

CGG

A French *société anonyme* with a board of directors
with a registered capital of €5,785,750
Registered office: Tour Maine Montparnasse, 33 Avenue du Maine – 75015 Paris
969 202 241 R.C.S. Paris
(the “**Company**”)

SUPPLEMENTARY REPORT TO THE BOARD OF DIRECTORS ON THE USE OF DELEGATIONS GRANTED BY CGG’S EXTRAORDINARY GENERAL MEETING OF 13 NOVEMBER 2017
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Ladies and Gentlemen,

At the extraordinary general meeting of shareholders of the Company held on 13 November 2017, you have notably decided to delegate to the Board of Directors of the Company your authority to decide on several issuances of new ordinary shares of the Company as well as warrants, with or without preferential subscription rights, as applicable.

We remind you that the aforementioned extraordinary general meeting resolved within the framework and for the purpose of implementing the Company’s safeguard plan adopted by the Paris Commercial Court on 1 December 2017 (the “**Safeguard Plan**”), as well as the Chapter 11 plan confirmed by the competent American court following the judgment rendered on 16 October 2017.

The purpose of this supplementary report is to inform you of the final terms and conditions of the issuances carried out pursuant to the above-mentioned delegations of authority, in accordance with articles L. 225-129-5, L. 225-138, R. 225-115 and R. 225-116 of the French Commercial Code.

This report, as well as the Statutory Auditors’ reports issued pursuant to Article R. 225-116 of the French Commercial Code, are communicated to you in accordance with the applicable legal and regulatory provisions.

1. Issuance and allocation of free warrants to the Company’s shareholders

We remind you that, pursuant to the 19th resolution of the extraordinary general meeting of the Company held on 13 November 2017, such general meeting delegated to the Board of Directors, with authority to sub-delegate in accordance with provisions provided for by applicable law and such general meeting, for a period of 18 months from the date of such general meeting, its authority to decide and carry out the issuance of a maximum amount of 24,375,000 warrants in favor of the shareholders of the Company (the “**Warrants #1**”), pursuant to articles L. 225-129 to L. 225-129-6 and L. 228-91 of the French Commercial Code.

Pursuant to the decisions of the Company’s Board of Directors held on 15 January 2018, the Board of Directors notably, in accordance with and within the limits of the powers granted by the aforementioned delegation of authority, (a) decided the principle of an issuance of a maximum number of 24,375,000 Warrants #1 to the Company’s shareholders, (b) set certain characteristics of these Warrants #1 and the issuance, (c) sub-delegated to the Chief Executive Officer all powers to decide or not and carry out this issuance within the limits set by the Board of Directors, and to set its final terms and conditions, and (d) decided that this supplementary report would be made available to the shareholders within 15 days of the date on which the Chief Executive Officer would report to the Board of Directors on the sub-delegation.

Pursuant to its decisions dated 16 January 2018, the Chief Executive Officer, pursuant to and within the limits of the powers granted by the sub-delegation of authority by the Board of Directors at its meeting dated 15 January 2018:

- resolved to proceed with the issuance and free allocation of a total number of 22,133,149 Warrants #1 to the holders of existing shares registered in their securities accounts (*enregistrement comptable*) at the end of the accounting day of 17 January 2018 (and which will therefore be recorded in an account (*inscrit en compte*) on 19 January 2018), who will be allocated one (1) Warrant #1 for each share held;
- resolved that the settlement and delivery of the Warrants #1 allocated to persons identified in accordance with the foregoing shall occur on the day of settlement and delivery of the issuance of the ABSA (as defined below), immediately prior to the issuance of the ABSA;
- resolved to adopt the final terms and conditions of the Warrants #1 which are attached as **Appendix 1** to this report and come from the prospectus approved by the French Financial Markets Authority (*Autorité des Marchés Financiers*) under visa number n°17-551 dated 13 October 2017 (the “**Prospectus n°1**”), except for the number of Warrants #1 allocated for free and the maximum amount of the resulting capital increase, which were determined by the decision of the Chief Executive Officer dated 16 January 2018;
- acknowledged that three (3) Warrants #1 will entitle to subscribe for four (4) new shares at a price of EUR 3.12 per new share, *i.e.* EUR 0.01 par value and EUR 3.11 of share premium (notwithstanding any subsequent adjustments, in accordance with the laws and regulations and, where applicable, the terms and conditions of the Warrants #1); consequently, the amount of the capital increase(s) that may result from the exercise of the Warrants #1 may not exceed 295,108.66 (by issuing a maximum of 29,510,866 new shares of the Company); this ceiling being increased, if necessary, by the nominal value of the shares to be issued in order to preserve the rights of the holders of the Warrants #1 (in accordance with the laws and regulations and, if applicable, the terms and conditions of the Warrants #1), the maximum number of new shares being increased accordingly;
- resolved that the shares issued as a result of the exercise of Warrants #1 (i) will entitle their holders to all rights attached to them from their date of issuance and to all distributions decided by the Company after that date and (ii) shall be fully fungible with existing shares and subject to all of the provisions of the articles of association and decisions of the shareholders’ meeting from their issuance date;
- resolved to request the admission of the new shares resulting from the exercise of the Warrants #1 on Euronext Paris as of 21 February 2018. If the Warrants #1 are exercised, they will be immediately fungible with the Company’s existing shares already listed on the regulated market of Euronext Paris (“**Euronext Paris**”) and will be listed, as from this date, on the same quotation line as such shares under the same ISIN code FR0013181864;
- resolved to apply for admission of the new shares resulting from the exercise of the Warrants #1 on the New York Stock Exchange (in the form of American Depositary Shares);
- resolved to apply for the listing of the Warrants #1 on Euronext Paris as of 21 February 2018 on a different quotation line than the Company’s shares quotation line, under ISIN code FR0013309614;
- acknowledged that the decision of the Chief Executive Officer dated 16 January 2018 to issue Warrants #1 automatically entails that the shareholders’ preferential subscription rights to the shares issued upon exercise of the Warrants #1 is waived, in accordance with the provisions of Article L. 225-132 of the French Commercial Code.

Finally, pursuant to its decisions dated 21 February 2018, the Chief Executive Officer:

- acknowledged that as of 21 February 2018, all the conditions precedent provided for in the private placement agreement dated 26 June 2017 (the “**Private Placement Agreement**”) and the preparatory documents for the issuance of the New First Lien Notes and New Second Lien Notes (as defined in the Safeguard Plan) (the “**Preparatory Documents**”) were satisfied or waived, and that on the same date neither the Private Placement Agreement nor the Lock-Up

Agreement entered into by the Company on 13 June 2017 (the “**Lock-Up Agreement**”) was terminated;

- acknowledged that the final implementation of the issuance and free allocation of the Warrants #1 occurred on 21 February 2018;
- acknowledged that the settlement and delivery of the Warrants #1 issued occurred on 21 February 2018, that the Warrants #1 were admitted to trading on the regulated market of Euronext in Paris (“**Euronext Paris**”), and that they are tradable, as of this date, on a different quotation line than the Company’s shares quotation line, under ISIN code FR0013309614; and
- resolved to proceed with the cancellation of all 24,996 Warrants #1 allocated to the Company in respect of its treasury shares, and acknowledged the immediate cancellation of such Warrants #1.

The impact of the issuance of the Warrants #1 on the situation of holders of equity securities and securities giving access to the capital is shown in paragraph 8 below.

2. Share capital increase through the issuance of shares with warrants (ABSA) with shareholders’ preferential subscription right

We remind you that, pursuant to the 20th resolution of the extraordinary general meeting of the Company held on 13 November 2017, such general meeting delegated to the Board of Directors, with authority to sub-delegate in accordance with provisions provided for by applicable law and such general meeting, for a period of 18 months from the date of such general meeting, its authority to decide to increase the Company’s capital by a maximum nominal amount of EUR 720,000 (excluding share premium), with shareholders’ preferential subscription rights, by issuing 72,000,000 shares of the Company (the “**New Shares**”) with warrants attached (the “**Warrants #2**”, together with the New Shares, the “**ABSA**”) at a unit subscription price equal to EUR 1.56, in accordance with the provisions of Article L. 225-129 *et seq.*, L. 228-91 *et seq.* of the French Commercial Code, in particular Article L. 225-129-2.

Pursuant to the decisions of the Company’s Board of Directors held on 15 January 2018, the Board of Directors notably, in accordance with and within the limits of the powers granted by the aforementioned delegation of authority, (a) decided the principle of an increase of the Company’s share capital by a total of EUR 719,327.31 (excluding share premium), with shareholders’ preferential subscription rights, by issuing 71,932,731 New Shares with Warrants #2, (b) set certain characteristics of these Warrants #2 and the issuance, (c) sub-delegated to the Chief Executive Officer all powers to decide or not and carry out this issuance within the limits set by the Board of Directors, and to set its final terms and conditions, and (d) decided that this supplementary report would be made available to the shareholders within 15 days of the date on which the Chief Executive Officer would report to the Board of Directors on the sub-delegation.

