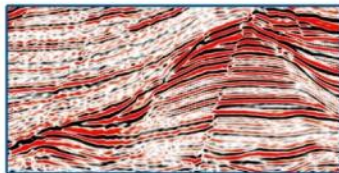


TGS

Q4 2013 Earnings Release

Robert Hobbs
Chief Executive Officer

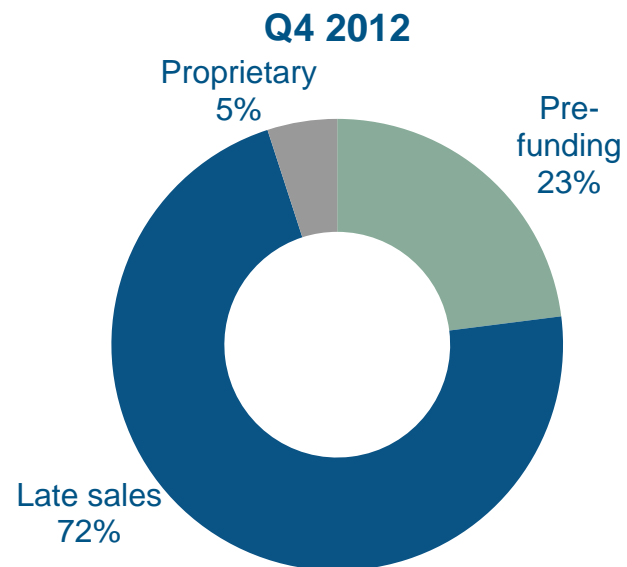
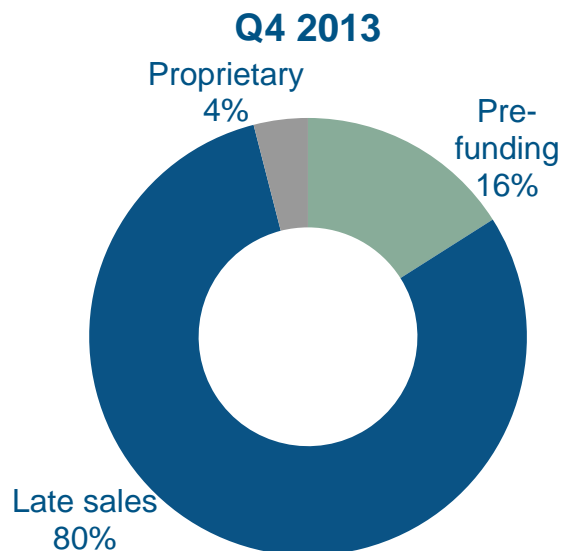
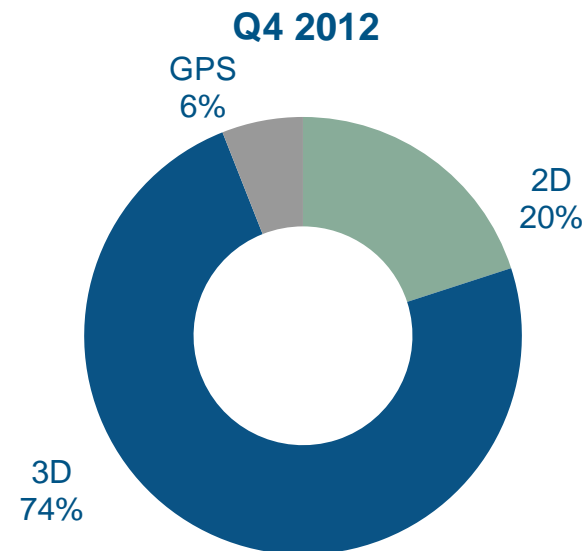
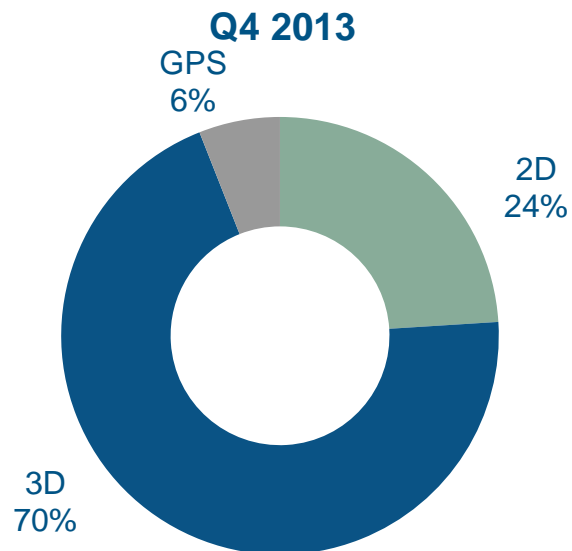
Kristian K. Johansen
Chief Financial Officer



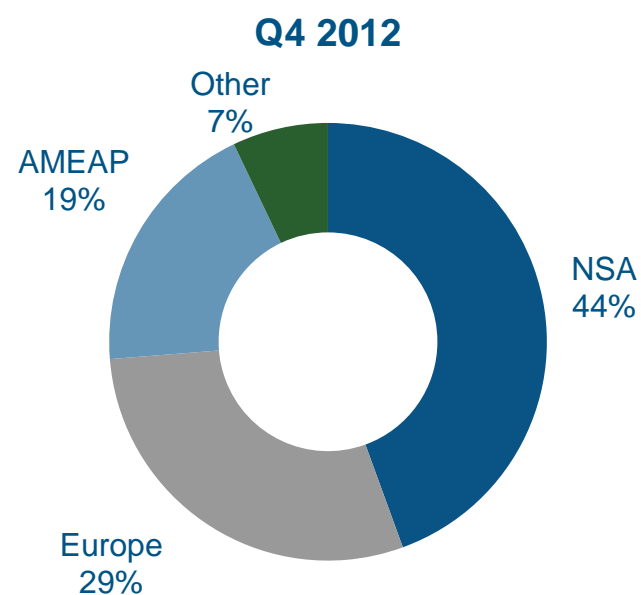
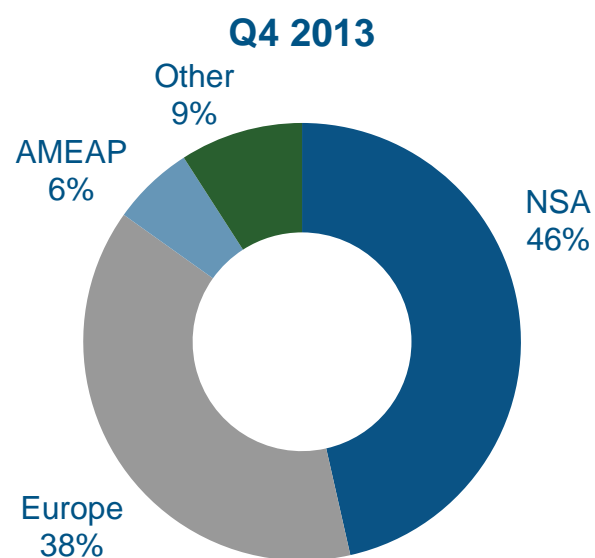
All statements in this presentation other than statements of historical fact, are forward-looking statements, which are subject to a number of risks, uncertainties, and assumptions that are difficult to predict and are based upon assumptions as to future events that may not prove accurate. These factors 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 271 MUSD compared to 281 MUSD in Q4 2012
 - Net late sales of 218 MUSD, up 7% from 204 MUSD in Q4 2012
 - Net pre-funding revenues of 44 MUSD were down 33%, funding 47% of TGS' operational multi-client investments for the quarter (92 MUSD)
- Average amortization rate for the multi-client library was 41% compared to 44% in Q4 2012
- Operating profit for the quarter was 120 MUSD, 44% of net revenues, compared to 118 MUSD (42% of net revenues) in Q4 2012
- Four 3D vessels, two 2D vessels and four land crews operating under TGS control in Q4 2013
 - TGS was also a participant in two 2D marine JV projects and one 3D marine JV project during Q4 2013

