CGGVERITAS

CGGVeritas Announces Second Quarter 2009 Results

Operating Margin of 9% Before Marine Restructuring Charges

PARIS, France – July 30th 2009 – CGGVeritas (ISIN: 0000120164 – NYSE: CGV) announced today its non-audited second quarter 2009 consolidated results. All comparisons are made on a year-on-year basis unless stated otherwise. All results are reported after restructuring charges unless stated otherwise.

Results in line with expectations

- Group revenue was $779m and although down 11%, outperformed the market with strong results in Sercel, good marine performance, robust contract land in the Middle-East, strong processing performance and increased marine after-sales
- Before restructuring costs, group operating margin was 9%, and net income was $23m
- After restructuring costs, net income was a loss of $32m
- Backlog as of July 1st was $1.3 billion

Adjusting to current market conditions

- Reducing our marine fleet from 27 to 20 vessels. Four removed in 2009 and three more by mid 2010. This adjustment generated a one-time restructuring charge of $87m
- Disciplined capital spending plan is on track
- Our marine restructuring and cost reduction plans are expected to reduce our cost base by $350m in 2011 and have a $250m impact in 2010
- Strengthened balance sheet through more favorable covenants and extension of the debt maturity profile with a successful high-yield bond issue of $350 million

Q2 2009 key figures

In M$	Q2 2009	*variance*	Q2 2008
Group Revenue	**779**	*-11%*	**874**
Sercel	239	*-15%*	281
Service	558	*-9%*	613
Group Operating Income before restructuring	**67**	*-56%*	**151**
margin	*9%*		*17%*
Sercel	57	*-33%*	85
margin	*24%*		*30%*
Services	28	*-66%*	84
margin	*5%*		*14%*
Net Income before restructuring	**23**	*-72%*	**81**
margin	*3%*		*9%*
Net Income	**-32**		**81**
margin	*-4%*		*9%*
Cash Flow from Operations	**218**	*-11%*	**246**
Net Debt	**1,499 (30 Jun 09)**	*+5%*	**1,432 (31 Dec 08)**
Net Debt to Equity ratio	*36%*		*35%*

CGGVeritas Chairman & CEO, Robert Brunck commented:

"The seismic market continued to weaken during the quarter, especially in contract marine as industry capacity reduction lagged demand decrease. In this context, results were supported by robust Sercel sales this quarter, good marine performance, strong land contract in the Middle East, revitalized marine multi-client after-sales and our industry leading imaging technologies.

The oil price increase since the beginning of the year has generated growing interest in our recent multi-client programs and is a positive sign for the future, but has not yet been sufficient to initiate a rebound in the seismic market. In the second half of the year, the industry has to reduce capacity to adjust to current market conditions. We will take the opportunity, while adjusting our marine capacity, to standardize and high-grade our fleet to increase performance.

In 2009 we restructured our debt, and remain focused on cash flow with the objective of maintaining our net debt to equity ratio at current levels. For the longer term, we have programs in place, across the organization, that are expected to reduce our cost base by $350m in 2011 and have a $250m impact in 2010."

Q2 2009 Financial Results

Group Revenue

Group Revenue was down 11% in $ and up 2% in € outperforming the market both in Sercel and Services.

In millions	Q2 09 ($)	*variance*	Q2 08 ($)	Q2 09 (€)	*variance*	Q2 08 (€)
Group Revenue	**779**	*-11%*	**874**	**573**	*+2%*	**559**
Sercel Revenue	239	*-15%*	281	175	*-3%*	180
Services Revenue	558	*-9%*	613	409	*+5%*	392
Eliminations	-17		-20	-12		-13
Marine contract	261	*+22%*	214	191	*+40%*	136
Land contract	83	*-25%*	110	61	*-13%*	70
Processing	97	*+1%*	97	72	*+16%*	62
Multi-client	116	*-40%*	192	86	*-31%*	124
MC marine	*103*	*-31%*	*149*	*76*	*-20%*	*96*
MC land	*13*	*-71%*	*43*	*10*	*-66%*	*28*

Sercel

Revenue was down 15% in $ and 3% in €. Internal sales represented 6% of revenue. Land equipment sales were robust this quarter and stable year-on-year. Marine sales were impacted by the reduction in marine Capex spending.

Services

Revenue was down 9% in $ and up 5% in € with good vessel utilization despite increasing standby between contracts. Revenue was also supported by strong processing performance, long-term contracts in the Middle East and increasing multi-client interest. Low prefunding due to startup of multi-client programs in the Gulf of Mexico and onshore US in Haynesville were offset by an increasing level of marine multi-client after sales that were up sequentially, and year-on-year.

