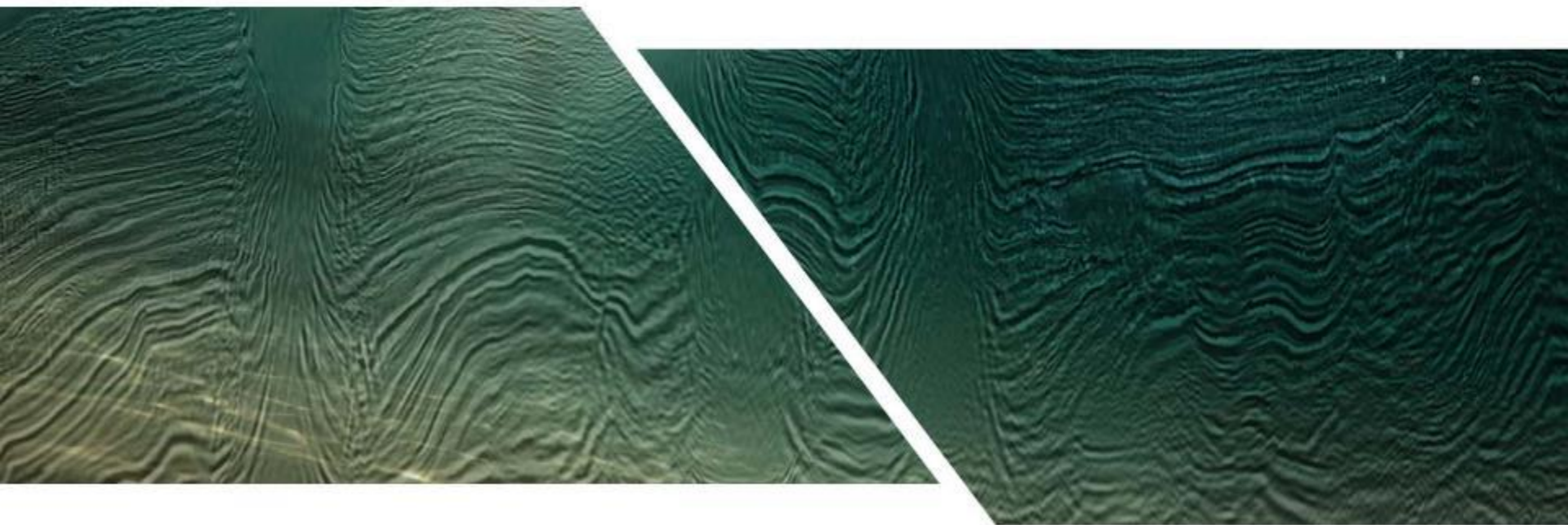




Q1 2017 Earnings Release



Kristian Johansen
CEO

10 May 2017

Sven Børre Larsen
CFO

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.

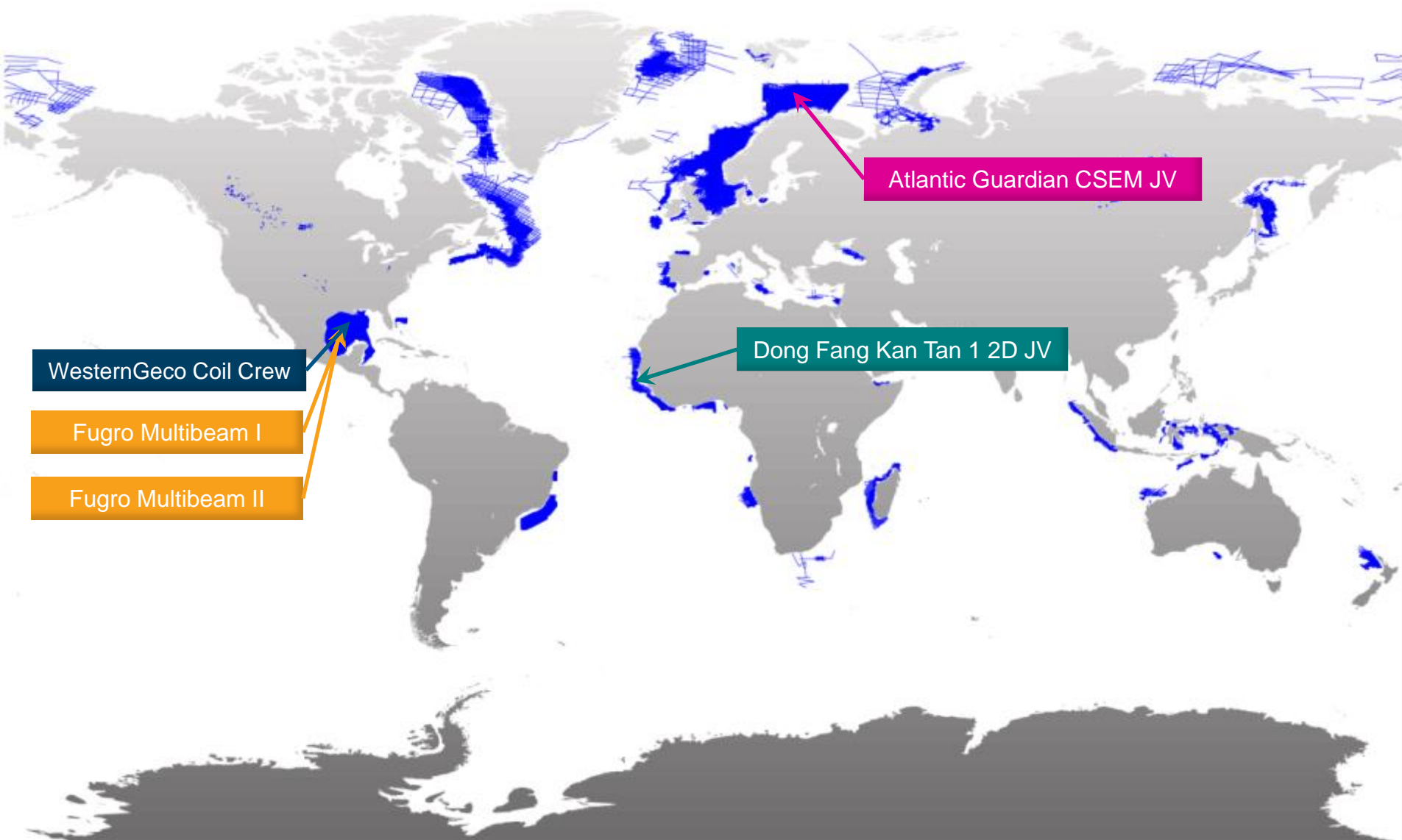
Q1 2017 Highlights

- Q1 net revenues of 86 MUSD, up 35% from 64 MUSD in Q1 2016
 - Net late sales of 69 MUSD, up 82% from 38 MUSD Q1 2016
 - Net pre-funding revenues of 15 MUSD were down from 23 MUSD in Q1 2016, funding 26% of TGS' operational multi-client investments for the quarter
 - Operational multi-client investments of 58 MUSD in addition to 5 MUSD from risk sharing arrangements
- Operating profit for the quarter was 2 MUSD compared to -21 MUSD in Q1 2016
- Cash flow from operations was 185 MUSD compared to 145 MUSD in Q1 2016
 - Cash balance of 248 MUSD at 31 March 2017 in addition to undrawn 75 MUSD Revolving Credit Facility
- Quarterly dividend maintained at USD 0.15 per share



Operational Highlights

Q1 2017 Operations



Q1 Activity – U.S. Gulf of Mexico

Revolution XII/XIII

- ~7,150 km² (306 OCS blocks) multi-client full-azimuth survey in collaboration with Schlumberger in Green Canyon, Atwater Valley and Ewing Bank areas
- Survey utilizes WesternGeco's proprietary Q-Marine* point-receiver marine seismic system combined with proprietary multi-vessel, Dual Coil Shooting acquisition technique

Fusion M-WAZ reimagining program

- M-WAZ reimagining program in collaboration with Schlumberger in Mississippi Canyon, Atwater Valley and Ewing bank areas
- ~23,000 km² (1,000 OCS blocks) from 3D WAZ programs previously acquired from 2008 to 2012

