Q4 2016 Earnings Release

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Forward-Looking Statements

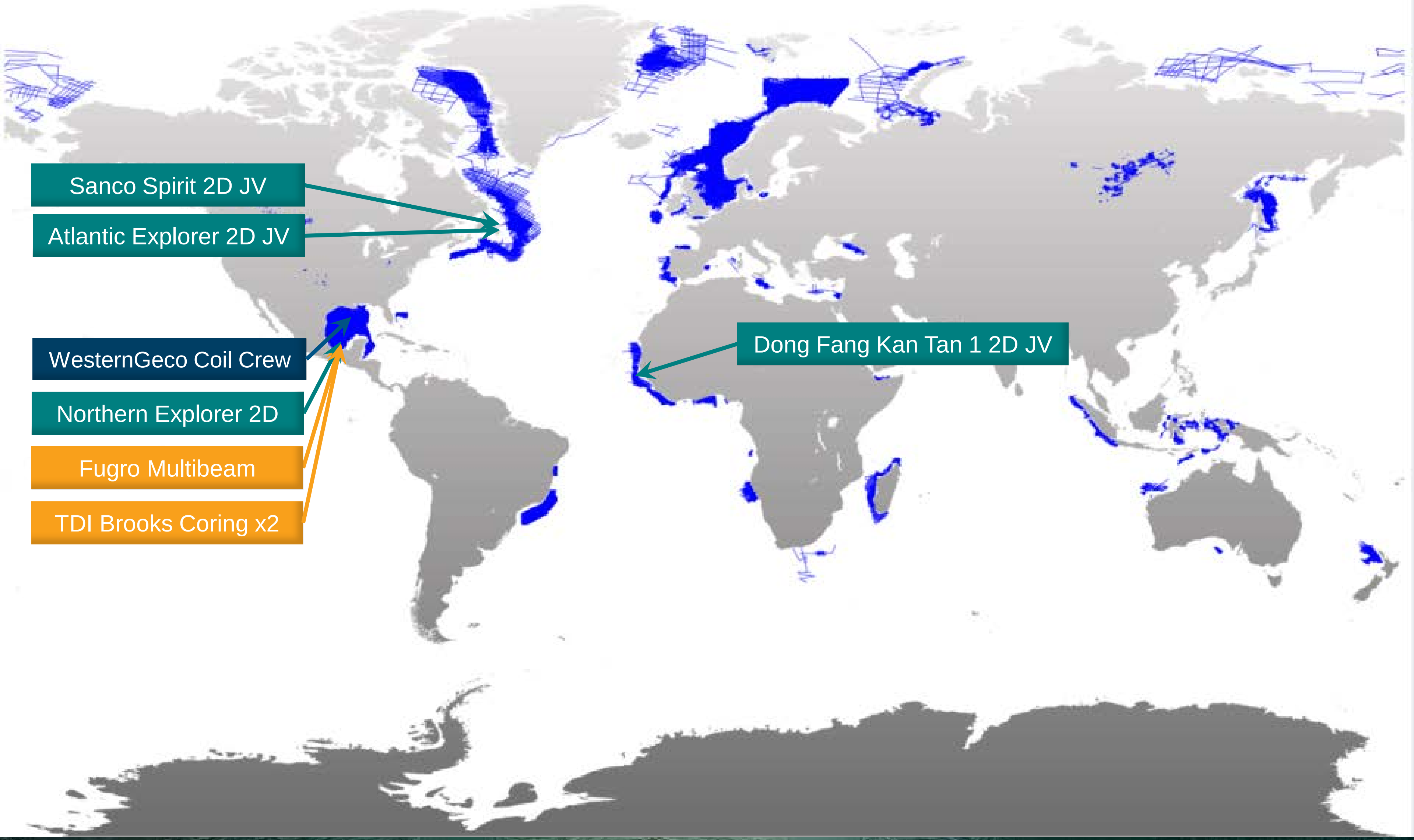
All statements in this presentation other than statements of historical fact, are forward-looking statements, which are subject to a number of risks, uncertainties, and assumptions that are difficult to predict and are based upon assumptions as to future events that may not prove accurate. These factors 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.

Q4 2016 Highlights

- Q4 net revenues of 165 MUSD compared to 132 MUSD in Q4 2015
  - Net late sales of 145 MUSD, up 60% from 90 MUSD in Q4 2015
  - Net pre-funding revenues of 17 MUSD were down 53% from Q4 2015, funding 19% (37% excl. risk-sharing investments) of TGS' operational multi-client investments for the quarter (88 MUSD including 42 MUSD from risk sharing arrangements)
- Operating profit for the quarter was 42 MUSD compared to -140 MUSD in Q4 2015
- Cash flow from operations was 79 MUSD compared to 99 MUSD in Q4 2015
  - Cash balance of 191 MUSD at 31 December 2016 in addition to undrawn 75 MUSD Revolving Credit Facility
- Quarterly dividend maintained at USD 0.15 per share
- Full Year 2016 net revenues of 456 MUSD compared to 612 MUSD in 2015
- Full Year 2016 operational investments of 271 MUSD including 51 MUSD from risk sharing arrangements (39% pre-funded, 48% excl. risk-sharing investments)
- Full Year 2016 operating profit of 53 MUSD compared to -21 MUSD in 2015

Operational Highlights

Q4 2016 Operations



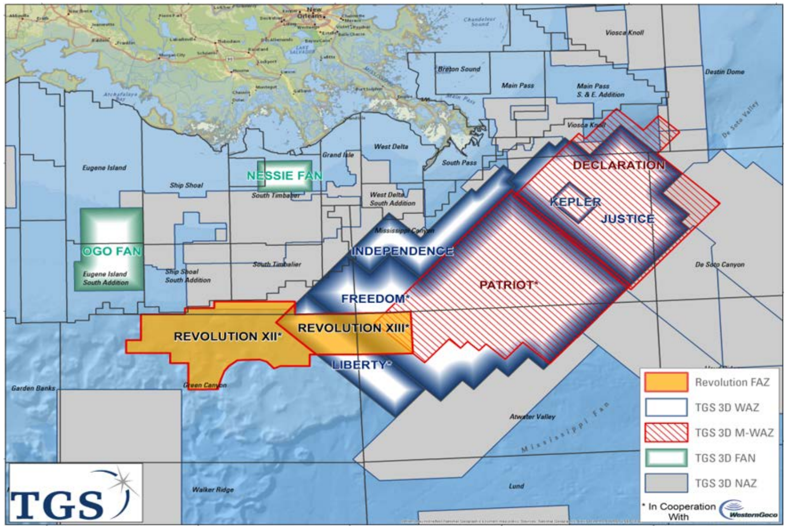
TGS

Q4 Activity – Gulf of Mexico

Revolution XII and XIII

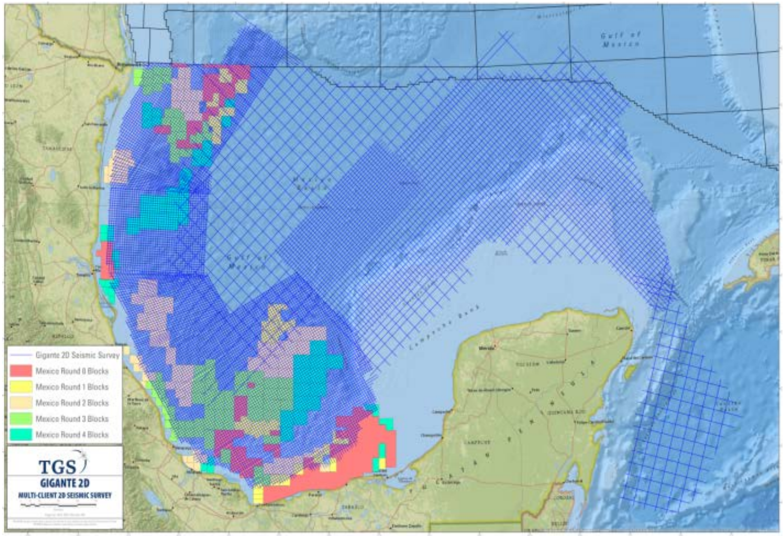
- ~7,150 km^2 (306 blocks) multi-client full-azimuth survey in collaboration with WesternGeco
- Survey utilizes WesternGeco's proprietary Q-Marine* point-receiver marine seismic system combined with the proprietary multi-vessel, Dual Coil Shooting acquisition technique
- Located in Green Canyon, Atwater Valley and Ewing Bank protraction areas of the Central Gulf of Mexico - This part of the Gulf of Mexico continues to see the highest activity level and benefits from significant near-term lease turnover

