

Q2 2020 Financial Results

- Revenue and EBITDAs reflecting Covid-19 crisis and low oil price environment
- Swiftly aligning CGG's cost structure to the new baseline

*All figures are 'segment figures' used for management reporting
(before non-recurring charges and IFRS 15), unless stated otherwise*

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Disclaimer

This presentation contains forward-looking statements, including, without limitation, statements about CGG (“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.

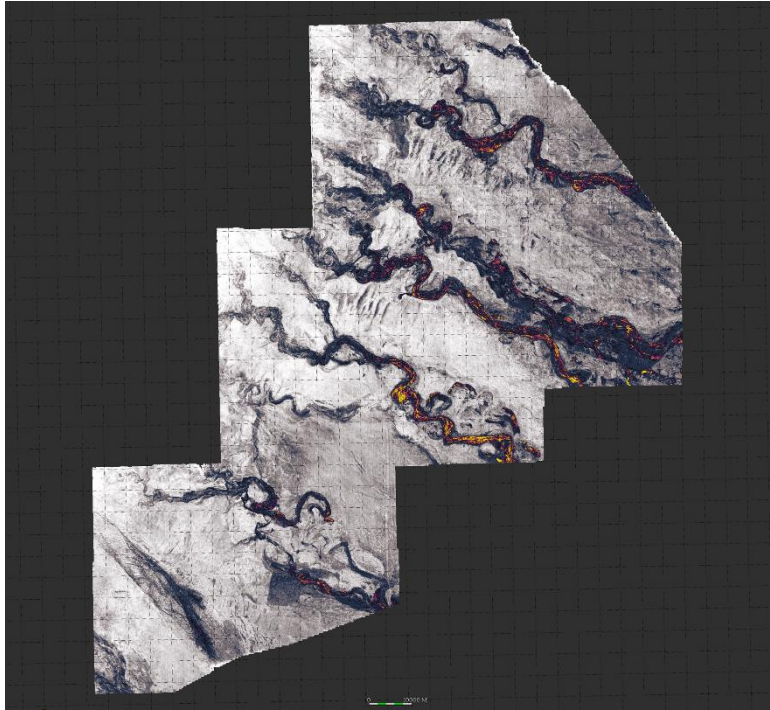
Important factors that could cause actual results to differ materially from management's expectations are disclosed in the Company’s periodic reports and registration statements filed with the AMF. Investors are cautioned not to place undue reliance on such forward-looking statements.

Implementation of the CGG 2021 strategic plan must comply with the undertakings and requirements in the CGG safeguard plan and other applicable local legal requirements.





Agenda



01 ENVIRONMENT & PRIORITIES

02 OPERATIONAL REVIEW

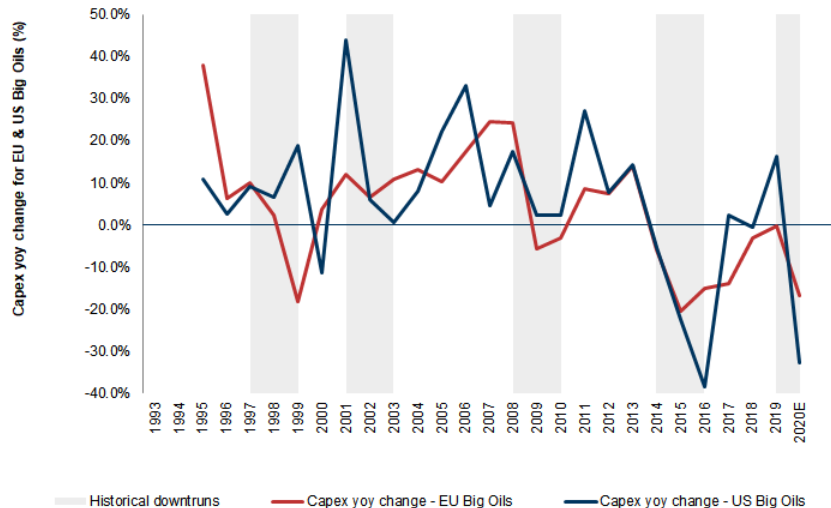
03 FINANCIAL REVIEW

04 2020 OUTLOOK



E&P trends: severe upstream capex reduction

CAPEX Y.O.Y. CHANGE FOR EU AND US BIG OILS



Historical downturns Capex yoy change - EU Big Oils Capex yoy change - US Big Oils

Source: Company data, Goldman Sachs Global Investment Research – July, 15 2020

2020 E&P Capex down ~25% year-on-year

- Full effect of oil price drop impacting our clients
- Frontier exploration deeply affected
- Prioritization to extract more from existing reservoirs
- Increased focus on energy transition



A clear roadmap focused on technology and solutions in key markets and proven regions

Geoscience

- Deliver high-end premium imaging products and services
- Advance geoscience and digital technology leadership
- Remain n°1 choice for nodes processing

Multi-client

- Invest in our core areas in Brazil, US GoM and Land, North Sea UK and Norway
- Expand in select proven developing and producing basins
- Digitally deliver integrated solutions

Equipment

- Maintain market leadership
- Deliver leading Best-In-Class technology: Nodes, Next generation Streamer
- Expand portfolio within O&G market and accelerate diversification