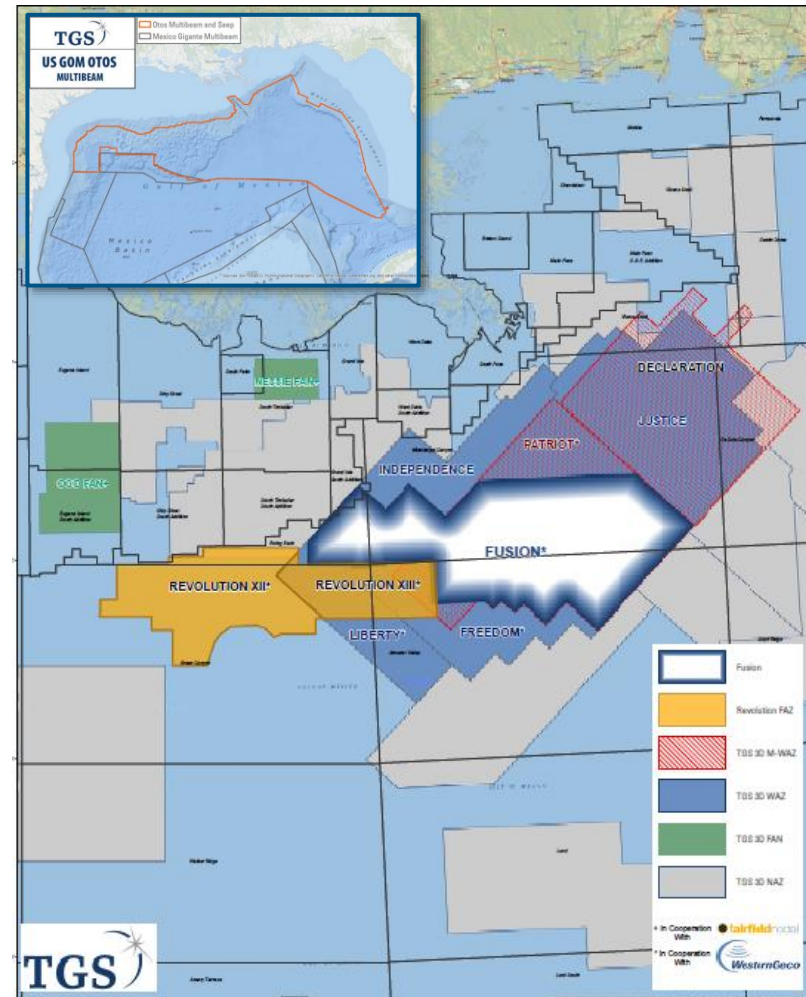
Otos multibeam and seep study

- ~289,000 km² multibeam and 250 cores with advanced geochemistry analysis covering U.S GOM
- Designed to mirror the successful Gigante multibeam and seep study in the Mexican GOM

Well positioned for future GOM licensing rounds

- Core TGS areas continue to see the highest activity level and benefit from significant lease turnover over the coming years
- Two licensing rounds per year from 2017

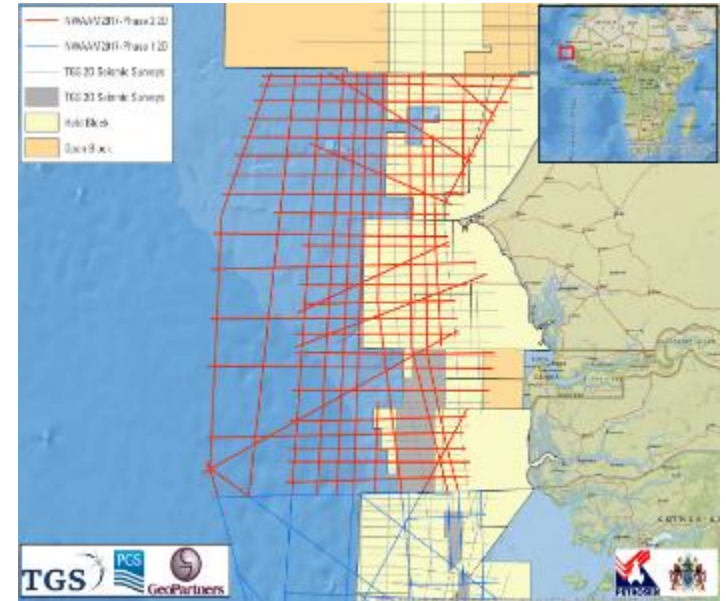
*Mark of Schlumberger



Q1 Activity – North West Africa and U.S. Land

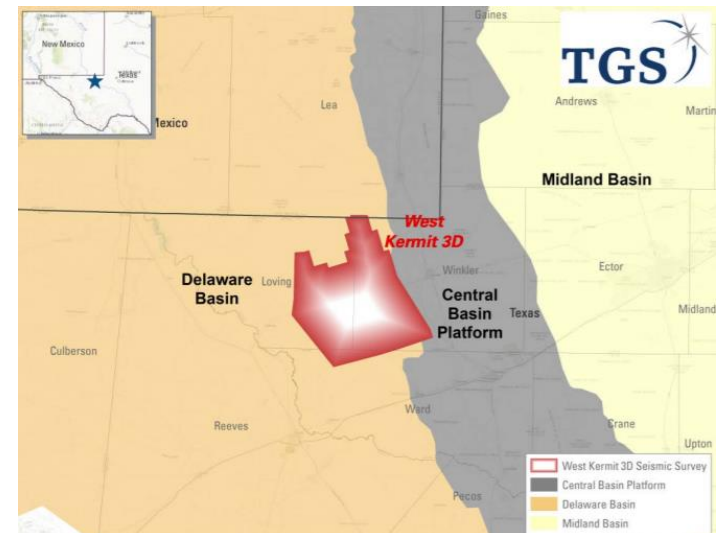
NWAAM 2017

- Extended to over 22,500 km of multi-client 2D seismic in partnership with PGS and GeoPartners
- Designed to infill, extend and complement the TGS NWAAM 2012 2D survey which helped with recent commercial discoveries in the MSGBC basin
- Confirms TGS commitment to the leading frontier basin in Africa, where TGS now has over 50,000 km of 2D data and 8,000 km² of 3D data



West Kermit 3D

- TGS' first survey in the prolific Permian Basin; scope increased to over 1,000 km²
- High-resolution data in Loving and Winkler counties, TX, in the Delaware basin
- Designed to assist in the evaluation and development of multiple zone potential including highly productive Wolfcamp and Bone Spring intervals
- Field operations ongoing through Q1 2017 with acquisition to commence in late Q2 2017