**Mark of Schlumberger*



Gigante 2D Seismic and Multibeam, Coring, and Geochemical Surveys

- ~186,000 km multi-client 2D regional survey completed during Q4 2016 with fast track data made available for December 2016 licensing round
- Data processing will continue throughout 2017
- ~600,000 km^2 multibeam survey completed in Q4 2016 with geochemical analysis of the acquired cores continuing in 2017
- Interpretation of the data will integrate with the 2D seismic survey and enhance the value proposition to clients



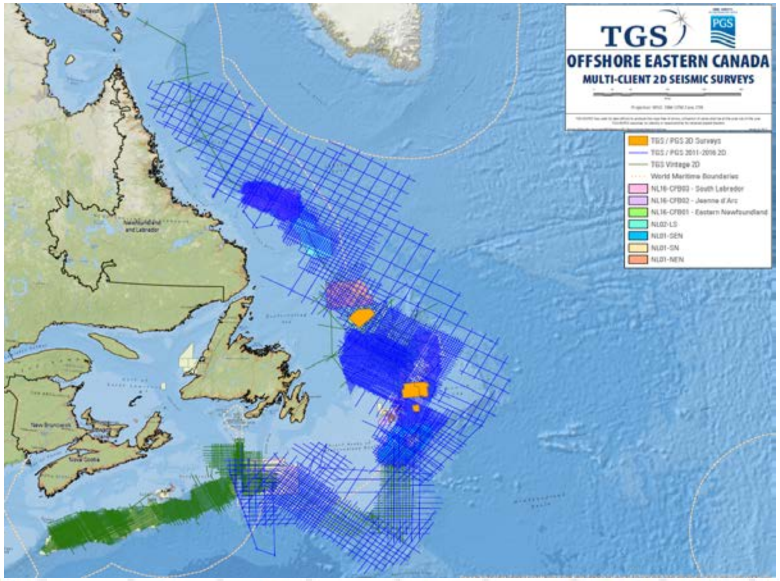
Q4 Activity – East Canada & NW Africa

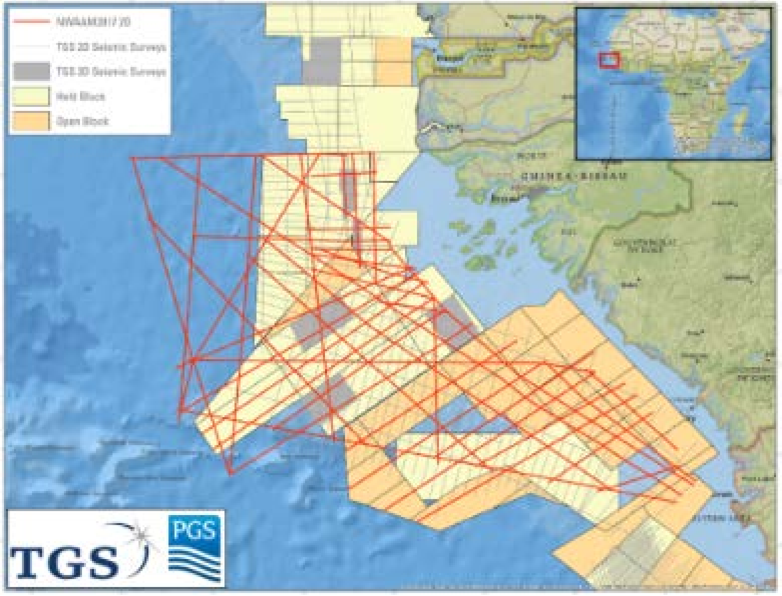
Newfoundland Labrador 2016 Season

- 41,800 km multi-client 2D survey in partnership with PGS – sixth consecutive season of data acquisition completed in Q4 2016 with 2,300 km^2 of 3D data added earlier in the year
- TGS-PGS JV library in this region now exceeds 153,000 km of modern 2D data and 11,200 km^2 of 3D data in addition to 83,700 km of TGS vintage data, an expansive well log library and advanced multi-client interpretation products
- Successful licensing rounds in 2015 and 2016 and new Call for Bids issued over approximately 2.3 million hectares in Labrador South region (bids due 8 November 2017)

North West African Atlantic Margin NWAAM 2017

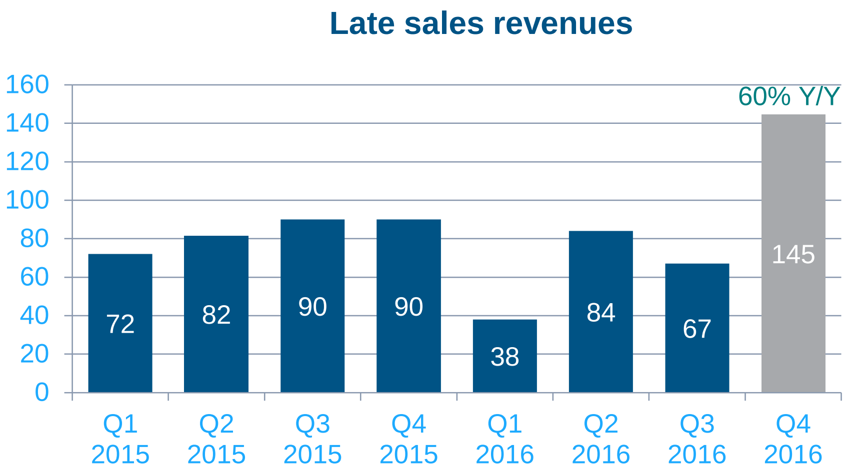
- Over 11,500 km of multi-client 2D seismic in partnership with PGS completed in Q4 2016
- Designed to infill, extend and complement the TGS NWAAM 2012 2D survey which helped with recent commercial discoveries in the MSGBC basin
- Confirms TGS commitment to the leading frontier basin in Africa, where TGS now has approximately 40,000 km of 2D data and 8,000 km^2 of 3D data

