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## **IG SEISMIC SERVICES ANNOUNCES INTERIM CONSOLIDATED IFRS FINANCIAL RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2012**

**September 17, 2012**

**IG Seismic Services (“IGSS” or the “Company”), the leading provider of land and transition zone seismic services in Russia, today announces interim unaudited consolidated IFRS financial results for the six months ended June 30, 2012.**

### **1H 2012 Financial Highlights**

- Revenue amounted to USD **391.5** million;
- EBITDA amounted USD **66.0** million with an EBITDA margin of approximately **17%**;
- Operating profit amounted to USD **18.8** million;
- Net loss amounted to USD **1.4** million;
- Net cash generated from operating activities amounted to USD **112.6** million;
- Total debt as of June 30, 2012 was USD **297.3** million, of which USD **65** million matures in 2012, USD **132** million in 2013, USD **76** million in 2014, USD **22** million in 2015 and USD **2** million in 2016;
- As of September 1, 2012, total debt amounted to USD **334.4** million, of which USD **32** million matures in 2012, USD **154** million in 2013, USD **78** million in 2014, USD **69** million in 2015 and USD **1** million in 2016; and
- Capital expenditure in 1H 2012 amounted to USD **24** million.

### **Operating Highlights**

- As of June 30, 2012, the Company operated 83 field crews in Russia, Kazakhstan and certain other countries with more than 280,000 channels, 157 vibrators and employed 12,163 employees;
- 1,189 thousand shot points were performed during the first six months of 2012, out of which 1,001 thousand related to 3D surveys and 188 thousand to 2D surveys;
- In 2011, top 10 customers accounted for 71.5% of combined field seismic revenue of predecessor entities, of which Gazprom Neft accounted for 14.6%, Gazprom for 14.5%, Rosnedra for 10.6%, Rosneft for 8.6%, TNK-BP for 7.9%, Surgutneftegaz for 6.8%, Lukoil for 4.2%, Russneft for 1.8%, Novatek for 1.7% and Slavneft for 0.8%;
- Combined capital expenditure of predecessor entities directly related to their seismic operations amounted to USD **66.6** million in 2009, USD **83.4** million in 2010 and USD **84.0** million in 2011; and
- As of September 11, 2012, the Company's total backlog (signed contracts and awarded tenders) amounted to approximately USD **591** million (inclusive of VAT), of which approximately USD **150** million (inclusive of VAT) accounted for contracts from the 2011-2012 season and approximately USD **441** million (inclusive of VAT) represented tenders awarded this year. The Company is currently in the active stage of contracting for the 2012-2013 season.

Going forward, as the Company continues making progress integrating its business, management expects to realize certain synergies through the optimization of operations, improved internal functions, as well as greater economies of scale.

*This press release provides a summary of some of the key financial and operating indicators for the six months ended June 30, 2012. For full disclosure materials, please visit*

<http://www.igseis.com/en/investor-relations>.

#### **Forward Looking Statements**

Certain statements contained in this announcement constitute "forward-looking statements". These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company's control and all of which are based on the Company's current beliefs and expectations about future events. Forward-looking statements are typically identified by the use of forward-looking terminology such as "believes", "expects", "may", "will", "could", "should", "intends", "estimates", "plans", "assumes" or "anticipates" or, in each case, their negative or other variations or comparable terminology. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of each Party, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. Such risks, uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements.

The forward-looking statements contained in this document speak only as at the date of this document. Except to the extent required by applicable law, the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any change in Integra Group's or any other Party's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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