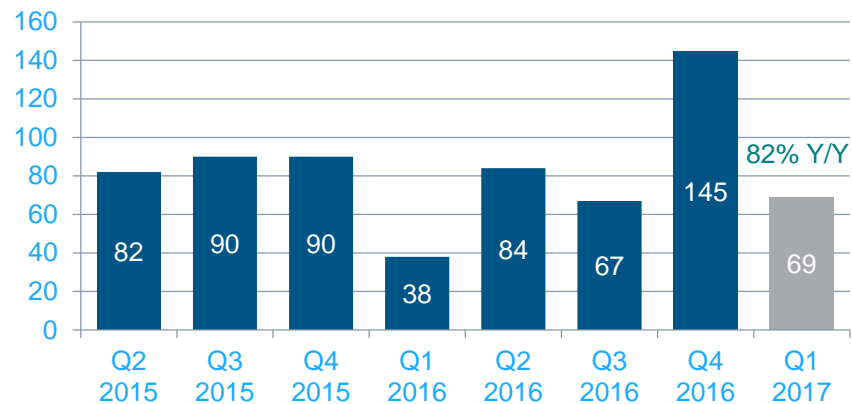




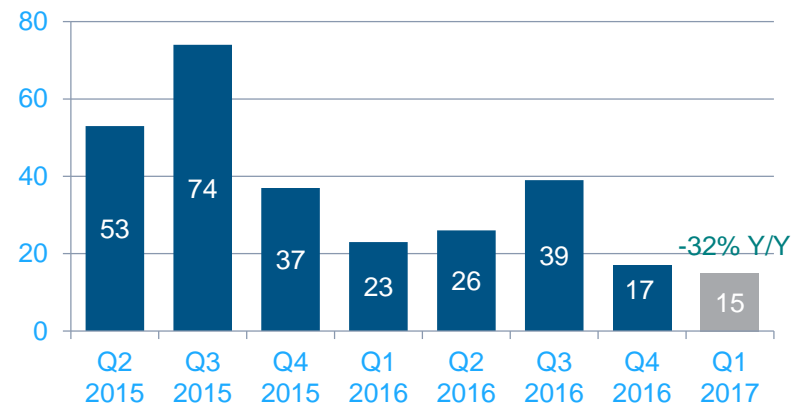
Financials

Net Revenues

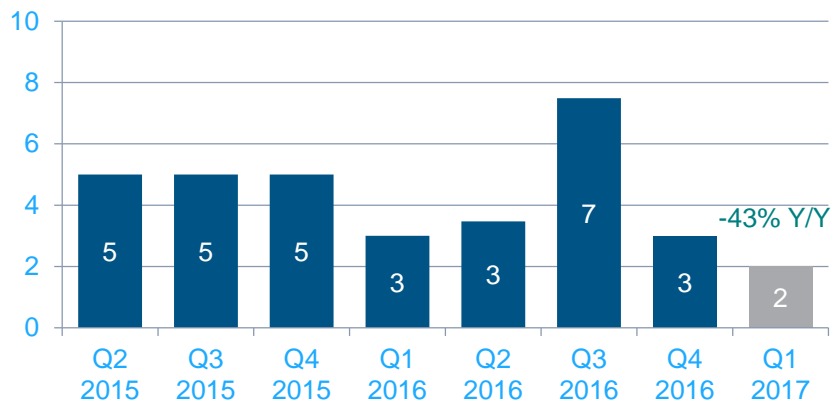
Late sales revenues



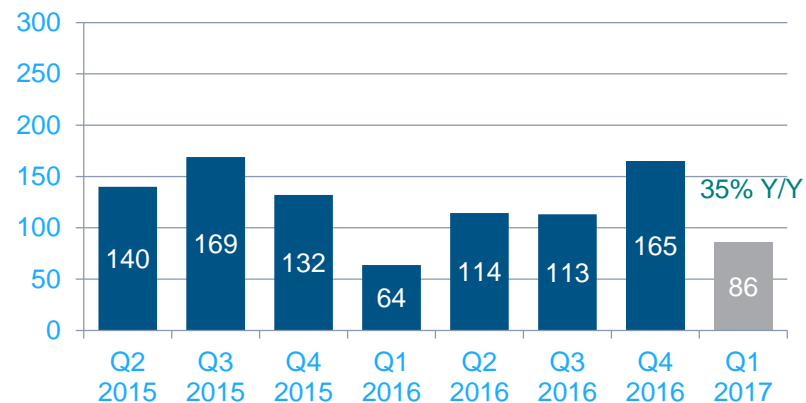
Prefunding revenues



Proprietary revenues

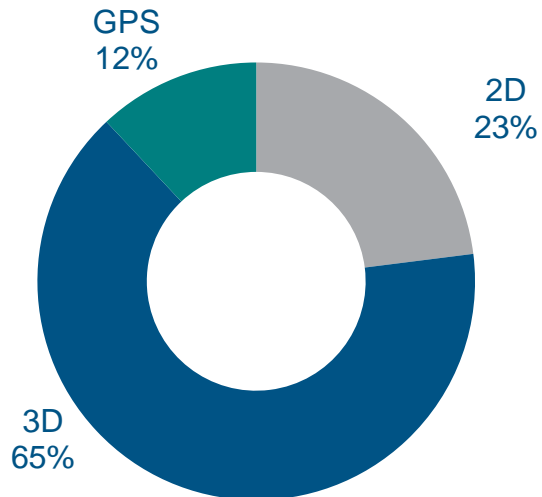


Total revenues

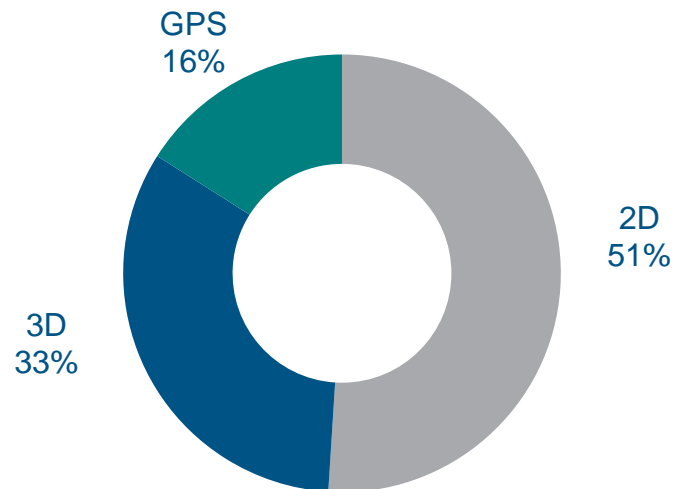


Net Revenue Breakdown

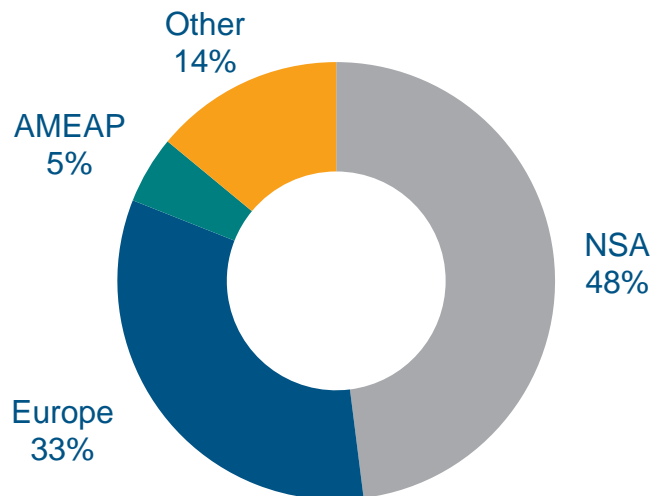
Q1 2017



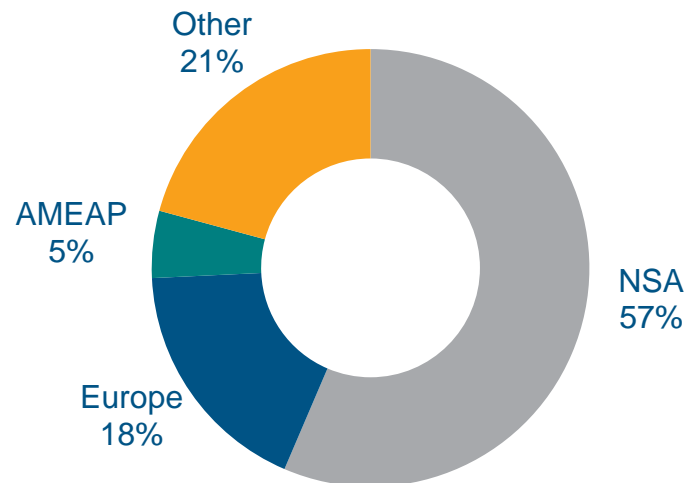
Q1 2016



Q1 2017

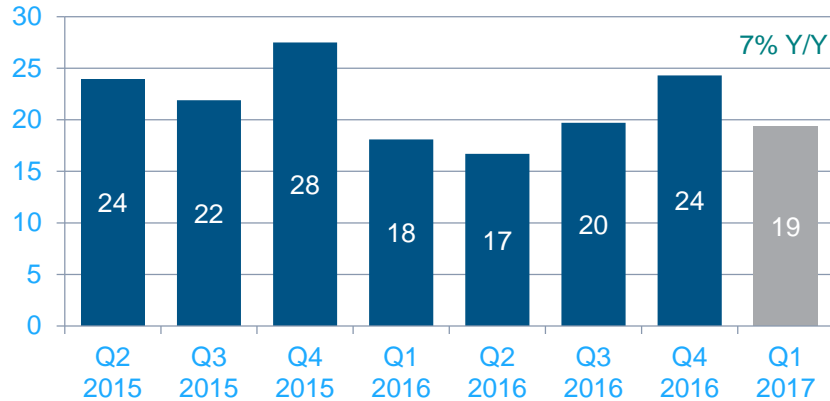


Q1 2016



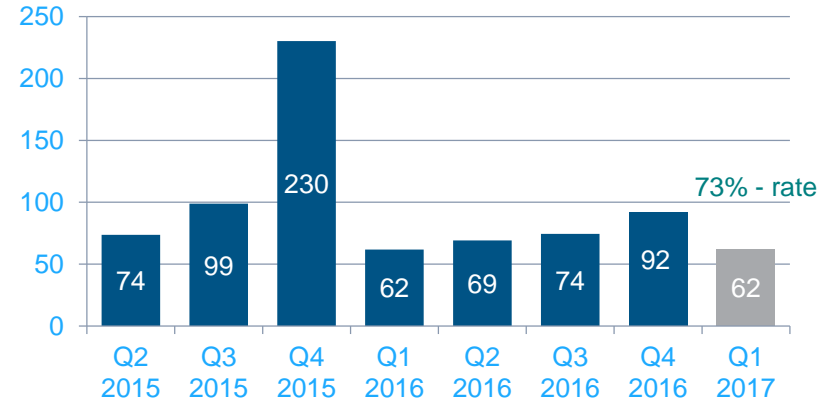
Operating Expenses, EBIT, Free Cash Flow