Marine capacity adjustment: During the quarter, we initiated a marine capacity adjustment plan. The Harmattan 3D vessel was decommissioned in Q2. Following contract completions, two other 3D vessels and one 2D vessel will be de-rigged in 2009. Three additional 2D vessels will be decommissioned in 2010.

Overall adjustment generated a one-time restructuring charge during the second quarter of $87m ($30m for assets write-off and $57m of expenses).

- Marine contract revenue growth was strong, up 22% in $ and up 40% in €. The vessel availability rate[1] was 89%, including a 5% impact related to standby between contracts and the production rate[2] was 88%. 75% of the 3D fleet operated on contract. During the quarter, we saw the impact of lower pricing as many of the higher rate surveys from 2008 came to a close.

- Land contract revenue was down 25% in $ and 13% in €. We operated 12 crews worldwide, including Argas crews in Saudi Arabia and our large high-density contracts in Qatar and Oman. North American land activity slowed based on the seasonal decommissioning of Arctic crews and weak market conditions. Demand remains strong in the Middle East for large land and shallow water 3D acquisition projects.

- Processing & imaging revenue was up 1% in $ and up 16% in € as the performance and demand for our high-end differentiated imaging technologies and dedicated centers remained high.

- Multi-client revenue was down 40% in $ and 31% in € in line with our decreasing Capex spending. The amortization rate averaged 57%, with 76% in land and 54% in marine. The Net Book Value of the library and the end of June stood at $832 million.

  Multi-client marine revenue was down 31% in $ and 20% in € as a result of decreasing Capex at $89 million (€66 million) and the direct impact this has on prefunding. Four 3D vessels were active, one in the GoM on the 3 Corners wide-azimuth survey, one in Brazil where we initiated an extension program of our Santos cluster survey around the Tupi discovery, one offshore Australia and one in the North Sea. Prefunding was $48 million (€35 million) with a rate of 54%, which is expected to significantly increase throughout the year. After-sales worldwide strengthened during the quarter and were up 7% in $ and 24% in € at $55 million (€41 million).

  Multi-client land revenue was down 71% in $ and 66% in €. Capex eased as planned to $13 million (€9 million) as CGGVeritas began acquiring the Tri-Parish Line 3D multi-client survey in northern Louisiana. The 1500 square km wide-azimuth survey is the largest contiguous Haynesville shale survey to date. Prefunding, while expected to rapidly increase above 100%, was low during the quarter, at $2 million (€1 million), as the crew was mobilizing. After-sales were low year-on-year due to soft gas prices but increased sequentially to $11 million (€8 million).

[1] - The ***vessel availability rate***, a metric measuring the structural availability of our vessels to meet demand; this metric is related to the entire fleet, and corresponds to the total vessel time reduced by the sum of the standby time between contracts, of the shipyard time and the steaming time (the "available time"), all divided by total vessel time;

[2] - The ***vessel production rate***, a metric measuring the effective utilization of the vessels once available; this metric is related to the entire fleet, and corresponds to the available time reduced by the operational downtime, all then divided by available time.

Group EBITDAs before restructuring was $232 million (€170 million), a margin of 30% with the impact of lower pricing and lower contribution from multi-client sales.

Group EBITDAs was $175 million (€128 million).

In millions before restructuring	Q2 09 ($)	*variance*	Q2 08 ($)	Q2 09 (€)	*variance*	Q2 08 (€)
Group EBITDAs	**232**	*-32%*	**339**	**170**	*-22%*	**217**
margin	*30%*		*39%*	*30%*		*39%*
Sercel EBITDAs	67	*-29%*	94	49	*-18%*	60
margin	*28%*		*33%*	*28%*		*33%*
Services EBITDAs	188	*-30%*	269	138	*-20%*	172
margin	*34%*		*44%*	*34%*		*44%*

Group Operating Income before restructuring was $67million, with a margin of 9% based on resilient performance of Sercel while weaker marine prices impacted Services.

Group Operating Income was a loss of $20 million (€16 million).

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In millions before restructuring	Q2 09 ($)	*variance*	Q2 08 ($)	Q2 09 (€)	*variance*	Q2 08 (€)
Group Operating Income	**67**	*-56%*	**151**	**49**	*-50%*	**96**
margin	*9%*		*17%*	*9%*		*17%*
Sercel Op. Income	57	*-33%*	85	42	*-22%*	54
margin	*24%*		*30%*	*24%*		*30%*
Services Op. Income	28	*-66%*	84	20	*-62%*	53
margin	*5%*		*14%*	*5%*		*14%*

Group Net Income before restructuring was $23 million (€16 million), a 3% margin, compared to $81 million (€52 million) last year, down 72% in $ and 68% in €, resulting in an EPS of €0.09 per ordinary share and $0.13 per ADS.