Covid-19: aligning cost structure to the new baseline

Ongoing Capex reduction within all business lines

- 2020 cash Capex around **\$300 million**:
 - Multi-client cash capex at around **\$225 million** at **75%** prefunding rate
 - Industrial and development costs cash capex at around **\$75 million**

Ongoing cash costs reduction within the entire group

- All saving plans expected to generate cash costs reductions of around **\$35 million** in 2020 and around **\$135 million** annualized, including around **\$90 million** of fixed cash costs
- Covid-19 plan cash expenses of around **\$(50) million** over 2020 and 2021, including around **\$(30) million** in 2020, of which **\$(4) million** in H1

Maintaining focus on our liquidity

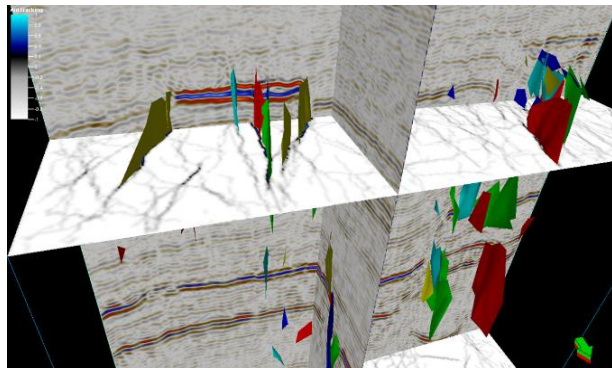
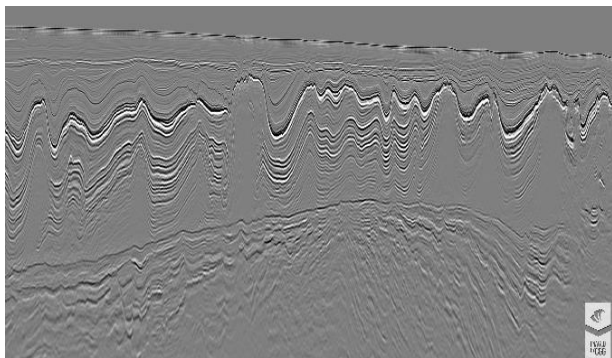


Operational review

All figures are 'segment figures' used for management reporting (including IFRS 16 and before non-recurring charges and IFRS 15), unless stated otherwise



Q2 2020 key highlights



Segment revenue at \$202m, down 41% y-o-y

- GGR at \$144m and Equipment at \$58m

Adjusted Segment EBITDAs at \$76m before \$(7)m of Covid-19 plan costs, a 37% margin

Adjusted Segment Operating Income at \$(5)m before \$(49)m non-recurring charges, including \$(17)m fair value adjustments and limited \$(24)m goodwill impairment

Group Net Loss of \$(147)m, including \$(134)m from continuing operations and \$(13)m from discontinued operations

Adjusted Net Loss from continuing operations at \$(40)m, before \$(94)m non-recurring charges

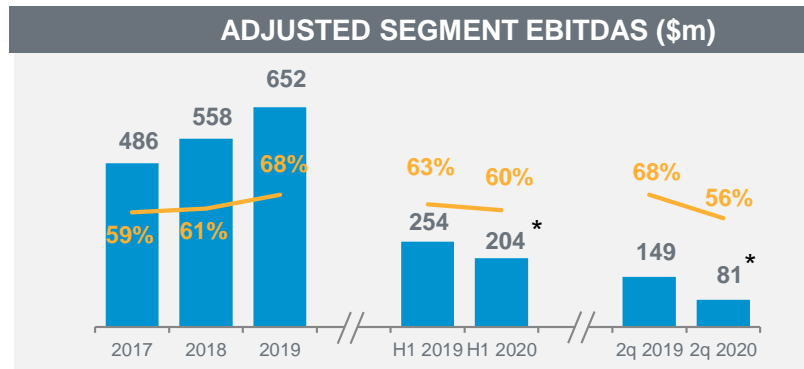
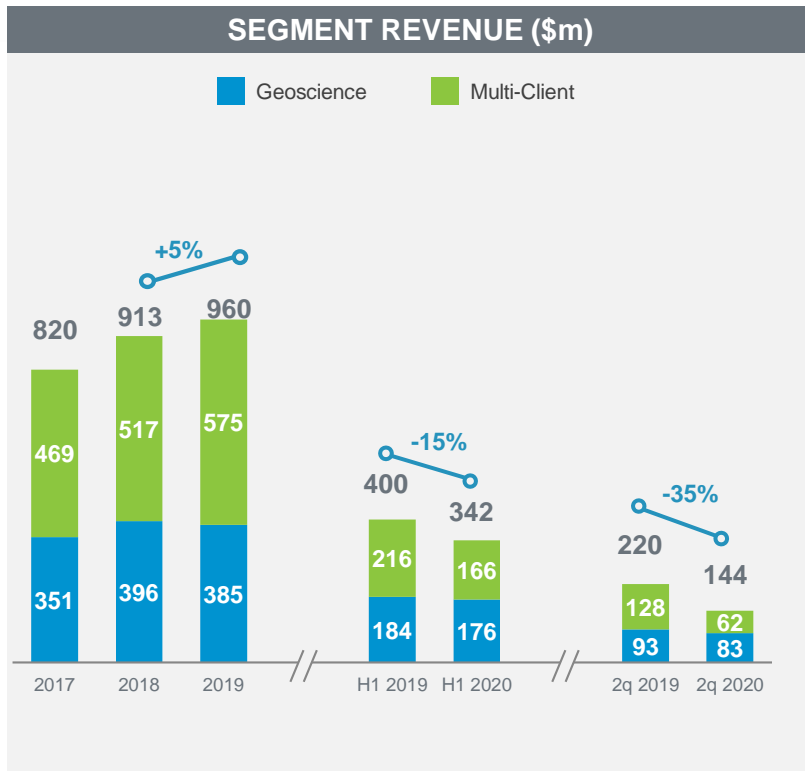
Segment Free Cash Flow at \$(8)m

