TGS-NOPEC EARNINGS RELEASE

August 11, 2005

TGS

2nd QUARTER 2005 RESULTS

2nd QUARTER FINANCIAL HIGHLIGHTS

- Consolidated net revenues were USD 55.0 million, an increase of 34% compared to Q2 2004.
- Net late sales from the multi-client library totaled USD 45.2 million, up 65% from USD 27.4 million in Q2 2004.
- Operating profit (EBIT) was USD 21.9 million (40% of Net Revenues), up 66% from USD 13.2 million in Q2 2004.
- Cash flow from operations after taxes was positive USD 16.0 million, versus negative USD 19.4 million in Q2 2004.
- Fully diluted earnings per share were USD 0.54 (USD 0.57 undiluted), up 77% compared to USD 0.31 (USD 0.32 undiluted) in Q2 2004.

6 MONTHS FINANCIAL HIGHLIGHTS

- Consolidated net revenues were USD 93.8 million, an increase of 35% compared to 6 months 2004.
- Net late sales from the multi-client library totaled USD 75.9 million, up 66% from USD 45.7 million 6 months 2004.
- Operating profit (EBIT) was USD 36.2 million (39% of Net Revenues), up 80% from USD 20.1 million 6 months 2004.
- Cash flow from operations after taxes was positive USD 42.3 million, versus negative USD 7.2 million 6 months 2004.
- Fully diluted earnings per share were USD 0.89 (USD 0.94 undiluted), up 79% compared to USD 0.50 (USD 0.53 undiluted) for 6 months 2004.

"Late sales from our data library exceeded our expectations again this quarter," stated TGS CEO Hank Hamilton*. "We are starting to see more urgency from our customers in the data purchasing process as exploration programs become a higher priority."*

FINANCIAL RESULTS REPORTED IN ACCORDANCE WITH IFRS ACCOUNTING STANDARD

TGS began reporting under the IFRS accounting standard in Q1 2005. Under IFRS, the theoretical, non-cash cost of stock options is expensed in the profit and loss statement. Intangible assets are no longer depreciated, but are subject to an annual impairment test. To make comparisons more meaningful, the 2004 quarterly profit and loss figures are restated using the same IFRS standards. For reference, see the tables "2004 P&L figures restated to IFRS for comparison", the Q1 2005 earnings release and the IFRS section in our 2004 Annual Report at http://www.tgsnopec.com/investor_relations/investor_relations.asp

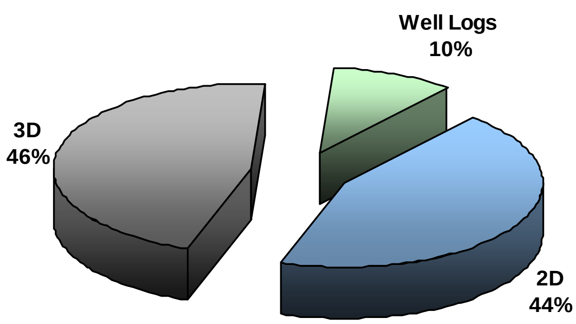
REVENUE BREAKDOWN

Consolidated gross late sales in Q2 were USD 51.9 million, up 68% from last year, representing 83% of gross revenues for the quarter. Net late sales were up 65% compared to Q2 2004. Net pre-funding revenues totaled USD 8.5 million, funding 39% of the Company's operational investments into new multi-client products during Q2 (USD 21.8 million). Proprietary contract revenues in the TGS Imaging and A2D well log segments during the quarter totaled USD 1.1 million compared to USD 0.6 million in Q2 2004. The Company recognized USD 0.2 million in proprietary contract revenue from seismic acquisition work compared to 2.4 million Q2 2004.