Group Net Income was a loss of $32 million (€25 million), resulting in an EPS of €-0.18 per ordinary share and $-0.24 per ADS.

Taxes

The effective tax rate was 32%.

Financial Charges

Financial charges were $34 million (€25 million).

Cash Flow

Cash Flow from Operations

Cash flow from operations was $218 million (€162 million) a reduction of 11% year-on-year.

Capex

Global Capex was $147 million (€108 million) this quarter, down 28% year-on-year.

- Industrial Capex was $45 million (€33 million), sequentially down from the first quarter.
- Multi-client Capex was $102 million (€75 million) with a prefunding rate of 49% compared to 79% last year.

In millions	Q2 09 ($)	*variance*	Q2 08 ($)
Capex	147	*-28%*	203
Industrial	45	*-25%*	61
Multi-client	102	*-29%*	143

Net Free Cash Flow

After interest expenses paid during the quarter, net free cash flow was at $19 million versus a negative $6 million last year.

Financing

During the quarter, consistently with its conservative financial policy, CGGVeritas reinforced its balance sheet with more favorable covenants and extensions of the debt maturity profile with no significant payments due until 2014.

We amended the financial covenants of both its US and French secured credit facilities. In consideration of these amendments, we repaid $100 million of its term loan B under the US senior facilities and increased the applicable margin for all borrowings under the US senior facilities and French revolving facility by 1.0%.

Also during the quarter, we issued $350 million of 9.5% unsecured Senior Notes due 2016. Part of the net proceeds of this offering will be used to repay existing debts.

Q2 2009 Comparison with Q2 2008

Consolidated Statement of Income before restructuring*	**Second Quarter** *(in million dollars)* **Q2 09**	**Q2 08**	**Second Quarter** *(in million euros)* **Q2 09**	**Q2 08**
Exchange rate euro/dollar	*1.335*	*1.562*	*1.335*	*1.562*
Operating Revenue	778.9	874.1	572.6	559.0
Sercel	*238.7*	*281.3*	*175.2*	*179.9*
Services	*557.6*	*613.1*	*409.3*	*391.6*
Elimination	*-17.4*	*-20.3*	*-11.9*	*-12.5*
Gross Profit*	164.2	244.9	119.7	155.8
Operating Income*	67.1	151.1	48.5	96.1
Sercel	*56.7*	*84.5*	*41.9*	*53.9*
Services	*28.4*	*83.6*	*20.0*	*52.7*
Corporate and Elimination	*-18.2*	*-17.0*	*-13.3*	*-10.5*
Income from Equity Investments	2.7	0.4	2.0	0.2
Net Income*	23.2	81.5	16.5	51.8
Earnings per share (€) / per ADS ($)	0.13	0.56	0.09	0.35
EBITDAs*	231.7	339.4	170.0	217.0
Sercel	*66.5*	*94.1*	*49.1*	*60.1*
Services	*187.7*	*269.4*	*137.6*	*172.0*
Industrial Capex	45.2	60.5	32.8	38.6
Multi-client Capex	101.7	142.7	75.0	91.2

Key Figures

In millions	Q2 09 ($)	*variance*	Q2 08 ($)	Q2 09 (€)	*variance*	Q2 08 (€)
Group EBITDAs						
Before restructuring costs	232	*-32%*	339	170	*-22%*	217
margin	*30%*		*39%*	*30%*		*39%*
After restructuring costs	175	*-48%*	339	128	*-41%*	217
margin	*22%*		*39%*	*22%*		*39%*
Group Operating Income						
Before restructuring costs	67	*-56%*	151	49	*-50%*	96
margin	*9%*		*17%*	*9%*		*17%*
After restructuring costs	-20	*-113%*	151	-16	*-117%*	96
margin	*-3%*		*17%*	*-3%*		*17%*
Group Net Income						
Before restructuring costs	23	*-72%*	81	16	*-68%*	52
margin	*3%*		*9%*	*3%*		*9%*
After restructuring costs	-32	*-140%*	81	-25	*-149%*	52
margin	*-4%*		*9%*	*-4%*		*9%*
Earnings per share (€) / per ADS ($)						
Before restructuring costs	0.13	*-76%*	0.56	0.09	*-74%*	0.35
After restructuring costs	-0.24	*-143%*	0.56	-0.18	*-152%*	0.35

H1 2009 Financial Results

Group Revenue

Group Revenue remained nearly flat, down 7% in $ and up 7% in €, outperforming the market with strong performance in Sercel and stable revenue in Services supported by the addition of Wavefield.