Pursuant to its decisions dated 16 January 2018, the Chief Executive Officer, pursuant to and within the limits of the powers granted by the sub-delegation of authority by the Board of Directors at its meeting dated 15 January 2018:

- resolved to increase the Company’s share capital by a nominal amount of EUR 719,327.31 (excluding share premium) by issuing 71,932,731 ABSA, with shareholders’ preferential subscription rights, at a subscription price equal to EUR 1.56 per ABSA, *i.e.* EUR 0.01 par value and EUR 1.55 of share premium per new share;
- resolved that each new share will carry one (1) warrant;
- resolved to adopt the final terms and conditions of the New Shares and Warrants #2 which result from the prospectus approved by the *Autorité des Marchés Financiers* under visa number n°18-018 dated 16 January 2018 (the “**Prospectus n°2**”); the terms and conditions adopted by the Chief Executive Officer are attached as **Appendix 2** to this report;

- resolves that (i) subscribed ABSA shall be fully and exclusively paid up in cash (except for, where applicable, the subscription by Senior Noteholders (as this term is defined below) as part of their commitment to backstop the share capital increase contemplated in this decision, which may be paid up by set-off of claims, *i.e.* claims against the Company that are certain, of a fixed amount and due, relating to the Senior Notes (as this term is defined below)), and (ii) that the ABSA shall be fully paid up upon subscription;
- resolved that the subscription of the ABSA will be reserved by preference (i) to holders of existing shares registered in their securities accounts at the end of the accounting day of 17 January 2018 (and which will therefore be recorded in an account on 19 January 2018), who will be granted one (1) preferential subscription right for each share held, and (ii) to the assignees of their preferential subscription rights, which holders and assignees will be able to subscribe for thirteen (13) ABSA for (4) existing shares held (4 preferential subscription rights will allow the subscription to thirteen (13) ABSA), with the shareholders being personally responsible for dealing with fractional shares; the preferential subscription rights may only be exercised up to a number of preferential subscription rights allowing the subscription to an entire number of ABSA; the shareholders or assignees of their rights who do not hold a sufficient number of existing shares in order to obtain an entire number of ABSA, in respect of subscription on an irreducible basis, will have to acquire on the market the number of preferential subscription rights necessary to subscribe for an entire number of ABSA and will be able to gather to exercise their rights, without it resulting in an undivided subscription, as the Company only recognizes one owner for each share; the preferential subscription rights may be sold on Euronext Paris during the trading period of the preferential subscription rights;
- resolved that, at the same time as they deposit their subscriptions on an irreducible basis, holders of preferential subscription rights will also have the right to subscribe, on a reducible basis, for the number of ABSA they wish, in addition to the number of ABSA resulting from the exercise of their preferential subscription rights on an irreducible basis; ABSA that may not be absorbed by subscriptions on an irreducible basis will be distributed and allocated to subscribers on a reducible basis; subscribers' subscription orders on a reducible basis will be served within the limit of their requests and on a pro rata basis in proportion to the number of existing shares whose rights will have been used to support their subscription on an irreducible basis, without any allocation of fractions of ABSA; in the event that the same subscriber submits several separate subscriptions, the number of shares allocated to him/her on a reducible basis will be calculated on the basis of all his/her preferential subscription rights only if he/she expressly requests so in writing, at the latest on the day of the closing of the subscription; this request must be attached to one of the subscriptions and provide all the information necessary for the consolidation of the rights, specifying the number of subscriptions filed and the authorized intermediary or intermediaries with which these subscriptions will have been deposited; subscriptions in the name of separate subscribers may not be grouped together to obtain shares on a reducible basis;
- resolved that the subscription period for this capital increase will be open from 22 January 2018 to 2 February 2018 included; the preferential subscription rights will be detached on 18 January 2018 prior to the close of trading, on the basis of one (1) preferential subscription right for each share; they will be traded on Euronext Paris from 18 January 2018 to 31 January 2018 included;
- resolved that the subscription offer of the ABSA will be open (i) to the public only in France, (ii) to institutional investors outside the United States, Japan, Canada and Australia with private placements, (iii) in Canada with a private placement exempting the Company from the obligation to prepare and file a prospectus with the relevant financial regulatory authority, and (iv) to qualified institutional buyers in the United States of America with an offer made by the Company pursuant to an exemption from registration requirements under U.S. Securities Act of 1933 as amended;
- resolved that the preferential subscription rights attached to the Company's treasury shares shall be sold on the market before the end of the period for the listing of the preferential subscription rights, in accordance with the provisions of Article L. 225-210 of the French Commercial Code;
- recalled that the Warrants #2 will be detached, immediately upon their issue, of the New Shares;

- resolved that the shares issued on the basis of this decision and the shares issued pursuant to the exercise of the Warrants #2 (i) shall carry current dividend rights and entitle, from the date of their issue, to all distributions decided by the Company from that date and (ii) shall, upon their creation, be fully assimilated to existing shares and subject to all provisions of the articles of association and the decisions of the general meeting;
- resolved to request the admission of the New Shares and the new shares resulting from the exercise of the Warrants #2 on Euronext Paris as of 21 February 2018. They will be immediately fungible with the Company's existing shares already listed on Euronext Paris and will be listed, as from this date, on the same quotation line as such shares under the same ISIN code FR0013181864;
- resolved to apply for admission of the New Shares and the new shares resulting from the exercise of the Warrants #2 on the New York Stock Exchange (in the form of American Depositary Shares);
- resolved to apply for the listing of the Warrants #2 on Euronext Paris as of 21 February 2018 on a different quotation line than the New Shares' quotation line, under ISIN code FR0013309622;
- resolved to appoint BNP Paribas Securities Services for the purpose of centralizing the payment of funds and subscription of ABSA in cash and to draw up the certificate of deposit of funds evidencing the completion of the portion of the share capital increase subscribed for in cash;
- resolved that, if the subscriptions made on an irreducible and reducible basis did not absorb the totality of the issuance, the option to freely allocate unsubscribed securities or to limit the capital increase may be exercised, it being recalled that, in accordance with the Safeguard Plan, the capital increase is backstopped in cash for approximately EUR 71.39 million (including share premium), by way of a cash payment by DNCA Invest and entities managed by DNCA Finance (together the “**DNCA Entities**”), so that any shares not subscribed on a pro rata basis (non-reducible) and on an oversubscription (reducible) basis will ultimately be subscribed up to such amounts; the portion of the rights issue with preferential subscription right not subscribed (where applicable after making use of the subscription commitment of the DNCA Entities) is subject to a backstop commitment by the holders of (i) high yield notes, bearing interest at a rate of 5.875% and maturing in 2020, issued by the Company on 23 April 2014, (ii) high yield notes, bearing interest at a rate of 6.5% and maturing in 2021, issued by the Company on 31 May 2011, 20 January 2017 and 13 March 2017, and (iii) high yield notes, bearing interest at a rate of 6.875% and maturing in 2022, issued by the Company on 1 May 2014 (the “**Senior Notes**” and the “**Senior Noteholders**”), which backstop commitment would be implemented by way of a set-off against part of their claims against the Company under the Senior Notes;
- recalled that in the event that the Senior Noteholders backstop commitment is called upon, a statement of claims will be drawn up in accordance with Article R. 225-134 of the French Commercial Code and certified by the Company's statutory auditors, and that an instruction is given to the statutory auditors to provide a certificate acknowledging the completion of the portion of the share capital increase subscribed by way of a set-off against claims;
- acknowledged that this decision to issue the ABSA automatically entails that the shareholders' preferential subscription right for the shares issued upon exercise of the Warrants #2 is waived, in accordance with the provisions of Article L. 225-132 of the French Commercial Code;
- resolved to enter into, at this date, a management contract between the Company and ODDO BHF SCA by ODDO BHF SCA has agreed to assist the Company in connection with the subscription of the ABSA to be issued during this share capital increase with preferential subscription right by shareholders and potential assignees of preferential subscription rights (outside the USA and Canada);
- resolved that the settlement and delivery of the issuance carried out on the basis of this decision must take place on the same day as the settlement and delivery of the issues decided on the basis of the 19th and 21st to 25th resolutions adopted by the extraordinary general meeting of 13

November 2017, *i.e.* the settlement and delivery of Creditor Shares 1, Creditor Shares 2, Warrants #1, Warrants #3, Coordination Warrants and Backstop Warrants (as defined in this supplementary report), it being specified that settlement and delivery will only take place if the conditions precedent provided for in the Private Placement Agreement and the Preparatory Documents are satisfied or waived and none of the Private Placement Agreement, the restructuring support agreement providing for the backstop commitment of the DNCA Entities (the “**Restructuring Support Agreement**”) (except, in the latter case, if the backstop commitment of the DNCA Entities did not need to be implemented) or the Lock-Up Agreement have been terminated in advance.

Finally, pursuant to its decisions dated 21 February 2018, the Chief Executive Officer:

- noted that as of 21 February 2018, all the conditions precedent provided for in the Private Placement Agreement and the Preparatory Documents were satisfied or waived, and that neither the Private Placement Agreement nor the Lock-Up Agreement was terminated on the same date;
- noted that 71,932,731 ABSA were subscribed by holders of preferential subscription rights during the subscription period from 22 January 2018 to 2 February 2018;
- noted that the final issuance of the ABSA for an amount of EUR 719,327.31 (excluding share premium) was finalized on 21 February 2018, date of the certificate issued by BNP Paribas Securities Services;
- noted that the settlement and delivery of the new shares thus issued took place on 21 February 2018, that the shares were admitted to trading on Euronext Paris, that they were immediately assimilated to the Company’s existing shares already traded on Euronext Paris and that they are negotiable, as from that date, on the same quotation line as those shares under the same ISIN code FR0013181864;
- noted that the New Shares are also tradable on the New York Stock Exchange (as American Depositary Shares);
- noted the immediate detachment of Warrants #2;
- noted that the settlement and delivery of the Warrants #2 occurred on 21 February 2018, that the Warrants #2 were admitted to trading on Euronext Paris and that they are tradable, as of that date, on a different quotation line than the New Shares’ quotation line, under ISIN code FR0013309622.