Consolidated Net Revenues Q2 2005 vs. Q2 2004 per Geographical Region					
(in Million USD)	Q2 2005	Q2 2004	Q2 2005	Q2 2004	Change
Eastern Hemisphere	15.7	10.8	29%	26%	45%
Western Hemisphere	39.3	30.1	71%	74%	30%
Total	55.0	41.0	100%	100%	34%

Consolidated Net Revenues 6 Months 2005 vs. 6 Months 2004 per Geographical Region					
(in Million USD)	6 Months 2005	6 Months 2004	6 Months 2005	6 Months 2004	Change
Eastern Hemisphere	29.0	16.4	31%	24%	77%
Western Hemisphere	64.8	53.3	69%	76%	22%
Total	93.8	69.7	100%	100%	35%

YTD Net Revenues by Product Type:



OPERATIONAL COSTS

The consolidated amortization charge associated with net multi-client revenues was 41% of net multi-client revenues during Q2 2005 compared to 45% in Q2 2004. This rate does fluctuate from quarter to quarter, depending on the sales mix of projects. The year-to-date amortization rate of 39% is lower than management's expected range (42-47%) for the full year.

Costs of materials were negligible for the quarter as a direct consequence of low proprietary seismic acquisition contract activity. Personnel and other operating costs payable for the quarter, excluding materials, were USD 9.9 million, an increase of 20% from Q2 2004 (USD 8.2 million) as a result of higher employee profit-sharing bonuses and the higher employee cost base following the acquisition of NuTec in Q3 2004 for TGS Imaging.

The theoretical, non-cash cost of employees' stock options in accordance with IFRS was USD 0.7 million in Q2 2005, versus USD 0.3 million in Q2 2004.

EBIT and EBITDA

Operating profit (EBIT) for the quarter of USD 21.9 million represented 40% of net revenues. This was 66% higher than the USD 13.2 million in Q2 2004.

EBITDA (Earnings before Interest, Tax, Depreciation and Amortization) for the three months ended June 30th was USD 44.3 million, 81% of net revenues, up 45% from USD 30.6 million in Q2 2004.

TAX

For the full year, TGS reports tax charges in accordance with the Accounting Standard IAS 12. Under this method, tax charges are computed based on the USD value relating to the appropriate tax provisions according to local tax regulations and currencies in each jurisdiction. Following TGS' change of functional currency from Norwegian Kroner to US Dollars beginning in January 2003, 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 more difficult to predict tax charges on a quarterly or annual basis. Management charges a tax provision to the profit and loss statement during the first three quarters of the year based upon the flat local tax rate of calculated USD pre-tax profit in each company in the Group, assessed to be approximately 33% on a consolidated basis. Adjusted for the non-cash, non-deductible charge for employees' stock options, the estimated tax rate for first six months of 2005 is 34.3%.

NET INCOME AND EARNINGS PER SHARE (EPS)

Net income for Q2 2005 was USD 14.6 million (27% of net revenues) up 78% compared to USD 8.2 million (20% of net revenues) from Q2 2004. Quarterly earnings per share (EPS) were USD 0.54 fully diluted (USD 0.57 undiluted), an increase of 77% from Q2 2004 EPS of USD 0.31 (USD 0.33 undiluted).

BUSINESS SEGMENTS AND INVESTMENTS

TGS' largest business segment is developing, managing, conducting, and selling non-exclusive seismic surveys. This activity accounted for 91% of the Company's business during the quarter. A2D, a digital well log and solutions provider, accounted for 8% of consolidated net revenues in the 2nd quarter. TGS Imaging's contract data processing activity and proprietary seismic acquisition work represented the remaining 1% of total revenues.

The Company's operational investments in its data library during Q2 2005 decreased 15% compared to Q2 2004 to USD 21.8 million. The Company recognized USD 8.5 million in net pre-funding revenues in Q2, funding approximately 39% of its operational multi-client investments during the quarter.