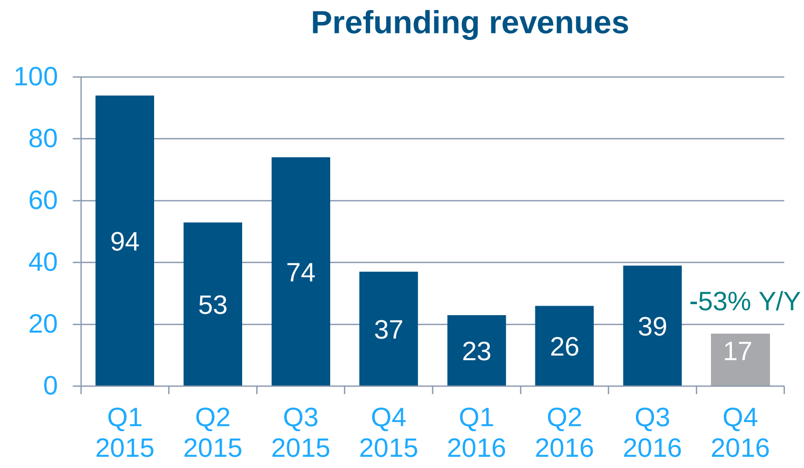


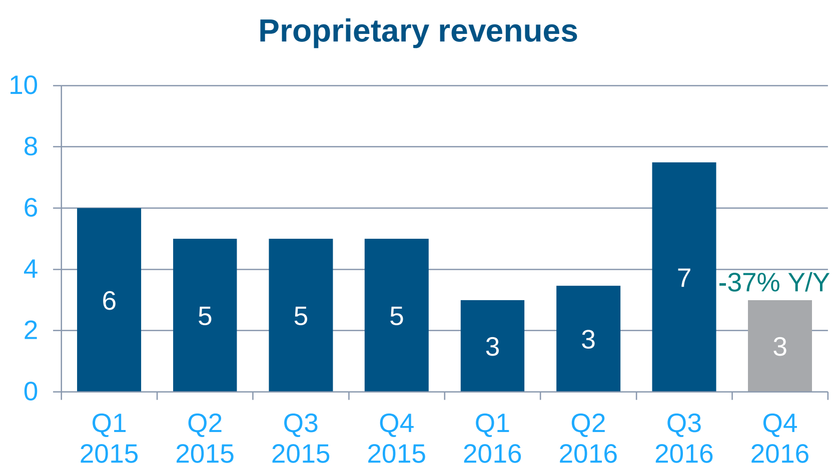


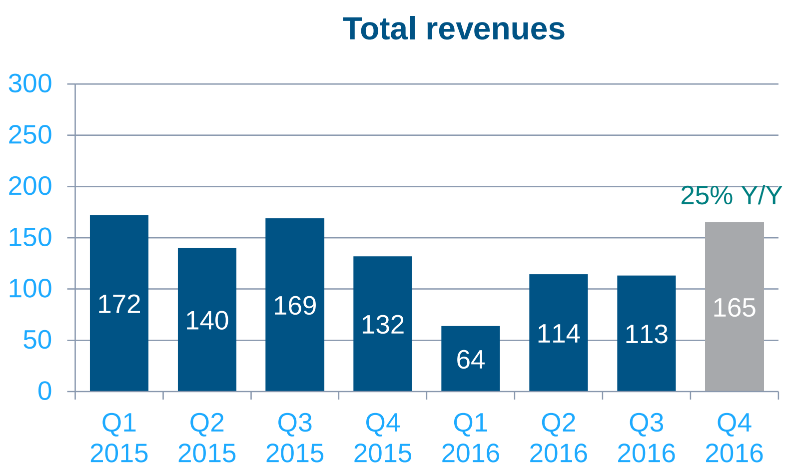
Financials

Net Revenues



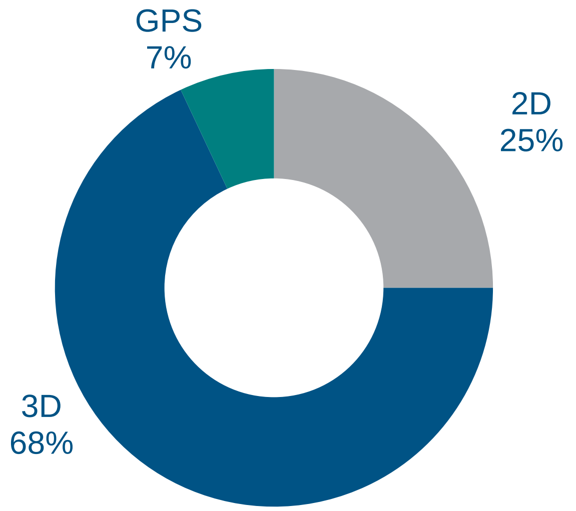




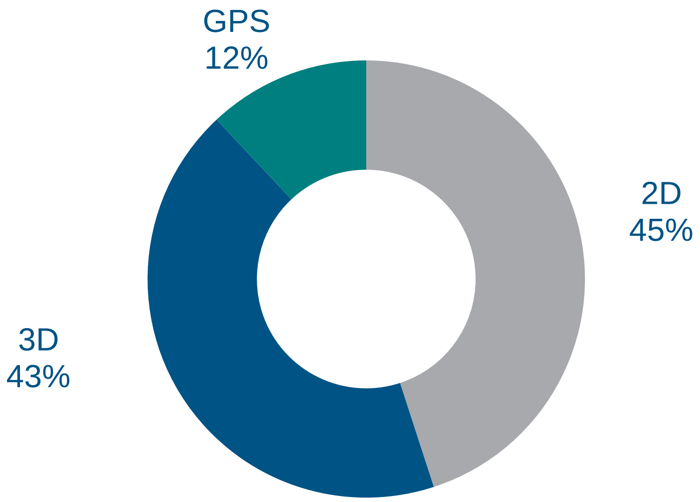


Net Revenue Breakdown

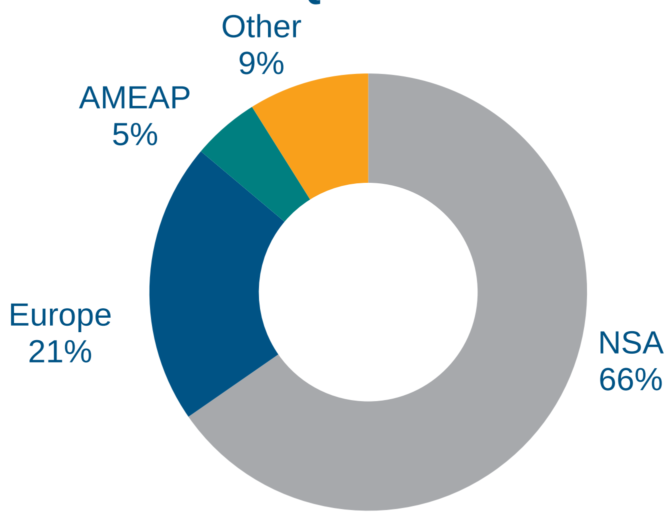
Q4 2016



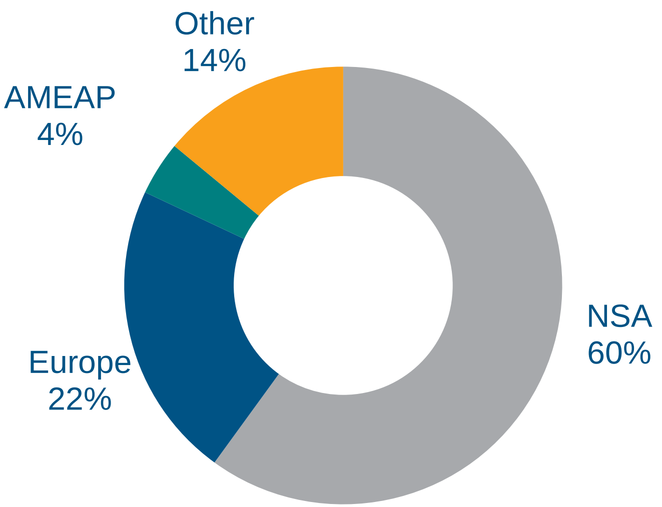
Q4 2015



Q4 2016

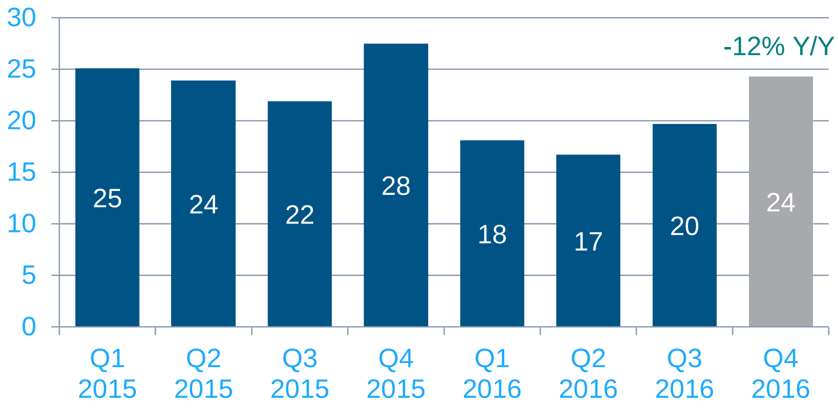


Q4 2015



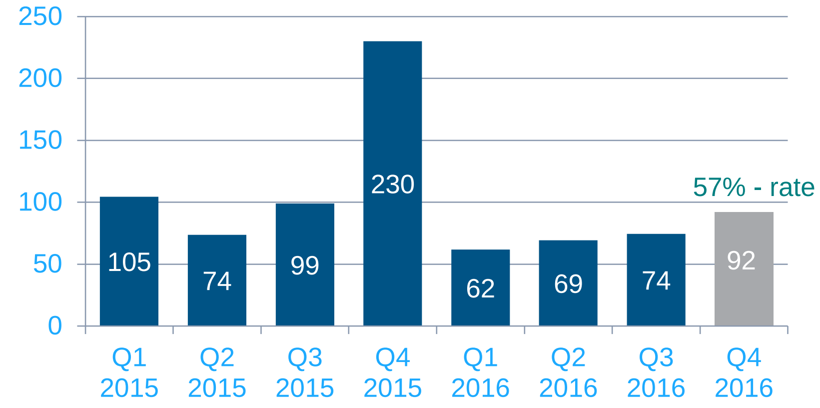
Operating Expenses, EBIT, Free Cash Flow

Operating expenses *



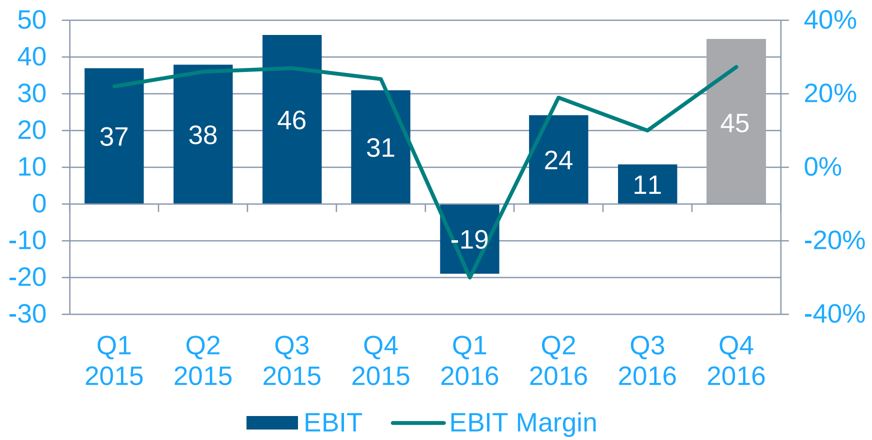
** Include personnel costs and other operating expenses. Adjusted for restructuring costs and larger impairments of operating items*