Net Revenue Breakdown



Net Revenue Breakdown

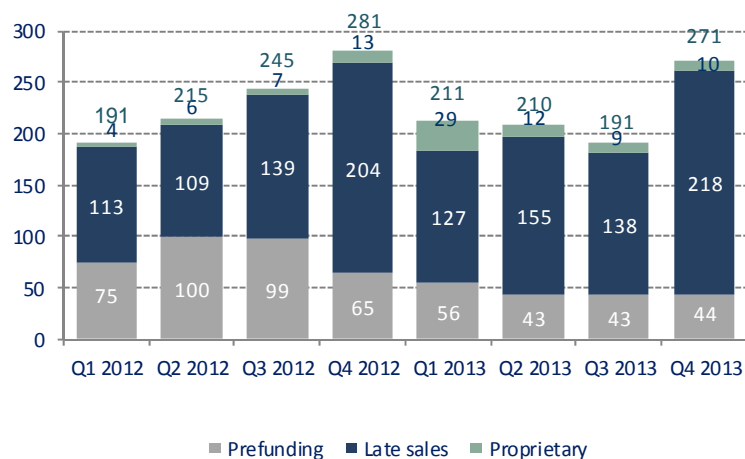


Financials

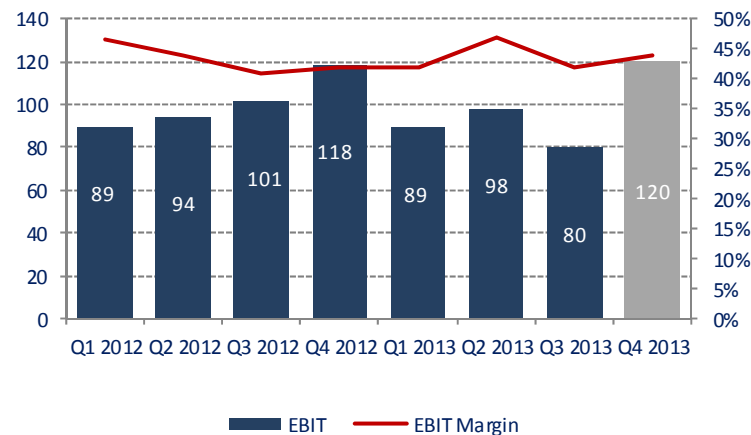
Kristian K. Johansen
Chief Financial Officer

Key Financials

Net Revenues



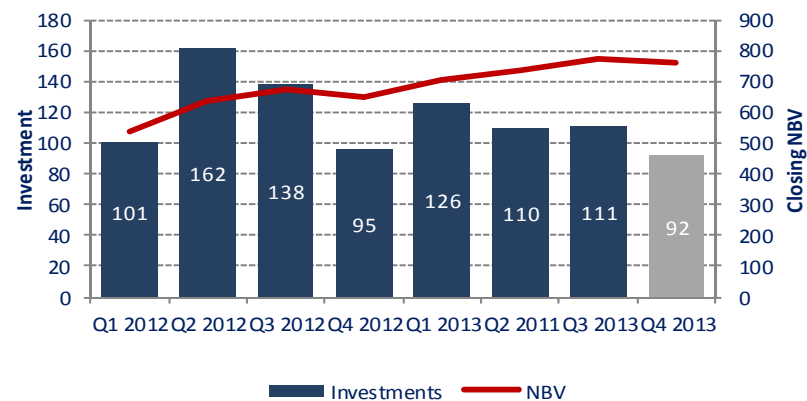
EBIT before non-recurring items



Cash Flow from Operations



Multi-client NBV and Investments (operational)



Q4 2013 Income Statement



<i>USD million, except EPS</i>		Q4 2013	Q4 2012	Change in %
Net operating revenues		271	281	-4%
Cost of goods sold - proprietary and other		2	5	-69%
Amortization of multi-client library	41%	107	119	-10%
Gross margin		163	158	3%
Personnel costs		22	24	-8%
Other operating expenses		14	11	25%
Cost of stock options		1	1	9%
Changes in contingent consideration liability		-	(25)	
Depreciation		5	29	-81%
Operating profit	44%	120	118	2%
Net financial items		(3)	5	-151%
Profit before taxes	43%	118	123	-5%
Tax expense		34	39	-14%
Net income	31%	84	84	0%
EPS, Undiluted		0.82	0.82	0%
EPS, Fully Diluted		0.81	0.81	0%

Q4 2013 Cash Flow Statement



<i>USD million</i>	Q4 2013	Q4 2012	Change in %
Received payments	238	295	-19%
Payments for operational expenses	(33)	(39)	-16%
Paid taxes	9	(12)	-169%
Operational cash flow	214	243	-12%
Received payments from sale of tangible assets	1	-	
Investments in tangible and intangible assets	(3)	(9)	-60%
Investments in multi-client library	(116)	(105)	11%
Interest received	2	2	21%
Interest paid	(0.02)	(0.02)	11%
Purchase of own shares	(5)	-	
Proceeds from share offerings	0.1	2	-95%
Change in cash balance	93	134	-30%

YTD 2013 Income Statement



USD million, except EPS		12M 2013	12M 2012	Change in %
Net operating revenues		883	932	-5%
Cost of goods sold - proprietary and other		20	7	180%
Amortization of multi-client library	40%	330	387	-15%
Gross margin		534	538	-1%
Personnel costs		81	84	-4%
Other operating expenses		45	36	26%
Cost of stock options		4	3	35%
Changes in contingent consideration liability		-	(25)	
Depreciation		16	37	-56%
Operating profit	44%	387	402	-4%
Net financial items		(6)	5	-205%
Profit before taxes	43%	381	408	-6%
Tax expense		112	123	-9%
Net income	30%	269	285	-5%
EPS, Undiluted		2.63	2.79	-6%
EPS, Fully Diluted		2.59	2.76	-6%

YTD 2013 Cash Flow Statement



<i>USD million</i>	12M 2013	12M 2012	Change in %
Received payments	812	862	-6%
Payments for operational expenses	(145)	(119)	22%
Paid taxes	(124)	(80)	55%
Operational cash flow	543	663	-18%
Received payments from sale of tangible assets	1	-	
Investments in tangible and intangible assets	(39)	(26)	50%
Investments in multi-client library	(422)	(483)	-13%
Investments through mergers and acquisitions	-	(76)	-100%
Proceeds from sales of short-term investments	-	16	-100%
Interest received	7	5	47%
Interest paid	(3)	(0.4)	852%
Dividend payments	(142)	(103)	38%
Purchase of own shares	(5)	-	
Proceeds from share offerings	3	7	-61%
Change in cash balance	(58)	3	-2056%