Operating expenses *

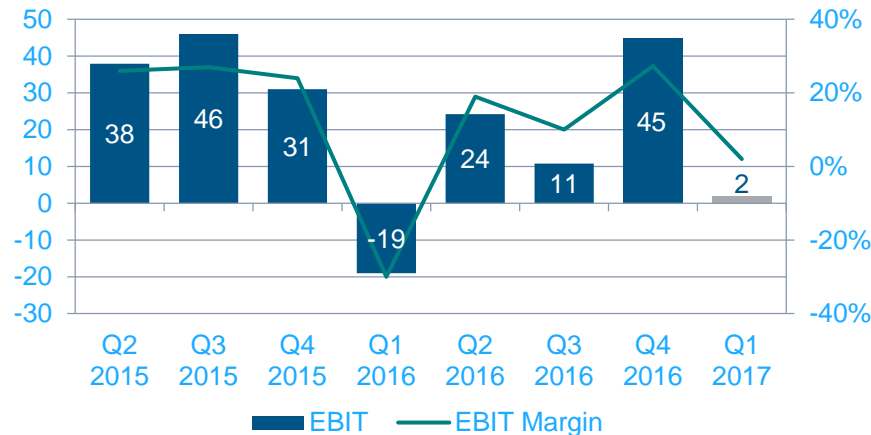


* Include personnel costs and other operating expenses. Adjusted for restructuring costs and larger impairments of operating items

Amortization and impairment

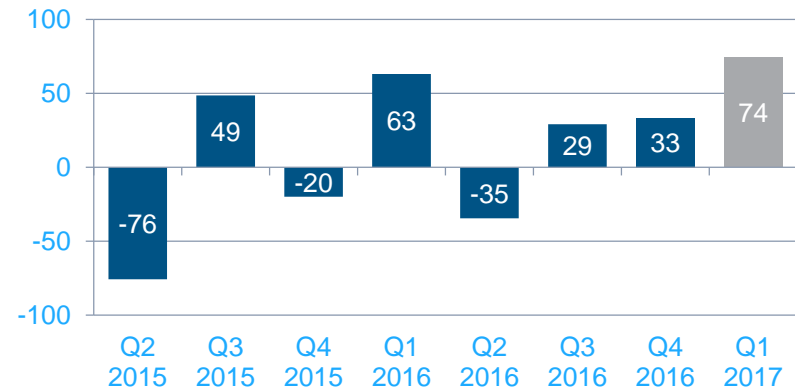


EBIT *



* Earnings before interest and taxes and excluding larger impairments and restructuring costs

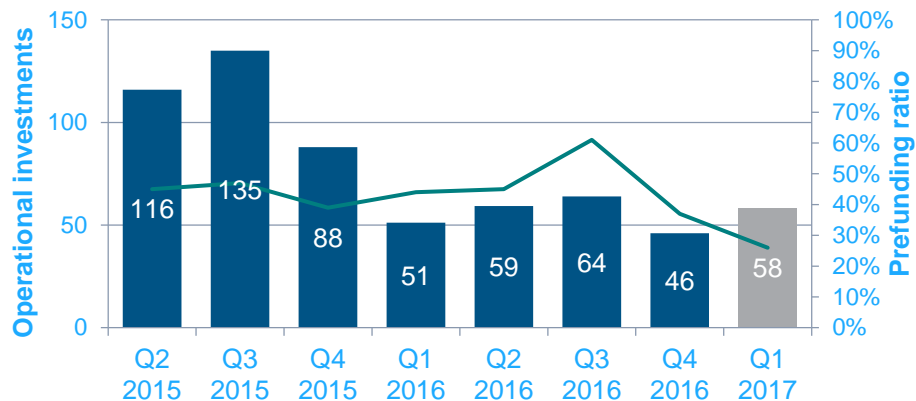
Free cash flow *



* Defined as cash flow from operational activities minus operational cash investments in multi-client projects

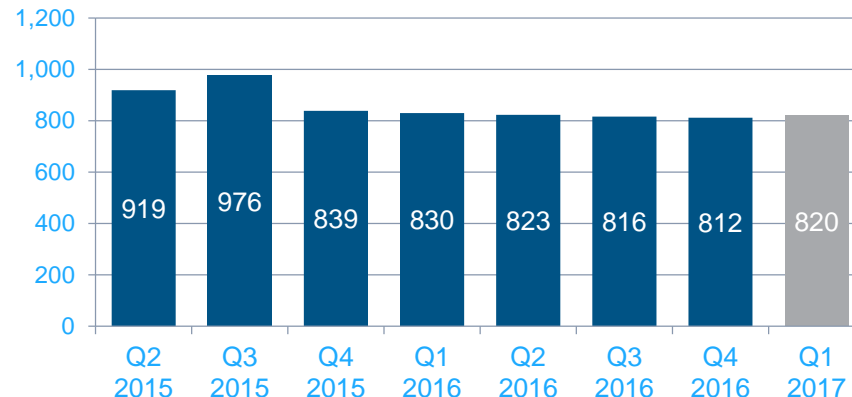
Multi-Client Library

Operational investments* and prefunding ratio

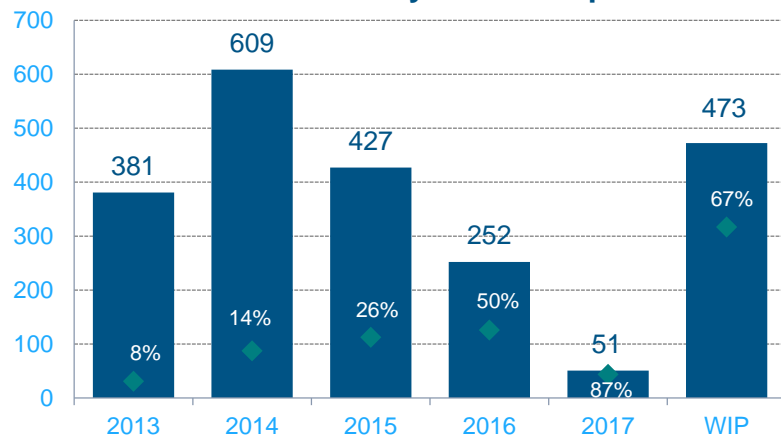


Operational investments — Prefunding ratio
**Operational investments excluding risk-sharing arrangements*