H1 Net Cash Flow at \$(60)m, including \$(50)m related to 2021 and \$(4)m to Covid-19 plans.

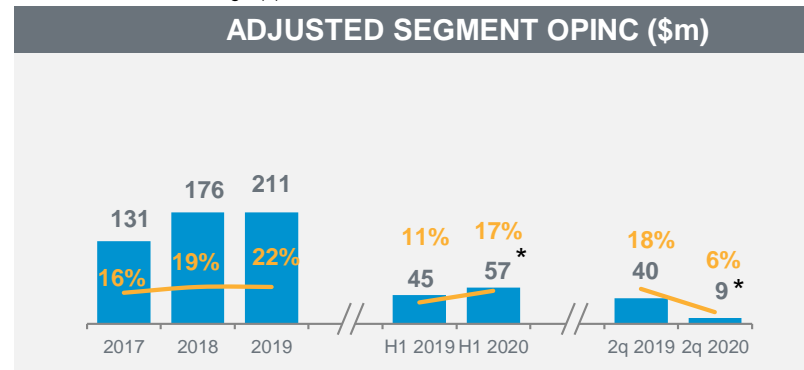
Cash liquidity of \$546m at the end of June 2020



GGR key financial indicators



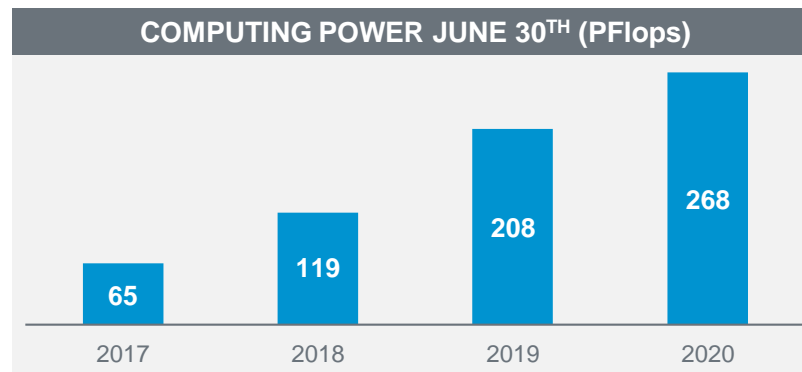
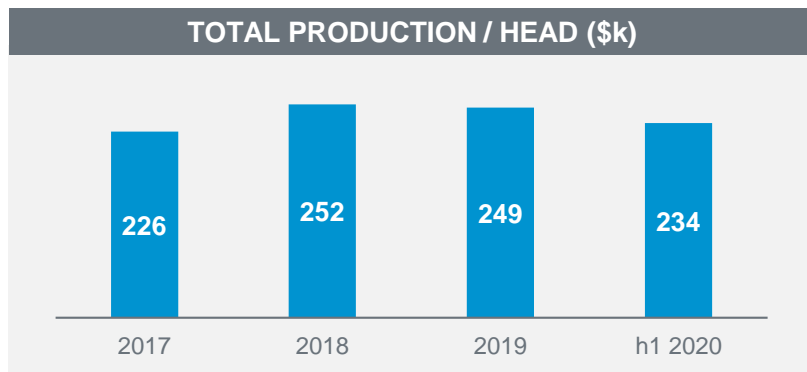
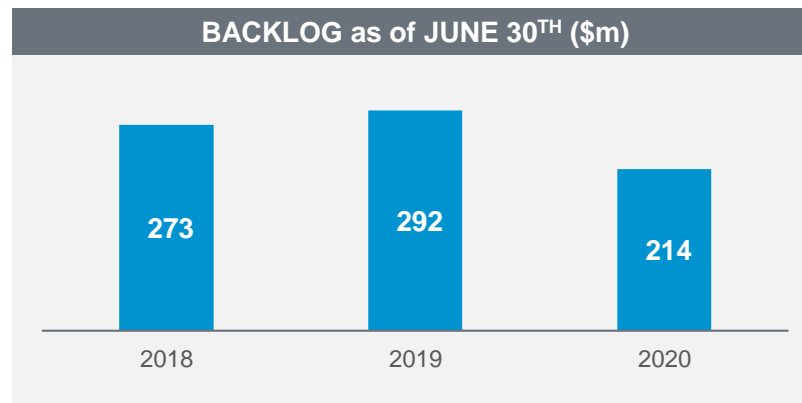
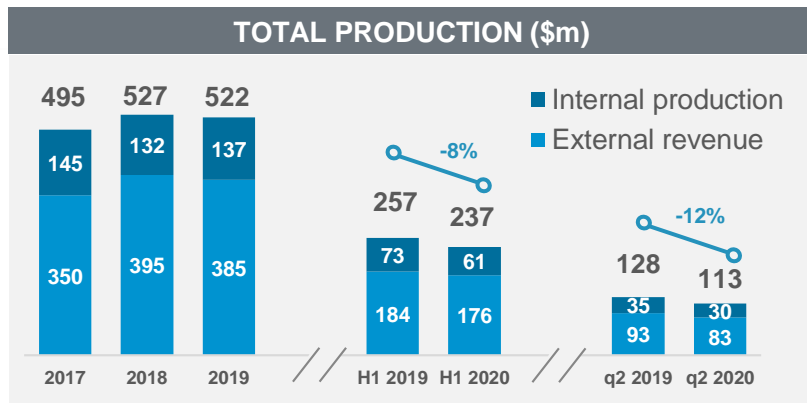
* excluding \$(7)m Covid-19 related NRC in Q2 & H1 2020



