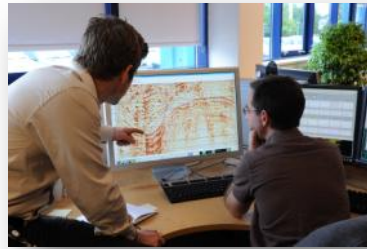


Q1 2012 Financial Results



May 10th 2012

Forward Looking Statements

This presentation contains forward-looking statements, including, without limitation, statements about CGGVeritas (“the Company”) plans, strategies and prospects. These forward-looking statements are subject to risks and uncertainties that may change at any time, and, therefore, the Company’s actual results may differ materially from those that were expected. The Company based these forward-looking statements on its current assumptions, expectations and projections about future events. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it is very difficult to predict the impact of known factors and it is impossible for us to anticipate all factors that could affect our proposed results. All forward-looking statements are based upon information available to the Company as of the date of this presentation. Important factors that could cause actual results to differ materially from management’s expectations are disclosed in the Company’s periodic reports and registration statements filed with the SEC and the AMF. Investors are cautioned not to place undue reliance on such forward-looking statements.

Agenda



Q1 2012 Review

Financial Review

Operational Review

Outlook and Perspectives

Improvement in Operating Income and Strong Backlog

- ▶ **Group Revenue was \$787m, up 8% compared to Q1 2011**
 - Record Quarter for Sercel
 - Services remained stable
- ▶ **Group Operating Income was \$54m, a 7% margin**
 - Sercel performance was excellent with 33% operating margin
 - Services operating income was a loss of \$8m mainly related to low marine prices
- ▶ **Net Income was negative at \$3m**
- ▶ **Net Free Cash Flow negative at \$7m, after Champion upgrade Capex**
- ▶ **Net Debt to Equity ratio at 39% compared to 37% at the end of 2011**
- ▶ **Acquisition of GRC strengthening Sercel into down-hole gauges & sensors**
- ▶ **Backlog as of April 1st 2012 was \$1.565 billion, up 28% y-o-y**