Multi-client library - NBV

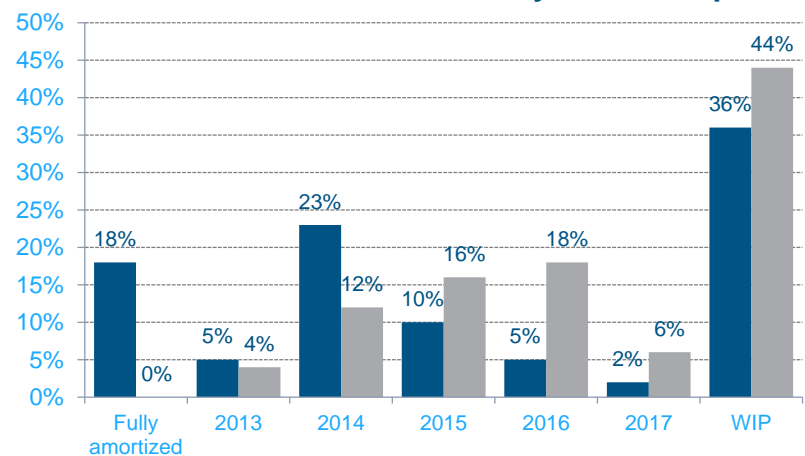


Investments – year of completion



Original investments ◆ Net Book Value

Net revenues vs net book value – year of completion



Net revenues ◆ Net book value

Q1 2017 Income Statement

USD million, except EPS	Q1 2017	Q1 2016	Change in %
Net revenues	86	64	35%
Cost of goods sold – proprietary and other	0.1	0.01	329%
Amortization of multi-client library 73%	62	62	0%
Gross margin	24	2	1128%
Personnel costs	12	13	-7%
Other operating expenses	7	7	-2%
Cost of stock options	0.1	0.05	81%
Depreciation	3	3	1%
Operating profit 2%	2	-21	109%
Net financial items	0.8	1	-19%
Profit before taxes 3%	3	-20	113%
Taxes	1	-0.1	1026%
Net Income 2%	2	-20	108%
EPS, Undiluted	0.02	-0.20	108%
EPS, Fully Diluted	0.02	-0.20	108%

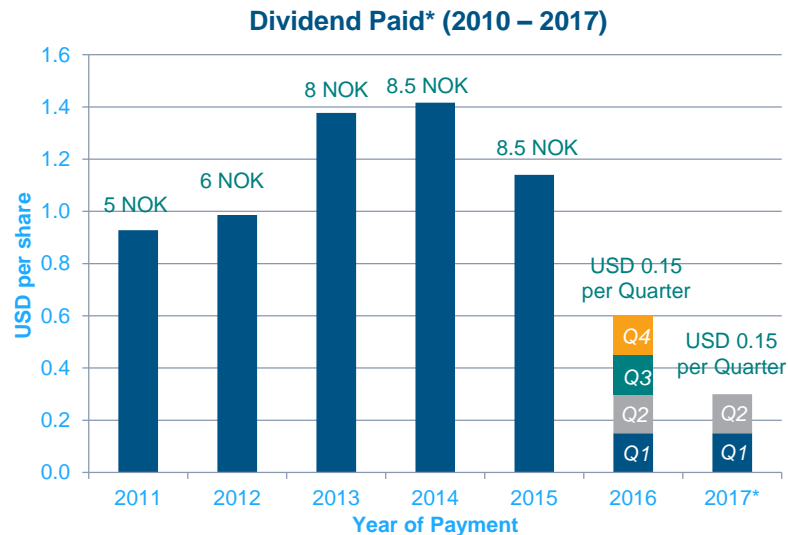
Q1 2017 Cash Flow Statement

USD million	Q1 2017	Q1 2016	Change in %
Received payments from customers	219	175	25%
Payments for operational expenses	(28)	(27)	-4%
Paid taxes	(6)	(3)	-104%
Operational cash flow	185	145	27%
Investments in tangible and intangible assets	(4)	(3)	-38%
Investments in multi-client library	(110)	(82)	-35%
Investments through mergers and acquisitions	(3)	-	N/A
Interest received	0.4	0.3	35%
Interest paid	(0.02)	(0.01)	-150%
Dividend payments	(17)	(15)	-10%
Proceeds from share issuances	7	0.1	4947%
Change in cash balance	57	45	26%

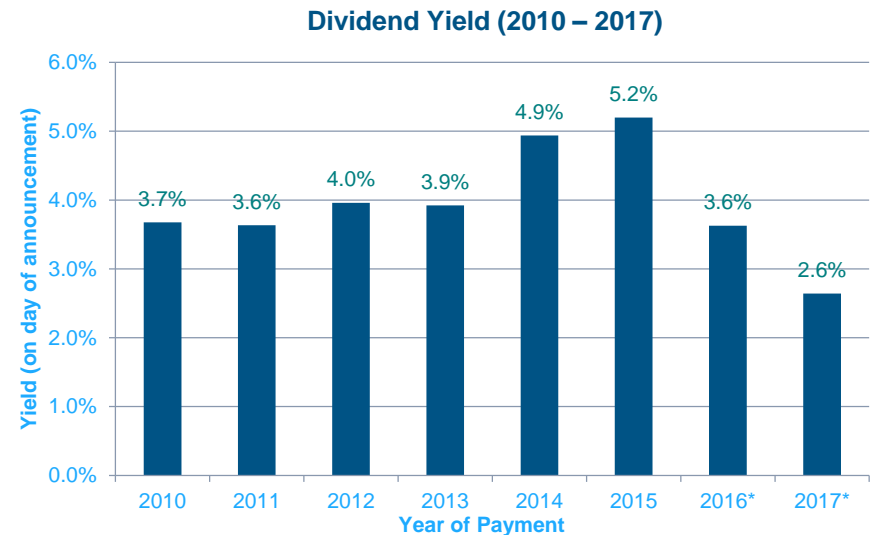
Balance Sheet

USD million	Q1 2017	Q4 2016	Change in %
Assets			
Cash and cash equivalents	248	191	30%
Other current assets	219	353	-38%
Total current assets	467	544	-14%
Intangible assets and deferred tax asset	85	86	-2%
Other non-current assets	10	11	0%
Multi-client library	820	812	1%
Fixed assets	22	23	-4%
Total Assets	1,405	1,477	-5%
Liabilities			
Current liabilities	192	262	-27%
Non-current liabilities	8	6	34%
Deferred tax liability	42	39	6%
Total Liabilities	242	307	-21%
Equity	1,162	1,169	-1%
Total Liabilities and Equity	1,405	1,477	-5%

Dividend stable at USD 0.15 per share



*Quarterly Dividends, defined in USD from 2016
 Historical NOK dividends converted to USD using FX rate on ex-dividend date



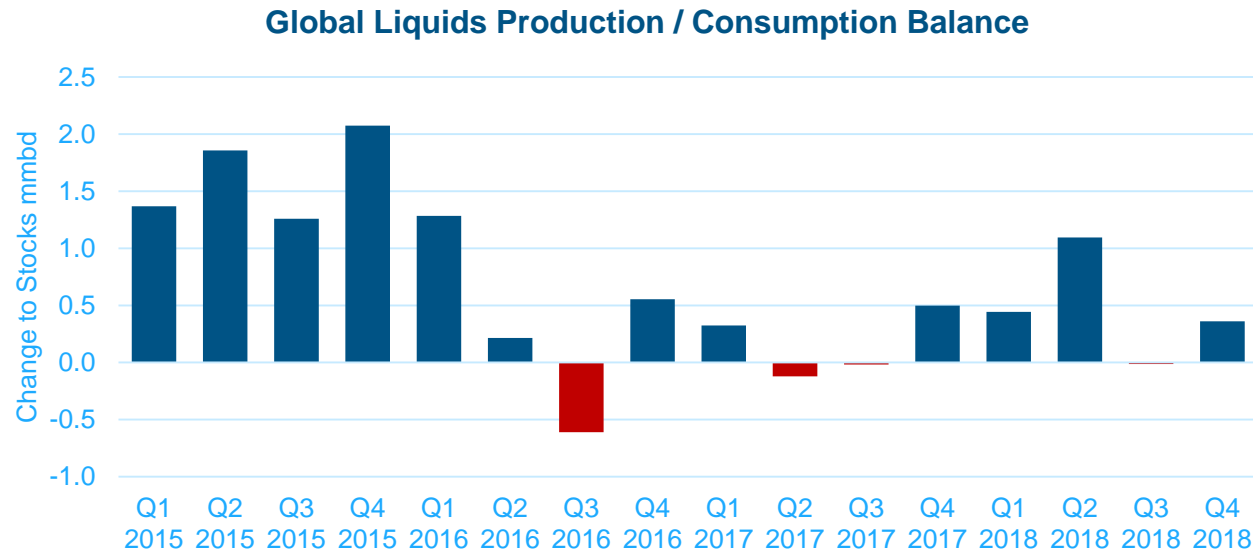
*2016 and 2017 Dividend Yield annualized based on the weighted yield at the time of announcement of quarterly dividends