* excluding \$(49)m Covid-19 related NRC in Q2 2020 and \$(118)m in H1 2020



Geoscience key business indicators



Geoscience operational highlights

Higher definition velocity contrast in the model refines the reservoir Gas/Oil contact



Adapting to new ways of operating and reduced clients' demand

- Q2 activity across business lines impacted by the general slow-down of the economy and its effect on clients' spending. Q2 total production was down (12%) y-o-y and (10%) sequentially
- Preservation of business continuity and profitability continues to be the focus

Focusing on maintaining our technology leadership and client support

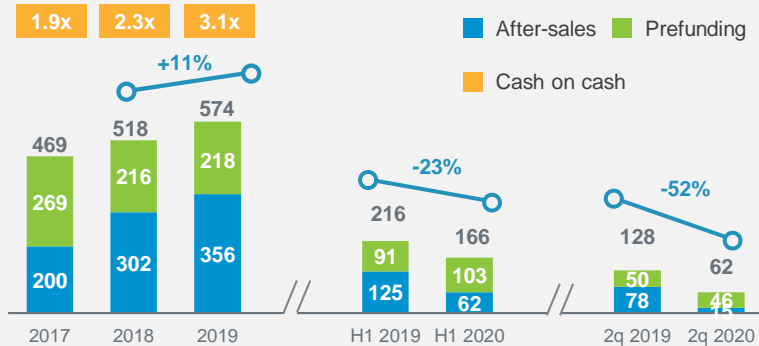
Establishing new business activities in Geothermal, Carbon Capture & Monitoring and Environmental Science

CGG Multi-client Barents Sea TopSeis data - Improved reservoir imaging using high frequency Time Lag FWI

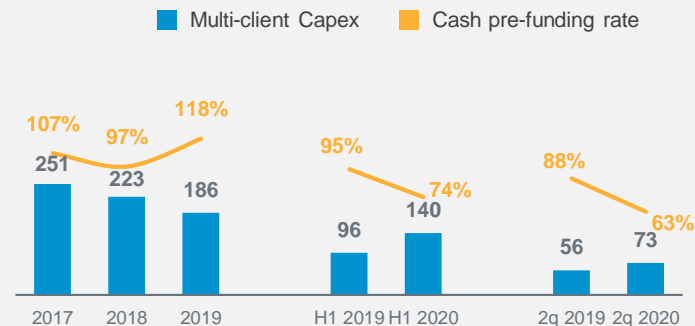


Multi-Client key business indicators

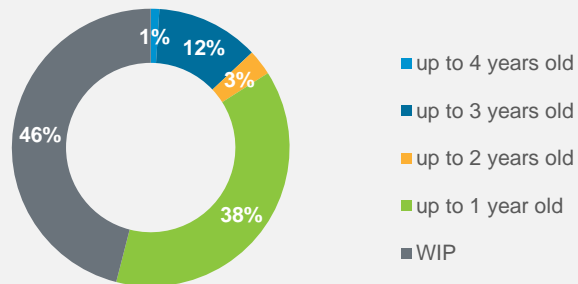
MULTI-CLIENT REVENUE (\$m)



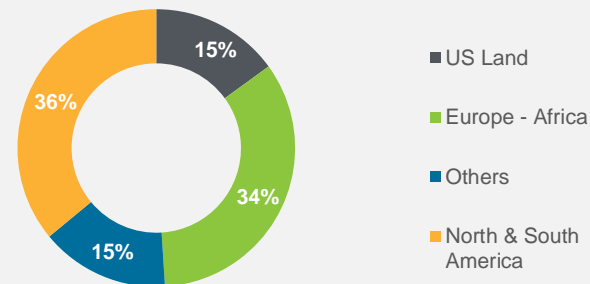
MULTI-CLIENT CAPEX (\$m) & PRE-FUNDING (%)