Agenda

Q1 2012 Review



Financial Review

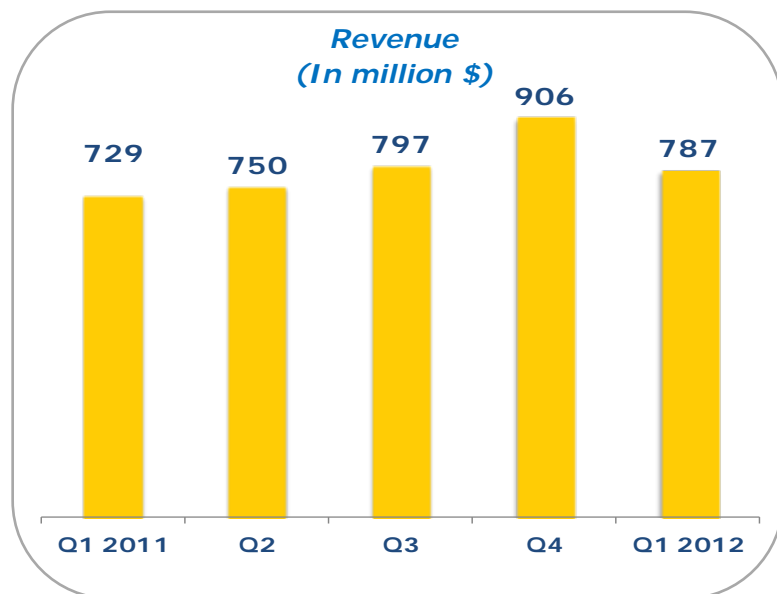
Operational Review

Outlook and Perspectives

Q1 2012 Financial Performance

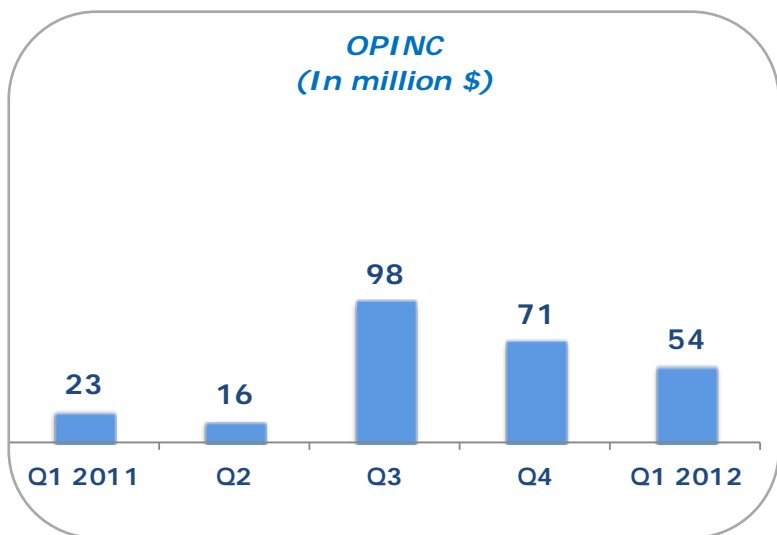
<i>(In million dollars)</i>	Q1 2012	Q1 2011
Revenue	787	729
Operating Income	54	23
<i>Operating Margin (%)</i>	7%	3%
Net Cost of Debt	-39	-44
Other Financial Items	-3	-15
Income Taxes	-19	-3
Equity in income of affiliates	4	2
Net Income	-3	-37
Earnings Per Share (€)	-0.04	-0.20
Earnings Per ADS (\$)	-0.06	-0.27

Q1 2012 Financial Overview



▶ Revenue \$787 million, up 8%

- Sercel at \$348m, up 26%
 - Internal sales front-end loaded at 27%
- Services at \$531m, stable y-o-y
 - Marine activity impacted by low Q4 bid prices
 - Strong land winter campaign in North America
 - High marine multi-client sales in the Gulf of Mexico and in the North Sea
 - Sustained high activity in Processing, Imaging & Reservoir