The impact of the issuance of the New Shares and Warrants #2 on the situation of holders of equity securities and securities giving access to the capital is shown in paragraph 8 below.

3. Share capital increase by issuance of new shares, with removal of the shareholders’ preferential subscription right, in favor of the Holders of Convertible Bonds

We remind you that, pursuant to the 21st resolution of the extraordinary general meeting of the Company held on 13 November 2017, such general meeting delegated to the Board of Directors, with authority to sub-delegate in accordance with provisions provided for by applicable law and such general meeting, for a period of 18 months from the date of such general meeting, its authority to decide to increase the Company’s capital with removal of shareholders’ preferential subscription rights in favor of (i) holders of bonds convertible into and/or exchangeable for new or existing shares, bearing interest at a rate of 1.25% and maturing on 1 January 2019, issued by the Company on 20 November 2012, and (ii) holders of bonds convertible and/or exchangeable into new or existing shares, bearing interest at a rate of 1.75% and maturing on 1 January 2020, issued by the Company on 26 June 2015 (together the “**Convertible Bonds**” and “**Holders of Convertible Bonds**”), the latter constituting a category of persons meeting certain characteristics within the meaning of Article L. 225-138 of the French Commercial Code, with a maximum nominal amount of EUR 375,244 (share premium excluded) by issuing a maximum of 37,524,400 new shares at a unit subscription price of EUR 10.26

pursuant to the provisions of Articles L. 225-129 to L. 225-129-6, L. 225-135 and L. 225-138 of the French Commercial Code.

Pursuant to the decisions of the Company's Board of Directors held on 15 January 2018, the Board of Directors notably, in accordance with and within the limits of the powers granted by the aforementioned delegation of authority, (a) decided the principle of an issuance of an increase of the Company's share capital by a maximum nominal amount of 375,244 euros (excluding share premium) per issue by a maximum of 37,524,400 new shares, with removal of shareholders' preferential subscription rights in favor of the Holders of Convertible Bonds, (b) set certain characteristics of these Creditor Shares 1 and the issuance, (c) sub-delegated to the Chief Executive Officer all powers to decide or not and carry out this issuance within the limits set by the Board of Directors, and to set its final terms and conditions, and (d) decided that this supplementary report would be made available to the shareholders within 15 days of the date on which the Chief Executive Officer would report to the Board of Directors on the sub-delegation.

Pursuant to its decisions dated 19 and 20 February 2018, the Chief Executive Officer, pursuant to and within the limits of the powers granted by the sub-delegation of authority by the Board of Directors at its meeting dated 15 January 2018:

- resolved to increase the Company's share capital by a nominal amount of EUR 353,115.28 (share premium excluded) by issuing 35,311,528 new shares (the "**Creditor Shares 1**"), with removal of the shareholders' preferential subscription right, at a subscription price equal to EUR 10.26 per share, *i.e.* EUR 0.01 of nominal value and EUR 10.25 of share premium per new share;
- resolved to adopt the final terms and conditions of the Creditor Shares 1, which come from Prospectus n°1, except for the number of Creditor Shares 1 allocated for free which was set by the decision of the Chief Executive Officer dated 19 February 2018;
- resolved to remove the shareholders' preferential subscription right to Creditor Shares 1 and to reserve the subscription of all Creditor Shares 1 issued pursuant to this decision for the benefit of the Holders of Convertible Bonds;
- resolved to establish the list of Holders of Convertible Bonds on 2 February 2018, beneficiaries of the removal of preferential subscription rights and set the number of Creditor Shares 1 that may be subscribed for by each of them; these numbers were determined in accordance with the provisions of the Safeguard Plan, in particular as regards the rules relating to rounding;
- resolved that the subscription of the Creditor Shares 1 shall be paid up by the Holders of Convertible Bonds benefiting from the removal of preferential subscription rights by way of a set-off against certain, liquid and due claims held on the Company under the Convertible Bonds and that the Creditor Shares 1 shall be paid up in full upon their subscription;
- resolved that the Creditor Shares 1 issued (i) will carry a current dividend and will entitle, as of their issue, to all distributions decided by the Company as of such date and (ii) will be fully assimilated to existing shares upon their issuance and subject to all provisions of the articles of association and the resolutions of the general meeting;
- resolved that Creditor Shares 1 may, at the option of their holders, be held in registered or bearer form; the rights of the holders shall be represented by a book entry in their name in the Company's records or with the authorized intermediary of their choice; and
- decided that settlement and delivery of the Creditor Shares 1 issued pursuant to this decision will take place on the same day as the settlement and delivery of the ABSA, *i.e.* 21 February 2018, provided that the conditions precedent set out in the Private Placement Agreement and the Preparatory Documents are satisfied or have been waived and that none of the Private Placement Agreement or the Lock-Up Agreement has been previously terminated.

Finally, pursuant to its decisions dated 21 February 2018, the Chief Executive Officer:

- acknowledged that as of 21 February 2018, all the conditions precedent provided for in the Private Placement Agreement and the Preparatory Documents were satisfied or waived, and that neither the Private Placement Agreement nor the Lock-Up Agreement was terminated on the same date;
- acknowledged that each of the Holders of Convertible Bonds benefiting from the removal of preferential subscription rights has subscribed to its proportionate share of 35,311,528 Creditor Shares 1 issued in connection with the issuance of the Creditor Shares 1 aforementioned which have thus been fully subscribed;
- acknowledged that each of the Holders Convertible Bonds benefiting from the removal of preferential subscription rights has paid up its entire subscription, by way of a set-off against the corresponding proportionate share of the certain, liquid and due debt that this Holder of Convertible Bonds holds on the Company in respect of the Convertible Bonds, up to the number of securities that this Holder of Convertible Bonds undertook to subscribe for pursuant to the provisions of the Safeguard Plan, corresponding to a subscription of a total amount, for all these Holders of Convertible Bonds, of EUR 362,296,277.28 (share premium included);
- acknowledged that the definitive completion of the capital increase with removal of the preferential subscription right reserved for Holders of Convertible Bonds in the amount of EUR 362,296,277.28 (share premium included) took place on 21 February 2018, date of the certificate of the Company's auditors used as depositary's certificate and acknowledging the full payment of the subscription price of 35,311,528 Creditor Shares 1 issued by way of a set-off against certain, liquid claims;
- acknowledged that the settlement and delivery of the Creditor Shares 1 issued occurred on 21 February 2018, that the shares were admitted to trading on Euronext Paris, that they were fungible with the Company's existing shares already listed on Euronext Paris and that they are tradable, as from this date, on the same quotation line as such shares under the same ISIN code FR0013181864; and
- acknowledged that due to the completion of the capital increase with removal of shareholders' preferential subscription rights for the benefit of the Holders of Convertible Bonds resulting from the issuance of the Creditor Shares 1, the Convertible Bonds have been cancelled and there are no Convertible Bonds outstanding.

The impact of the issuance of Creditor Shares 1 on the situation of holders of equity securities and securities giving access to the capital is shown in paragraph 8 below.

4. Share capital increase by issuance of new shares, with removal of the shareholders' preferential subscription right, in favor of the Senior Noteholders

We remind you that, pursuant to the 22nd resolution of the extraordinary general meeting of the Company held on 13 November 2017, such general meeting delegated to the Board of Directors, with authority to sub-delegate in accordance with provisions provided for by applicable law and such general meeting, for a period of 18 months from the date of such general meeting, its authority to decide to increase the Company's capital with removal of shareholders' preferential subscription rights in favor of holders of (i) high yield bonds bearing interest at a rate of 5.875% and maturing in 2020, issued by the Company on 23 April 2014, (ii) high yield bonds, bearing interest at the rate of 6.5% and maturing in 2021, issued by the Company on 31 May 2011, 20 January 2017 and 13 March 2017, and (iii) high yield bonds, bearing interest at the rate of 6.875% and maturing in 2022, issued by the Company on 1 May 2014 (the "Senior Notes" and the "Senior Noteholders"), the latter constituting a category of persons meeting certain characteristics within the meaning of Article L. 225-138 of the French Commercial Code, of a maximum nominal amount of EUR 4,967,949 (share premium excluded) by issuing a maximum of 496,794,900 new shares at a unit subscription price of EUR 3.12, in accordance with the provisions of Article L. 225-129 to L. 225-129-6, L. 225-135 and L. 225-138 of the French Commercial Code.