DATA LIBRARY NBV SPLIT AS OF 06/30/2020



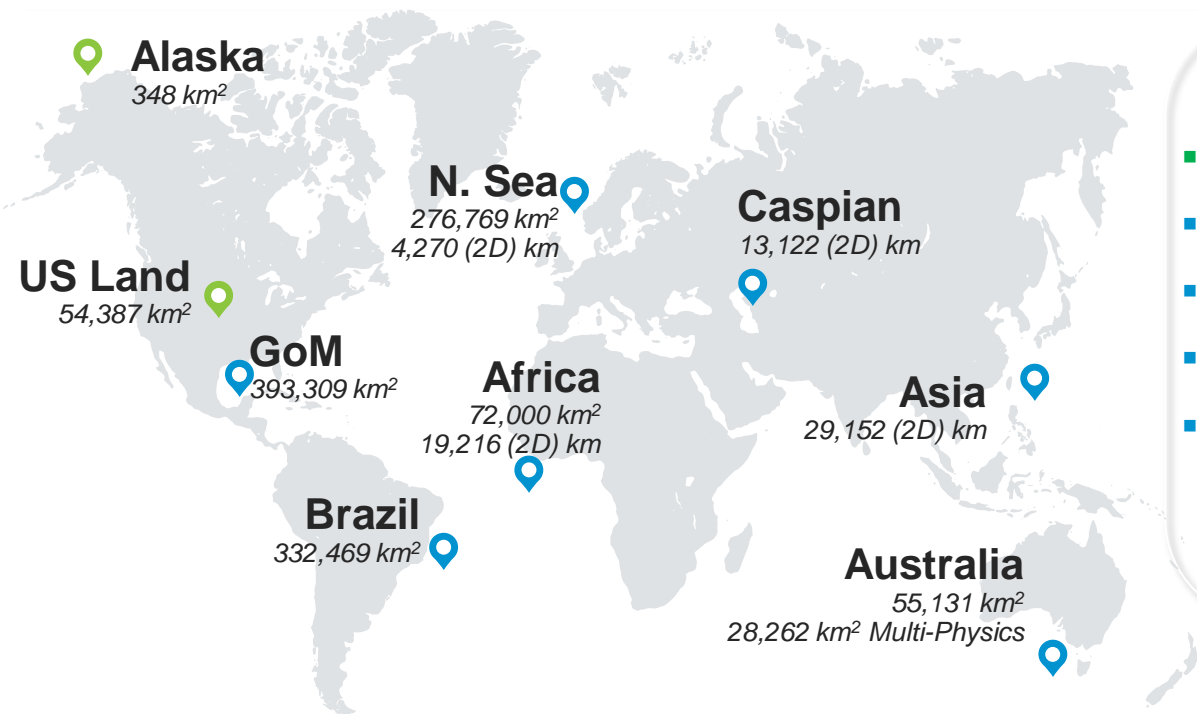
DATA LIBRARY NBV REGIONAL SPLIT AS OF 06/30/2020





Multi-Client - worldwide footprint in key mature basins

Over 1.2 million km²

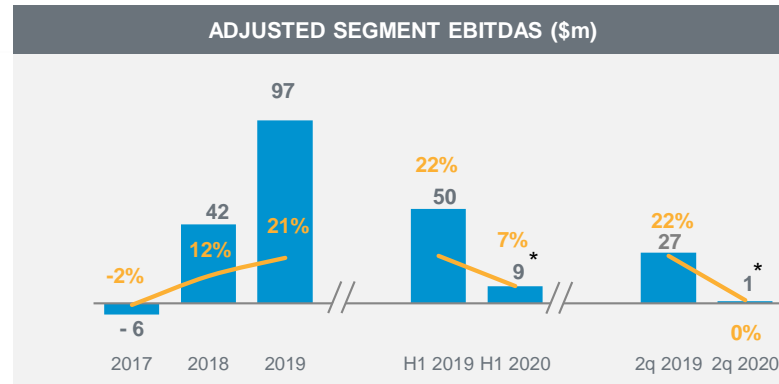
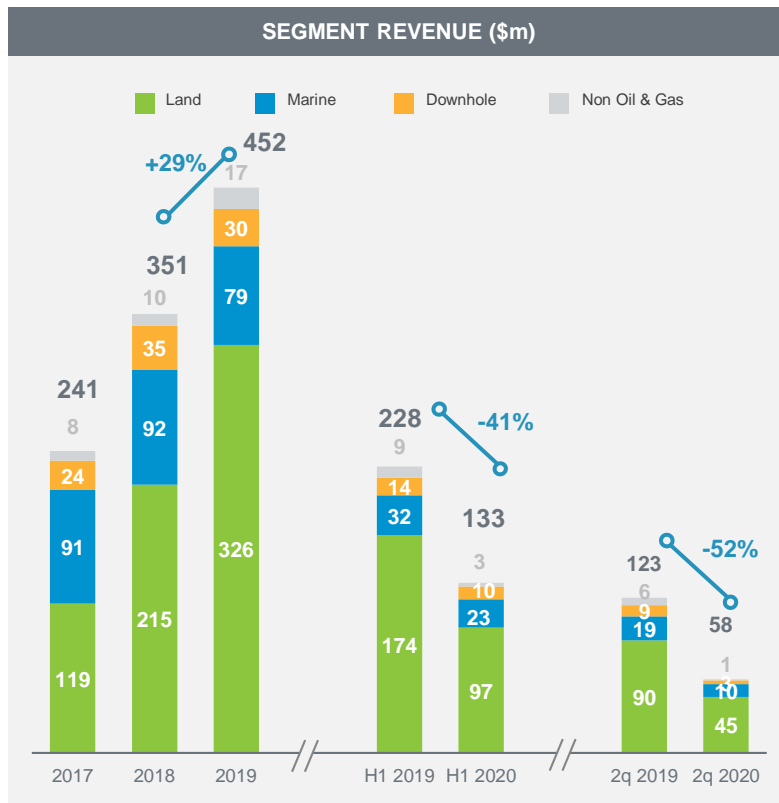