- Shareholder authorization to distribute quarterly dividend payments
 - Aim to keep a stable quarterly dividend through the year
 - Actual quarterly dividend level paid will be subject to continuous evaluation of market outlook, cash flow expectations and balance sheet development
- Q1 2016: USD 0.15 per share dividend paid on 23 February 2016
- Q2 2016: USD 0.15 per share dividend paid on 1 June 2016
- Q3 2016: USD 0.15 per share dividend paid on 25 August 2016
- Q4 2016: USD 0.15 per share dividend paid on 18 November 2016
- Q1 2017: USD 0.15 per share dividend paid on 23 February 2017
- Q2 2017: USD 0.15 per share to be paid on 31 May 2017 (shares will trade ex-dividend on 18 May 2017)



Outlook

Market Remains Challenging in Near-term



Source: EIA Short Term Energy Outlook, 09 May 2017

- Near-term oil demand / supply balance outlook remains uncertain
 - Extension of OPEC quotas and reaction of U.S shale are key variables
- Exploration spending likely to decline by a further 15% in 2017
 - Primarily due to lower exploration drilling spending as rigs roll over to contracts with lower day rates
- Exploration activity likely to be flat or could slightly increase
 - Some early signs of increasing activity – TGS has successfully increased backlog in Q1
- We still expect a challenging market with variability of seismic spend between quarters and across regions in the near term

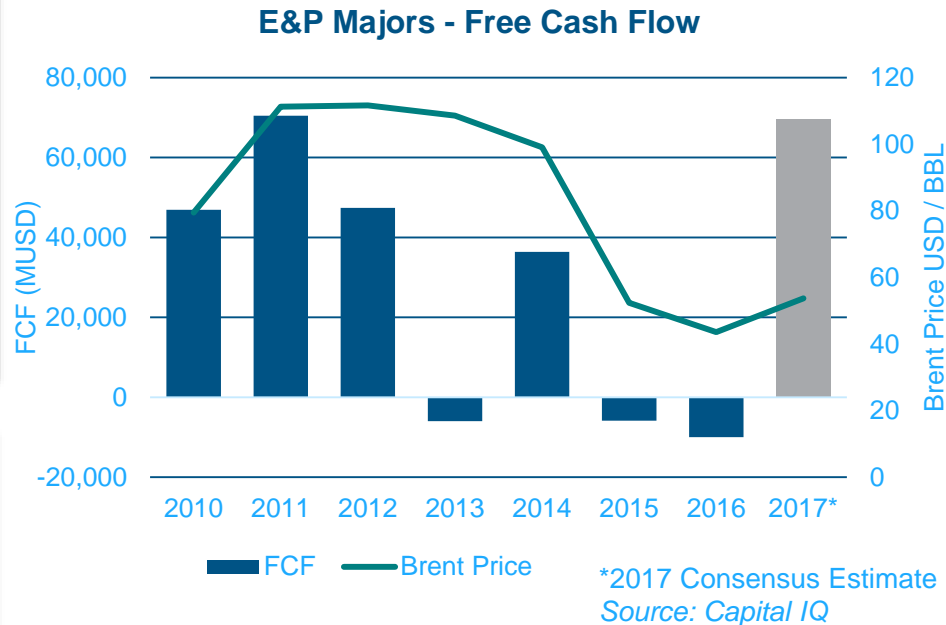
Industry Cost Reduction Driving Positive Free Cash Flow

"The first quarter 2017 was a strong quarter for Shell. Cash flow from operating activities of \$9.5 billion and free cash flow of \$5.2 billion enabled us to reduce debt, and cover our cash dividend for the third consecutive quarter." **Ben van Beurden**



"The Group generated \$1.7 billion of cash flow after investments in Q1. The strength of the balance sheet and relentless pursuit of cost reductions allows the Group to launch new projects and acquire resources while fully benefitting from the ongoing deflation in the oil sector."

Patrick Pouyanne



"Solid financial result and strong cash flow across all segments. We continue to capture efficiency gains and are on track to deliver an additional billion dollars in annual improvements in 2017."

Eldar Sætre,



"Our Q1 results reflect an increase in commodity prices and highlight our continued focus on controlling costs and operating efficiently."

Darren Woods



"First quarter earnings and cash flow improved significantly from a year ago. We benefitted from increasing crude oil prices and ongoing efficiencies being implemented across the company."

John Watson



"Our year has started well. BP is focused on the disciplined delivery of our plans. First quarter earnings and cash flow were robust. The first of our seven new Upstream major projects has started up, with a further three near completion. We expect these to drive a material improvement in operating cash flow from the second half"

Bob Dudley



Recently Announced Projects

Newfoundland Labrador 2D – 2017 Season

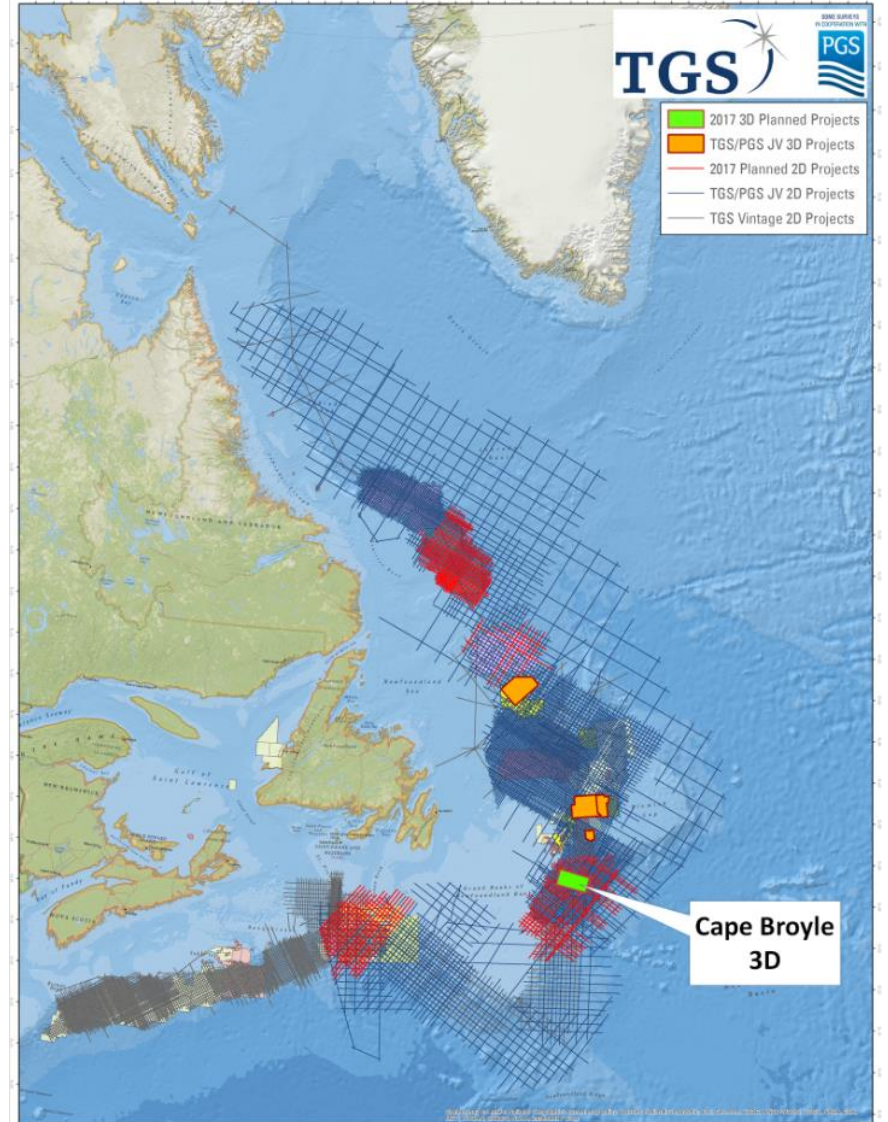
- 22,000 km multi-client 2D survey in partnership with PGS, infilling and extending existing JV data in the region
- Increased 2D coverage over acreage within 2019 and 2020 Sectors of the Scheduled Land Tenure

Cape Broyle 3D

- ~3,500 km² multi-client survey in partnership with PGS located in South Eastern Newfoundland region
- Mix of held acreage and open acreage within 2019 Sector of the Scheduled Land Tenure