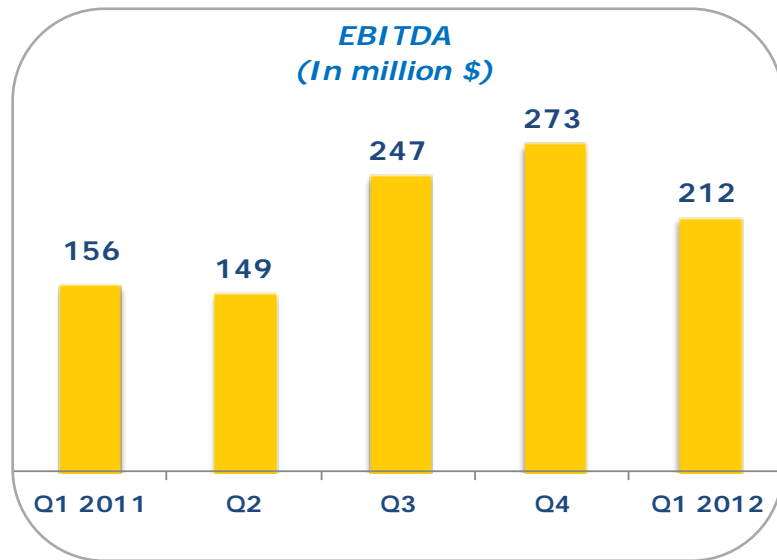


▶ Operating Income: \$54 million

- Sercel at \$116m, a 33% margin
- Services operating loss of \$8m

▶ Net Income was a loss of \$3 million

Q1 2012 Financial Overview

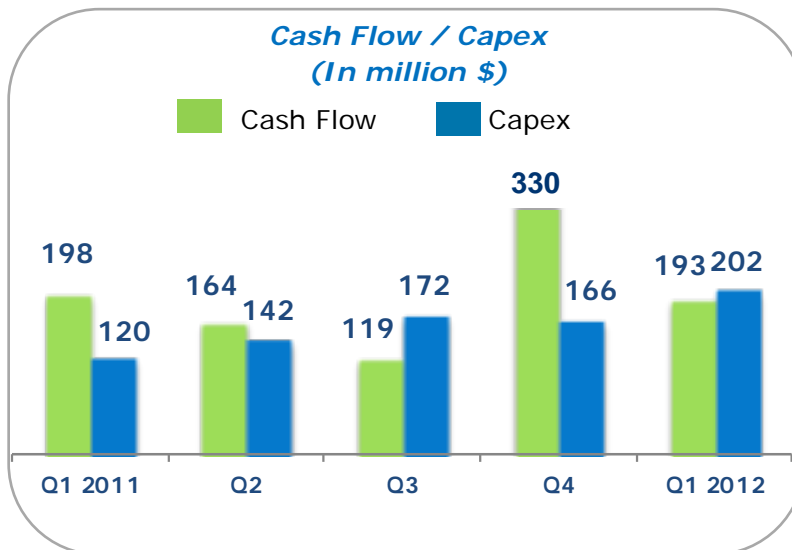


▶ **EBITDAs: \$212 million, 27% margin**

- Sercel at \$127m, a 36% margin
- Services at \$136m, a 26% margin

▶ **Total Capex of \$202 million**

- Industrial Capex: \$126m
- Multi-Client Cash Capex at \$76m
 - Marine Capex at \$52m, 42% prefunded
 - Land Capex at \$24m, 87% prefunded
 - Depreciation rate at 71%, due to regional revenue mix

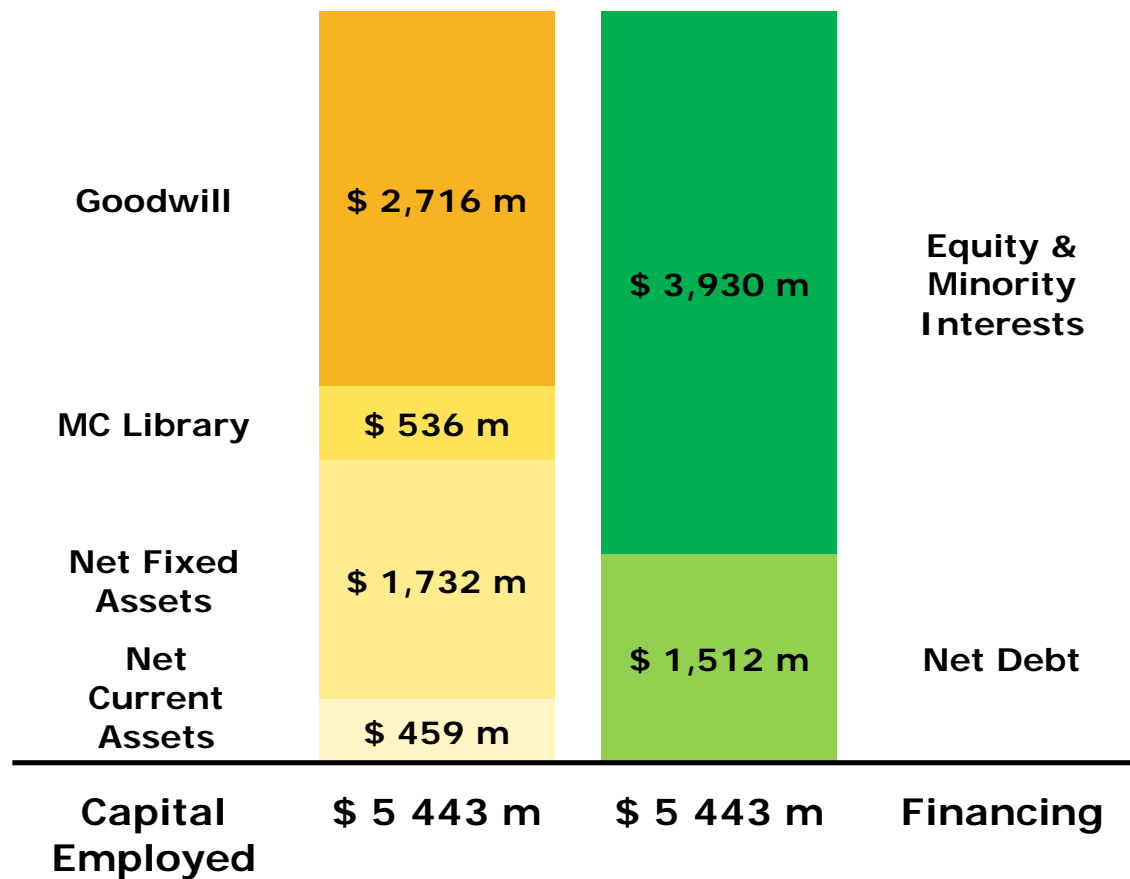


▶ **Operational Cash Flow of \$193 million stable year-on-year**

- Free cash flow negative at \$7m including the \$65m one-off upgrade Capex of the Champion