Q2 2020 PROJECTS

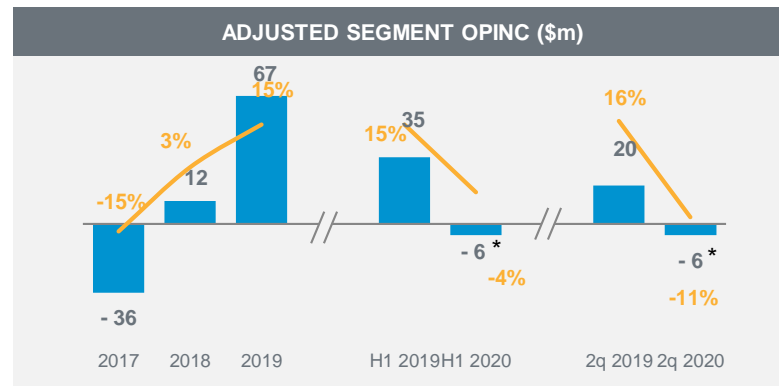
- Central Basin Platform
- Brazil – Santos/Campos Nebula
- Australia – Gippsland
- North Sea – Cornerstone OBN
- GOM – StagSeis and Three Corners
- WAZ FWI reprocessing



Equipment key financial indicators



* Excluding \$(1)m Covid-19 related NRC in Q2 2020 and H1 2020



* Excluding \$(1)m Covid-19 related NRC in Q2 2020 and H1 2020



Equipment operational highlights



Sercel delivered its first WiNG system in Q2

Reduced activity and demand worldwide due to impact of Covid-19 and drop in oil price

Land

- Over 60 thousand 508XT channels and 10 Nomad 90 delivered in Q2 mainly in North Africa and Middle East
- First delivery of WiNG system
- Orders in Q2 included a 508^{XT} system for Russia and spares and extensions brought by Sercel's extensive installed base around the world

Marine

- Activity in the streamer market remains low with mostly spares and Sentinel section sales

Downhole tools

- Artificial Lift gauges reducing significantly in the US Shale
- Memory gauges activity resilient so far

Non Oil & Gas

- SHM node: first pilot tests done in France with promising results
- Acquired stake in a French startup specialized in autonomous robots



Our ESG business initiatives



ESG OVERALL SCORE



Rank in Sector	2/23
Rank in Region	207/1610
Rank in Universe	238/4842

SOCIETE GENERALE
Cross Asset Research
N°1 ESG Energy Services

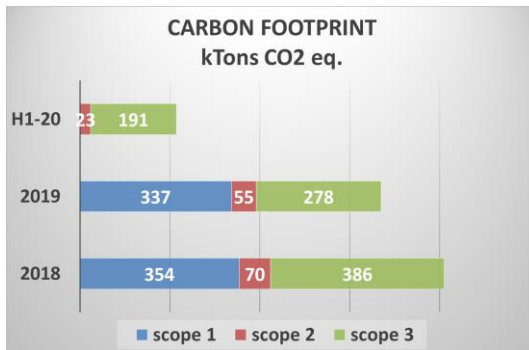
Always act responsibly and abide by all applicable environmental laws

Continue to advance our technology and services to enable our clients to sustainably and responsibly discover, develop and manage the Earth’s resources

Continue to advance our data collection capabilities to best measure, monitor and continuously reduce our impact

Commit to improving our power usage efficiency, increasing the low-carbon content of our energy supply, and reducing our GHG emissions

Encourage and support our businesses, all employees globally to find and take specific actions that support the health of the environment, climate and the communities where we operate

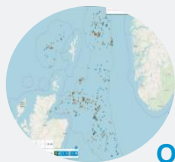


23%
Green
Energy



ESG business solutions

Environmental monitoring



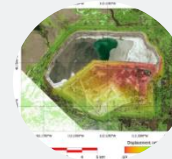
Offshore pollution monitoring

CGG uses frequent acquisitions of satellite imagery to enhance our clients situational awareness of oil pollution incidents



Sercel QuietSea

Fully integrated, passive acoustic monitoring to detect presence of marine mammals for environmentally responsible operations



Minescope & MotionMap

Precisely map and monitor the stability of mine caverns, pits, tailing storage facilities, infrastructure and geohazards

Transition to Low Carbon



Reducing our clients Scope 3 emissions

CGG Cloud in UK has been on a green tariff for 8 years. The amount of energy consumed by our UK sites has been added to the grid by 100% renewable sources.