Amortization and impairment *



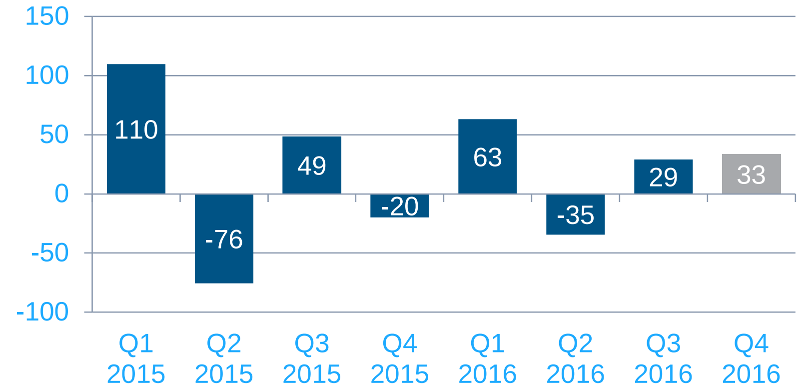
** Q1-Q4 2016 reflects the new amortization policy effective from 1 January 2016*

EBIT *



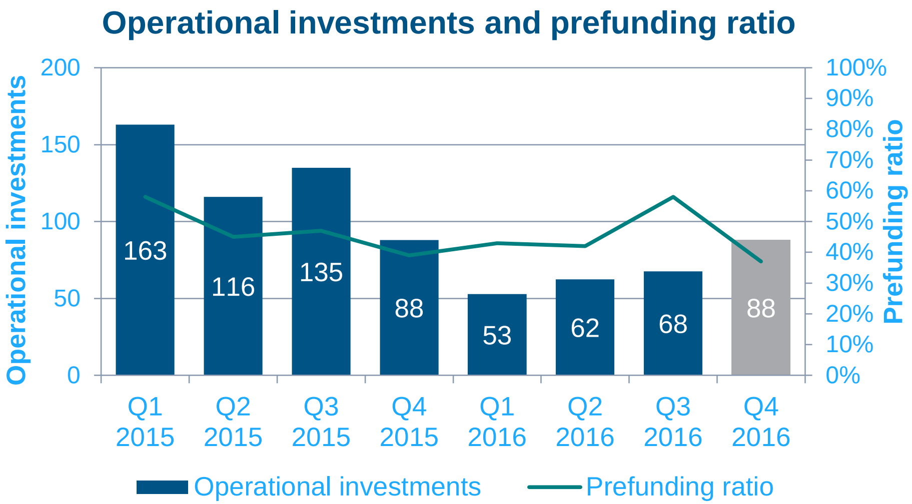
** Earnings before interest and taxes and excluding larger impairments and restructuring costs*

Free cash flow *

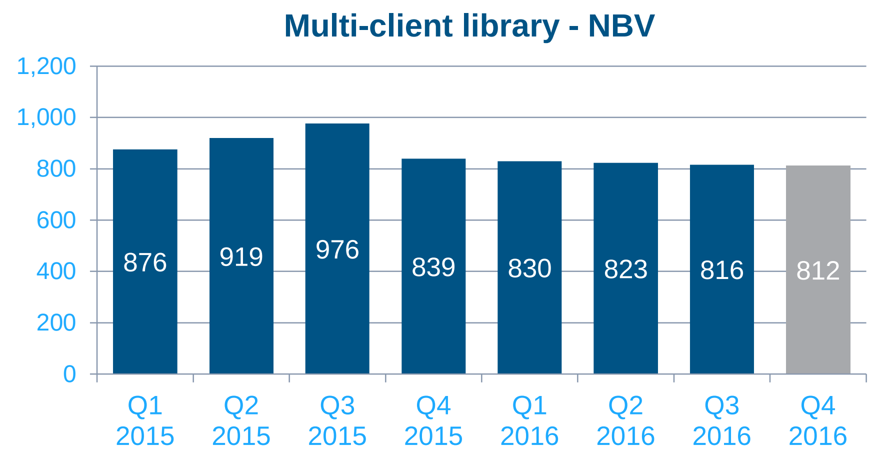


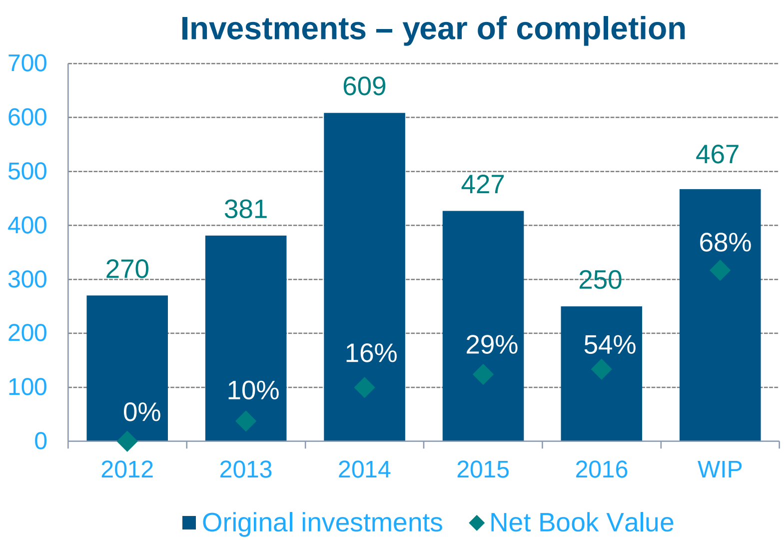
** Defined as cash flow from operational activities minus operational cash investments in multi-client projects*

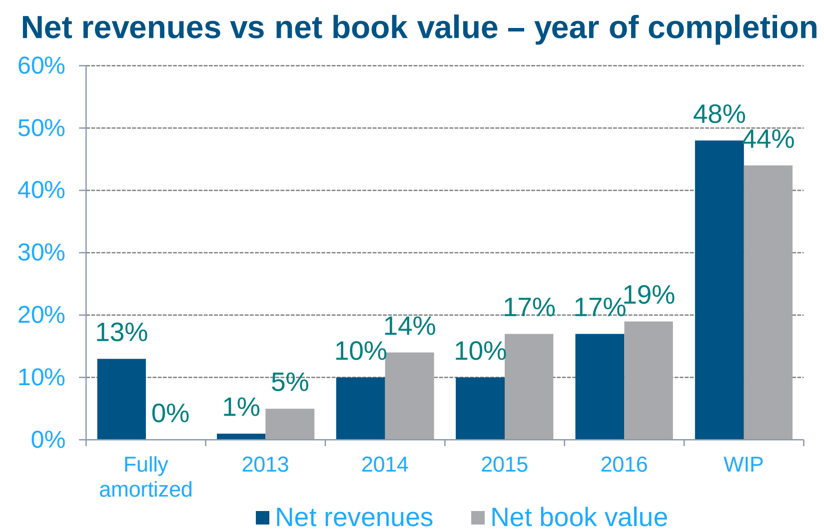
Multi-Client Library



*Q4 2016 prefunding rate excluding risk-sharing arrangements







Q4 2016 Income Statement

USD million, except EPS		Q4 2016	Q4 2015	Change in %
Net revenues		**165**	**132**	**25%**
Cost of goods sold – proprietary and other		0.1	0.4	-77%
Amortization of multi-client library	57%	92	230	-60%
Gross margin		**72**	**-99**	**173%**
Personnel costs		16	15	5%
Other operating expenses		11	22	-49%
Cost of stock options		0.1	0.2	-45%
Depreciation		3	3	-8%
Operating profit	**25%**	**42**	**-140**	**130%**
Net financial items		-3	-2	**-96%**
Profit before taxes	**23%**	**39**	**-142**	**127%**
Taxes		15	-20	174%
Net Income	**15%**	**24**	**-122**	**120%**
EPS, Undiluted		0.24	-1.20	120%
EPS, Fully Diluted		0.23	-1.19	120%

Q4 2016 Cash Flow Statement

USD million	Q4 2016	Q4 2015	Change in %
Received payments from customers	111	140	-21%
Payments for operational expenses	(27)	(24)	-15%
Paid taxes	(5)	(17)	72%
Operational cash flow	**79**	**99**	**-21%**
Investments in tangible and intangible assets	(2)	(1)	-105%
Investments in multi-client library	(45)	(119)	62%
Investments through mergers and acquisitions	-	(8)	100%
Interest received	0.2	0.8	-75%
Interest paid	(0.05)	(0.09)	46%
Dividend payments	(14)	-	N/A
Proceeds from share issuances	-	0.8	-100%
Change in cash balance	**18**	**-27**	**165%**

