

CGG  
Form 20-F  
April 13, 2015  
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**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 20-F**

.. **REGISTRATION STATEMENT PURSUANT TO SECTION 12(B) OR (G) OF THE SECURITIES EXCHANGE ACT OF 1934**  
**OR**

x **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the Fiscal Year Ended December 31, 2014**

**OR**

.. **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**  
**OR**

.. **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

**Date of Event Requiring this Shell Company Report**

**Commission File Number 001-14622**

# CGG

*(Exact name of registrant as specified in its charter)*

**CGG**

*(Translation of registrant's name into English)*

**Republic of France**

*(Jurisdiction of incorporation or organization)*

**Tour Maine Montparnasse**

**33, avenue du Maine**

**75015 Paris France**

*(Address of principal executive offices)*

**Stephane-Paul Frydman**

**Chief Financial Officer**

**CGG**

**Tour Maine Montparnasse**

**33, avenue du Maine**

**75015 Paris France**

**tel: +33 (0) 16467 4500**

**fax: +33 (0) 16447 3429**

*(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)*

**Securities registered or to be registered pursuant to Section 12(b) of the Act.**

<b>Title of each class</b>	<b>Name of each exchange on which registered</b>
<b>American Depositary Shares representing</b>	<b>New York Stock Exchange</b>
<b>Ordinary Shares, nominal value 0.40 per share</b>	

**Securities registered or to be registered pursuant to Section 12(g) of the Act.**

**None**

**(Title of class)**

**Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.**

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**7.75% Senior Notes due 2017**

**6.50% Senior Notes due 2021**

**6.875% Senior Notes due 2022**

**(Title of class)**

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

**177,065,192 Ordinary Shares, nominal value 0.40 per share**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes  No

Note: checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those sections.

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).\*\* Yes  No

\*\* This requirement is not currently applicable to the registrant.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing: US GAAP

International Financial Reporting Standards as issued by the International Accounting Standards Board  Other

If other has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow: Item 17  Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

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**PRESENTATION OF INFORMATION**

Unless the context otherwise requires, CGG refers to CGG SA, and we, us, our and Group refers to CGG SA and its subsidiaries.

References to Senior Notes are to our 7.75% Senior Notes due 2017, our 5.875% Senior Notes due 2020, our 6.50% Senior Notes due 2021 and our 6.875% Senior Notes due 2022. References to the US revolving facility are to the US\$165 million revolving credit facility under our senior secured credit agreement dated July 15, 2013, as amended from time to time. References to the French revolving facility are to the US\$325 million revolving credit facility under our senior secured French-law revolving facility agreement dated July 31, 2013 as amended from time to time. References to the Nordic credit facility are to the US\$250 million Nordic agreement split into US\$150 million term loan and US\$100 million revolving facility dated July 1, 2013.

References to the Acquisition or the Geoscience Acquisition are to our acquisition of most of the Geoscience Division of Fugro N.V. ( Fugro ), including Fugro-Geoteam, Fugro Seismic Imaging, Fugro Geophysical and Geological Services and De Regt Marine Cables, as well as all related entities and assets, but excluding Fugro's multi-client library and OBN activity. References to the Seabed JV are to the joint venture between us and Fugro specializing in shallow water and ocean bottom systems.

In this annual report, references to United States or US are to the United States of America, references to US dollars, \$ or US\$ are to United States dollars, references to France are to the Republic of France, references to Norway are to the Kingdom of Norway, references to NOK are to Norwegian kroner and references to euro or are to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Union.

As our shares are listed on the New York Stock Exchange (in the form of American Depositary Shares), and the offer and sale of certain of our bonds was registered with the SEC, we are required to file an annual report on Form 20-F with the SEC. Our annual report includes our annual financial statements prepared in accordance with International Financial Reporting Standards ( IFRS ) and its interpretations as issued by the International Accounting Standards Board (IASB). These consolidated financial statements were also prepared in accordance with IFRS as adopted by the European Union.

Unless otherwise indicated, statements in this annual report relating to market share, ranking and data are derived from management estimates based, in part, on independent industry publications, reports by market research firms or other published independent sources. Any discrepancies in any table between totals and the sums of the amounts listed in such table are due to rounding.

Effective January 1, 2012, we changed the presentation currency of our consolidated financial statements from the euro to the US dollar to better reflect the profile of our revenues, costs and cash flows, which are primarily generated in US dollars, and hence, to better present the financial performance of the Group. As a change in presentation currency is a change of accounting policy, all comparative financial information has been restated into US dollars in this annual report.

**FORWARD-LOOKING STATEMENTS**

This annual report includes forward-looking statements within the meaning of the federal securities laws, which involve risks and uncertainties, including, without limitation, certain statements made in the sections entitled Information on the Company and Operating and Financial Review and Prospects. You can identify forward-looking statements because they contain words such as believes, expects, may, should, seeks, approximately, intends, plans, estimates, or anticipates or similar expressions that relate to our strategy, plans or intentions. These forward-looking statements are subject to risks and uncertainties that may change at any time, and, therefore, our actual results may differ materially from those that we expected. We have based these forward-looking statements on our current views and assumptions about future events. While

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we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and, of course, it is impossible for us to anticipate all factors that could affect our actual results. All forward-looking statements are based upon information available to us on the date of this annual report.