Geothermal sciences

Dedicated multi-disciplinary team with combined experience of > 130 projects. Leveraging CGG exploration experience in sedimentary basins alongside leading data analytics to bring insights to this high growth area in Geothermal



Carbon Capture and Monitoring

Technology and expertise to help identify, de-risk and monitor CCUS projects



Financial Review



Q2 / H1 2020 Non-recurring charges

In million \$	Q1 2020	Q2 2020	H1 2020
Operational costs provisions	(3)	(7)	(10)
Multi-client library Impairment	(69)		(69)
Asset impairment		(17)	(17)
Goodwill impairment		(24)	(24)
Other Financial Items (OFI) adjustment		(37)	(37)
Deferred Tax Assets impairment		(9)	(9)
Total	(72)	(94)	(166)

Global economic crisis, triggered by Covid-19 pandemic and unprecedented drop in oil price and E&P spending lead CGG to carry a full impairment test in Q2 2020 and launch cost reduction actions («Covid-19 plan»).

\$(94)m of non-recurring charges were booked in Q2 2020:

- **\$(7)m** severance costs related to Covid-19 plan
- **\$(17)m** mainly non-cash fair value remeasurement of GeoSoftware business available for sale
- **\$(24)m** non-cash goodwill impairment of GeoConsulting business mainly focused on exploration and appraisal
- **\$(37)m** non-cash fair value remeasurement of other financial assets and liabilities mainly related to Marine Acquisition exit
- **\$(9)** non-cash impairment of Deferred Tax Assets



Q2 2020 Income Statement

In million \$	Q2 2019	Q2 2020
Segment Revenue (R.P.)	340	202
<i>IFRS 15 adjustment</i>	(5)	37
<i>IFRS Revenue</i>	335	239
Segment EBITDAs	170	68
Segment OPINC	53	(53)
<i>IFRS 15 adjustment</i>	(2)	21
<i>IFRS OPINC</i>	51	(32)
Net cost of financial debt	(33)	(33)
Other financial income	(0)	(36)
Taxes	(3)	(33)
Net income / (loss) from continuing operations	15	(134)
Net income / (loss) from discontinued operations	(113)	(13)
Group Net income / (loss)	(98)	(147)
Adjusted Net income /loss from continuing operations	15	(40)

Segment revenue at \$202m, down 41%

Segment EBITDAs at \$68m, including \$(7)m Covid-19 plan costs, a 34% margin

Segment OPINC negative at \$(53)m, including \$(24)m limited goodwill impairment, \$(17)m fair value adjustments and \$(7)m Covid-19 plan costs

Other Financial Items at \$(36)m, including \$(37)m remeasurements of fair value of other financial assets and liabilities

Taxes at \$(33)m, including \$(9)m related DTA impairment

Group Net Loss at \$(147)m, including:

- Net Loss from continuing operations at \$(134)m
- Net Loss from discontinued operations at \$(13)m

Adjusted Net Loss from continuing operations at \$(40)m, excluding \$(94)m non-recurring charges



Q2 / H1 Simplified Cash-Flow

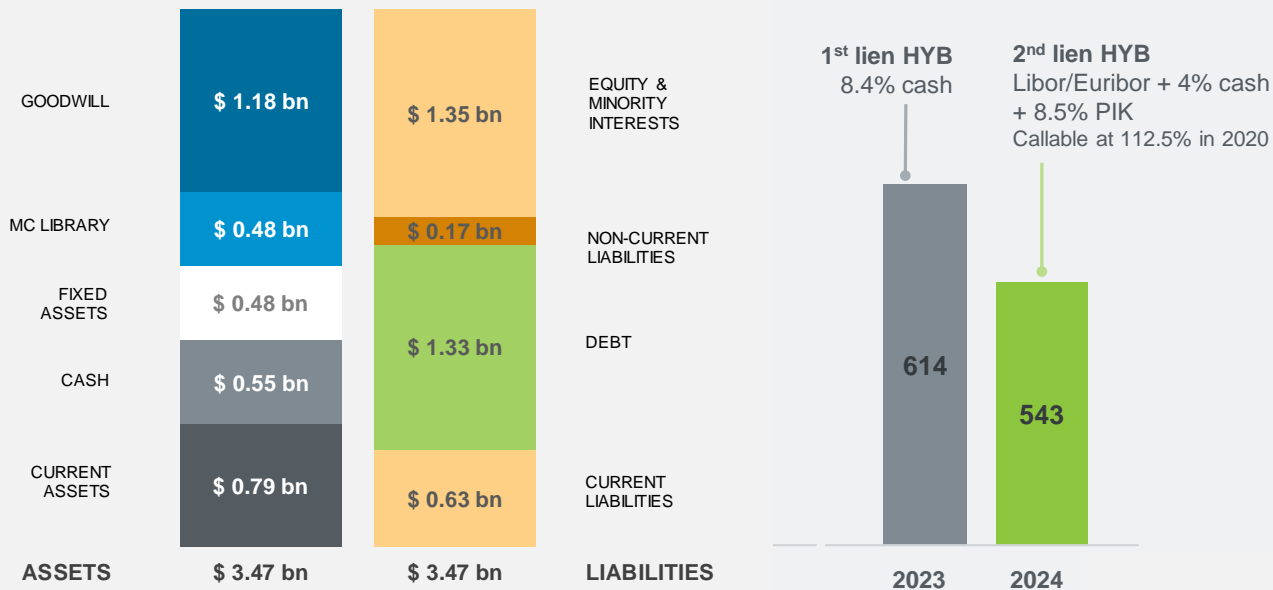
In million \$	Q2 2019	Q2 2020	H1 2020
Segment Free Cash Flow	51	(5)	54
Cash Cost of Debt & Lease repayments	(46)	(47)	(68)
Net Cash Flow from Discontinued Operations	(20)	-	9
Plan 2021 / Covid-19 plan	(16)	(25)	(54)
Net Cash Flow	(31)	(77)	(60)