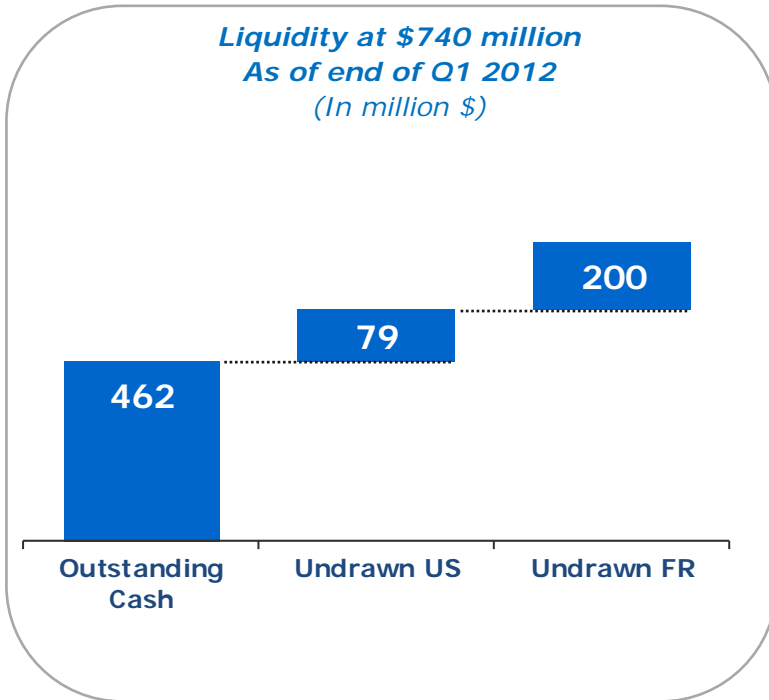
Financial Indicators – Strong Balance Sheet