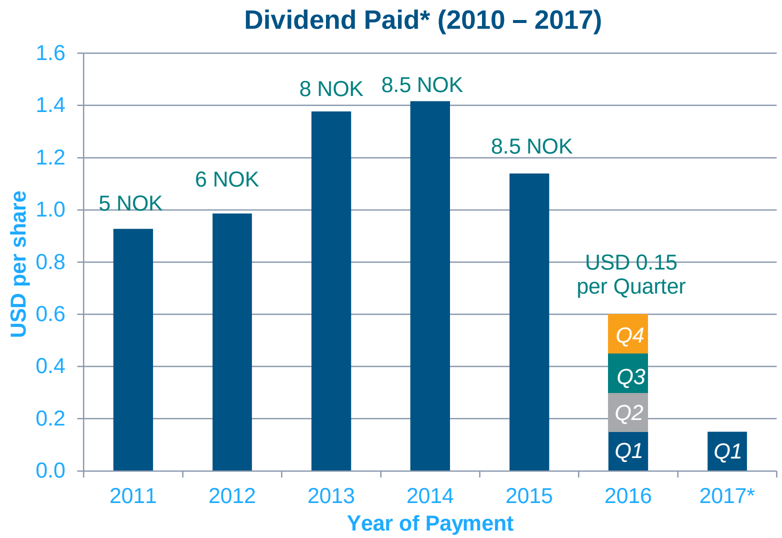
Balance Sheet

USD million	Q4 2016	Q3 2016	Change in %	Q4 2015
Assets				
Cash and cash equivalents	191	173	10%	163
Other current assets	353	275	28%	308
Total current assets	**544**	**449**	**21%**	**471**
Intangible assets and deferred tax asset	83	88	-6%	90
Other non-current assets	11	21	-49%	25
Multi-client library	812	816	0%	839
Fixed assets	23	23	-2%	30
Total Assets	**1,473**	**1,397**	**5%**	**1,455**
Liabilities				
Current liabilities	262	198	32%	218
Non-current liabilities	6	7	-13%	6
Deferred tax liability	41	37	12%	33
Total Liabilities	**309**	**242**	**28%**	**257**
Equity	**1,164**	**1,155**	**1%**	**1,198**
Total Liabilities and Equity	**1,473**	**1,397**	**5%**	**1,455**

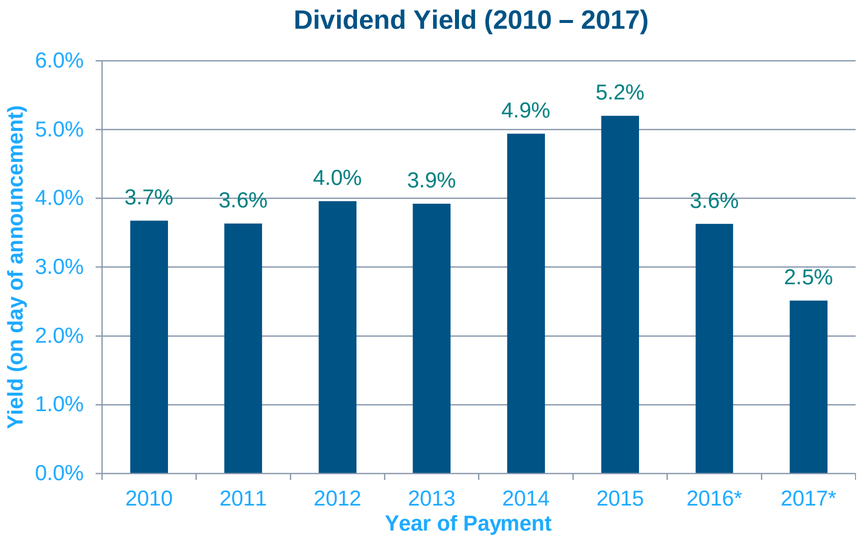
The Company holds no interest-bearing debt

TGS

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

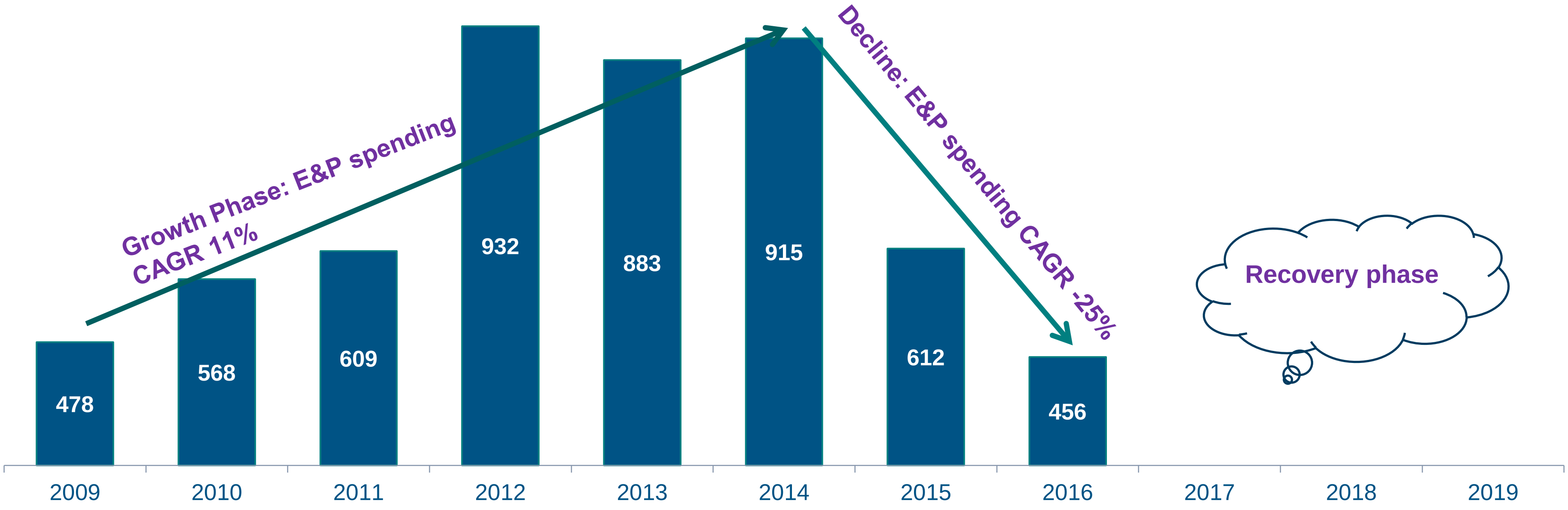
- Shareholder authorization to distribute quarterly dividend payments from Q1 2016
  - Aim to keep a stable quarterly dividend through the year
  - Actual quarterly dividend level paid will be subject to continuous evaluation of market outlook, cash flow expectations and balance sheet development

- 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 to be paid on 23 February 2017 (shares will trade ex-dividend on 9 February 2017)