In millions	H1 09 ($)	variance	H1 08 ($)	H1 09 (€)	variance	H1 08 (€)
Group Revenue	**1 630**	*-7%*	**1 747**	**1 221**	*+7%*	**1 144**
Sercel Revenue	440	*-22%*	563	329	*-11%*	369
Services Revenue	1 246	*-1%*	1 260	934	*13%*	825
Eliminations	-56		-76	-42		-50
Marine contract	634	*+40%*	451	475	*+61%*	296
Land contract	215	*-19%*	265	161	*-7%*	173
Processing	198	*+2%*	194	149	*+17%*	127
Multi-client	198	*-43%*	350	148	*-35%*	229
MC marine	*173*	*-35%*	*267*	*130*	*-26%*	*175*
MC land	*25*	*-70%*	*83*	*19*	*-66%*	*54*

Sercel
Sercel sales were down 22%, in $ and 11% in € outperforming the market. Land equipment sales remained stable and marine sales were down as future fleet plans were adjusted.

Services
Revenue was stable in $ and up 13% in € supported by the addition of Wavefield in marine and strong processing performance.

- Marine contract revenue growth was strong, up 40% in $ and up 61% in €. Over the first half of the year, vessel production rates continued to improve while the impact of overcapacity sequentially impacted availability rates. For the first half of the year, fleet availability rate was 91% and the production rate was 89%.

- Land contract revenue was down 19% in $ and 7% in € mainly based on the weaker N. American onshore market. We operated 15 crews worldwide on average, including Argas crews in Saudi Arabia.

- Processing & imaging revenue was up 2% in $ and up 17% in € based on the continued strengthening performance and demand for our high-end differentiated technologies.

- Multi-client revenue was down 43% in $ and 35% in €. Capex eased as planned to $193 million (€145 million) and was down 33% in $ and 23% in €. The amortization rate averaged 60%, a level we expect to continue throughout 2009. Amortization was 77% in land and 58% in marine.

  Multi-client marine revenue was down 35% in $ and 26% in €. Capex was $163 million (€122 million). Prefunding was $103 million (€77 million) with a rate of 63%. After-sales were $70 million (€52 million).

Multi-client land revenue was down 70% in $ and 66% in €. Capex eased as planned to $30 million (€22 million). Prefunding was $6 million (€4 million) with a rate of 20% as crews mobilized for new programs. After-sales were $19 million (€14 million).

Group EBITDAs before restructuring was $514 million (€385 million), a margin of 32% mainly based on the impact of lower pricing and particularly the lower contribution from multi-client sales.

Group EBITDAs was $458 million (€343 million).

In millions before restructuring	H1 09 ($)	variance	H1 08 ($)	H1 09 (€)	variance	H1 08 (€)
Group EBITDAs	**514**	*-25%*	**682**	**385**	*-14%*	**447**
margin	*32%*		*39%*	*32%*		*39%*
Sercel EBITDAs	131	*-32%*	193	98	*-22%*	126
margin	30%		34%	30%		33%
Services EBITDAs	431	*-22%*	553	323	*-11%*	362
margin	*35%*		*44%*	*35%*		*44%*

Group Operating Income before restructuring was $199 million (€149 million), a 12% margin driven by the industry leading and resilient performance of Sercel while good operational performance of vessels was hampered by a decrease in marine prices and lower multi-client contributions.

Group Operating Income was $ 112 million (€84 million).

In millions before restructuring	H1 09 ($)	variance	H1 08 ($)	H1 09 (€)	variance	H1 08 (€)
Group Operating Income	**199**	*-41%*	**335**	**149**	*-32%*	**219**
margin	*12%*		*19%*	*12%*		*19%*
Sercel Op. Income	111	*-36%*	174	83	*-27%*	114
margin	*25%*		*31%*	*25%*		*31%*
Services Op. Income	127	*-41%*	216	95	*-33%*	142
margin	*10%*		*17%*	*10%*		*17%*

Group Net Income before restructuring was $94 million (€70 million), a 6% margin, compared to $177 million (€116 million) last year, down 47% in $ and 39% in €, resulting in an EPS of €0.44 per ordinary share and $0.59 per ADS.

Group Net Income was $38 million (€29 million), down 78% in $ and 75% in €, resulting in an EPS of €0.17 per ordinary share and $0.22 per ADS.

Taxes
The effective tax rate was 28%.

Financial Charges
Financial charges were $69 million (€51 million).