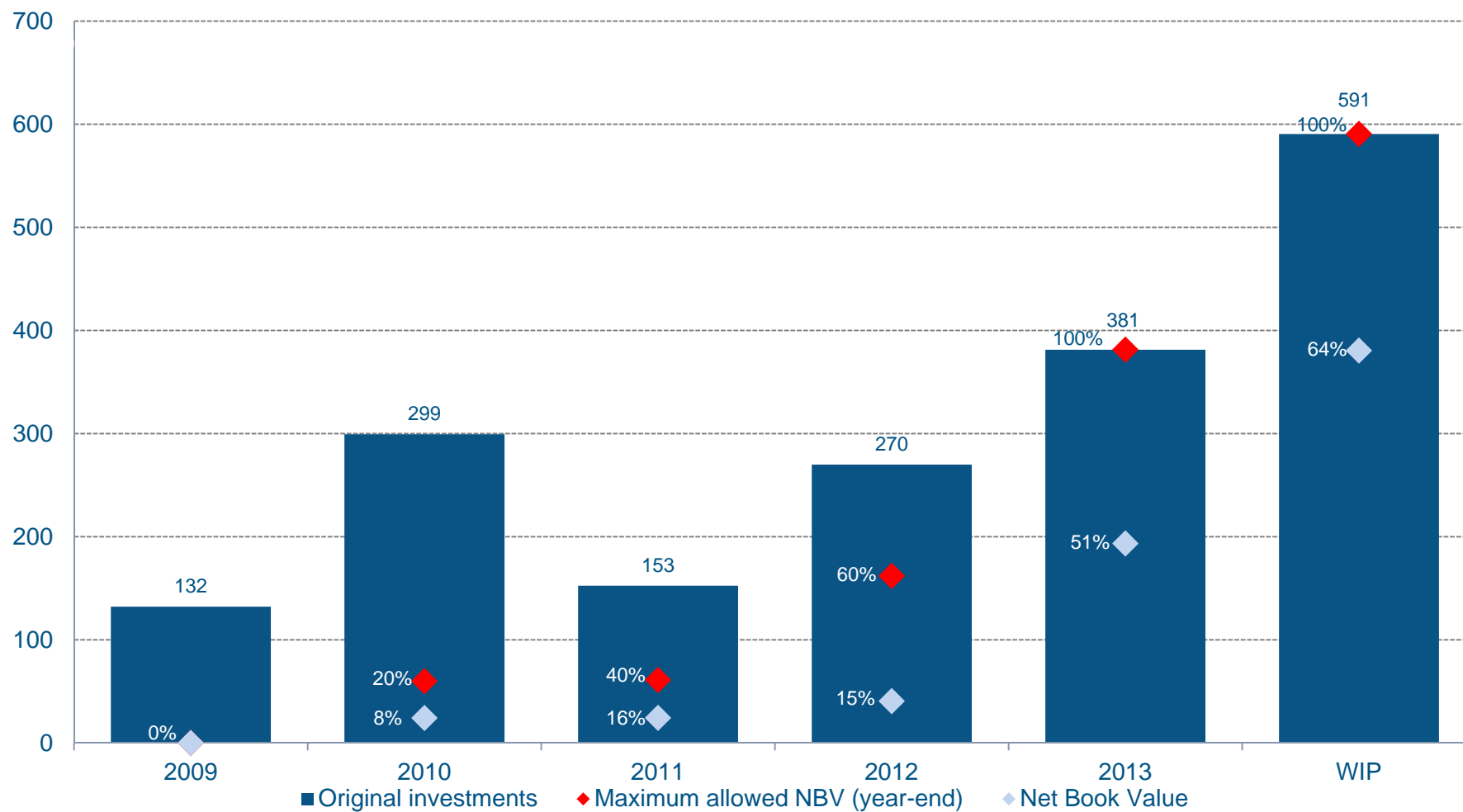
Balance Sheet



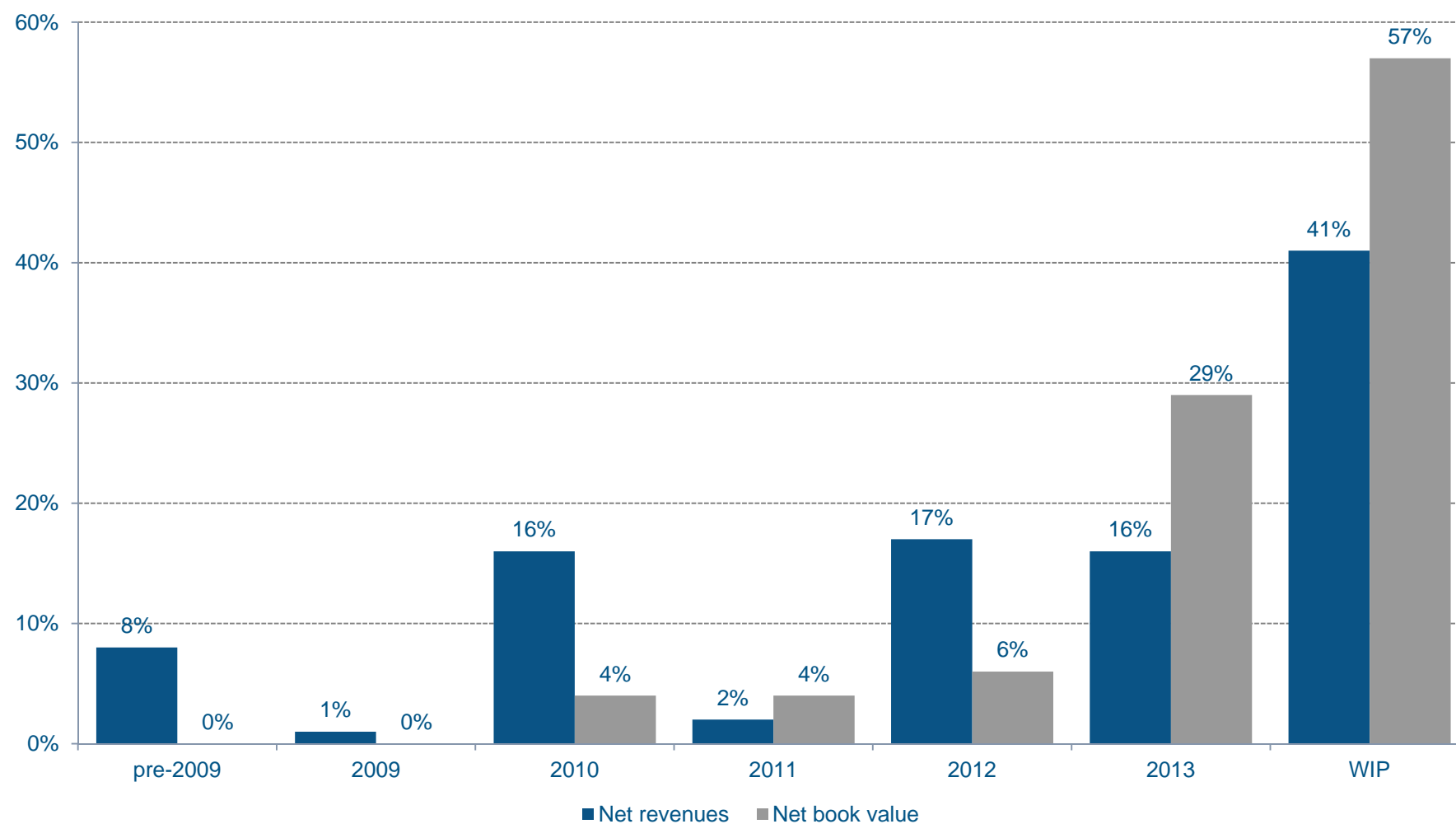
<i>USD million</i>	Q4 2013	Q3 2013	Change in %	Q4 2012
Assets				
Cash equivalents	281	187	50%	339
Financial investments available for sale	4	4	5%	4
Other current assets	447	429	4%	458
Total current assets	731	620	18%	801
Intangible assets and deferred tax asset	138	150	-8%	160
Other non-current assets	56	18	211%	17
Multi-client library	758	774	-2%	651
Fixed assets	53	48	10%	32
Total assets	1,736	1,610	8%	1,661
Liabilities				
Current liabilities	342	318	7%	375
Non-current liabilities	17	4	290%	4
Deferred tax liability	85	71	20%	113
Total liabilities	443	394	12%	492
Equity	1,293	1,216	6%	1,168
Total liabilities and equity	1,736	1,610	8%	1,661

TGS has no interest bearing debt

Investments per Vintage



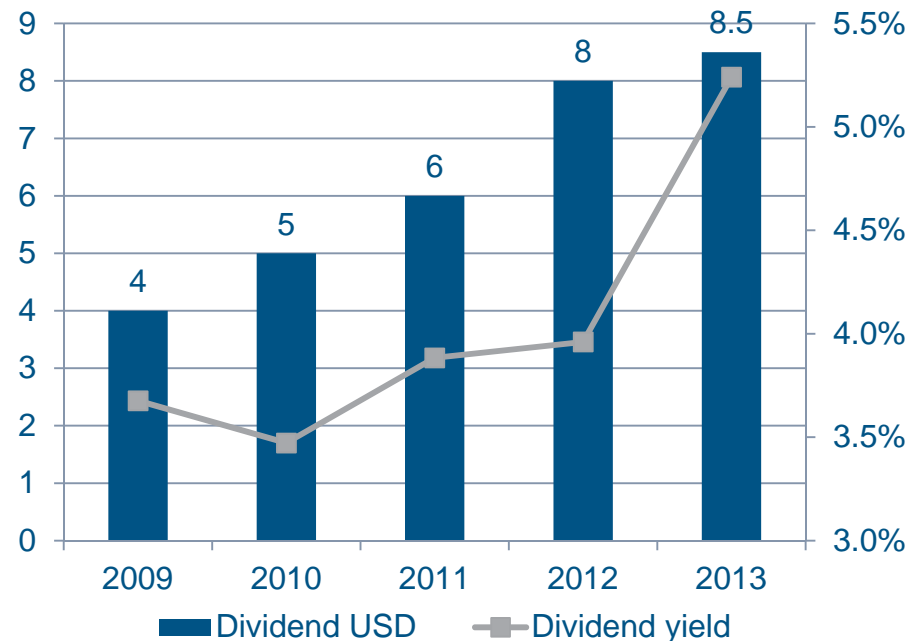
Net Revenues vs. Net Book Value per Vintage



Continued Growth in Returning Cash to Shareholders

- Proposed dividend of NOK 8.5 per share for the 2013 accounting year
- In addition, the Board has authorized a share buy back program of USD 30 million
- Proposed dividend and share buy back program represent approximately USD 170 million in cash returns to shareholders
 - NOK 10.3 per share