Outlook

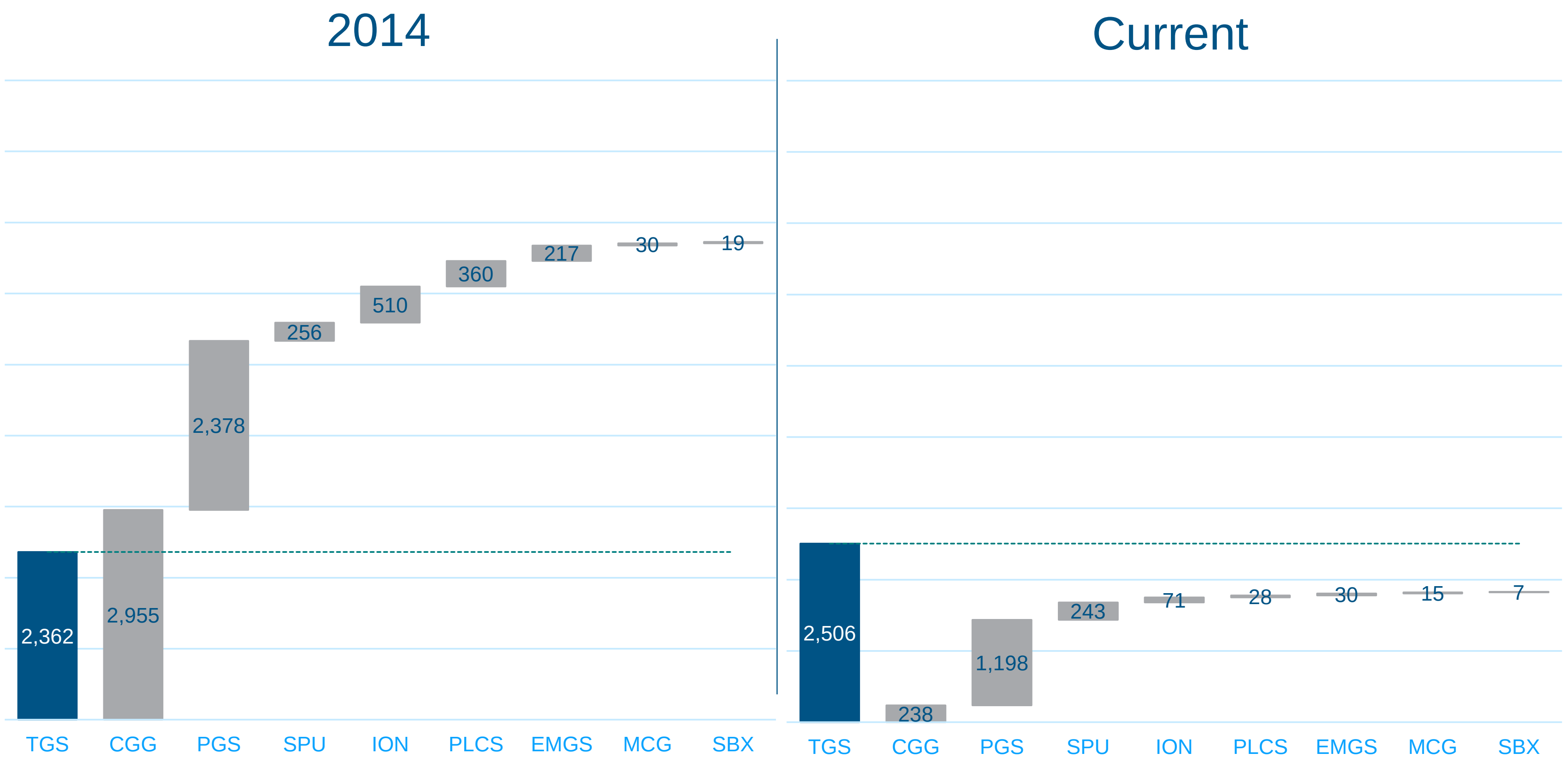
Different Cycles – Different Priorities

Strategic Priorities		
Growth and market share	Cash flow and risk mitigation	Capital efficiency and profitable growth



Sources: Barclays; TGS

Strategy Pays Off - Market Cap Peak vs. Current



Source: S&P Capital IQ

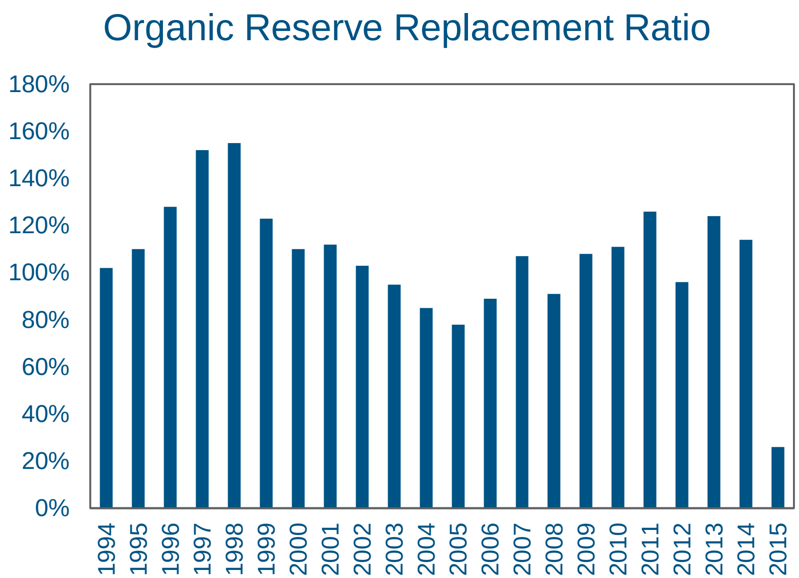
TGS has once again proven its resilient business model

Exploration Spending Likely to Recover Long-term

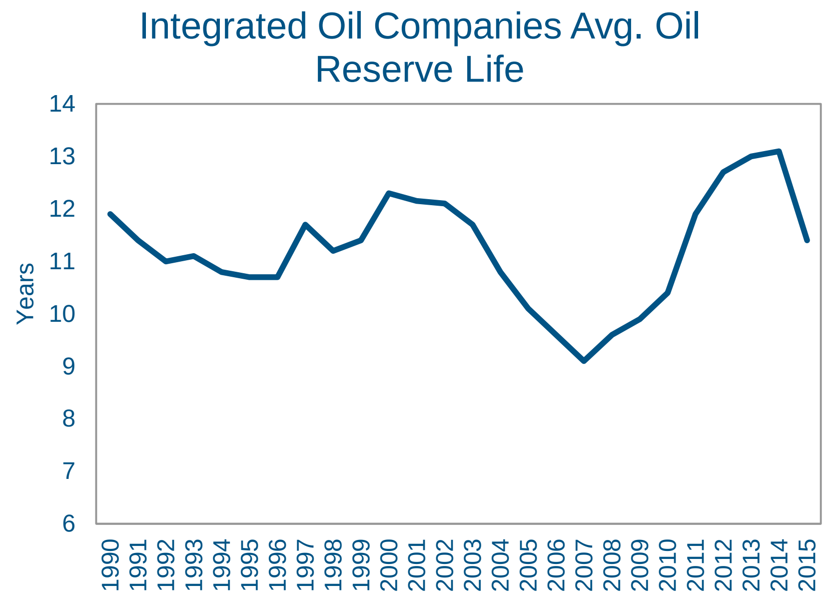
Two factors point to increased activity in the longer-term

1. Current exploration efforts are unsustainable
2. Cost levels should eventually come down to levels that justify higher spending at current oil prices

1. Current Exploration Efforts are Unsustainable



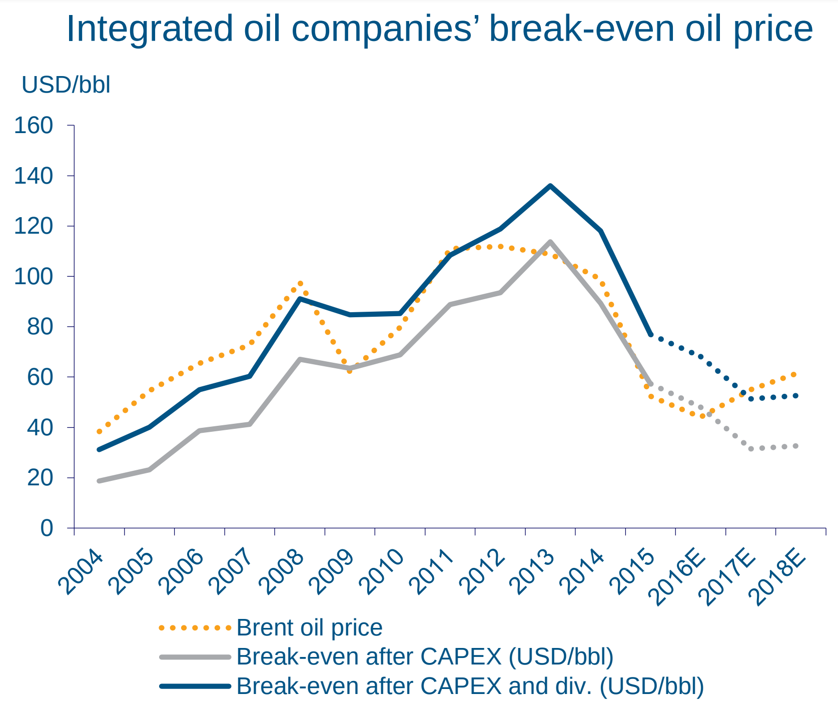
Source: SEB Research

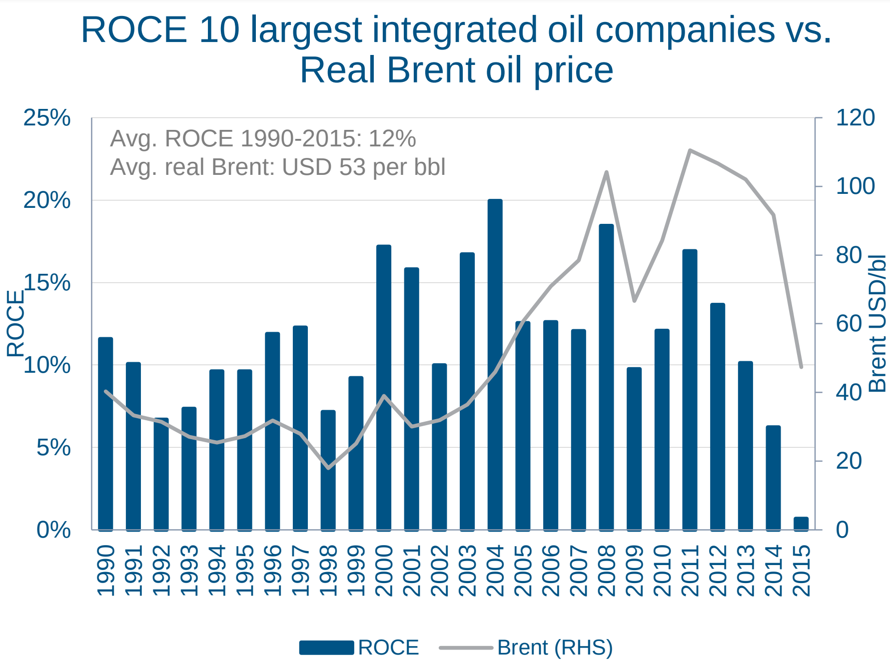


Source: Nordea

- Substantial reduction in oil companies' exploration spending - Seismic spending down more than 60% since peak in 2013
- This has resulted in historically low exploration success
  - Only 2.7bn barrels of new conventional oil supply was discovered in 2015, the lowest since 1947 (Wood Mackenzie)
  - Global reserve replacement ratio well below 1 in 2015-16