Pursuant to the decisions of the Company's Board of Directors held on 15 January 2018, the Board of Directors notably, in accordance with and within the limits of the powers granted on it by the

aforementioned delegation of authority, (a) decided the principle of an increase of the Company's share capital by a maximum nominal amount of EUR 4,967,949 (excluding share premium) per issue of a maximum number of 496,794,900 new shares, with removal of shareholders' preferential subscription rights in favor of the Senior Noteholders, (b) set certain characteristics of these Creditor Shares 2 and the issuance, (c) sub-delegated to the Chief Executive Officer all powers to decide or not and carry out this issuance within the limits set by the Board of Directors, and to set its final terms and conditions, and (d) decided that this supplementary report would be made available to the shareholders within 15 days of the date on which the Chief Executive Officer would report to the Board of Directors on the sub-delegation.

Pursuant to its decisions dated 19 February 2018, the Chief Executive Officer, pursuant to and within the limits of the powers granted by the sub-delegation of authority by the Board of Directors at its meeting dated 15 January 2018:

- resolved to increase the Company's share capital by a nominal amount of EUR 4,491,975.94 (share premium excluded) by issuing 449,197,594 new shares (the "**Creditor Shares 2**"), with removal of the shareholders' preferential subscription right, at a subscription price equal to EUR 3.12 per share, *i.e.* EUR 0.01 of nominal value and EUR 3.11 of share premium per new share;
- resolved to adopt the final terms and conditions of the Creditor Shares 2, which come from Prospectus n°1, except for the number of Creditor Shares 2 allocated for free which was set by the decision of the Chief Executive Officer dated 19 February 2018;
- resolved to remove the shareholders' preferential subscription right to new shares and to reserve the subscription of all new shares issued pursuant to this decision for the benefit of the Senior Noteholders;
- resolved to establish the list of Senior Noteholders on 2 February 2018, beneficiaries of the removal of preferential subscription rights and set the number of new shares that may be subscribed for by each of them; these numbers were determined in accordance with the provisions of the Safeguard Plan, in particular as regards the rules relating to rounding;
- resolved that the subscription of the new shares shall be paid up by the Senior Noteholders benefiting from the removal of preferential subscription rights by way of a set-off against certain, liquid and due claims held on the Company under the Senior Notes and that the new shares shall be paid up in full upon their subscription;
- resolved that the new shares issued (i) will carry a current dividend and will entitle, as of their issue, to all distributions decided by the Company as of such date and (ii) will be fully assimilated to existing shares upon their issuance and subject to all provisions of the articles of association and the resolutions of the general meeting;
- resolved that new shares may, at the option of their holders, be held in registered or bearer form; the rights of the holders shall be represented by a book entry in their name in the Company's records or with the authorized intermediary of their choice; and
- decided that settlement and delivery of the shares issued pursuant to this decision will take place on the same day as the settlement and delivery of the ABSA, *i.e.* 21 February 2018, provided that the conditions precedent set out in the Private Placement Agreement and the Preparatory Documents are satisfied or have been waived and that none of the Private Placement Agreement or the Lock-Up Agreement has been previously terminated.

Finally, pursuant to its decisions dated 21 February 2018, the Chief Executive Officer:

- acknowledged that as of 21 February 2018, all the conditions precedent provided for in the Private Placement Agreement and the Preparatory Documents were satisfied or waived, and that neither the Private Placement Agreement nor the Lock-Up Agreement was terminated on the same date;

- acknowledged that each of the Senior Noteholders benefiting from the removal of preferential subscription rights has subscribed to its proportionate share of 449,197,594 Creditor Shares 2 issued in connection with the issuance of the Creditor Shares 1 aforementioned which have thus been fully subscribed;
- acknowledged that each of the Senior Noteholders benefiting from the removal of preferential subscription rights has paid up its entire subscription, by way of a set-off against the corresponding proportionate share of the certain, liquid and due debt that such Senior Noteholder holds on the Company in respect of the Senior Notes, up to the number of securities that such Senior Noteholder undertook to subscribe for pursuant to the provisions of the Safeguard Plan, corresponding to a subscription of a total amount, for all such Senior Noteholders, of EUR 1,401,496,493.28 (share premium included);
- acknowledged that the definitive completion of the capital increase with removal of the preferential subscription right reserved for Senior Noteholders in the amount of EUR 1,401,496,493.28 (share premium included) took place on 21 February 2018, date of the certificate of the Company's auditors in lieu of the depositary's certificate and acknowledging the full payment of the subscription price of 449,197,594 Creditor Shares 2 issued by way of a set-off against certain, liquid claims;
- acknowledged that the settlement and delivery of the Creditor Shares 2 issued occurred on 21 February 2018, that the shares were admitted to trading on Euronext Paris, that they were fungible with the Company's existing shares already listed on Euronext Paris and that they are tradable, as from this date, on the same quotation line as such shares under the same ISIN code FR0013181864; and
- acknowledged that due to the completion of the capital increase with removal of shareholders' preferential subscription rights for the benefit of the Senior Noteholders resulting from the issuance of the Creditor Shares 1, the Senior Notes have been cancelled and there are no Senior Notes outstanding.

The impact of the issuance of Creditor Shares 2 on the situation of holders of equity securities and securities giving access to the capital is shown in paragraph 8 below.

5. Issuance and allocation of free warrants with removal of the shareholders' preferential subscription right in favor of persons committed to subscribing for the New Second Lien Notes

We remind you that, pursuant to the 23rd resolution of the extraordinary general meeting of the Company held on 13 November 2017, such general meeting delegated to the Board of Directors, with authority to sub-delegate in accordance with provisions provided for by applicable law and such general meeting, for a period of 18 months from the date of such general meeting, its authority to proceed with the issuance of a maximum number of 123,817,300 share subscription warrants of the Company (the "**Warrants #3**") with removal of the shareholders' preferential subscription right to persons committed to subscribe for the New Second Lien Notes (as defined below) and the Warrants #3 in accordance with the Private Placement Agreement, pursuant in particular to the provisions of Articles L. 225-129 to L. 225-129-6, L. 225-135, L. 225-138 and L. 228-91 et seq. of the French Commercial Code.

Pursuant to the decisions of the Company's Board of Directors held on 15 January 2018, the Board of Directors notably, in accordance with and within the limits of the powers granted by the aforementioned delegation of authority, (a) decided the principle of issuing 123,817,300 warrants for the benefit of the persons committed to subscribe to the New Second Lien Notes, (b) set certain characteristics of these Warrants #3 and the issuance, (c) sub-delegated to the Chief Executive Officer all powers to decide or not and carry out this issuance within the limits set by the Board of Directors, and to set its final terms and conditions, and (d) decided that this supplementary report would be made available to the shareholders within 15 days of the date on which the Chief Executive Officer would report to the Board of Directors on the sub-delegation.

Pursuant to its decisions dated 19 February 2018, the Chief Executive Officer, pursuant to and within the limits of the powers granted by the sub-delegation of authority by the Board of Directors at its meeting dated 15 January 2018:

- resolved to proceed with the issuance and free allocation of a total number of 113,585,276 Warrants #3 for the benefit of the subscribers of the New Second Lien Notes (as defined in the Prospectus n°2);
- resolved to adopt the final terms and conditions of the Warrants #3 which are attached as **Appendix 1** to this report and come from Prospectus n°1, except for the number of Warrants #3 allocated for free and the maximum amount of the resulting capital increase, which were determined by the decision of the Chief Executive Officer dated 19 February 2018;
- resolved to cancel the shareholders' preferential subscription rights in respect of the issuance of Warrants #3 in favor of persons who have undertaken to subscribe for the New Second Lien Notes, in accordance with the terms of the private placement agreement dated 26 June 2017, it being specified that such persons constitute a category of persons meeting certain characteristics within the meaning of Article L. 225-138 of the French Commercial Code;
- resolved to draw up the list of subscribers to the New Second Lien Notes, beneficiaries of the removal of the preferential subscription right and fixed the number of Warrants #3 allocated to each of them;
- acknowledged that one (1) Warrant #3 will entitle to subscribe for one (1) new share, at a price of EUR 0.01 per new share, *i.e.* EUR 0.01 nominal value and without any share premium (notwithstanding any subsequent adjustments, in accordance with the laws and regulations and, where applicable, terms and conditions of the Warrants #3); consequently, the amount of the capital increase(s) (share premium excluded) that may result from the exercise of the Warrants #3 may not exceed EUR 1,135,852.76 (by issuing a maximum of 113,585,276 new shares of the Company); this ceiling being increased, where applicable, by the nominal value of the shares to be issued in order to preserve the rights of holders of the Warrants #3 (in accordance with the laws and regulations and, where applicable, the terms and conditions of the Warrants #3), the maximum number of new shares being increased accordingly;
- resolved that the shares issued pursuant to the exercise of the Warrants #3 (i) will entitle their holders to all rights attached to them from their date of issuance and to all distributions decided by the Company after that date and (ii) will, upon their creation, be fungible with existing shares and subject to all provisions of the articles of association and the resolutions of the general meeting;
- resolved to request the admission of the new shares resulting from the exercise of the Warrants #3 on Euronext Paris as of 21 February 2018. If the Warrants #3 are exercised, they will be immediately fungible with the Company's existing shares already listed on Euronext Paris and will be listed, as from this date, on the same quotation line as such shares under the same ISIN code FR0013181864;
- resolved to apply for admission of the new shares resulting from the exercise of the Warrants #3 on the New York Stock Exchange (in the form of American Depositary Shares);
- resolved that the Warrants #3 will be freely tradable and decided to request the admission of the Warrants #3 in Euroclear France as of 21 February 2018 and that the Warrants #3 will not be admitted to trading on the regulated market of Euronext Paris;
- acknowledged that this decision to issue the Warrants #3 automatically entails a waiver by the shareholders of their preferential subscription right to the shares to which the Warrants #3 to be issued will entitle them, in accordance with the provisions of Article L. 225-132 of the French Commercial Code;
- resolved that settlement and delivery of the Warrants #3 issued pursuant to this decision will

take place on the same day as the settlement and delivery of the ABSA, *i.e.* 21 February 2018, provided that the conditions precedent set out in the Private Placement Agreement and the Preparatory Documents are satisfied or have been waived and that none of the Private Placement Agreement or the Lock-Up Agreement have been previously terminated;