Well positioned for future licensing rounds

- TGS-PGS JV library in this region will exceed 175,000 km of 2D data and 14,750 km² of 3D data in addition to 83,700 km of TGS vintage data, an expansive well log library and advanced multi-client interpretation products
- 2017 Call for Bids issued over approximately 3,174 km² in Jeanne d'Arc region (bids due 9 Nov 2017)



Recently Announced Projects

AM17 Atlantic Margin 3D

- 40,000 km² project in the central-southern Norwegian Sea – largest 3D survey carried out by any company in Northern Europe
- Covers largely open blocks in a relatively under-explored area with limited drilling to date
- Several underlying blocks included in the 24th licensing round*
- Acquisition in 2017 and 2018

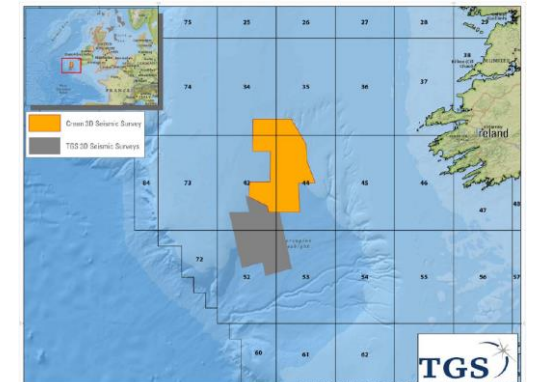
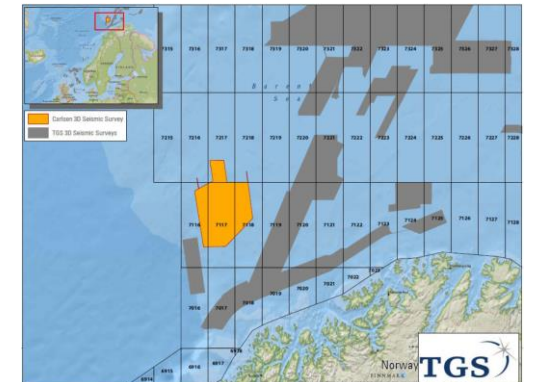
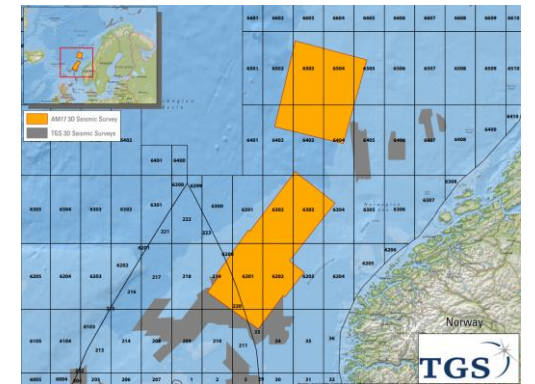
Carlsen 3D

- 5,490 km² multi-client survey located in the Southwest Barents Sea
- Open acreage with blocks included in the 24th licensing round*
- Acquisition to commence in April 2017

Crean 3D

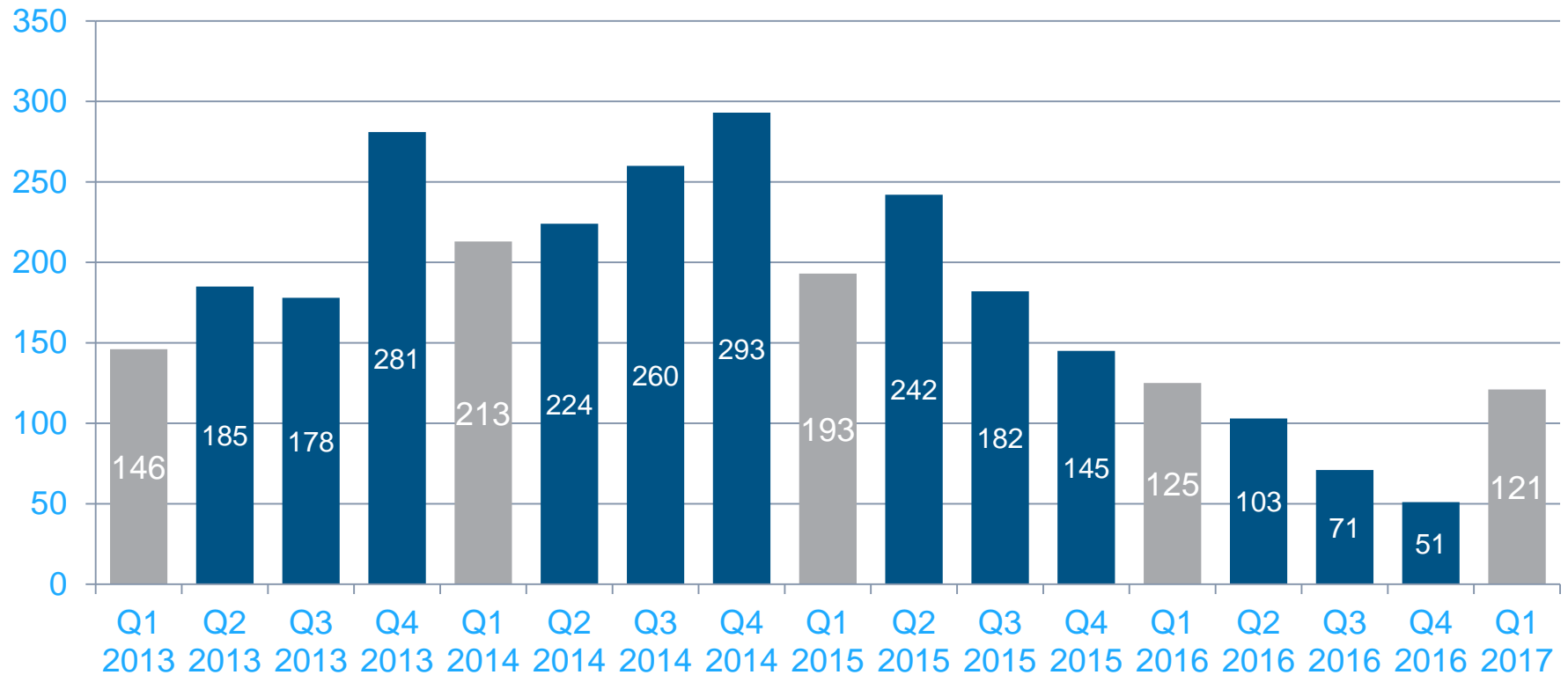
- >5,400 km² multi-client survey located in the South Porcupine Basin, Ireland
- Significant acreage licensed in this area driven by exploration success on the Newfoundland Labrador conjugate margin where TGS has strong track record
- Acquisition to commence in June 2017