BALANCE SHEET & CASH FLOW

The net cash flow from operating activities (including multi-client investments) for the quarter was positive, totaling USD 16.0 million. As of June 30th, 2005, the Company's total cash holdings amounted to USD 110.1 million compared to USD 96.6 million at March 31st, 2005. The bonds issued by the Company in 2004 represent USD 43.7 million in long-term debt, and will mature on May 5th, 2009. Since the gross value versus the market rate of the derivative currency swap contract on the bond loan must be reflected when presenting the balance sheet under IFRS, the bond loan is presented as a liability of USD 45.8 million in the balance sheet as per June 30th, 2005. The difference between this theoretical value and the real liability for the Company (USD 43.7 million), USD 2.1 million, is presented and included in long-term receivable assets.

The Company repurchased 84,200 of its own shares during May at an average price of NOK 167.63 per share totaling a cost of USD 2.2 million. In July, 4,950 shares were distributed to the non-executive Directors of the Board as part of their remuneration fixed by the General Assembly in June. Following this distribution, the Company holds a balance of 79,250 shares.

Total equity per June 30th, 2005 was USD 272.2 million, representing 72% of total assets.

THE MULTI-CLIENT DATA LIBRARY:

MUSD	**Q2 2005**	Q2 2004	**6 Months 2005**	6 Months 2004	Year 2004	Year 2003	Year 2002	Year 2001	Year 2000
Opening Balance	**151.5**	148.4	**149.5**	133.2	133.2	117.8	98.2	55.5	40.0
In purchase price of A2D/Riley	**-**	1.3	**-**	2.0	2.1	5.0	9.5	-	-
Investment	**21.8**	24.2	**37.7**	51.5	84.5	68.7	58.8	90.9	46.4
Amortization	**(21.9)**	(16.9)	**(35.8)**	(29.6)	(70.3)	(58.3)	(48.7)	(48.2)	(30.9)
Net Book Value Ended	**151.4**	157.0	**151.4**	157.0	149.5	133.2	117.8	98.2	55.5

KEY MULTI CLIENT FIGURES:

MUSD	**Q2 2005**	Q2 2004	**6 Months 2005**	6 Months 2004	Year 2004	Year 2003	Year 2002	Year 2001	Year 2000
Net MC Revenues	**53.7**	37.9	**91.4**	66.1	163.1	132.6	121.5	123.1	85.1
Change in MC Revenue	**42%**	38%	**38%**	15%	23%	9%	-1%	45%	14%
Change MC Investment	**-15%**	55%	**-29%**	74%	17%	25%	-35%	96%	21%
Amort% of Net MC Revs	**41%**	45%	**39%**	45%	43%	44%	40%	39%	36%
Increase in NBV	**0%**	6%	**1%**	18%	12%	13%	20%	77%	39%

OPERATIONAL HIGHLIGHTS

Acquisition of TGS' Deep Resolve 3D project in the Gulf of Mexico continued throughout the 2nd quarter. In parallel to this effort, TGS started a new 4,500-square kilometer Gulf of Mexico 3D survey in June called Sophie's Link, which will connect the Deep Resolve and Mississippi Canyon 3D programs. Like the Deep Resolve project, Sophie's Link will require a combination of ocean-bottom-cable (OBC) and streamer recording technologies. In Europe, TGS launched the 2005 continuation of the North Sea Renaissance (NSR) long offset 2D survey with plans to acquire between 20,000 and 25,000 kilometers during this year's summer season. Also in Europe, TGS conducted its first multi-client controlled source electromagnetic (CSEM) survey in conjunction with OHM Limited over a prospective area in the Norwegian Barents Sea, originally identified with TGS 2D and 3D seismic coverage. Offshore Egypt in the Mediterranean Sea, TGS acquired a new 8,000-kilometer multi-client 2D survey designed to tie key wells regionally and provide more detailed coverage over an area to be offered in an upcoming competitive license round.