*Capital Employed as end of March 2012
(In million \$)*

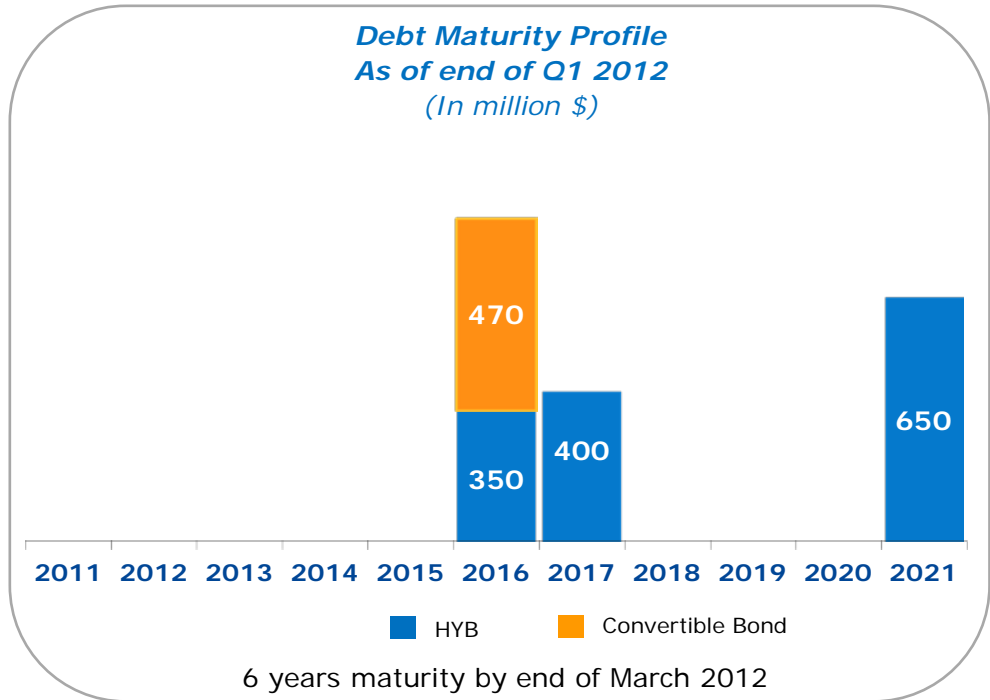


Liquidity and Long Term Debt

*Liquidity at \$740 million
As of end of Q1 2012
(In million \$)*



*Debt Maturity Profile
As of end of Q1 2012
(In million \$)*



Agenda

Q1 2012 Review

Financial Review

 **Operational Review**

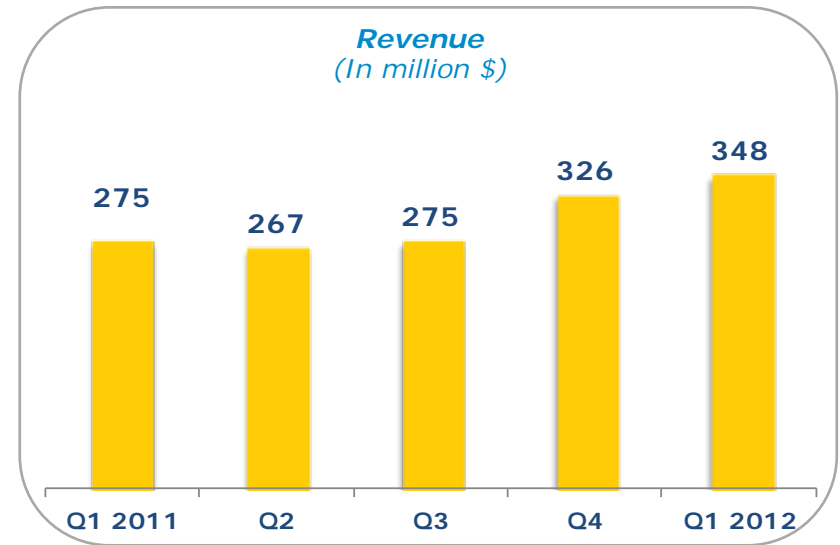
Outlook and Perspectives

Sercel: Q1 2012 Operational Overview



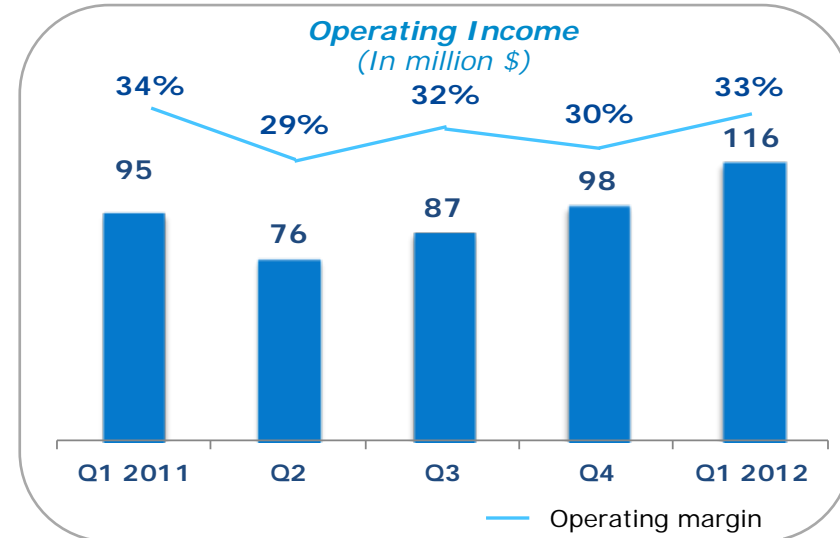
▶ Record high Revenue

- Land Equipment
 - Strong sales mainly related to high channel counts crews in the Middle East
 - Increase demand for wireless technologies equipment
- Marine Equipment
 - Strong sales of Sentinel solid streamers
 - Commercial development of the OBC/OBN ocean bottom cable systems



▶ Sustained high performance

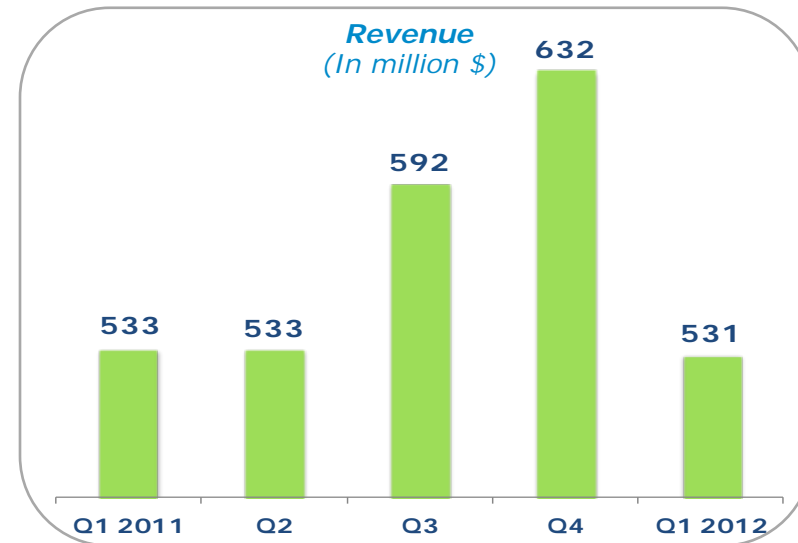
- Operating margin at 33% due to favorable sales mix
- Strong commercial differentiation sustained by high quality and reliability of products and related-services
- Ongoing R&D effort



