

CGG
French *société anonyme* with a share capital of €17,706,519
Registered office: Tour Maine Montparnasse
33, avenue du Maine
75015 Paris
R.C.S. Paris 969 202 241
(the « *Company* »)

BOARD OF DIRECTORS' REPORT
to the general meeting of the holders of bonds
convertible into and or exchangeable for new or existing shares
issued by the Company on 26 June 2015 for a principal amount of €325,165,550.01
with 1.75% annual interest rate
and maturing on 1st January 2020
(ISIN Code: FR 0012739548)
(the « *Bonds* »)

Dear Bondholders,

Pursuant to the provisions of article L. 228-47 of the French commercial Code, we have convened the general meeting of Bondholders on March 20, 2017 at 9.30 am at Hôtel Ibis Paris Alésia Montparnasse, 49 rue des Plantes, 75014 Paris.

Indeed, by registered letters with acknowledgement of receipt dated 16 November 2016, the company Massquote SAS, representative of the *Masse* of the Bondholders, and Mr. Gilbert Labachotte, alternate representative of the *Masse* of the Bondholders, have both resigned, with effect on 16 November 2016.

On January 25, 2017, the company JG Capital Management (437 850 209 RCS Paris, 10 avenue George V, 75008 Paris), represented by Mr. Jean Gatty, an investment advisor managing a fund holding more than one thirtieth of the Bonds, requested the Company to convene a general meeting of bondholders pursuant to article L.225-58 2nd paragraph of the French Code of commerce, providing draft resolutions numbered 1 to 5.

Consequently, in accordance with applicable laws, a general meeting is convened in order to allow you to replace the representative and the alternate representative of the *Masse* of the Bondholders. It is specified that, in case the fourth and fifth resolutions proposed by the company JG Capital Management (437 850 209 RCS Paris, 10 avenue George V, 75008 Paris), represented by Mr. Jean Gatty, are adopted by the general meeting, the powers, duties and compensations of the representative and of the alternate representative of the *Masse* of the Bondholders set in the provisions of section 1.3.16 of the prospectus which received visa from the *Autorité des marchés financiers* n°15-230 dated 28 May 2015 (the "*Prospectus*") will be amended.

The draft resolutions proposed by the Board of Directors of the Company are numbered from 6 and 7.

We draw your attention on the fact that according to article L.228-47 of the French Code of Commerce, the *Masse* of Bondholders can be represented by a number of representatives which cannot exceed three.

You are consequently asked to decide on the following resolutions:

DRAFT RESOLUTIONS WHICH HAVE BEEN SUBMITTED TO THE GENERAL MEETING OF BONDHOLDERS BY THE COMPANY JG CAPITAL MANAGEMENT (437 850 209 RCS PARIS, 10 AVENUE GEORGE V, 75008 PARIS), REPRESENTED BY MR. JEAN GATTY, PURSUANT TO ARTICLES L.228-58, 2nd PARAGRAPH AND L.228-60, 2nd PARAGRAPH, OF THE FRENCH CODE OF COMMERCE

First resolution (Appointment of a representative of the Masse of the Bondholders pursuant to articles L.228-47 and seq. of the French Code of Commerce)

You are asked by the company JG Capital Management, represented by Mr. Jean Gatty, to appoint Mr. Jean Gatty, 10 avenue George V, 75008 Paris, as representative of the *Masse* of the Bondholders. The Representative shall exercise the powers and duties which are devoted to him by applicable laws and regulations and in accordance with the prospectus relating to the 2020 OCEANE bonds.

Second resolution (Appointment of a representative of the Masse of the Bondholders pursuant to articles L.228-47 and seq. of the French Code of Commerce)

You are asked by the company JG Capital Management, represented by Mr. Jean Gatty, to appoint Mr. Olivier Dousset, 20 rue de la Cure, 75016 Paris, as representative of the *Masse* of the Bondholders. The Representative shall exercise the powers and duties which are devoted to him by applicable laws and regulations and in accordance with the prospectus relating to the 2020 OCEANE bonds.

Third resolution (Appointment of an alternate representative of the Masse of the Bondholders pursuant to articles L.228-47 and seq. of the French Code of Commerce)

You are asked by the company JG Capital Management, represented by Mr. Jean Gatty, to appoint Mr. Jérôme Tordo, 60 rue de Turenne, 75003 Paris, as alternate representative of the *Masse* of the Bondholders, to be called in case of resignation or incapacity of the representatives.

Fourth resolution (Determination of the compensation of the representatives of the Masse of the Bondholders)

You are asked by the company JG Capital Management, represented by Mr. Jean Gatty, to set the yearly compensation of the Representatives of the *Masse* of Bondholders at one hundred euros (€100) to perform their powers and duties. This compensation will be paid to the alternate representative only in case he would be called to act in replacement of the representatives. It is also proposed to amend the Prospectus (articles 1.3.16.2 and 1.3.16.3) accordingly.

Fifth resolution (Powers of the representative of the Masse of the Bondholders)

You are asked by the company JG Capital Management, represented by Mr. Jean Gatty to grant to the Representatives the power to carry out, in the name of the *Masse* of Bondholders, acting together or separately, without restriction or reserve, all actions in order to defend the common interests of 2020 OCEANE holders. It is also proposed to amend the Prospectus (article 1.3.16.3) accordingly.

DRAFT RESOLUTIONS PROPOSED BY THE BOARD OF DIRECTORS OF THE COMPANY

Sixth resolution (Determination of the place where to record the general meeting documentation)

You are asked to resolve, pursuant to article R.228-74 of the French Code of Commerce, that the attendance sheet, the proxies of represented bondholders and the minutes of this general meeting are put and recorded at the Company's registered office.

Seventh resolution (Powers to carry out formalities)

You are asked to grant all powers to the holder of an original, copy or excerpt of the minutes of this meeting to make any submissions, publications, formalities or filing which are required by applicable laws and regulations.