*Subject to ongoing hearing round



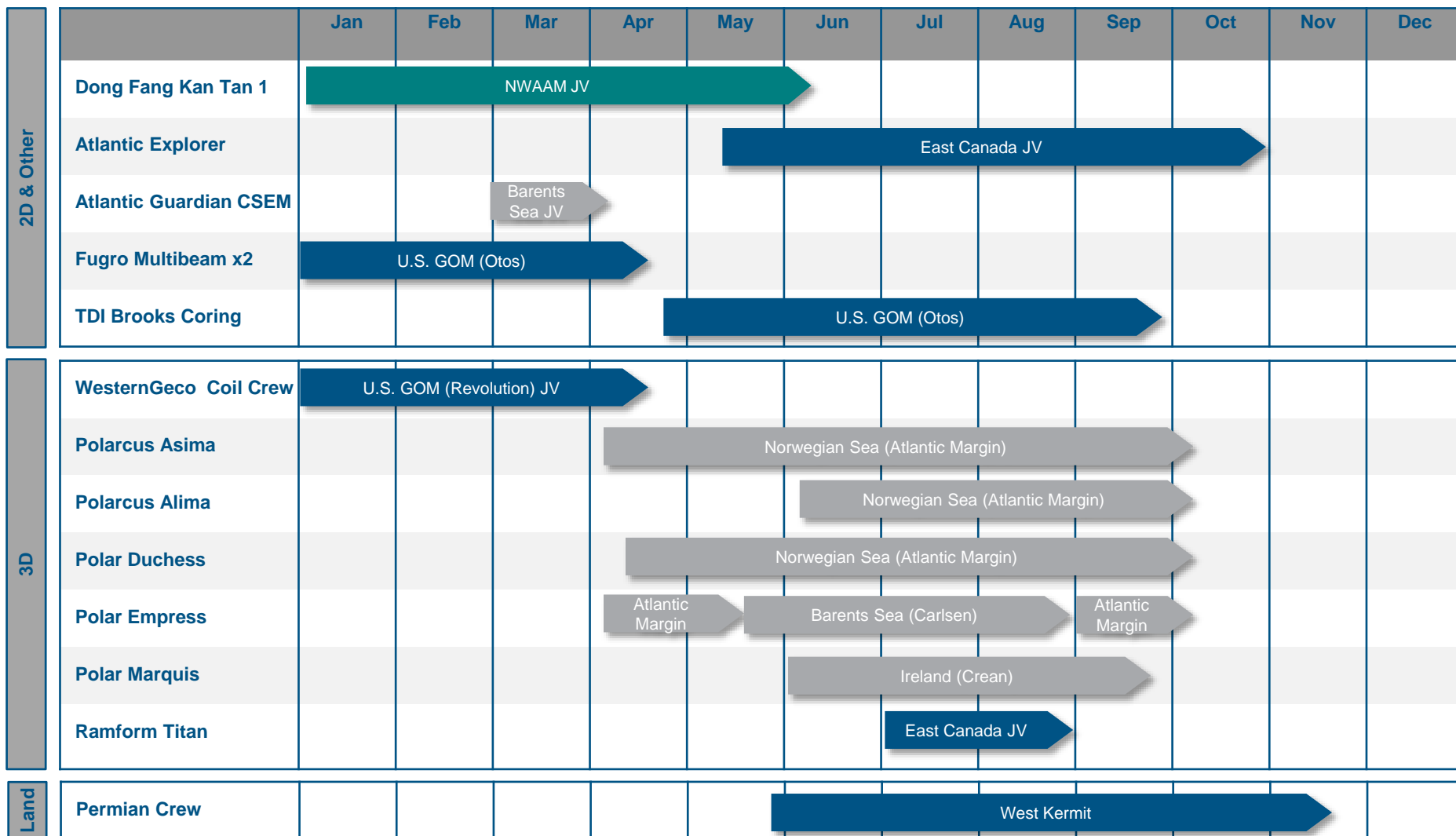
Backlog

Historical Backlog (MUSD) 2013 - 2017



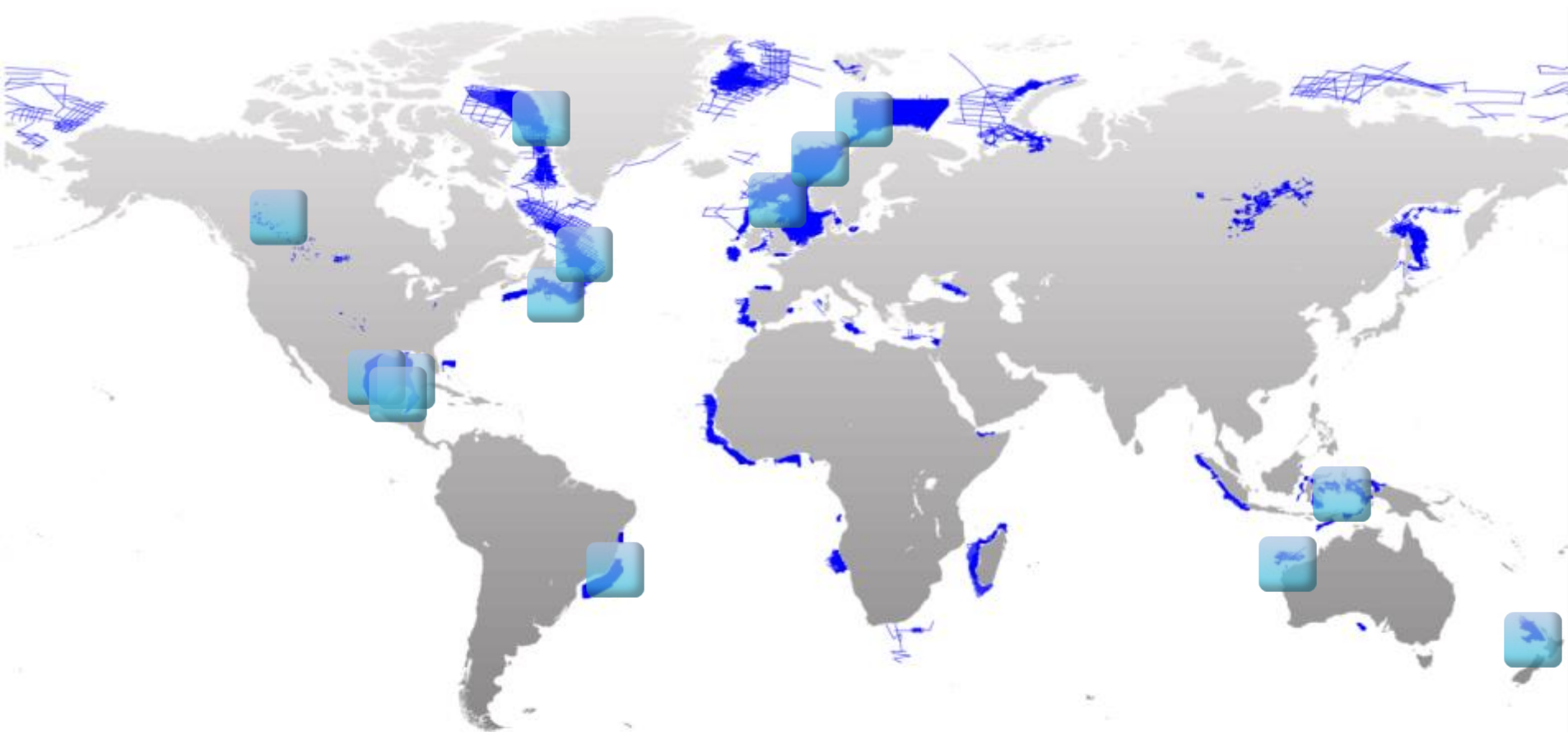
2017 Projects Schedule*

→ NSA → EUR → AMEAP



*Acquisition schedule excludes Fusion M-WAZ Reprocessing, other processing projects and GPS investments

License Round Activity and TGS Positioning



North & South America

- Central & Western GOM – Mar & Aug (2017-22 Plan)
- Newfoundland & Labrador – Nov 2017 (Scheduled Land Tenure)
- Nova Scotia – Oct 2017 (3-Year Rolling Plan)
- Canada Onshore – at least monthly
- Brazil 14th round - H2 2017; Pre-salt rounds - Jun & Nov 2017 (10 rounds planned in Brazil 2017-19)
- Mexico – Round 2.1 & 2.2 in H1 2017, further rounds into 2019

Africa, Middle East, Asia Pacific

- Ongoing uncertainty on timing of African licensing rounds
- Australia –H2 2017 (Round launch)
- New Zealand – Sep 2017 (bids due)
- Indonesia – H2 2017 (Round announcements)

Europe / Russia

- Norway APA – Sep 2017 (bids due)
- Norway 24th Round – H1 2017 (Round launch)
- UK 30th Round – H1 2017 (Round announcement)
- Greenland – Dec 2017 & 2018 (bids due)

Summary

- Q1 net revenues of 86 MUSD
- Positive cash flow further strengthens balance sheet
- Cash balance of 248 MUSD in addition to undrawn 75 MUSD Revolving Credit Facility
- Quarterly dividend maintained at USD 0.15 per share
- Early signs of increased exploration activity but market conditions are expected to remain challenging in 2017
- Long-term future of asset-light, focused multi-client business remains strong
 - Cost control, disciplined counter-cyclical investment and balance sheet strength positions TGS to enhance its leading position
- 2017 guidance:
 - New multi-client investments at approximately the same level as in 2016
 - Additional multi-client investments expected from sales of existing surveys with risk sharing arrangements
 - Pre-funding of new multi-client investments expected to be approximately 40%-45%

Thank you



www.tgs.com