Dividend per share (NOK) and Dividend Yield



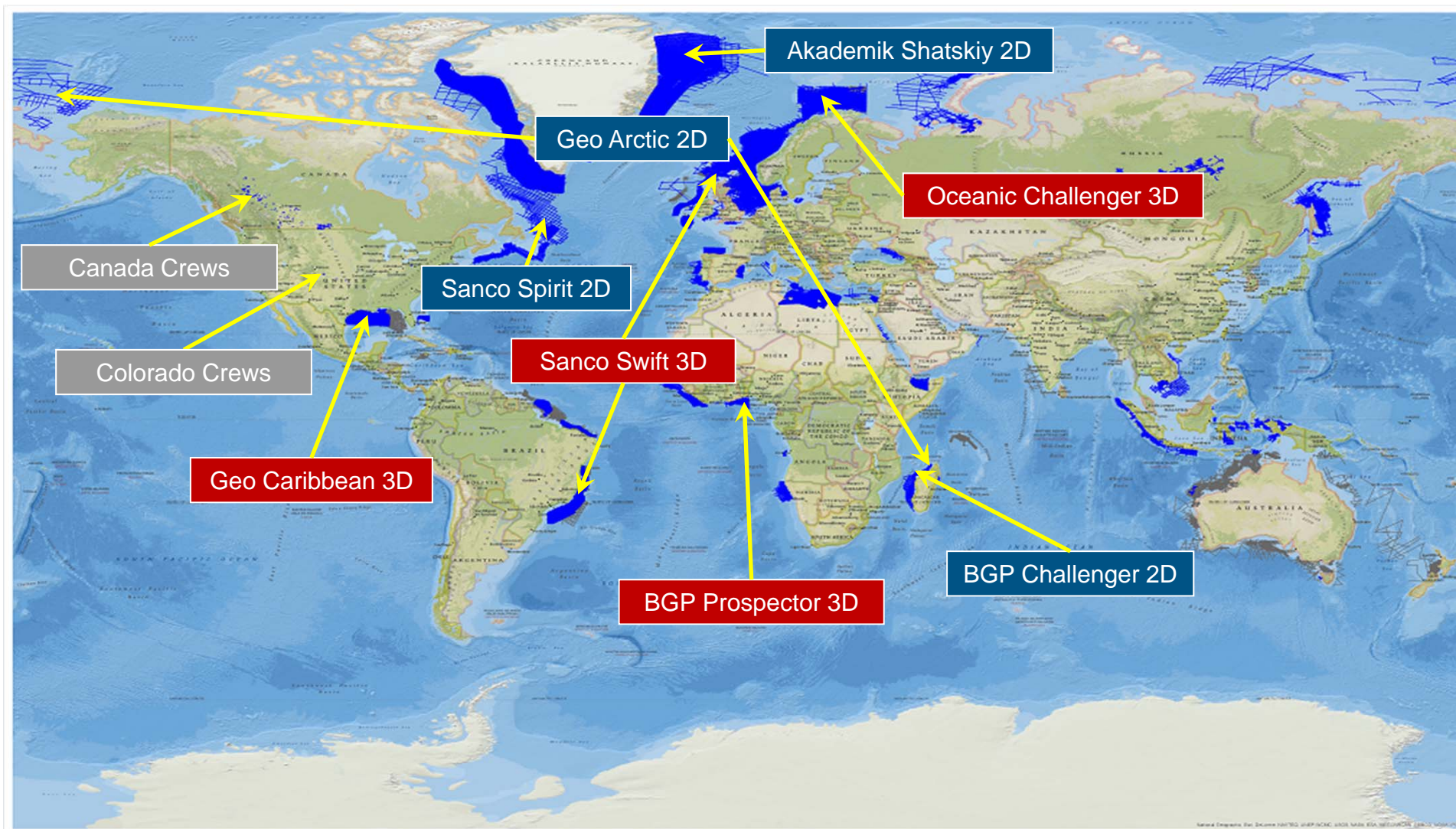
Dividend yield calculated based on share price at day of announcement

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

Operational Highlights

Robert Hobbs
Chief Executive Officer

Q4 2013 – Operations



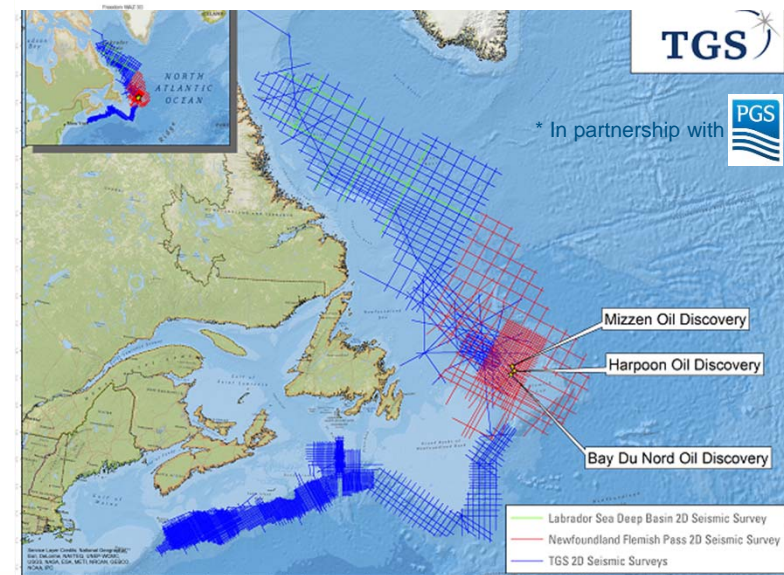
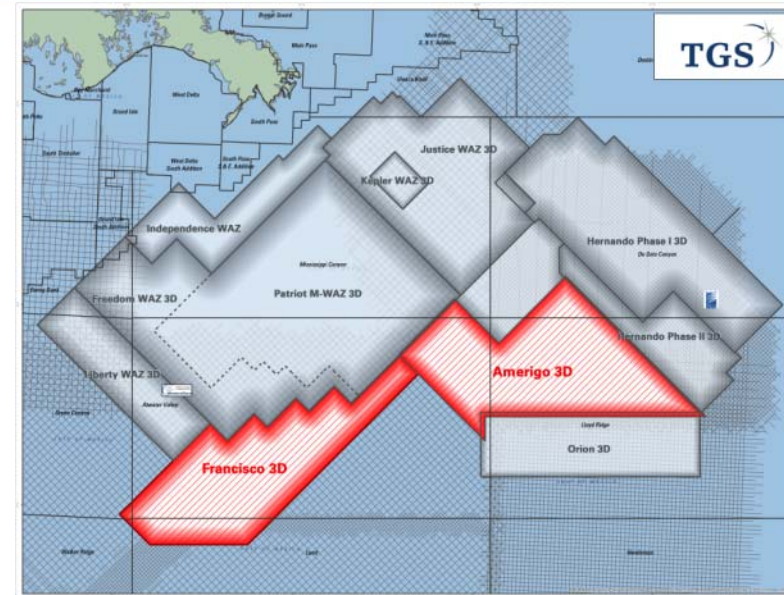
Q4 Activity - North & South America Offshore

Central Gulf of Mexico

- Amerigo – 7,600 km² multi-client 3D survey completed in Q4 2013
- Francisco – 6,700 km² multi-client 3D survey continued in Q4 2013
- Both surveys leverage adjacent TGS 3D data and utilize TGS' Clari-Fi™ broadband processing technology

Canada

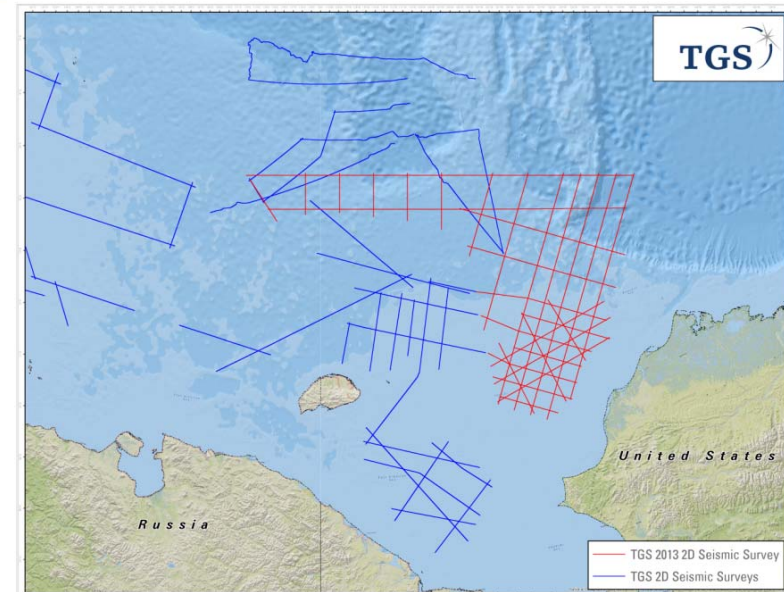
- Labrador Sea Deep Basin* – 2,955 km multi-client 2D survey completed in Q4 2013
- Newfoundland Flemish Pass* – 1,700 km additional multi-client 2D data acquired at end of the season
- Newfoundland-Labrador campaign now totals 47,000 km of data
- New scheduled land tenure system announced in December 2013
- High interest following recent discoveries