2. Costs are Coming Down





Source: Nordea, EIA, TGS

- Substantial cost reductions in E&P and service industries – break-even prices have fallen almost 50% from peak
- Historically the largest oil companies have been able to produce decent return on capital at real oil prices of around USD 50 per barrel

TGS MC Library – Managing Risk & Return

Low beta

- Lower returns but high IRR
- Prefunding in excess of 70% - low or no net investment
- Project characteristics
    - Awarded acreage
    - Onshore areas
    - Farm-ins / relinquishments
    - Low downside risk

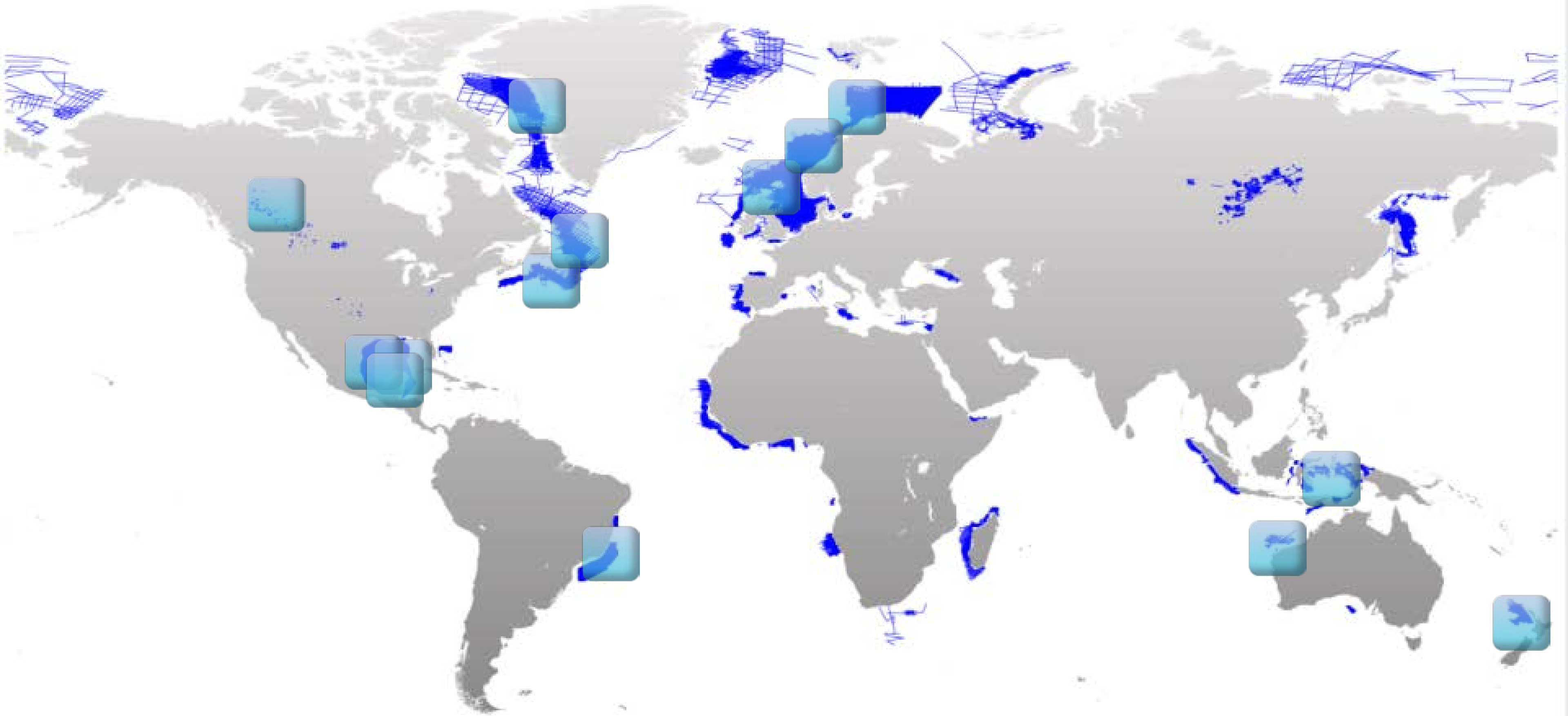
Medium beta

- Return targets >2x investment
- Prefunding of 30-50%
- Open acreage and regular license rounds
- Established multi-client areas
- Many clients

High Beta

- Return targets >2.5x investment
- Low or no prefunding
- Risk sharing with suppliers
- G&G knowledge driven projects
- Higher risk and volatility

License Round Activity and TGS Positioning



North & South America

- Central GOM – Mar 2017 (2012-17 Plan)
- Central & Western GOM – Aug 2017 (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 Offshore and Pre-Salt Rounds in 2017
- Mexico – Round 2.1 & 2.2 in H1 2017, further rounds into 2019

Africa, Middle East, Asia Pacific

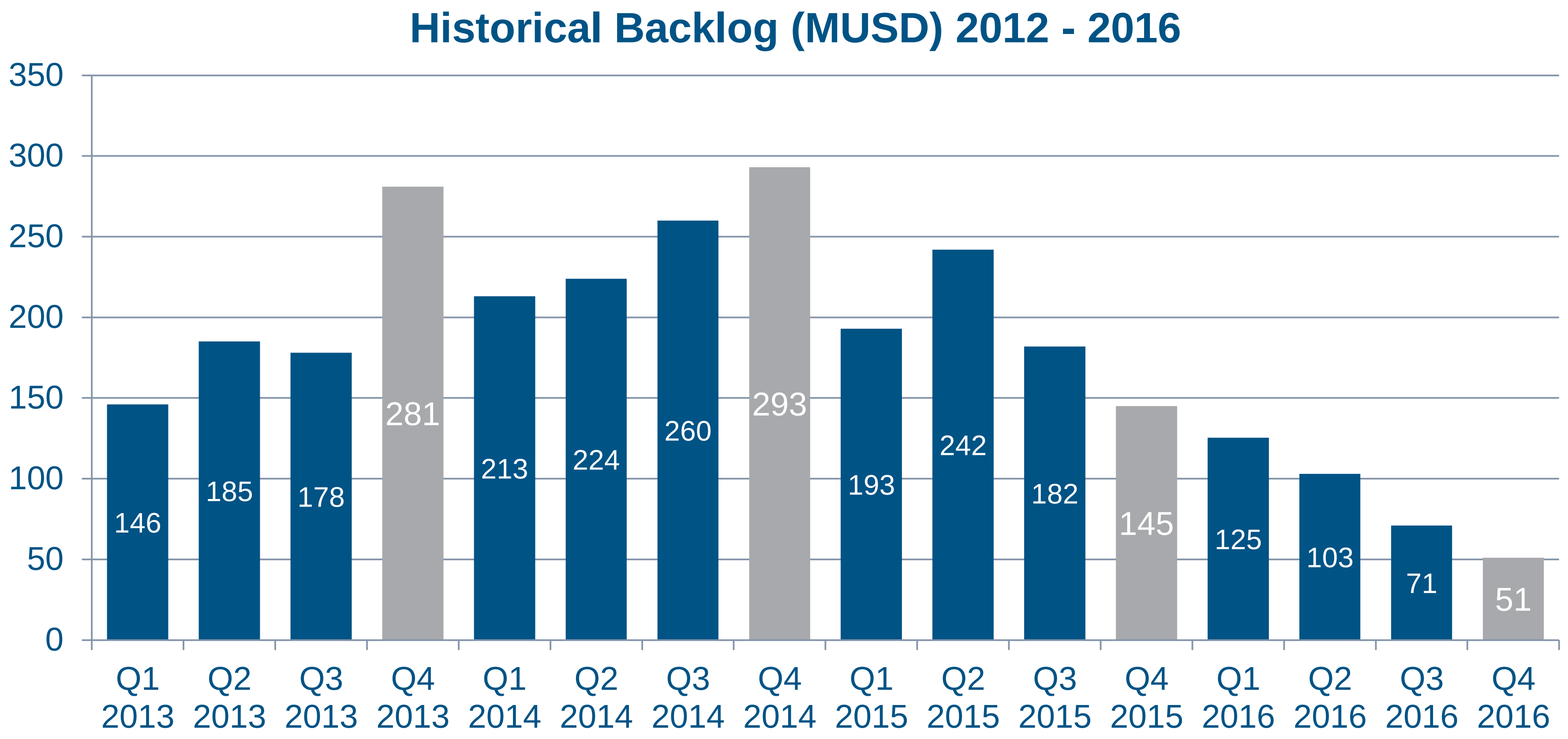
- Ongoing uncertainty on timing of African licensing rounds
- Australia – Feb & Mar 2017 (bids due)
- New Zealand – 2017 (consultation underway)
- Indonesia – H2 2017 (Round announcements)

