



Compagnie Générale de Géophysique – Veritas
Société Anonyme with a share capital of € 60,602,443
Registered office: Tour Maine Montparnasse, 33 avenue du Maine, 75015 Paris
Paris Trade and Company Register No.: 969 202 241 R.C.S. Paris

Statement on the compensation of the Chairman of the Board and the Chief Executive Officer of the Company

Paris, March 1, 2011

On February 24, 2011, the Board of Directors of CGG Veritas met to decide, in particular, upon the components of the compensation of Mr. Robert BRUNCK, Chairman of the Board and Mr. Jean-Georges MALCOR, Chief Executive Officer. These components were determined as follows by the Board of Directors, further to the proposal of the Appointment-Remuneration Committee and are disclosed pursuant to the AFEP/MEDEF recommendations and in accordance with Article L. 225-42-1 of the French Commercial Code as regards, more specifically, to the benefits granted to the Chief Executive Officer in case of termination of his corporate office.

Fixed and variable compensation

Chairman of the Board

In 2011, Mr. Robert BRUNCK will receive a fixed compensation of €275,000 which is a decrease compared to his 2010 compensation as Chairman of the Board which had been set at €375,000. €6,840 of benefit in kind for his company car will be added to this compensation. His variable compensation for fiscal year 2011 shall be determined by the Board of Directors further to the proposal of the Appointment-Remuneration Committee, in the first quarter 2012. This variable part will be subject to the completion of individual objectives relating to the performance of his duties with a target bonus representing 50% of his compensation, to be compared to 100% in 2010.

In 2010, his variable compensation was based on the achievement of personal objectives (representing one third of the bonus) and financial objectives (representing two thirds of the bonus). The financial objectives were related to the consolidated EBIT (weighted 35% of the total financial objectives), EBITDAS less capital expenditures (weighted 35%) and EBI of the Group (weighted 30%). These financial objectives are not met for 2010 and the variable part will be limited to the achievement of individual objectives.

The Board of Directors set this variable compensation at € 139,738.

Chief Executive Officer

In 2011, Mr. Jean-Georges MALCOR will receive a fixed compensation of €600,000. €6,840 of benefit in kind for his company car will be added to this compensation. His variable compensation for fiscal year 2011 shall be determined by the Board of Directors further to

the proposal of the Appointment-Remuneration Committee, in the first quarter 2012. The target bonus of this variable part will remain unchanged compared to 2010.

For 2010, his variable compensation was subject to the completion of individual objectives (representing one-third of the variable compensation) and financial objectives (representing two-thirds of the variable compensation). The financial objectives were related to the consolidated EBIT (weighted 35% of the total financial objectives), EBITDAS less capital expenditures (weighted 35%) and EBI of the Group (weighted 30%). These financial objectives are not met for 2010 and the variable part will be limited to the achievement of individual objectives

The Board of Directors set this variable compensation at €169,850.

Benefits owed in connection with termination of corporate office

The Board of Directors amended the terms and conditions of the letter relating to the benefits granted to Mr. Jean-Georges MALCOR in the event of termination of his corporate office which had been initially determined by the Board of Directors on June 30, 2010.

These benefits are from now as follows:

Mr. Jean-Georges MALCOR will benefit from a contractual severance payment only in the event of a forced departure relating to a change of control or of strategy.

(i) a gross amount of 200% of the gross fixed compensation paid by the Company to Mr. Jean-Georges MALCOR during the twelve-month period preceding his departure date, to which is added the annual average of the variable compensation paid by the Company to Mr. Jean-Georges MALCOR (i) over the thirty-six-month period preceding his departure date or (ii) over the full years of presence in the Company starting as from January 1, 2010, in case he leaves the Group less than thirty-six months after he joined the Company, (hereinafter “the Reference Annual Compensation”) and

(ii) any sum to which Mr. Jean-Georges MALCOR may be entitled as a result of such termination, including any sums to be paid further to the application of his non-competition commitment.

The indemnity global amount shall not exceed 200% of the Reference Annual Compensation.

Pursuant to article L.225-42-1 of the Commercial Code, the payment of the special termination indemnity referred to hereinabove shall remain subject to the achievement of the following performance conditions, related to the Company’s performance:

- The average, over the sixty trading days preceding the departure date, of the ratio between the CGGVeritas ADS price over the PHLX Oil Service SectorSM (OSXSM) index shall equal at least two-third of the same average ratio (i) four years before or (ii) as of January 1, 2010 in case Mr. Jean-Georges MALCOR leaves the Group before reaching a four-year seniority;
- The average, over the sixty trading days preceding the departure date, of the ratio between the CGGVeritas share price over SBF 120 index shall equal at least two-third of the same average ratio (i) four years before or (ii) as of January 1, 2010 in case Mr. Jean-Georges MALCOR leaves the Group before reaching a four-year seniority;

- The average margin of the Group EBITDAS (i) over the four years preceding the departure date or (ii) over a period starting as from January 1, 2010 in case Mr. Jean-Georges MALCOR leaves the Group before reaching a four-year seniority, shall be at least 25%.

Payment of the full amount of the special termination indemnity is subject to the fulfillment of two conditions out of three. In case only one condition is fulfilled, then Mr. Jean-Georges MALCOR will be entitled to receive only 50% of the said special termination indemnity.

Performance shares

The Board of Directors held on February 24, 2011 confirmed that the performance conditions of the allocation plan dated March 16, 2009 were only partially met.

As a result, no performance share will be allocated to Mr. Robert BRUNCK pursuant to this plan. Mr. Jean-Georges MALCOR did not benefit from this plan.

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