Q4 Activity - North & South America Offshore

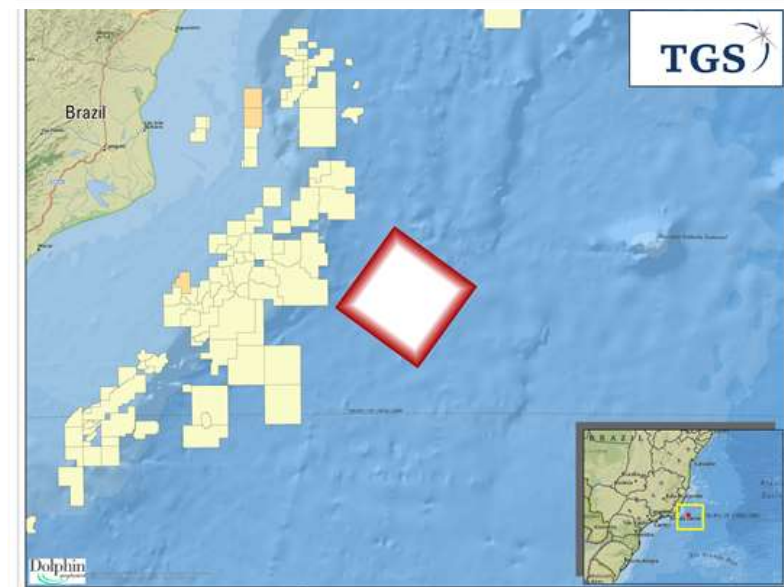
NW Alaska

- Chukchi Sea – 5,900 km multi-client 2D survey completed in Q4 2013
- Data available in 2014 ahead of the scheduled lease rounds beginning in 2016
- Builds on existing data acquired since 2006 in Chukchi Sea, Russian Chukchi and East Siberian Seas



Brazil

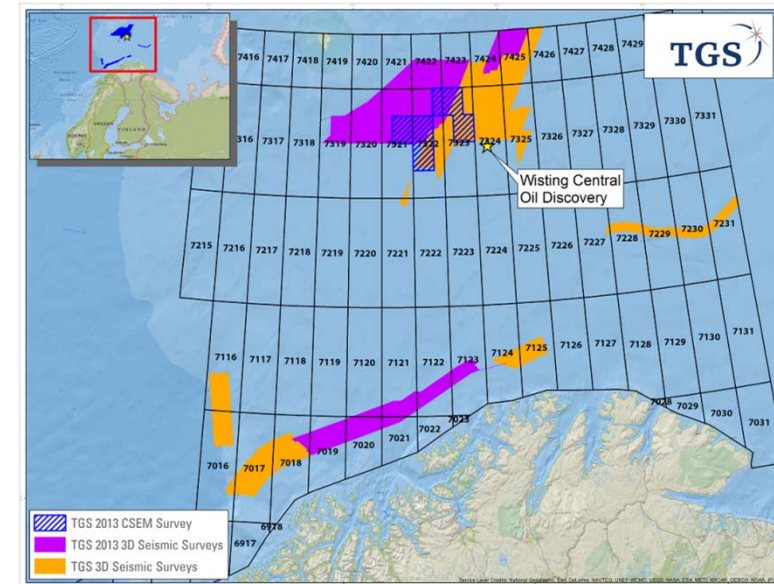
- Olho de Boi – 5,000 km² multi-client 3D survey in partnership with Dolphin commenced in Q4 2013
- The survey is designed to image pre and post-salt plays in the hydrocarbon rich Campos Basin
- First TGS 3D survey in Brazil, based on considerable geologic review and reprocessing of existing 2D data
- Data will be processed utilizing TGS' proprietary Clari-Fi™ broadband technology



Q4 Activity - NW Europe

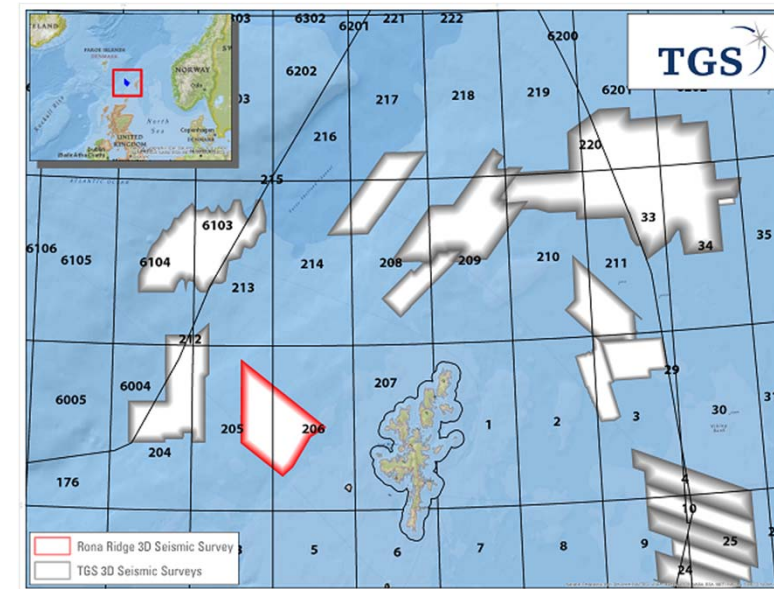
Barents Sea

- Hoop Fault Complex 2013 – 7,000 km² multi-client 3D survey completed in Q4 2013
- Data processing being performed by TGS using Clari-Fi™ broadband technology
- TGS now has over 16,000 km² high quality modern 3D seismic data in this attractive play
- High interest following OMV Wisting Central discovery



West Shetland Basin

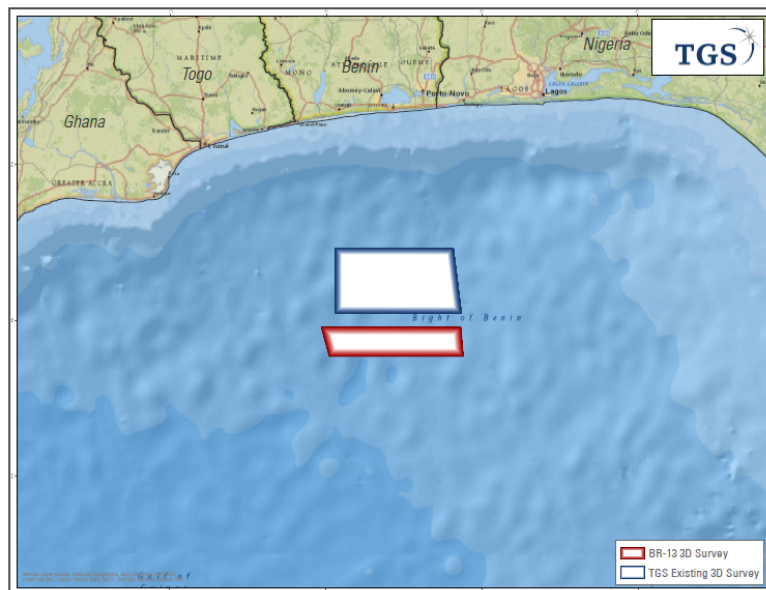
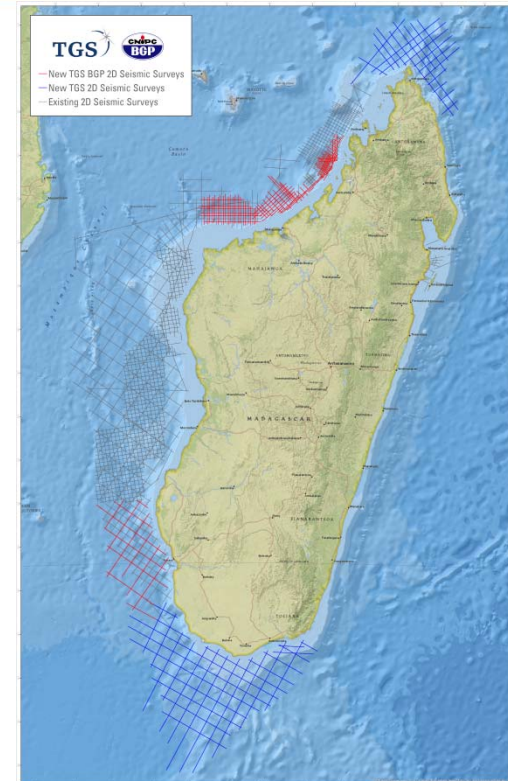
- Rona Ridge – 2,266 km² multi-client 3D survey completed in the highly prospective West Shetland Basin
- Data available to customers for use in the UK 28th Licensing Round



