



COMPAGNIE GENERALE DE GEOPHYSIQUE
(ISIN : 0000120164 – NYSE : GGY)

Paris, July 17th 2006

CGG and TAQA signed definitive shareholder agreement

Compagnie Générale de Géophysique (CGG) announces the closing of the transaction with Industrialization & Energy Services Company (TAQA), related to CGG Ardiseis, which follows the Memorandum of Understanding signed by both parties in Bahreïn, on March 27th 2006.

As from June 24 2006, TAQA, CGG's long term Saudi Partner in ARGAS, owns 49% of the capital of CGG Ardiseis, a newly formed CGG subsidiary dedicated to Land & Shallow Water Seismic Data Acquisition in the Middle East. CGG holds the remaining 51%.

CGG Ardiseis, located in Dubai, provides its clients with the whole range of CGG Land and Shallow Water Acquisition Services in the Middle East region where a sustained high activity is expected across the next decade.

The Industrialization & Energy Services Company (TAQA) was conceived by the Saudi Ministry of Petroleum and Mineral Resources and is tasked with establishing a wide range of industries and services in support of the energy sector. The company's major objective is to localize such industries and services. It has majority ownership in two subsidiaries with activities in exploration and drilling, Arabian Drilling Company (ADC) and ARGAS. With several projects currently under planning and development, TAQA is currently in a growth mode and has embarked on a regional expansion strategy.

The Compagnie Générale de Géophysique (CGG) is a global participant in the oilfield services industry, providing a wide range of seismic data acquisition, processing and reservoir services and software to clients in the Oil and Gas exploration and production business. It is also a global manufacturer of geophysical equipment through its subsidiary Sercel.

The information included herein contains certain forward-looking statements within the meaning of Section 27A of the securities act of 1933 and section 21^E of the Securities Exchange Act of 1934. These forward-looking statements reflect numerous assumptions and involve a number of risks and uncertainties as disclosed by the Company from time to time in its filings with the Securities and Exchange Commission. Actual results may vary materially

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