Europe / Russia

- Norway APA – H1 2017 (Round Launch)
- Norway 24th Round – H1 2017 (Round Launch)
- UK Supplementary Round – 7 Mar 2017 (bids due)
- Greenland – Dec 2017 & 2018 (bids due)

TGS

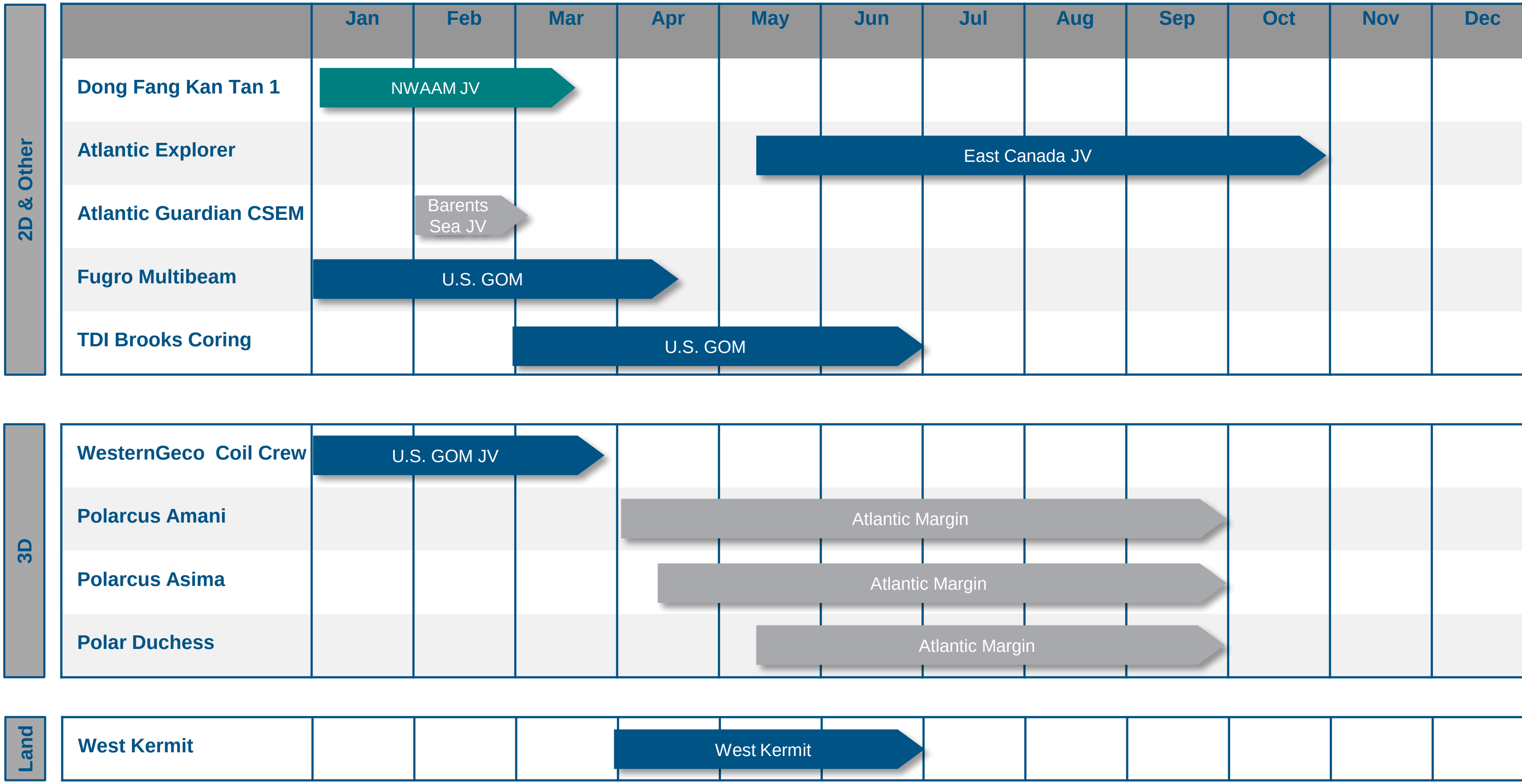
Backlog



Historical Backlog (MUSD) 2012 - 2016
350
300
250
200
150
100
50
0
146
185
178
281
213
224
260
293
193
242
182
145
125
103
71
51
Q1 2013
Q2 2013
Q3 2013
Q4 2013
Q1 2014
Q2 2014
Q3 2014
Q4 2014
Q1 2015
Q2 2015
Q3 2015
Q4 2015
Q1 2016
Q2 2016
Q3 2016
Q4 2016

2017 Projects Schedule*

NSA EUR AMEAP

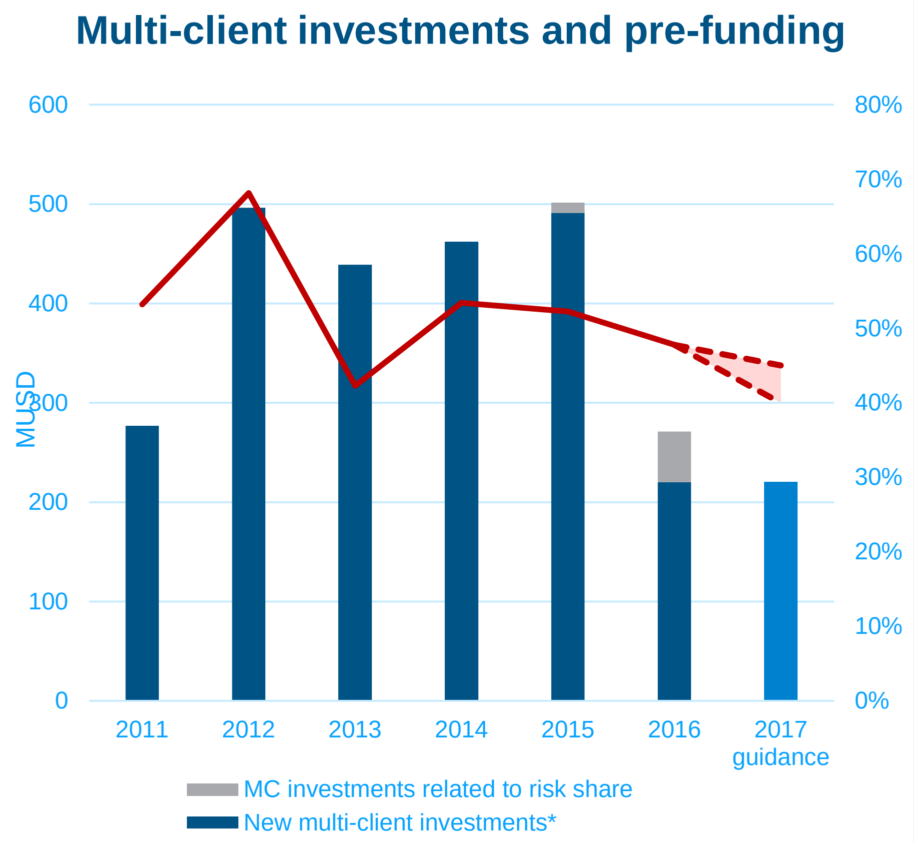


*Acquisition schedule excludes Fusion M-WAZ Reprocessing, other processing projects and GPS investments

Guidance

- Based on the current investment plan, TGS provides the following guidance for 2017:
  - 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%

*New multi-client investments excluding investments related to surveys with risk sharing arrangements



Summary

- Q4 net revenues of 165 MUSD
- Positive cash flow further strengthens balance sheet
- Cash balance of 191 MUSD in addition to undrawn 75 MUSD Revolving Credit Facility
- Quarterly dividend maintained at USD 0.15 per share

- Although some improvement seen over the past year, 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

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