- resolved to appoint BNP Paribas Securities Services, 9 Rue du Débarcadère, 93500 Pantin, France, to act as Centralizing Agent (as defined in the Prospectus n°1), for the purpose of centralizing the operations relating to Warrants #3; and
- resolved to appoint Aether Financial Services, 36 rue de Monceau, 75008 Paris, France, for the purpose of carrying out the adjustments and calculations relating to Warrants #3 in accordance with the Prospectus n°1, acting as Calculation Agent (as defined in the Prospectus n°1)

Finally, pursuant to its decisions dated 21 February 2018, the Chief Executive Officer:

- acknowledged that as of 21 February 2018, all the conditions precedent provided for in the Private Placement Agreement and the Preparatory Documents were satisfied or waived, and that neither the Private Placement Agreement nor the Lock-Up Agreement was terminated on the same date;
- acknowledged that the final implementation of the issuance and free allocation of the Warrants #3 occurred on 21 February 2018; and
- acknowledged that the settlement and delivery of the issued Warrants #3 occurred on 21 February 2018.

The impact of the issuance of Warrants #3 and the shares to be issued resulting from the exercise of Warrants #3 on the situation of holders of equity securities and securities giving access to the capital is shown in paragraph 8 below.

6. Issuance and allocation of free warrants with removal of shareholders' preferential subscription right in favor of Alden Global Opportunities Fund L.P., Alden Global Value Recovery Fund LP, Randall D Smith Roth IRA, Trinity Investments Designated Activity Company, Lex Financial Investments (Luxembourg) S.à r.l., BG Long Term Value, BG Select Investments (Ireland) Limited, Lux Holdings 2017 S.à r.l., and TP Lux Holdco S.à r.l.

We remind you that, pursuant to the 24th resolution of the extraordinary general meeting of the Company held on 13 November 2017, such general meeting delegated to the Board of Directors, with authority to sub-delegate in accordance with provisions provided for by applicable law and such general meeting, for a period of 18 months from the date of such general meeting, its authority to proceed with the issuance of a maximum number of 7,738,600 warrants (the “**Coordination Warrants**”) with removal of the shareholders' preferential subscription rights to the benefit of Alden Global Opportunities Fund L.P., Alden Global Value Recovery Fund LP, Randall D Smith Roth IRA, Trinity Investments Designated Activity Company, Lex Financial Investments (Luxembourg) S.à r.l., BG Long Term Value, BG Select Investments (Ireland) Limited, Lux Holdings 2017 S.à r.l., and TP Lux Holdco S.à r.l., pursuant in particular to the provisions of Articles L. 225-129 to L. 225-129-6, L. 225-135, L. 225-138 and L. 228-91 *et seq.* of the French Commercial Code.

Pursuant to the decisions of the Company's Board of Directors held on 15 January 2018, the Board of Directors notably, in accordance with and within the limits of the powers granted by the aforementioned delegation of authority, (a) decided the principle of an issuance of a maximum number of 7,738,600 Coordination Warrants to the aforementioned persons and entities, (b) set certain characteristics of these Coordination Warrants and the issuance, (c) sub-delegated to the Chief Executive Officer all powers to decide or not and carry out this issuance within the limits set by the Board of Directors, and to set its final terms and conditions, and (d) decided that this supplementary report would be made available to the shareholders within 15 days of the date on which the Chief Executive Officer would report to the Board of Directors on the sub-delegation.

Pursuant to its decisions dated 19 February 2018, the Chief Executive Officer, pursuant to and within the limits of the powers granted by the sub-delegation of authority by the Board of Directors at its meeting dated 15 January 2018:

- resolved to proceed with the issuance and free allocation of a total number of 7,099,079 Coordination Warrants;
- resolved to waive the shareholders' preferential subscription rights for the benefit of the persons listed below, up to the following numbers:

Beneficiaries	Number of Coordination Warrants
Alden Global Opportunities Fund L.P.	524,826
Alden Global Value Recovery Fund LP	339,593
Randall D Smith Roth IRA	200,136
Trinity Investments Designated Activity Company	1,037,242
Lex Financial Investments (Luxembourg) S.à r.l.	1,082,295
BG Long Term Value	52,679
BG Select Investments (Ireland) Limited	1,474,820
Lux Holdings 2017 S.à r.l.	1,448,936
TP Lux Holdco S.à r.l.	938,552

- resolved to adopt the final terms and conditions of the Coordination Warrants which are attached as **Appendix 1** to this report, which come from Prospectus n°1, except for the number of Coordination Warrants allocated for free and the maximum amount of the resulting capital increase, which were set by the decision of the Chief Executive Officer dated 19 February 2018;
- acknowledged that one (1) Coordination Warrant will entitle to subscribe for one (1) new share, at a price of EUR 0.01 per share, *i.e.* EUR 0.01 par value, without prejudice to any subsequent adjustments, in accordance with the laws and regulations and, where applicable, the terms and conditions of the Coordination Warrants; consequently, the amount of the capital increase(s) (share premium excluding) that may result from the exercise of the Coordination Warrants may not exceed EUR 70,990.79 (by issuing a maximum of 7,099,079 new shares of the Company); this ceiling being increased, where applicable, by the nominal value of the shares to be issued in order to preserve the rights of the holders of the Coordination Warrants (in accordance with the laws and regulations and, where applicable, the terms and conditions of the Coordination Warrants), the maximum number of new shares being increased accordingly;
- resolved that the shares issued pursuant to the exercise of the Coordination Warrants (i) will entitle their holders to all rights attached to them from their date of issuance and to all distributions decided by the Company after that date and (ii) will, upon their creation, be fungible with existing shares and subject to all provisions of the articles of association and the resolutions of the general meeting;
- resolved to request the admission of the new shares resulting from the exercise of the Coordination Warrants on Euronext Paris as of 21 February 2018. If the Coordination Warrants are exercised, they will be immediately fungible with the Company's existing shares already listed on Euronext Paris and will be listed, as from that date, on the same quotation line as those shares under the same ISIN code FR0013181864;
- resolved to apply for admission of the new shares resulting from the exercise of the Coordination Warrants on the New York Stock Exchange (in the form of American Depositary Shares);
- resolved to apply for the admission of Coordination Warrants in Euroclear France as of 21 February 2018 and decided that the Coordination Warrants will not be admitted to trading on the regulated market of Euronext Paris;

- acknowledged that this decision to issue the Coordination Warrants automatically entails that the shareholders’ preferential subscription right to the shares issued upon exercise of the Coordination Warrants is waived, in accordance with the provisions of Article L. 225-132 of the French Commercial Code;
- resolved that the settlement and delivery of the Coordination Warrants issued pursuant to this decision will take place on the same day as the settlement and delivery of the ABSA, *i.e.* 21 February 2018, provided that the conditions precedent set out in the Private Placement Agreement and the Preparatory Documents are satisfied or have been waived and that none of the Private Placement Agreement or the Preliminary Documents have been previously terminated;
- resolved to appoint BNP Paribas Securities Services, 9 Rue du Débarcadère, 93500 Pantin, France, to act as Centralizing Agent (as defined in Prospectus n°1), for the purpose of centralizing the operations relating to the Coordination Warrants; and
- resolved to appoint Aether Financial Services, 36 rue de Monceau, 75008 Paris, France, for the purpose of making adjustments and calculations relating to the Coordination Warrants in accordance with Prospectus n°1, acting as Calculation Agent (as defined in Prospectus n°1).

Finally, pursuant to its decisions dated 21 February 2018, the Chief Executive Officer:

- acknowledged that as of 21 February 2018, all the conditions precedent provided for in the Private Placement Agreement and the Preparatory Documents were satisfied or waived, and that neither the Private Placement Agreement nor the Lock-Up Agreement was terminated on the same date;
- acknowledged that the final implementation of the issuance and free allocation of the Coordination Warrants occurred on 21 February 2018; and
- acknowledged that the settlement and delivery of the issued Coordination Warrants occurred on 21 February 2018.

The impact of the issuance of Coordination Warrants and the shares to be issued resulting from the exercise of Coordination Warrants on the situation of holders of equity securities and securities giving access to the capital is shown in paragraph 8 below.