In June TGS signed a letter of intent with Exploration Resources to extend the charter of the 3D seismic vessel *Polar Search* by one year to September 30, 2006. Under terms of the agreement, the vessel will be upgraded with additional recording equipment and towing capabilities to allow faster and more efficient 3D data acquisition.

During the quarter A2D secured two multi-year comprehensive well log contracts with large independent oil companies in the US. Demand for A2D's well log digitizing services continues to strengthen, showing a 33% increase over Q1 2005 and a 47% increase over the same quarter last year. A2D remains on track to complete its conversion of the Riley hardcopy well log inventory to digital raster images by mid-2006. Total well log revenues were 19% higher during the first six months of 2005 than the first six months of 2004.

TGS' backlog for new seismic projects and services was USD 27.4 million per June 30th, 2005. This was 39% higher than one quarter ago and 102% higher than one year ago. A2D backlog at the end of Q2 was USD 11.2 million, 19% higher than one year ago. Total Company backlog increased 24% during the quarter and stands at USD 38.6 million at the end of the 2nd quarter, 68% higher than one year ago.

OUTLOOK

The market for seismic services and products continues to strengthen. Based on a clear and definite increase in exploration focus from oil companies, TGS plans to expand its original 2005 investment plan beginning in Q3. New 2D projects are now underway in Greenland, the Sea of Okhotsk, and the Barents Sea. The seismic vessel resources necessary to execute the expanded plan have been secured.

Accordingly TGS management now updates its expectations for the full year 2005 as follows: multi-client library investments of USD 95-110 million (up from USD 80-90 million), average pre-funding in the range of 45-55% of investments (unchanged), average annualized multi-client amortization rate in the range of 42-47% of net revenues (unchanged), and an approximate 30% increase in net revenues (up from 20%).

Naersnes, August 10th, 2005
The Board of Directors of TGS-NOPEC Geophysical Company ASA

TGS-NOPEC Geophysical Company ASA is listed on the Oslo Stock Exchange (OSLO:TGS).
Web-site: www.tgsnopec.com

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This interim Financial Report has been prepared applying the IAS 34 "Interim Financial Reporting" principles.

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TGS-NOPEC Geophysical Company ASA

Consolidated Profit & Loss Accounts

			6 Months	6 Months
(All amounts in USD 1000's unless noted otherwise)	**Q2 2005**	**Q2 2004**	**2005**	**2004**
Operating Revenues				
Sales	62,509	44,884	104,053	76,980
Revenue sharing	-7,477	-3,926	-10,289	-7,286
Net Operating Revenues	**55,031**	**40,958**	**93,764**	**69,694**
Operating expenses				
Materials	158	1,825	243	2,103
Amortization of Multi-Client Data Library	21,950	16,912	35,813	29,649
Personnel costs	6,542	5,436	13,103	10,715
Cost of stock options	713	343	1,481	681
Other operating expenses	3,318	2,766	6,071	5,487
Depreciation	433	485	903	988
Total operating expenses	**33,113**	**27,767**	**57,614**	**49,623**
Operating profit	**21,918**	**13,191**	**36,150**	**20,071**
Financial income and expenses				
Interest Income	668	80	1,058	150
Interest Expense	-636	-272	-1,185	-357
Exchange gains/losses	253	-579	462	295
Net financial items	**285**	**-770**	**334**	**88**
Profit before taxes	**22,203**	**12,420**	**36,485**	**20,159**
Tax provision	7,562	4,212	12,529	6,877
Net Income	**14,640**	**8,208**	**23,956**	**13,282**
EPS USD	0.57	0.33	0.94	0.53
EPS USD, fully diluted	0.54	0.31	0.89	0.50