Cash Flow

Cash Flow from Operations

Cash flow from operations was $340 million (€255 million) a reduction of 33% year-on-year.

Capex

Global Capex was $322 million (€241 million) at the end of June, down 24% in $ year-on-year.

- Industrial Capex was $129 million (€97 million), including a $30m capital lease for the seismic equipment on the new vessel Wavefield Voyager during the first quarter.
- Multi-client Capex was reduced by 33% in $ year-on-year.

In millions	H1 09 ($)		H12 08 ($)
Capex	322	*-24%*	425
Industrial	129	*-6%*	137
Multi-client	193	*-33%*	288

Net Free Cash Flow

After interest expenses paid during the first half of the year, net free cash flow was negative at -$19 million versus a positive $24 million last year.

Balance Sheet

Net debt to equity remained stable

The Group's gross debt was down at $2.227 billion (€1.576 billion) at the end of June 2009. With $729 million (€515 million) in available cash, group net debt was $1.499 billion (€1.060 billion) and the net debt to equity ratio was stable at 36%.

H1 2009 Comparison with H1 2008

Consolidated Statement of Income before restructuring*	First Half (in million dollars) H1 09	H1 08	First Half (in million euros) H1 09	H1 08
Exchange rate euro/dollar	*1.335*	*1.527*	*1.335*	*1.527*
Operating Revenue	1 630.1	1 746.9	1 221.1	1 144.0
Sercel	*439.8*	*563.0*	*329.0*	*368.7*
Services	*1 245.8*	*1 259.6*	*933.6*	*824.9*
Elimination	*-55.5*	*-75.7*	*-41.5*	*-49.6*
Gross Profit*	420.4	544.0	315.0	356.2
Operating Income*	198.6	335.2	148.7	219.5
Sercel	*111.0*	*174.1*	*83.0*	*114.0*
Services	*127.3*	*216.5*	*95.3*	*141.8*
Corporate and Elimination	*-39.6*	*-55.4*	*-29.7*	*-36.3*
Income from Equity Investments	3.3	4.6	2.4	3.0
Net Income*	93.9	176.9	70.3	115.9
Earnings per share (€) / per ADS ($)	0.59	1.24	0.44	0.81
EBITDAs*	514.3	682.3	385.3	446.8
Sercel	*130.7*	*192.6*	*97.8*	*126.1*
Services	*430.8*	*553.5*	*322.8*	*362.5*
Industrial Capex	*129.1*	*137.1*	*96.7*	*89.8*
Multi-client Capex	*192.8*	*287.9*	*144.5*	*188.5*

Key Figures

In millions	H109 ($)	*variation*	H1 08 ($)	H1 09 (€)	*variation*	H1 08 (€)
Group EBITDAs						
Before restructuring costs	514	*-25%*	682	385	*-14%*	447
margin	*32%*		*39%*	*32%*		*39%*
After restructuring costs	458	*-33%*	682	343	*-23%*	447
margin	*28%*		*39%*	*28%*		*39%*
Group Operating Income						
Before restructuring costs	199	*-41%*	335	149	*-32%*	219
margin	*12%*		*19%*	*12%*		*19%*
After restructuring costs	112	*-67%*	335	84	*-62%*	219
margin	*7%*		*19%*	*7%*		*19%*
Group Net Income						
Before restructuring costs	94	*-47%*	177	70	*-39%*	116
margin	*6%*			*6%*		
After restructuring costs	38	*-78%*	177	29	*-75%*	116
margin	*2%*		*10%*	*2%*		*10%*
Earnings per share (€) / per ADS ($)						
Before restructuring costs	0.59	*-52%*	1.24	0.44	*-45%*	0.81
After restructuring costs	0.22	*-82%*	1.24	0.17	*-80%*	0.81

Other Information

- Detailed financial results (6K) are available on our website: **www.cggveritas.com**.

- A French language conference call is scheduled today at 9:30 am (Paris). To take part in the French language conference, simply dial in five to ten minutes prior to the scheduled start time.

- National call-in	**+33 1 72 00 13 65**
- International call-in	**+44 808 238 1769**
- Replay	**+33 01 72 00 14 59 or +44 207 107 0686**
	- code 256924#

- **An English language conference call** is scheduled today at 3:00 pm (Paris), 2:00 pm (London), 8:00 am (US CT) and 9:00 am (US ET). To take part in the English language conference, simply dial in five to ten minutes prior to the scheduled start time.

- US call-in	**1 (888) 241-0558**
- International call-in	**1 (647) 427-3417**
- Replay	**1 (402) 220-4374 & 1 (888) 567 0350**
	- code 82642759

You will be asked for the name of the conference: "CGGVeritas 2nd quarter 2009 results".