Q4 Activity – Africa

Madagascar

- MAJ-13 – 5,688 km multi-client 2D survey completed in Q4 2013 in partnership with BGP
- MOS-13 – 1,950 km multi-client 2D surveys commenced in Q4 2013 in partnership with BGP
- CSM-13 – 6,000 km multi-client 2D surveys (100% TGS) commenced in Q4 2013
- Data being processed utilizing TGS' Clari-Fi™ technology
- Extends and infills the existing 33,315 km of 2D data acquired by TGS in this region ahead of expected license round activity



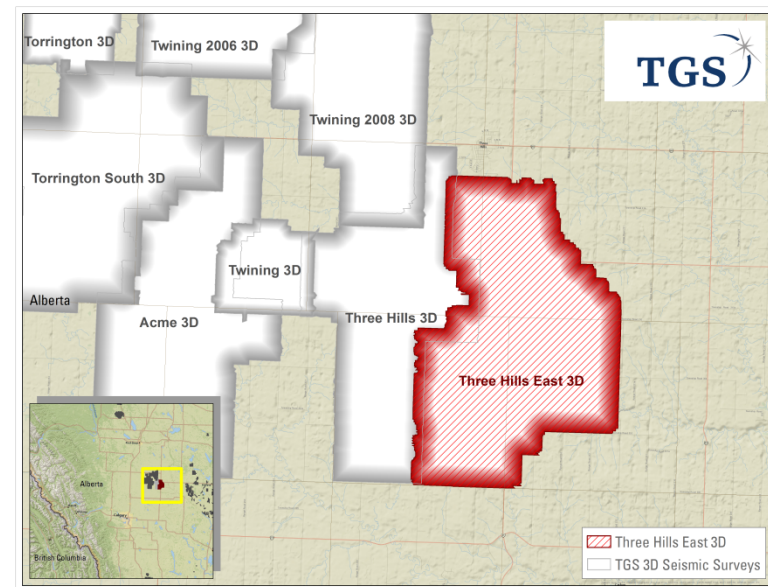
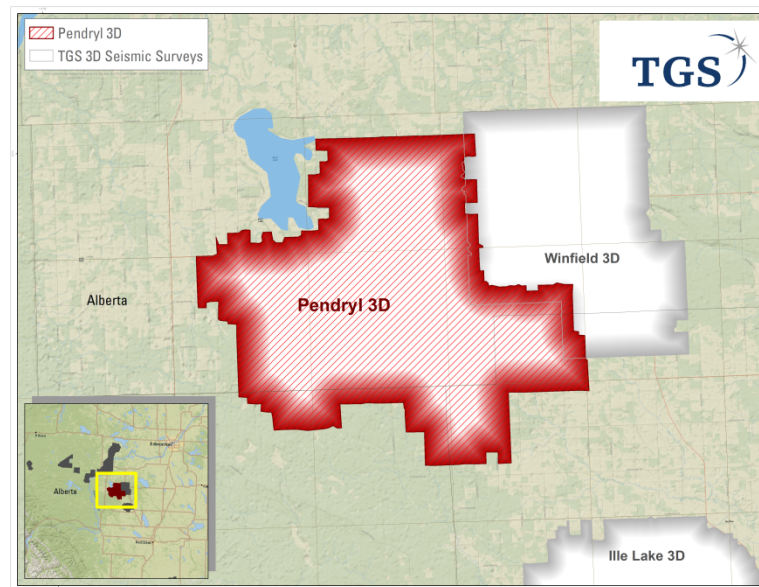
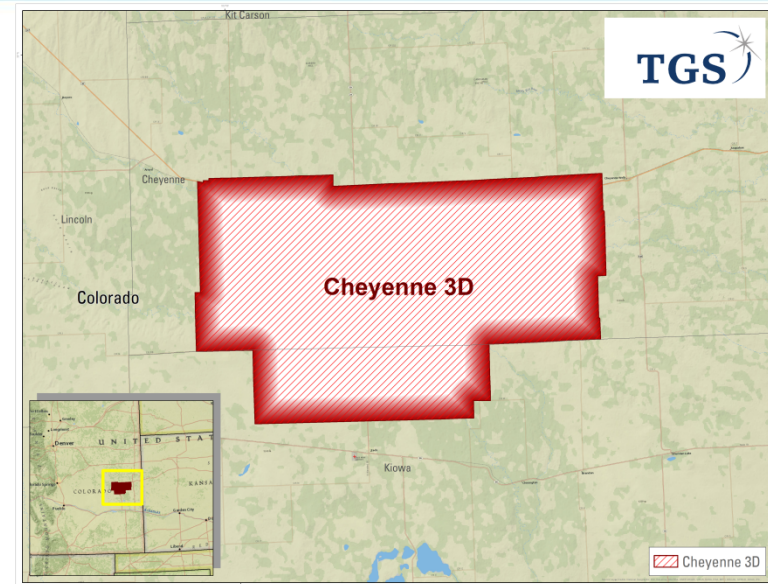
Benin

- BR-13 – 2,200 km² multi-client 3D survey commenced in Q4 2013 and was completed in early Q1 2014
- TGS' second 3D survey in Benin building upon current subsurface knowledge
- Data being processed utilizing TGS' proprietary seismic multiple elimination technology, TAME™

Q4 Activity – North America Onshore

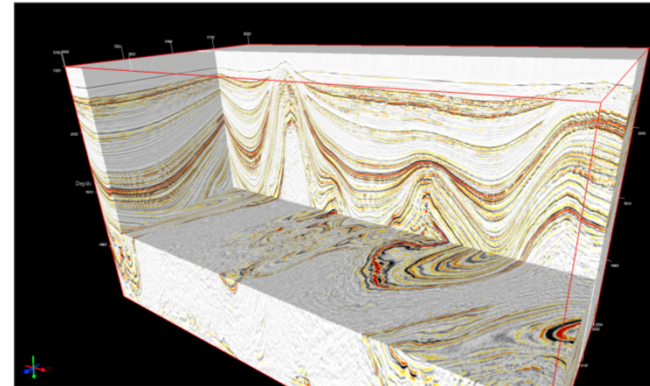
Onshore surveys

- Cheyenne – 1,689 km² multi-client 3D land survey continued in Q4 2013 targeting Mississippian and the Pennsylvanian petroleum systems in Cheyenne and Kiowa Counties, Colorado
- Three Hills East – 150 km² multi-client 3D land survey completed in Q4 2013 focused on emerging Duvernay play in South Central Alberta
- Pendryl – 397 km² multi-client 3D land survey commenced in Q4 2013 focused on emerging Duvernay play in South Central Alberta

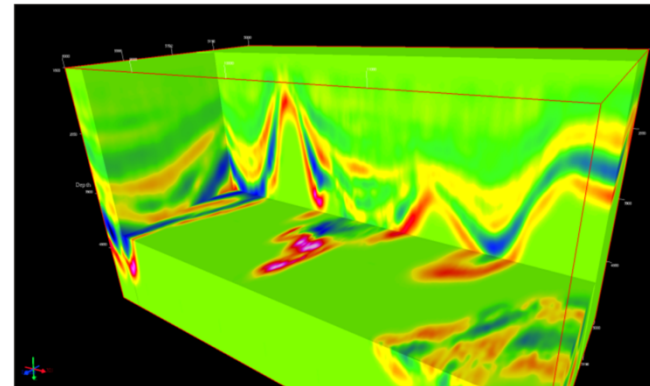


TGS continues to lead the industry in development and application of Imaging technologies:

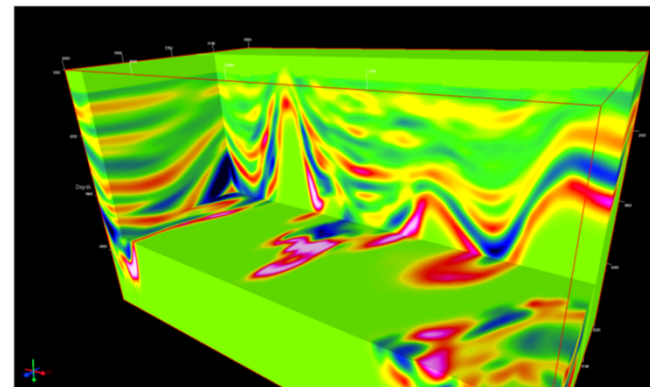
- Clari-Fi™
 - Processing methodology that increases bandwidth and improves imaging
 - May be applied to conventionally acquired pre- or post-stack data
 - Addresses ghost and earth filtering effects
- High Resolution Tomography
 - Collaboration with Center for Wave Phenomena, Colorado School of Mines
 - Image guided interpolation techniques provide a more detailed, structurally consistent velocity model
 - Allows more accurate representation of geology and facilitates faster data processing turnaround times
- Other technologies include
 - Kirchhoff and RTM PSDM
 - Anisotropy Estimation (VTI / TTI)
 - Subsalt Scanning and Imaging
 - Multiple and Noise Attenuation



Angola data set



Velocity update from conventional tomography



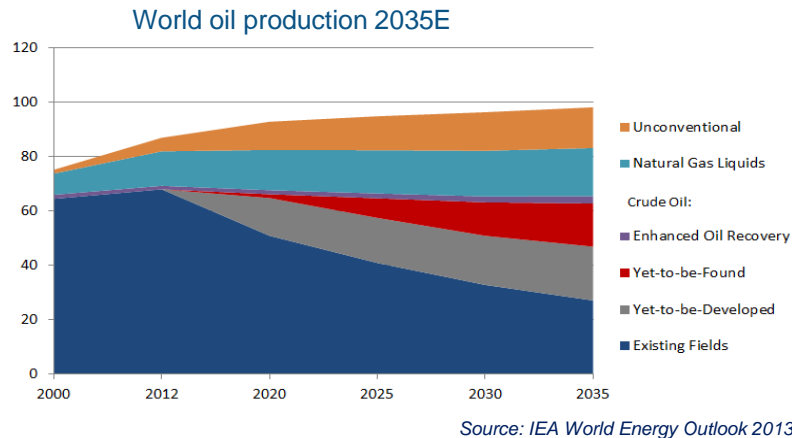
Velocity update from High Resolution Tomography

Outlook

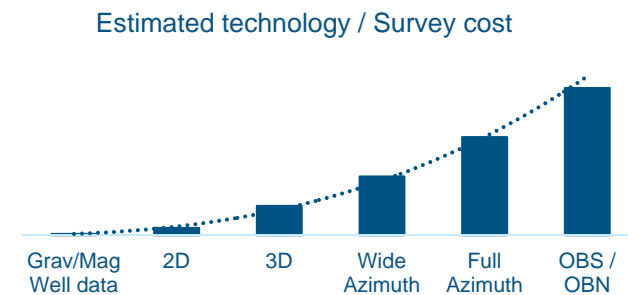
Robert Hobbs
Chief Executive Officer

Key Drivers for Continued Growth

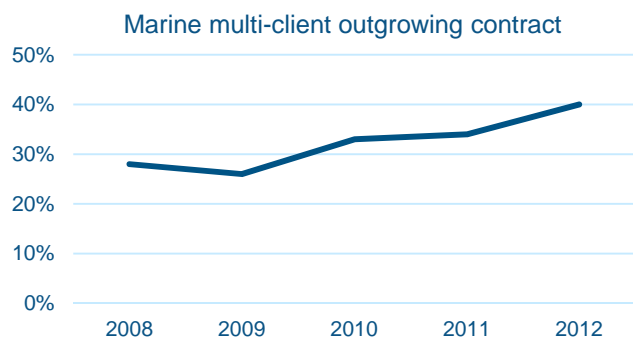
1. Positive outlook for growth in E&P spending to maintain reserve replacement



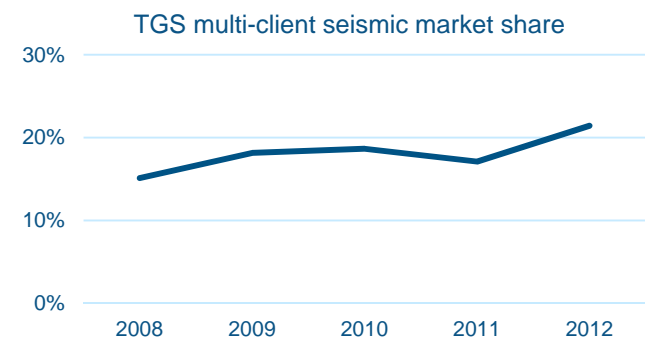
2. Demand for more advanced and expensive seismic technologies driving increased seismic investments and revenues



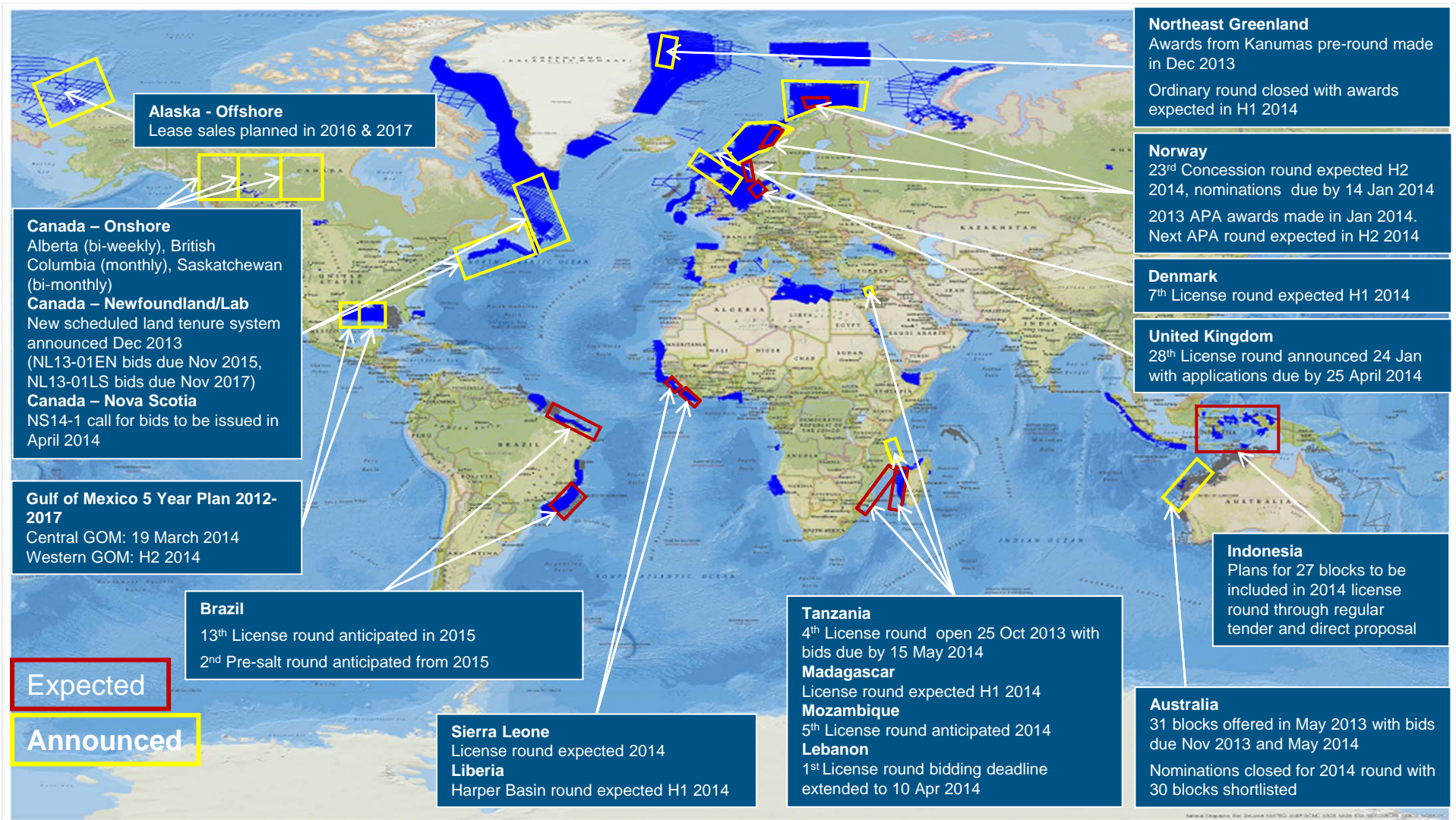
3. Increased adoption of multi-client model across the globe, including basins traditionally dominated by NOCs