H1 Net Cash Flow at **\$(60)m**

- Q2 Segment Free Cash Flow at **\$(5)m** before **\$(3)m** Covid-19 plan
- Q2 Paid Cost of Debt at **\$(32)m**
- Q2 Leases of **\$(15)m**
- Q2 Net Cash Flow from Discontinued Operations at **\$(0)m**
- Q2 CGG 2021 plan cash costs at **\$(22)m** & Covid-19 plan cash costs at **\$(3)m**



Balance Sheet and Capital Structure at June-end 2020

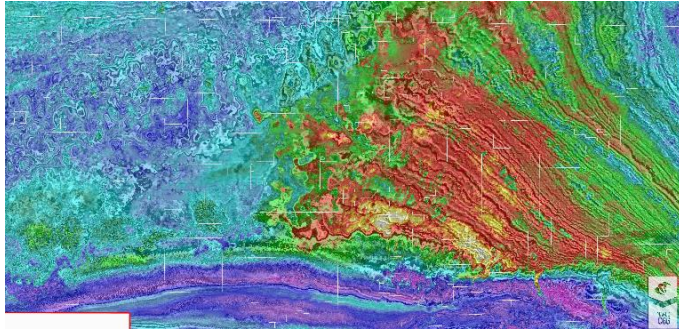


- Cash liquidity at **\$546m**
- Gross debt at:
 - \$1,172m** before IFRS 16
 - \$1,329m** after IFRS 16
- Net debt at:
 - \$626m** before IFRS 16
 - \$783m** after IFRS 16
- Segment leverage at **1.1x Net Debt / LTM EBITDAs** (before IFRS 16)

Outlook and conclusion

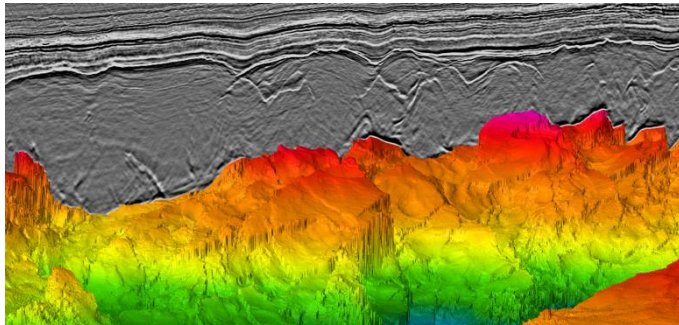


2020 Outlook and conclusion



CGG value proposition remains intact

- Solid capital structure and liquidity
- Leading market positions and differentiated businesses
- Focused on more resilient markets

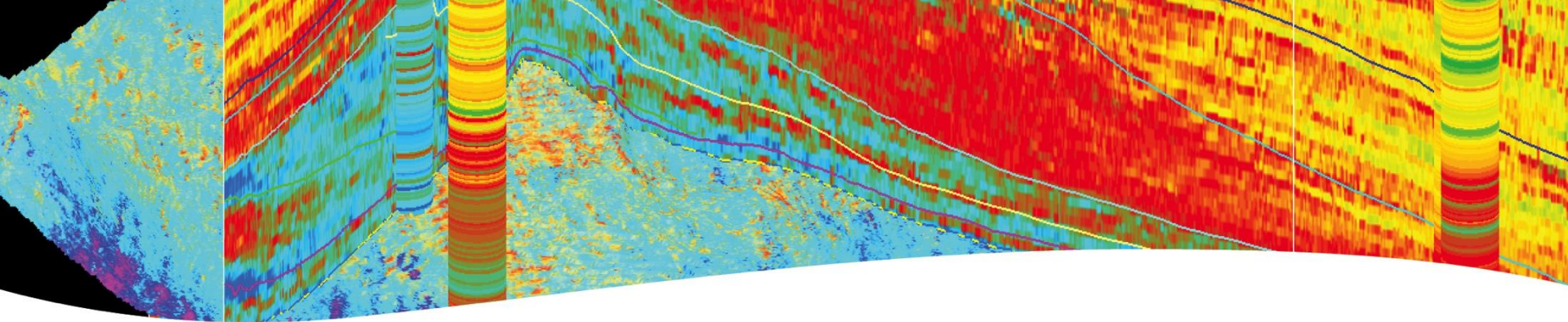


H2 to be driven by stability of 2020 clients' budgets and their confidence in 2021 perspectives

2020 to be impacted by significant revenue drop

Positioning the company to be successful in the new environment





THANK YOU!

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Passion for Geoscience