7. Issuance and allocation of free warrants with removal of shareholders’ preferential subscription rights in favor of the persons backstopping the subscription of the New Notes with second-ranking security interests, such persons forming a category of persons meeting specified characteristics

We remind you that, pursuant to the 25th resolution of the extraordinary general meeting of the Company held on 13 November 2017, such general meeting delegated to the Board of Directors, with authority to sub-delegate in accordance with provisions provided for by applicable law and such general meeting, for a period of 18 months from the date of such general meeting, its authority to proceed with the issuance of a maximum number of 11,607,900 warrants (the “**Backstop Warrants**”) with removal of shareholders’ preferential subscription rights for the benefit of persons committed to subscribe to the New Second Lien Notes and Warrants #3 in accordance with the Private Placement Agreement, in particular pursuant to Articles L. 225-129 to L. 225-129-6, L. 225-135, L. 225-138 and L. 228-91 *et seq.* of the French Commercial Code.

Pursuant to the decisions of the Company’s Board of Directors held on 15 January 2018, the Board of Directors notably, in accordance with and within the limits of the powers granted by the aforementioned delegation of authority, (a) decided the principle of an issuance of a maximum number of 11,607,900 Backstop Warrants to the aforementioned persons and entities, (b) set certain characteristics of these Backstop Warrants and the issuance, (c) sub-delegated to the Chief Executive Officer all powers to decide or not and carry out this issuance within the limits set by the Board of Directors, and to set its final terms and conditions, and (d) to make this supplementary report available

to the shareholders within 15 days of the date on which the Chief Executive Officer would report to the Board of Directors on the sub-delegation.

Pursuant to its decisions dated 19 February 2018, the Chief Executive Officer, pursuant to and within the limits of the powers granted by the sub-delegation of authority by the Board of Directors at its meeting dated 15 January 2018:

- resolved to proceed with the issuance and free allocation of a total number of 10,648,619 Backstop Warrants for the benefit of the persons who have undertaken to backstop the subscription of New Second Lien Notes and Warrants #3;
- resolved to adopt the final terms and conditions of the Backstop Warrants which are attached as **Appendix 1** to this report, which come from Prospectus n°1, except for the number of Backstop Warrants allocated for free and the maximum amount of the resulting capital increase, which were set by the decision of the Chief Executive Officer dated 19 February 2018;
- resolved to waive the shareholders' preferential subscription rights with respect to the issuance of the Backstop Warrants in favor of the persons who have undertaken to subscribe for the New Second Lien Notes, in accordance with the terms and conditions of the private placement agreement dated 26 June 2017, it being specified that such persons constitute a category of persons meeting certain characteristics within the meaning of Article L. 225-138 of the French Commercial Code;
- resolved to draw up the list of persons committed to backstop the subscription of the New Second Lien Notes and Warrants #3, beneficiaries of the removal of the preferential subscription right and determined the number of Backstop Warrants allocated to each of them;
- acknowledged that one (1) Backstop Warrant will entitle to subscribe for one (1) new share, at a price of EUR 0.01 per share, *i.e.* EUR 0.01 par value, without prejudice to any subsequent adjustments, in accordance with the laws and regulations and, where applicable, the terms and conditions of the Backstop Warrants; consequently, the amount of the capital increase(s) (share premium excluding) that may result from the exercise of the Backstop Warrants may not exceed EUR 106,486.19 (by issuing a maximum of 10,648,619 new shares of the Company); this ceiling being increased, where applicable, by the nominal value of the shares to be issued in order to preserve the rights of the holders of the Backstop Warrants (in accordance with the laws and regulations and, where applicable, the terms and conditions of the Backstop Warrants), the maximum number of new shares being increased accordingly;
- resolved that the shares issued pursuant to the exercise of the Backstop Warrants (i) will entitle their holders to all rights attached to them from their date of issuance and to all distributions decided by the Company after that date and (ii) will, upon their creation, be fungible with existing shares and subject to all provisions of the articles of association and the resolutions of the general meeting;
- resolved to request the admission of the new shares resulting from the exercise of the Backstop Warrants on Euronext Paris as of 21 February 2018. If the Backstop Warrants are exercised, they will be immediately fungible with the Company's existing shares already listed on Euronext Paris and will be listed, as from that date, on the same quotation line as those shares under the same ISIN code FR0013181864;
- resolved to apply for admission of the new shares resulting from the exercise of the Backstop Warrants on the New York Stock Exchange (in the form of American Depositary Shares);
- resolved to apply for the admission of Backstop Warrants in Euroclear France as of 21 February 2018 and decided that the Backstop Warrants will not be admitted to trading on the regulated market of Euronext Paris;
- acknowledged that this decision to issue the Backstop Warrants automatically entails that the shareholders' preferential subscription right to the shares issued upon exercise of the Backstop

Warrants is waived, in accordance with the provisions of Article L. 225-132 of the French Commercial Code;

- resolved that the settlement and delivery of the Backstop Warrants issued pursuant to this decision will take place on the same day as the settlement and delivery of the ABSA, *i.e.* 21 February 2018, provided that the conditions precedent set out in the Private Placement Agreement and the Preparatory Documents are satisfied or have been waived and that none of the Private Placement Agreement or the Preliminary Documents have been previously terminated;
- resolved to appoint BNP Paribas Securities Services, 9 Rue du Débarcadère, 93500 Pantin, France, to act as Centralizing Agent (as defined in Prospectus n°1), for the purpose of centralizing the operations relating to the Backstop Warrants; and
- resolved to appoint Aether Financial Services, 36 rue de Monceau, 75008 Paris, France, for the purpose of making adjustments and calculations relating to the Backstop Warrants in accordance with Prospectus n°1, acting as Calculation Agent (as defined in Prospectus n°1).

Finally, pursuant to its decisions dated 21 February 2018, the Chief Executive Officer:

- acknowledged that as of 21 February 2018, all the conditions precedent provided for in the Private Placement Agreement and the Preparatory Documents were satisfied or waived, and that neither the Private Placement Agreement nor the Lock-Up Agreement was terminated on the same date;
- acknowledged that the final implementation of the issuance and free allocation of the Backstop Warrants occurred on 21 February 2018; and
- acknowledged that the settlement and delivery of the issued Backstop Warrants occurred on 21 February 2018.

The impact of the issuance of Backstop Warrants and the shares to be issued resulting from the exercise of Backstop Warrants on the situation of holders of equity securities and securities giving access to the capital is shown in paragraph 8 below.

8. Impact of the issuance of Warrants #1, ABSA, Creditor Shares 1, Creditor Shares 2, Warrants #3, Coordination Warrants and Backstop Warrants on the situation of shareholders

Following the issuance of the New Shares, Creditor Shares 1 and Creditor Shares 2, the Company's share capital amounts to EUR 5,785,750.02, divided into 578,575,002 shares with a par value of EUR 0.01.

Impact of the transaction on the shareholders' equity per share

As an indication, the impact of the issuance of the New Shares, Creditor Shares 1, Creditor Shares 2 and the new shares to be issued upon exercise of the Warrants #1, Warrants #2, Warrants #3, Coordination Warrants and Backstop Warrants on the consolidated shareholders' equity, Group share, per share is as follows (calculations based on consolidated shareholders' equity Group share on 31 December 2017 and a number of 22,133,149 shares comprising the Company's share capital as of 31 December 2017 including treasury shares).

	Share of shareholders' equity per share (in US dollars ⁽¹⁾)	
	Non-diluted basis	Diluted basis ⁽²⁾
Situation before implementation of the transactions provided for in the financial restructuring plan	22.10	27.09
After the issuance of 71,932,731 ABSA	6.63	6.86 ⁽³⁾
After the issuance of 71,932,731 ABSA and 35,311,528 Creditor Shares 1	7.87	7.72 ⁽³⁾
After the issuance of 71,932,731 ABSA, 35,311,528 Creditor Shares 1, and 449,197,594 Creditor Shares 2	4.67	4.87 ⁽³⁾
After the issuance of 71,932,731 ABSA, 35,311,528 Creditor Shares 1, 449,197,594 Creditor Shares 2 and all of the 22,108,153 Warrants #1, 113,585,276 Warrants #3, 7,099,079 Coordination Warrants, and 10,648,619 Backstop Warrants	4.67	4.02 ⁽⁴⁾

⁽¹⁾ Euro/US dollar exchange rate on 31 December 2017 of US dollars 1.9930 for one euro for the purposes of the conversion into US dollars of the amounts in euros of the capital increase.

⁽²⁾ If all 424,383 exercisable and non-exercisable stock options are exercised, it being specified that at the date of this report, the parity between the exercise of stock options has not yet been adjusted.

⁽³⁾ If 47,955,154 new shares are issued as a result of the exercise of all 71,932,731 Warrants #2.

⁽⁴⁾ If 208,765,664 new shares are issued from the exercise of all 71,932,731 Warrants #2, 22,108,153 Warrants #1, 113,585,276 Warrants #3, 7,099,079 Coordination Warrants and 10,648,619 Backstop Warrants.