- A presentation is posted on our website and can be downloaded.

- The conference calls will be broadcast live on our website **www.cggveritas.com** and a replay will be available for two weeks thereafter.

About CGGVeritas

CGGVeritas (www.cggveritas.com) is a leading international pure-play geophysical company delivering a wide range of technologies, services and equipment through Sercel, to its broad base of customers mainly throughout the global oil and gas industry. CGGVeritas is listed on the Euronext Paris SA (ISIN: 0000120164) and the New York Stock Exchange (in the form of American Depositary Shares, NYSE: CGV).

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CGGVeritas

Consolidated Financial Statements
June 30th, 2009

CONSOLIDATED BALANCE SHEETS

	June 30, 2009	
	in millions of euros	in millions of dollars [1]
ASSETS		
Cash and cash equivalents	515.5	728.6
Trade accounts and notes receivable, net	674.0	952.7
Inventories and work-in-progress, net	253.3	358.0
Income tax assets	60.8	86.0
Other current assets, net	103.7	146.8
Assets held for sale, net	8.0	11.3
Total current assets	**1,615.3**	**2,283.4**
Deferred tax assets	111.2	157.1
Investments and other financial assets, net	36.4	51.5
Investments in companies under equity method	78.6	111.0
Property, plant and equipment, net	776.2	1,097.0
Intangible assets, net	862.6	1,219.1
Goodwill, net	2,046.0	2,891.8
Total non-current assets	**3,911.0**	**5,527.5**
TOTAL ASSETS	**5,526.3**	**7,810.9**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Bank overdrafts	10.6	15.0
Current portion of financial debt	137.2	193.9
Trade accounts and notes payables	231.1	326.7
Accrued payroll costs	122.3	172.9
Income taxes payable	37.2	52.6
Advance billings to customers	21.0	29.7
Provisions — current portion	63.7	90.0
Other current liabilities	143.7	203.1
Total current liabilities	**766.8**	**1,083.9**
Deferred tax liabilities	204.5	289.0
Provisions — non-current portion	79.3	112.1
Financial debt	1,428.1	2,018.5
Other non-current liabilities	30.6	43.3
Total non-current liabilities	**1,742.5**	**2,462.9**
Common stock: 216,579,333 shares authorized and 9 shares with a €0.40 nominal value issued and outstanding at June 30, 2009	60.4	85.4
Additional paid-in capital	1,964.7	2,776.9
Retained earnings	1,143.0	1,615.5
Treasury shares	(16.5)	(23.3)
Net loss for the period — Attributable to the Group	24.9	35.2
Income and expense recognized directly in equity	4.0	5.6
Cumulative translation adjustment	(202.8)	(286.8)
Total shareholders' equity	**2,977.7**	**4,208.5**
Minority interests	39.3	55.6
Total shareholders' equity and minority interests	**3,017.0**	**4,264.1**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**5,526.3**	**7,810.9**

(1) Dollar amounts represent euro amounts converted at the exchange rate of US$1.413 per € on the balance sheet date.

CONSOLIDATED STATEMENTS OF OPERATIONS

	June 30, 2009	
	in millions of euros	in millions of dollars [1]
Operating revenues	1,221.1	1,630.1
Other income from ordinary activities	1.6	2.1
Total income from ordinary activities	**1,222.7**	**1,632.2**
Cost of operations	(907.8)	(1,211.8)
Gross profit	**314.9**	**420.4**
Research and development expenses — net	(30.0)	(40.0)
Selling, general and administrative expenses	(127.7)	(170.4)
Other revenues (expenses) — net	(75.3)	(98.2)
Operating income	**83.7**	**111.8**
Expenses related to financial debt	(52.7)	(70.4)
Income provided by cash and cash equivalents	1.4	1.8
Cost of financial debt, net	**(51.3)**	**(68.6)**
Other financial income (loss)	(2.9)	(3.9)
Income (loss) of consolidated companies before income taxes	**29.5**	**39.3**
Deferred taxes on currency translation	5.7	7.6
Other income taxes	(9.0)	(12.0)
Income taxes	**(3.3)**	**(4.4)**
Net income (loss) from consolidated companies	**26.2**	**34.9**
Equity in income of affiliates	2.4	3.3
Net income (loss)	**28.6**	**38.2**
Attributable to:		
Shareholders	24.9	33.3
Minority interests	3.7	4.9
Weighted average number of shares outstanding	150,705,772	150,705,772
Dilutive potential shares from stock-options	308,688	308,688
Dilutive potential shares from free share plan	806,500	806,500
Dilutive weighted average number of shares outstanding adjusted when dilutive	151,820,960	151,820,960
Earning per share		
— Basic	0.17	0.22
— Diluted	0.16	0.22

[1] Dollar amounts represent euro amounts converted at the average exchange rate for the period of U.S.$1.335 per €.