Services: Q1 2012 Operational Overview

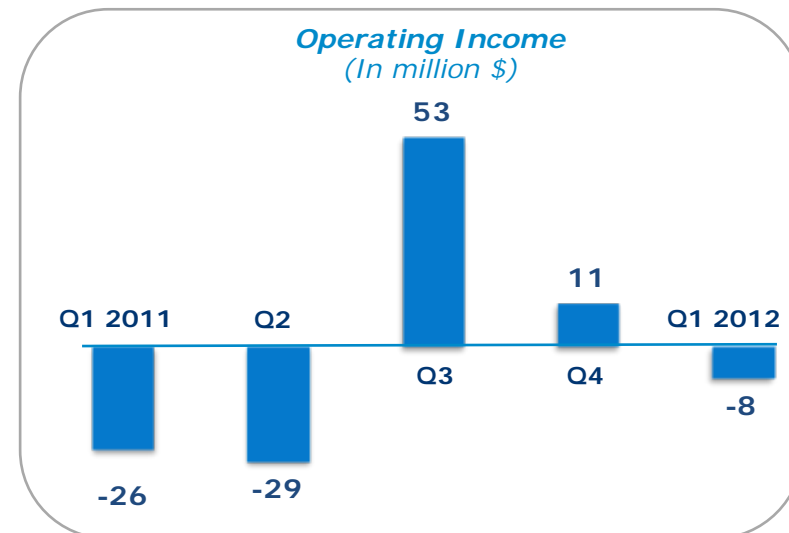
▶ Revenue: \$531 million stable y-o-y

- Marine contract down 5%
 - Production rate back to good level 92%
 - First HiRes BroadSeis WAZ survey
 - Upgrade program of the Champion completed
- Land contract down 23%
 - Strong North American winter season
 - Ongoing mobilization of Land crews worldwide
- Processing, Imaging and Reservoir up 6%
 - Strong activity in the large processing centers
- Multi-client up 52%
 - High level of marine sales in the Gulf of Mexico and in the North Sea
 - Production focused offshore Brazil and onshore US (Marcellus basin and Alaska)
 - Prefunding rate at 56% due to slow prefunding ramp up in Brazil



▶ Negative Operating Income at \$8 million

- Progressive improvement year-on-year
- Unfavorable impact of low marine bid prices in the second half of 2011



Agenda

Q1 2012 Review

Financial Review

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 **Outlook and Perspectives**

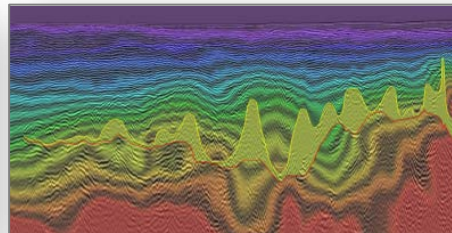
2012 Perspectives: Growth and Performance

▶ 2011-2012 performance plan

- Objective : \$150 million additional operating income by the end of 2012

▶ Investments : guidance is confirmed

- Recurring Industrial Capex of around \$250 million
- Non recurring Industrial Capex of \$65 million related to the upgrade of the Champion in Q1
- Multi-Client Cash Capex :
 - Marine at around \$200 - \$250 million and Land at around \$120 - \$150 million
 - Prefunding at around 85%



2012 Perspectives: Growth and Performance

- ▶ **Group revenue should grow 10%-15%**
- ▶ **Sercel expected to continue to grow and deliver excellent results**
- ▶ **Services expected to improve significantly, especially in H2**
 - Marine prices and vessels utilization rate should progressively improve
 - BroadSeis success should continue to strengthen
 - Land activity should remain sustained with a good visibility across the year
 - Multi-Client activity should remain strong with new deep offshore exploration programs
 - Processing, Imaging & Reservoir should continue to benefit from technological demand

In this context and with the progress of our performance plan, 2012 should be a new journey of growth and performance