Important factors that could cause actual results to differ materially from our expectations ( *cautionary statements* ) are disclosed under *Item 3: Key Information - Risk Factors* and elsewhere in this annual report, including, without limitation, in conjunction with the forward-looking statements included in this annual report. Some of the factors that we believe could affect our actual results include:

the impact of the current economic environment and oil and natural gas prices;

the social, political and economic risks of our global operations;

our ability to integrate successfully the businesses or assets we acquire;

the risks associated with activities operated through joint ventures in which we hold a minority interest;

any write-downs of goodwill on our balance sheet;

our ability to sell our seismic data library;

exposure to foreign exchange rate risk;

our ability to finance our operations on acceptable terms;

the impact of fluctuations in fuel costs on our marine acquisition business;

the weight of intra-group production on our results of operations;

the timely development and acceptance of our new products and services;

difficulties and costs in protecting intellectual property rights and exposure to infringement claims by others;

ongoing operational risks and our ability to have adequate insurance against such risks;

the level of capital expenditures by the oil and gas industry and changes in demand for seismic products and services;

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our clients' ability to unilaterally delay or terminate certain contracts in our backlog;

the effects of competition;

difficulties in adapting our fleet to changes in the seismic market;

the seasonal nature of our revenues;

the costs of compliance with governmental regulation, including environmental, health and safety laws;

our substantial indebtedness and the restrictive covenants in our debt agreements;

our ability to access the debt and equity markets during the periods covered by the forward-looking statements, which will depend on general market conditions and on our credit ratings for our debt obligations;

exposure to interest rate risk; and

our success at managing the foregoing risks.

We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. We caution you that the foregoing list of important factors may not contain all of the material factors that are important to you. In addition, in light of these risks, uncertainties and assumptions, the forward-looking events discussed in this annual report might not occur. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements included in this annual report, including those described in Item 3: Key Information - Risk Factors of this annual report.

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**PART I**

**Item 1: IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS**

Not applicable.

**Item 2: OFFER STATISTICS AND EXPECTED TIMETABLE**

Not applicable.

**Item 3: KEY INFORMATION**

**Selected Financial Data**

The selected financial data included below should be read in conjunction with, and are qualified in their entirety by reference to, our consolidated financial statements and Item 5: Operating and Financial Review and Prospects included elsewhere in this annual report. The selected financial data for each of the years in the five-year period ended December 31, 2014 have been derived from our audited consolidated financial statements prepared in accordance with IFRS.



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	At December 31,				
	2014	2013	2012 (restated*)	2011 (restated*)	2010 (restated*)
	(In millions of US\$ except per share data and ratios)				
<b>Statement of operations data:</b>					
Operating revenues	3,095.4	3,765.8	3,410.5	3,180.9	2,904.3
Other revenues from ordinary activities	1.5	2.1	3.6	3.3	4.3
Cost of operations	(2,510.8)	(2,977.2)	(2,685.4)	(2,649.4)	(2,321.8)
Gross profit	586.1	790.7	728.7	534.8	586.8
Research and development expenses, net	(101.2)	(105.9)	(92.8)	(77.0)	(75.7)
Marketing and selling expenses	(113.9)	(118.6)	(96.0)	(83.1)	(81.9)
General and administrative expenses	(146.6)	(215.9)	(182.6)	(201.8)	(222.2)
Other revenues (expenses)	(506.9)	(105.2)	(26.7)	34.3	(118.0)
Impairment of goodwill	(415.0)	(640.0)			
Operating income	(697.5)	(394.9)	330.6	207.2	89.0
Cost of financial debt, net	(200.6)	(191.7)	(156.7)	(174.5)	(140.1)
Other financial income (loss)	(43.0)	(22.3)	(19.7)	0.8	11.2
Income taxes	(123.8)	(82.9)	(99.2)	(63.1)	(18.5)
Equity in income of affiliates	(81.7)	0.6	37.4	16.4	(1.0)
Net income (loss)	(1,146.6)	(691.2)	92.4	(13.2)	(59.4)
Attributable to non-controlling interests	7.8	7.6	17.2	13.9	14.1
Attributable to owners of CGG SA	(1,154.4)	(698.8)	75.2	(27.1)	(73.5)
Net income (loss) per share:					
Basic <sup>(1)</sup>	(6.52)	(3.95)	0.46	(0.17)	(0.46)
Diluted <sup>(2)</sup>	(6.52)	(3.95)	0.46	(0.17)	(0.46)
<b>Balance sheet data:</b>					
Cash and cash equivalents	359.1	530.0	1,520.2	531.4	448.8
Working capital <sup>(3)</sup>	539.4	532.0	783.5	488.7	677.8
Property, plant & equipment, net	1,238.2	1,557.8	1,159.5	1,183.2	1,045.6
Multi-client surveys	947.4	818.0	604.2	527.3	602.9
Goodwill	2,041.7	2,483.2	2,415.5	2,688.2	2,688.5
Total assets	7,061.0	8,262.8	8,332.8	7,191.5	7,116.2
Gross financial debt <sup>(4)</sup>	2,778.9	2,747.6	2,305.2	1,942.1	1,985.1
Equity attributable to owners of CGG SA	2,693.0	3,799.9	4,483.2	3,794.6	3,745.8
<b>Other financial historical data and other ratios:</b>					
EBIT <sup>(5)</sup>	(779.2)	(394.3)	368.0	223.6	88.0
EBITDAS <sup>(6)</sup>	775.7	1,139.7	1,006.2	826.1	760.3
Capital expenditures <sup>(7)</sup>	281.9	347.2			