CONSOLIDATED STATEMENTS OF OPERATIONS

	Quarter ended June 30, 2008	
	in millions of euros	in millions of dollars [(1)]
Operating revenues	**572.6**	**778.9**
Other income from ordinary activities	0.8	1.2
Total income from ordinary activities	**573.4**	**780.1**
Cost of operations	(453.8)	(615.9)
Gross profit	**119.6**	**164.2**
Research and development expenses — net	(13.8)	(18.8)
Selling, general and administrative expenses	(61.0)	(82.9)
Other revenues (expenses) — net	(61.3)	(82.1)
Operating income before reduction of goodwill	**(16.5)**	**(19.6)**
Reduction of goodwill	-	-
Operating income	**(16.5)**	**(19.6)**
Expenses related to financial debt	(25.7)	(34.9)
Income provided by cash and cash equivalents	0.4	0.6
Cost of financial debt, net	**(25.3)**	**(34.3)**
Other financial income (loss)	(5.3)	(7.0)
Income (loss) of consolidated companies before income taxes	**(47.1)**	**(60.9)**
Deferred taxes on currency translation	5.4	7.2
Other income taxes	14.2	18.5
Income taxes	**19.6**	**25.7**
Net income (loss) from consolidated companies	**(27.5)**	**(35.2)**
Equity in income of affiliates	2.0	2.7
Net income (loss)	**(25.5)**	**(32.5)**
Attributable to:		
Shareholders	(27.9)	(35.8)
Minority interests	2.4	3.3
Weighted average number of shares outstanding	150,793,834	150,793,834
Dilutive potential shares from stock-options	336,593	336,593
Dilutive potential shares from free share plan	806,500	806,500
Dilutive weighted average number of shares outstanding adjusted when dilutive	151,936,927	151,936,927
Earning per share		
— Basic	(0.18)	(0.24)
— Diluted	(0.18)	(0.24)

(1) Corresponding to the six months ended June 30, 2009 in US dollars less the three months ended March 31, 2009 in US dollars.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	June 30, 2009	
	in millions of euros	in millions of dollars [(1)]
OPERATING		
Net income (loss)	28.6	38.2
Depreciation and amortization	159.6	213.0
Multi-client surveys amortization	89.0	118.8
Variance on provisions	44.7	59.6
Cancellation of stock based compensation expenses	10.6	14.1
Cancellation of net gain (loss) on disposal of fixed assets	1.8	2.4
Share in profits of affiliates	(2.4)	(3.3)
Dividends received from affiliates	-	-
Other non-cash items	(5.1)	(6.8)
Net cash including net cost of financial debt and income tax	**326.8**	**436.0**
Less net cost of financial debt	51.3	68.6
Less income tax expense	3.3	4.4
Net cash excluding net cost of financial debt and income tax	**381.4**	**509.0**
Income tax paid	(41.8)	(55.8)
Net cash before changes in working capital	**339.6**	**453.2**
— change in trade accounts and notes receivables	8.6	11.5
— change in inventories and work-in-progress	39.2	52.3
— change in other current assets	(7.5)	(10.0)
— change in trade accounts and notes payable	(65.1)	(86.9)
— change in other current liabilities	(43.6)	(58.3)
Impact of changes in exchange rate on financial items	(16.2)	(21.5)
Net cash provided by operating activities	**255.0**	**340.3**
INVESTING		
Total capital expenditures (including variation of fixed assets suppliers)	(75.0)	(100.1)
Investments in multi-client surveys	(144.5)	(192.9)
Proceeds from disposals of tangible & intangible assets	2.6	3.5
Acquisition of investments, net of cash & cash equivalents acquired	(65.0)	(86.7)
Impact of changes in consolidation scope	(2.0)	(2.7)
Variation in loans granted	(4.0)	(5.3)
Variation in subsidies for capital expenditures	(0.1)	(0.1)
Variation in other non-current financial assets	(0.9)	(1.2)
Net cash from investing activities	**(288.9)**	**(385.5)**
FINANCING		
Repayment of long-term debt	(137.7)	(183.8)
Total issuance of long-term debt	241.5	322.3
Lease repayments	(14.7)	(19.6)
Change in short-term loans	2.5	3.3
Financial expenses paid	(58.8)	(78.5)
Net proceeds from capital increase:		
— from shareholders	-	-
— from minority interest of integrated companies	-	-
Dividends paid and share capital reimbursements:	-	-
— to shareholders	-	-
— to minority interest of integrated companies	(2.5)	(3.3)
Acquisition/disposal from treasury shares	1.6	2.1
Net cash provided by financing activities	**31.9**	**42.5**
Effect of exchange rates on cash	0.6	11.9
Net increase (decrease) in cash and cash equivalents	**(1.4)**	**9.2**
Cash and cash equivalents at beginning of year	**516.9**	**719.4**
Cash and cash equivalents at end of period	**515.5**	**728.6**