TGS-NOPEC Geophysical Company ASA

Consolidated Balance Sheet

(All amounts in USD 1000's unless noted otherwise)	6/30/2005	6/30/2004	12/31/2004
ASSETS			
Long-term assets			
Intangible assets			
Goodwill	20,150	14,923	20,175
Fixed Assets			
Buildings	4,705	3,874	3,719
Machinery, Equipment and Software	9,544	3,450	9,868
Financial Assets			
Long term receivables including pre-payments	4,004	2,980	8,328
Total long-term assets	**38,403**	**25,227**	**42,090**
Current assets			
Inventories			
Multi-Client Data Library, net	151,355	157,036	149,473
Receivables			
Accounts receivable	75,748	57,538	87,159
Other short term receivables	3,635	7,561	4,240
Cash and cash equivalents			
Cash and cash equivalents	110,064	47,279	62,381
Total current assets	**340,802**	**269,415**	**303,253**
TOTAL ASSETS	**379,205**	**294,642**	**345,344**

TGS-NOPEC Geophysical Company ASA

Consolidated Balance Sheet

(All amounts in USD 1000's unless noted otherwise)	6/30/2005	6/30/2004	12/31/2004
LIABILITIES AND EQUITY			
Equity			
Share capital	3,693	3,601	3,633
Other equity	268,464	207,204	235,909
Total equity	**272,157**	**210,804**	**239,542**
Provisions and liabilities			
Provisions			
Deferred tax liability	16,528	13,026	9,135
Long term liabilities			
Long term loans	45,841	43,783	49,741
Capitalized lease liabilities	1,216	323	1,725
Current liabilities			
Short-term interest-bearing debt	44	103	95
Accounts payable and debt to partners	27,597	21,927	22,716
Taxes payable, withheld payroll tax, social security	3,310	234	12,425
Other current liabilities	12,513	4,442	9,965
Total provisions and liabilities	**107,048**	**83,838**	**105,801**
TOTAL LIABILITIES AND EQUITY	**379,205**	**294,642**	**345,344**

TGS-NOPEC Geophysical Company ASA

Consolidated Cash flow Statement

			6 Months	6 Months
(All amounts in USD 1000's unless noted otherwise)	**Q2 2005**	**Q2 2004**	**2005**	**2004**
Cash flow from operating activities:				
Received payments from sales	37,979	21,155	105,780	75,278
Payments for acquired seismic and well logs	-12,023	-28,476	-30,868	-59,195
Payments for salaries, pensions, social security tax and tax deducted	-5,789	-5,436	-13,209	-10,715
Other operational costs	-3,318	-3,319	-6,071	-6,318
Received interest and other financial income	920	80	1,518	1,024
Interest payments and other financial expenses	-636	-850	-1,185	-936
Paid taxes	-1,107	-2,553	-13,701	-6,363
Net cash flow from operating activities	16,026	-19,399	42,264	-7,225
Cash flow from investing activities:				
Received payments from fixed assets	0	0	0	0
Investment in tangible fixed assets	-491	-245	-1,565	-403
Investment through Mergers and Acquisitions	0	-1,282	0	-2,607
Net change in long term receivables	0	261	167	1,020
Net cash flow from investing activities	-491	-1,266	-1,398	-1,990
Cash flow from financing activites:				
Net change in short term loans	-3	-72	-26	-758
Net change in long term loans	-69	39,455	-381	37,260
Purchase of own shares	-2,160	0	-2,160	0
Paid in equity	182	826	9,385	2,268
Net cash flow from financing activites	-2,051	40,210	6,818	38,770
Net change in cash and cash equivalents	13,484	19,545	47,682	29,555
Cash and cash equivalents at the beginning of period	96,580	27,734	62,382	17,724
Cash and cash equivalents at the end of period	110,064	47,280	110,064	47,280

TGS-NOPEC Geophysical Company ASA

Equity Reconciliation per June 30th 2005

(All amounts in USD 1000's unless noted otherwise)	
Opening Balance 01.01.2005	**239,542**
Paid in Equity	9,385
Purchase of own shares	-2,160
Net Income	23,956
Effect of change in exchange rates and other items	1,434
Closing balance per June 30th 2005	**272,157**