Impact of the transaction on the shareholder's situation

As an indication, following implementation of the transactions provided for in the financial restructuring plan, the issuance of the New Shares, Creditor Shares 1, Creditor Shares 2 and the new shares to be issued upon exercise of the Warrants #1, Warrants #2, Warrants #3, Coordination Warrants and Backstop Warrants had the following impact on the equity interest of a shareholder with 1% of the Company's shares outstanding prior to the launch of the issuance of ABSA:

	Shareholders' interest (in %)	
	Non-diluted basis	Diluted basis ⁽¹⁾
Interest before settlement and delivery of the transactions provided for in the financial restructuring plan	1.000	0.98
After the issuance of 71,932,731 ABSA	1.000	1.00 ⁽²⁾
After the issuance of 71,932,731 ABSA and 35,311,528 Creditor Shares 1	0.73	0.80 ⁽²⁾
After the issuance of 71,932,731 ABSA, 35,311,528 Creditor Shares 1, and 449,197,594 Creditor Shares 2	0.16	0.23 ⁽²⁾
After the issuance of 71,932,731 ABSA, 35,311,528 Creditor Shares 1, 449,197,594 Creditor Shares 2 and all of the 22,108,153 Warrants #1, 113,585,276 Warrants #3, 7,099,079 Coordination Warrants, and 10,648,619 Backstop Warrants	0.16	0.22 ⁽²⁾

⁽¹⁾ If all 424,383 exercisable and non-exercisable stock options are exercised, it being specified that at the date of this report, the parity between the exercise of stock options has not yet been adjusted.

⁽²⁾ If 47,955,154 new shares are issued as a result of the exercise of all 71,932,731 Warrants #2.

⁽³⁾ If 208,765,664 new shares are issued from the exercise of all 71,932,731 Warrants #2, 22,108,153 Warrants #1, 113,585,276 Warrants #3, 7,099,079 Coordination Warrants and 10,648,619 Backstop Warrants.

*Translation for information purposes only
In case of discrepancy between French version and English version, French version shall prevail*

Theoretical impact of the various issues on stock price

As an indication, the impact on the stock price of the CGG share, *i.e.* 4.08 euros (average of the twenty trading days preceding 16 January 2018) of the use of the delegation referred to in paragraph 1 of this supplementary report is described below:

<i>Amounts in euros</i>	Non-diluted basis		Diluted basis ⁽¹⁾	
	Number of shares	Stock price	Number of shares	Stock price
Situation before implementation of the transactions provided for in the financial restructuring plan	22,133,149	4.08	22,557,532	4.00
After the issuance of 71,932,731 new shares issued pursuant to the issuance of ABSA	94,065,880	2.06	142,445,417 ⁽²⁾	2.71 ⁽²⁾
After the issuance of 71,932,731 ABSA and 35,311,528 Creditor Shares 1	129,377,408	4.29	177,756,945 ⁽²⁾	4.21 ⁽²⁾
After the issuance of 71,932,731 ABSA, 35,311,528 Creditor Shares 1, and 449,197,594 Creditor Shares 2	578,575,002	3.38	626,954,539 ⁽²⁾	3.43 ⁽²⁾
After the issuance of 71,932,731 ABSA, 35,311,528 Creditor Shares 1, 449,197,594 Creditor Shares 2 and all of the 22,108,153 Warrants #1, 113,585,276 Warrants #3, 7,099,079 Coordination Warrants, and 10,648,619 Backstop Warrants	578,575,002	3.38	787,765,049 ⁽³⁾	2.85 ⁽³⁾

⁽¹⁾ If all 424,383 exercisable and non-exercisable stock options are exercised, it being specified that at the date of this report, the parity between the exercise of stock options has not yet been adjusted.

⁽²⁾ If 47,955,154 new shares are issued as a result of the exercise of all 71,932,731 Warrants #2.

⁽³⁾ If 208,765,664 new shares are issued as a result of the exercise of all 71,932,731 Warrants #2, 22,108,153 Warrants #1, 113,585,276 Warrants #3, 7,099,079 Coordination Warrants and 10,648,619 Backstop Warrants.

As an indication, the theoretical impact on the stock price of the CGG share, *i.e.* 3.80 euros (average of the twenty trading days preceding 19 February 2018) of the use of the delegations referred to in paragraphs 2 to 7 of this supplementary report, is described below.

<i>Amounts in euros</i>	Non-diluted basis		Diluted basis⁽¹⁾	
	Number of shares	Stock price	Number of shares	Stock price
Situation before implementation of the transactions provided for in the financial restructuring plan	22,133,149	3.80	22,557,532	3.73
After the issuance of 71,932,731 ABSA	94,065,880	1.99	142,445,417 ⁽²⁾	2.67 ⁽²⁾
After the issuance of 71,932,731 ABSA and 35,311,528 Creditor Shares 1	129,377,408	4.25	177,756,945 ⁽²⁾	4.18 ⁽²⁾
After the issuance of 71,932,731 ABSA, 35,311,528 Creditor Shares 1, and 449,197,594 Creditor Shares 2	578,575,002	3.37	626,954,539 ⁽²⁾	3.42 ⁽²⁾
After the issuance of 71,932,731 ABSA, 35,311,528 Creditor Shares 1, 449,197,594 Creditor Shares 2 and all of the 22,108,153 Warrants #1, 113,585,276 Warrants #3, 7,099,079 Coordination Warrants, and 10,648,619 Backstop Warrants	578,575,002	3.37	787,765,049 ⁽³⁾	2.84 ⁽³⁾

⁽¹⁾ If all 424,383 exercisable and non-exercisable stock options are exercised, it being specified that at the date of this report, the parity between the exercise of stock options has not yet been adjusted.

⁽²⁾ If 47,955,154 new shares are issued as a result of the exercise of all 71,932,731 Warrants #2

⁽³⁾ If 208,765,664 new shares are issued as a result of the exercise of all 71,932,731 Warrants #2, 22,108,153 Warrants #1, 113,585,276 Warrants #3, 7,099,079 Coordination Warrants and 10,648,619 Backstop Warrants.

*Translation for information purposes only
In case of discrepancy between French version and English version, French version shall prevail*

Made in Paris,

On March 8, 2018

The Board of Directors

Appendix 1
Terms and conditions of the Warrants #1, Warrants #3, Coordination Warrants and Backstop Warrants

For the purposes of Appendix 1, the terms beginning with a capital letter and not defined in the supplementary report shall have the following meanings:

“Business Day”	means a day of the week (other than a Saturday or Sunday) on which banks are open in London, Luxembourg, Paris and New York.
“Expert”	means an independent expert of international renown chosen by the Company.
“Historical Shareholders”	means all holders of CGG shares who can prove that their shares have been booked on the date chosen to benefit from the detachment of preferential subscription rights in connection with the issuance of ABSA.
“Issuance Steps”	means, together, the issuance of Warrants #1, the issuance of ABSA, the issuance of Creditor Shares 1, Creditor Shares 2, New Notes, Warrants #3, Coordination Warrants and Backstop Warrants.
“New Notes”	means a new US \$375 million note issue, through the issuance by the Company of new high yield notes subject to New York State law with secondary collateral (Second Lien Notes), bearing interest at a rate comprising a variable component indexed to the LIBOR for the US dollar tranche and to the EURIBOR for the euro tranche (with a floor of 1%) plus 400 basis points per year in cash and capitalized interest at term (PIK) of 850 basis points per year.
“Restructuring Effective Date”	means the date on which all the conditions relating to the effectiveness of the implementation of the restructuring plan under Chapter 11 of the Federal Bankruptcy Code and the safeguard or reorganization plan (if any) have been fulfilled or waived, including the completion of all the steps necessary to complete the restructuring, and in particular all the issues of debt securities and transferable securities provided for therein, regardless of whether or not the time limits for recourse have elapsed.
“Trading Day”	means a day on which Euronext Paris ensures the listing of the shares on its market, other than a day on which the listing ceases before the usual closing time.

The holders of Warrants will be entitled to the same rights and privileges as the holders of shares (including to vote or receive dividend payments or other distributions relating to shares) only after they exercise their share subscription warrants and receive the corresponding shares.

1. Type and class of the Warrants for which admission to trading is requested or not

The Warrants shall be securities giving access to the share capital within the meaning of Article L. 228-91 *et seq.* of the French Commercial Code.

Warrants #1 will start trading on the regulated market of Euronext Paris on the Warrants #1 issue date under an ISIN Code which will be communicated at a later stage. No request for admission to trading on another market has been made nor is it foreseen.

No application will be made for the Warrants #3, Coordination Warrants and Backstop Warrants to be admitted to trading on a regulated or other market. They will be freely tradeable. Application will be made for them to be accepted for clearance through Euroclear France, which will clear the trades of Warrants #3, Coordination Warrants and Backstop Warrants among custodians. Application will also be made for the warrants to be accepted for clearance through Euroclear Bank S.A./N.V., and Clearstream Banking SA (Luxembourg).

2. Influence on the value of the Warrants

The respective value of the Warrants #1, Warrants #3, Coordination Warrants and Backstop Warrants mainly depends on: (i) the proper characteristics to these categories of Warrants: exercise price of the Warrant, Exercise Ratio, exercise period and (ii) the characteristics of the underlying share and the market conditions: value and volatility of the underlying share notably.

3. Applicable law and courts of competent jurisdiction

The Warrants are governed by French law. The courts having jurisdiction in the event of a dispute are those where the registered office of the Company is located if the Company is the defendant and are designated according to the nature of the dispute, unless otherwise provided for by the French Code of Civil Procedure.

4. Form and method of registration in accounts of the Warrants

Warrants may be held as registered (*nominatif*) or bearer (*au porteur*) securities at the option of the holders of Warrants.