[(1)] Dollar amounts represent euro amounts converted at the average exchange rate for the period of U.S.$1.335 per € (except cash and cash equivalents balances converted at the closing rate of US$1.413 at June 30, 2009 and US$1.392 at December 31, 2008)

ANALYSIS BY OPERATING SEGMENT

June 30, 2009 (in millions of euros)	Geophysical Services	Geophysical Equipment	Eliminations & Adjustments	Consolidated Total
Revenues from unaffiliated customers	**933.6**	**287.5**	**—**	**1,221.1**
Inter-segment revenues	0.6	41.5	(42.1)	—
Operating revenues	**934.2**	**329.0**	**(42.1)**	**1,221.1**
Other income from ordinary activities	—	1.6	—	1.6
Total income from ordinary activities	**934.2**	**330.6**	**(42.1)**	**1,222.7**
Operating income (loss)	**30.4**	**83.0**	**(29.7)**	**83.7**
Equity income (loss) of investees	2.4	—	—	2.4
Capital expenditures	249.5	8.9	(17.2)	241.2
Depreciation and amortization	245.1	13.7	(10.2)	248.6
Investments in companies under equity method	-	4.0	-	4.0
Identifiable assets	**4,404.3**	**732.3**	**(209.4)**	**4,927.2**
Unallocated and corporate assets				599.1
Total assets				**5,526.3**

June 30, 2009 (in millions of dollars)	Geophysical Services[1]	Geophysical Equipment[2]	Eliminations & Adjustments	Consolidated Total[3]
Revenues from unaffiliated customers	**1,245.8**	**384.3**	**—**	**1,630.1**
Inter-segment revenues	0.8	55.5	(56.3)	—
Operating revenues	**1,246.6**	**439.8**	**(56.3)**	**1,630.1**
Other income from ordinary activities	—	2.1	-	2.1
Total income from ordinary activities	**1,246.6**	**441.9**	**(56.3)**	**1,632.2**
Operating income (loss)	**40.6**	**111.0**	**(39.7)**	**111.8**

(1) Dollar amounts represent euro amounts converted at the average rate of US$1.334 per € for the Services segment
(2) Dollar amounts represent euro amounts converted at the average rate of US$1.337 per € for the Equipment segment.
(3) Dollar amounts represent euro amounts converted at the rate of US$1.335 per €, corresponding to the weighted average based on each segment's operating revenues.

ANALYSIS BY OPERATING SEGMENT

Three months ended June 30, 2009 (in millions of euros)	Geophysical Services	Geophysical Equipment	Eliminations and Adjustments	Consolidated Total
Revenues from unaffiliated customers	**409.3**	**163.3**	**—**	**572.6**
Inter-segment revenues	0.2	11.9	(12.1)	—
Operating revenues	**409.5**	**175.2**	**(12.1)**	**572.6**
Other income from ordinary activities	—	0.8	—	0.8
Total income from ordinary activities	**409.5**	**176.0**	**(12.1)**	**573.4**
Operating income (loss)	**(44.9)**	**41.9**	**(13.5)**	**(16.5)**
Equity income (loss) of investees	2.0	—	—	2.0
Capital expenditures	106.7	3.7	(2.5)	107.9
Depreciation and amortization	138.6	6.9	(5.2)	140.3

Three months ended June 30, 2009 (in millions of dollars) [1]	Geophysical Services	Geophysical Equipment	Eliminations and Adjustments	Consolidated Total
Revenues from unaffiliated customers	**557.6**	**223.6**	**(2.3)**	**778.9**
Inter-segment revenues	0.3	15.1	(15.4)	—
Operating revenues	**557.9**	**238.7**	**(17.7)**	**778.9**
Other income from ordinary activities	—	1.2	—	1.2
Total income from ordinary activities	**557.9**	**239.9**	**(17.7)**	**780.1**
Operating income (loss)	**(58.3)**	**56.7**	**(18.0)**	**(19.6)**

(1) Corresponding to the six months ended June 30, 2009 in US dollars less the three months ended March 31, 2009 in US dollars.