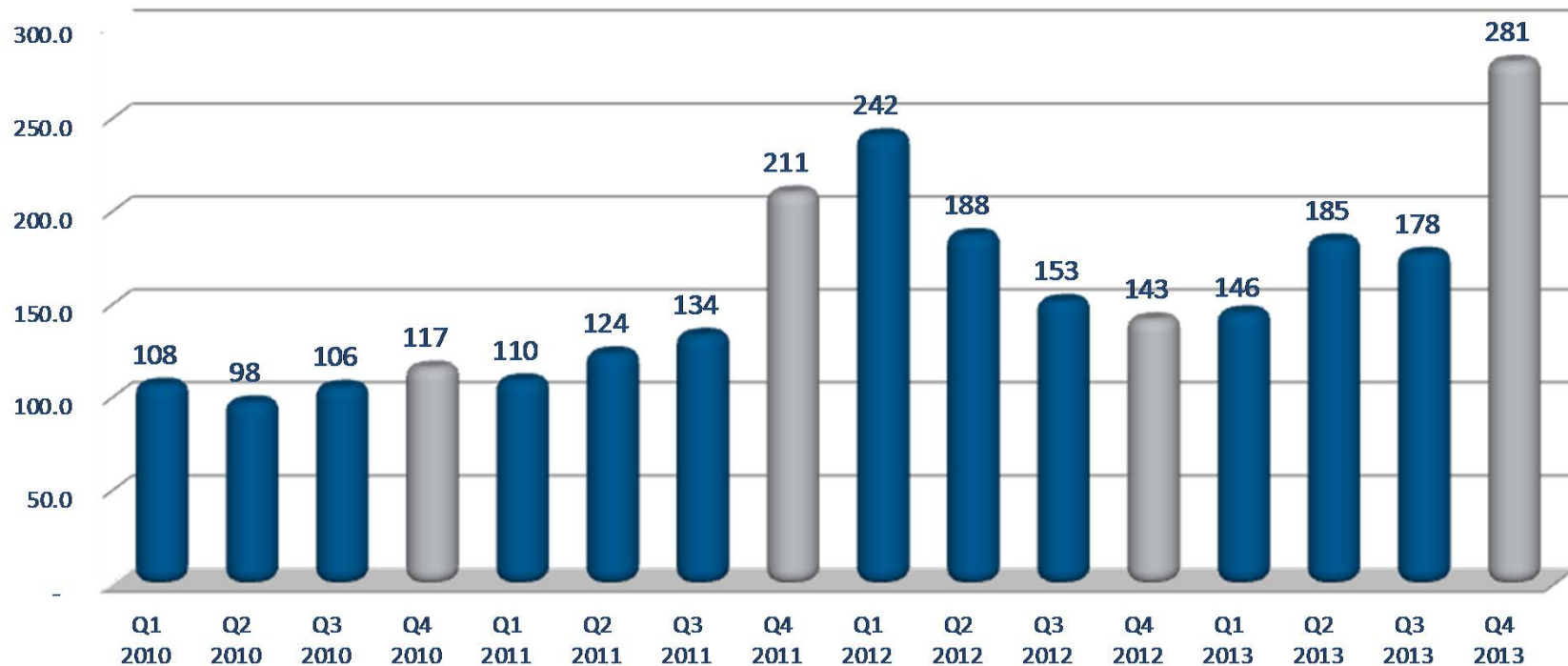
4. TGS ambition to grow market share based on commitment to growth and strong balance sheet



License Round Activity and TGS Positioning



Historical Backlog (MUSD) 2010 – 2013



Capacity Secured for 2014



3D Vessel	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
CGG Alize	Gulf of Mexico											
BGP Prospector	Benin											
Sanco Swift	Brazil JV											
Polar Duchess	Australia									Option		
Geo Caspian	Australia											
CGG 3D Vessel				NW Europe Option								
Polarcus Naila				NW Europe				Option				

2D Vessel	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
BGP Challenger	JV	Madagascar										
Geo Arctic	Madagascar											
Sanco Spirit							Canada PGS JV					

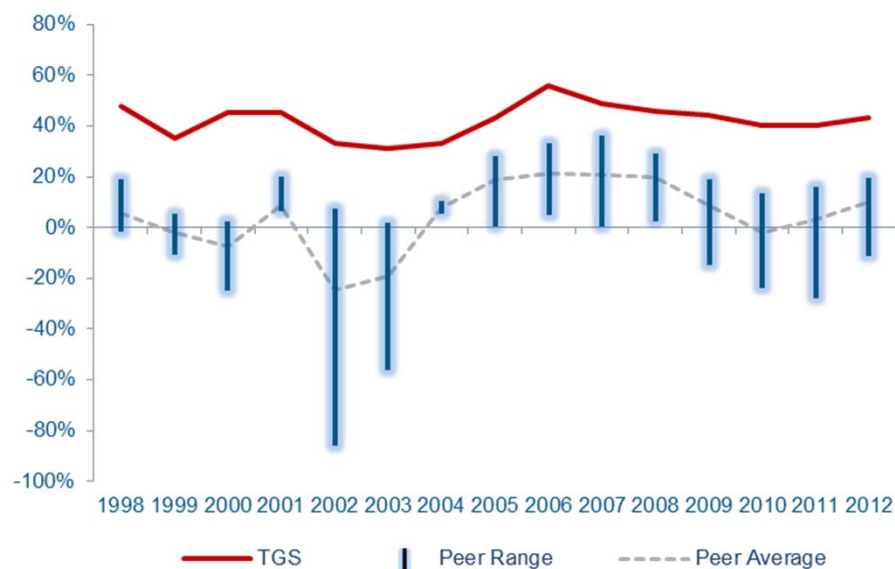
Land Crew	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Colorado Crews 1 & 2	Cheyenne											
Texas Crew		Rush Creek										
Canada Crew	Pendryl		WOC									

- Strong Q4 revenues of 271 MUSD with record high late sales
 - Full Year 2013 revenues of 883 MUSD
- Operating profit of 120 MUSD, 44% of net revenues
 - Full Year 2013 operating profit of 387 MUSD, 44% of net revenues
- Q4 multi-client investments of 92 MUSD
 - Full Year 2013 multi-client investments of 439 MUSD
- Proposed dividend of NOK 8.5 per share and a share buy-back program of 30 MUSD
- Guidance for 2014:
 - 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

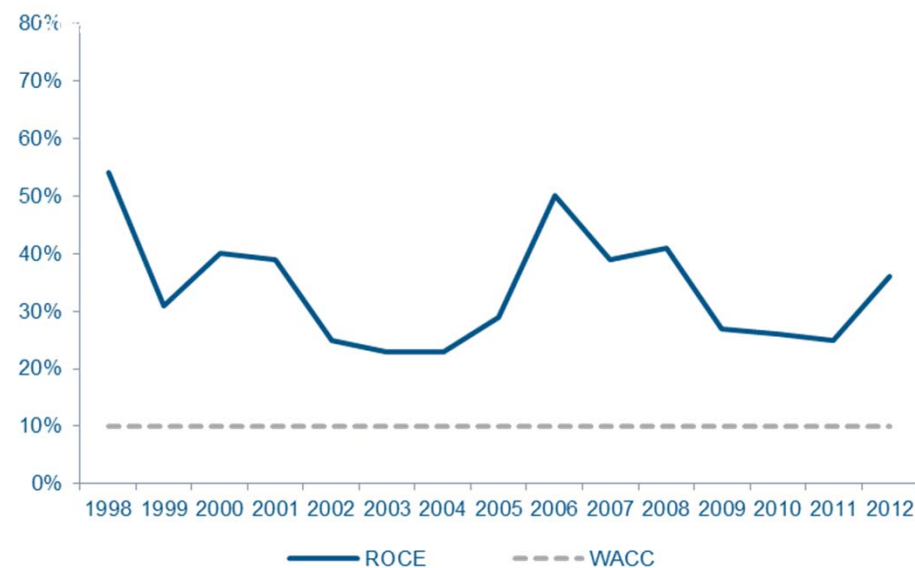
TGS Performs in all Cycles



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, Fugro, Geokinetics, ION Geophysical, PGS, Western Geco, GGS
Source Platou Markets and TGS



Thank you

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