In accordance with Article L. 211-3 of the French Monetary and Financial Code the Warrants are required to be registered in securities accounts held by the Company or an authorized intermediary, as the case may be.

Consequently, the rights of holders of Warrants will be recorded as book-entries in securities accounts opened in their name and held by:

- BNP Paribas Securities Services, Grands Moulins de Pantin, 9 Rue du Débarcadère, 93500 Pantin, France, acting for the Company, in the case of shares held in fully registered form (forme nominative pure);
- an authorized intermediary of their choosing and BNP Paribas Securities Services, Grands Moulins de Pantin, 9 Rue du Débarcadère, 93500 Pantin, France, acting for the Company, in the case of shares held in “administered” registered form; or
- an authorized financial intermediary chosen by the relevant Holder of Warrants, if held in bearer form (*au porteur*).

No physical document of title (including representative certificates pursuant to Article R. 211-7 of the French Code *monétaire et financier*) will be issued to represent the Warrants.

In accordance with Articles L. 211-15 and L. 211-17 of the French Monetary and Financial Code, transfer of the Warrants is made by account transfers, and the transfer of ownership of the Warrants will occur once they are recorded as book-entries in the acquirer’s securities account.

Application will be made to admit the Warrants for clearance through Euroclear France, which will be responsible for clearing the Warrants between account holders. In addition, application will also be made for clearance of the Warrants through Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* (Luxembourg)..

The Warrants will be recorded as book-entries in securities accounts on their issue date which shall be no later than the Restructuring Effective Date.

5. Currency of the issue

The issue will be completed in euros.

6. Number of Warrants

6.1. Number of Warrants #1

The total number of Warrants #1 to be issued on the Warrants #1 issue date shall be equal to the total number of registered shares outstanding as at the record date for shareholders to benefit from the

detachment of preferential subscription rights relating to the issuance of ABSA (the “**Record Date**”) *i.e.* a total number of 22,133,149 Warrants #1.

The number of Warrants #1 to be allocated for free to each Historical Shareholder will be equal to the number of shares such Historical Shareholder holds on the Record Date. It is specified that the Warrants #1 allocated to the Company would be immediately cancelled.

The number of Warrants #1 to be issued on the Warrants #1 issue date shall be published by the Company as soon as possible from the Warrants #1 issue date on the Company’s website at www.cgg.com and in a notice to be issued by Euronext Paris.

6.2. Number of Warrants #3

The total number of Warrants #3 to be issued on the Warrants #3 issue date will be equal to 113,585,276.

The definitive total number of Warrants #3 to be issued on the Warrants #3 issue date shall be published by the Company as soon as possible following the Warrants #3 issue date on the Company’s website at www.cgg.com.

6.3. Number of Coordination Warrants

The maximum number of Coordination Warrants to be issued on the Coordination Warrants issue date will be equal to 7,099,079.

The number of Coordination Warrants attributed to each of the beneficiaries is indicated below:

Beneficiaries	Number of Coordination Warrants
• Alden Global Opportunities Fund L.P.	524,826
• Alden Global Value Recovery Fund LP	339,593
• Randall D Smith Roth IRA	200,136
• Trinity Investments Designated Activity Company	1,037,242
• Lex Financial Investments (Luxembourg) S.à r.l.	1,082,295
• BG Long Term Value	52,679
• BG Select Investments (Ireland) Limited	1,474,820
• Lux Holdings 2017 S.à r.l.	1,448,936
• TP Lux Holdco S.à r.l.	938,552

The definitive total number of Coordination Warrants to be issued on the Coordination Warrants issue date shall be published by the Company as soon as possible following the Coordination Warrants issue date on the Company’s website at www.cgg.com.

6.4. Number of Backstop Warrants

The maximum number of Backstop Warrants to be issued on the Backstop Warrants issue date shall be equal to 10,648,619.

The definitive total number of Backstop Warrants to be issued on the Backstop Warrants issue date shall be published by the Company as soon as possible following the Backstop Warrants issue date on the Company’s website at www.cgg.com.

7. Issue date, subscription price, exercise period and exercise procedures

To exercise its Warrants, a holder must:

- send (a) a request and (b) if it is located in the United States, an executed investor letter attached as Annex 2 to the Prospectus n°1, (i) to its accredited financial intermediary, for the Warrants held in bearer form (*forme au porteur*) or in administrative registered form (*forme nominative administrée*), or (ii) to the agent who will be appointed at a later stage by the Company, for Warrants held in registered form (*forme nominative pure*); and
- pay in cash the amount due to the Company as a result of the exercise of the Warrants.

The Centralizing Agent (as defined in section 16) ensuring centralization of these transactions will be appointed at a later stage by Company.

The date of exercise (the “**Exercise Date**”) in respect of any Warrants shall be the date on which the last of the following conditions is met:

- the Warrants have been transferred by the accredited financial intermediary to the Centralizing Agent;
- the amount due to the Company as a result of the exercise of the Warrants is received by the Centralizing Agent.

Delivery of shares issued upon exercise of the Warrants shall take place at the latest on the fifth (5th) Trading Day after their Exercise Date.

In the event of any transaction giving right to an adjustment pursuant to section 11 and for which the Record Date (as defined in section 11) is between (i) the Exercise Date (inclusive) of the Warrants and (ii) the delivery date of the shares issued upon exercise of Warrants (excluded), the holders of Warrants shall not be entitled to take part in such transaction, subject to their right to adjustment in accordance with section 11 at any time up to (but excluding) the delivery date of the shares.

7.1. Warrants #1 issue date, exercise price, exercise period and exercise method

The Warrants #1 will be issued on the Warrants #1 issue date.

Subject to provisions of sections 10, 11 and 12 below, three (3) Warrants #1 will entitle their holder to subscribe for four (4) shares (the “**Warrants #1 Exercise Ratio**”), at a subscription price of €3.12 per new share. The Warrants #1 may only be exercised in exchange for whole numbers of shares (under the conditions mentioned in section 12 below).

The Warrants #1 Exercise Ratio may be adjusted following transactions by the Company after the Warrants #1 issue date, in accordance with applicable French law and regulations, in order to maintain the rights of the holders of Warrants #1, as described in section 11. For the avoidance of doubt, the Warrants #1 Exercise Ratio shall not be adjusted as a result of the Issuance Steps, as those issuances of instruments and securities have already been taken into account to define the terms and conditions of the Warrants #1.

The Warrants #1 shall become exercisable as from the Restructuring Effective Date until the fourth anniversary of the Restructuring Effective Date (included) (the “**Warrants #1 Exercise Period**”).

The Company will issue a press release indicating the Restructuring Effective Date as soon as possible from the Restructuring Effective Date.

The Warrants #1 will expire at the close of trading on Euronext Paris (5:30 p.m., Central European time) on the Business Day corresponding to the fourth anniversary of the Restructuring Effective Date (or the first Business Day following the fourth anniversary of the Restructuring Effective Date if such date is not a Business Day) or earlier upon (i) liquidation of the Company or (ii) redemption of all the Warrants #1 in accordance with section 13 (the “**Warrants #1 Maturity Date**”).

7.2. Warrants #3 issue date, Exercise Price, Exercise Period and Exercise Method

The Warrants #3 will be issued on the Warrants #3 issue date.

Subject to provisions of sections 10, 11 and 12 below, one (1) Warrant #3 will entitle its holder to subscribe to one (1) share (the “**Warrants #3 Exercise Ratio**”), at a subscription price of €0.01 per new share. The Warrants #3 may only be exercised in exchange for a whole number of shares (under the conditions mentioned in section 12 below).

The Warrants #3 Exercise Ratio may be adjusted following transactions implemented by the Company after the Warrants #3 issue date, in accordance with applicable French laws and regulations, in order to maintain the rights of the holders of Warrants #3, as described in section 11. For the avoidance of doubt, the Warrants #3 Exercise Ratio shall not be adjusted as a result of the completion of the Issuance Steps, as those issuances of instruments and securities have already been taken into account to define the terms and conditions of the Warrants #3.

Subject to the extension cases planned in section 8 below, the Warrants #3 shall become exercisable as from the Restructuring Effective Date and during a six-month period starting on the Restructuring Effective Date (the “**Warrants #3 Exercise Period**”).

The Company will issue a press release indicating the Restructuring Effective Date as soon as possible from the Restructuring Effective Date.

Subject to the extension cases planned in section 8 below, the Warrants #3 will expire at the close of trading on Euronext Paris (5:30 p.m. Paris time) on the last Business Day of the sixth month following the Restructuring Effective Date (or the next Business Day if such date is not a Business Day) or earlier in the event of (i) the Company’s liquidation or (ii) the redemption of all the Warrants #3, in accordance with section 13 (the “**Warrants #3 Maturity Date**”).

7.3. Coordination Warrants issue date, Exercise Price, Exercise Period and Exercise Method

The Coordination Warrants will be issued on the Coordination Warrants issue date.

Subject to provisions of sections 10, 11 and 12 below, one (1) Coordination Warrant will entitle its holder to subscribe to one (1) share (the “**Coordination Warrants Exercise Ratio**”), at a subscription price of €0.01 per new share. The Coordination Warrants may only be exercised in exchange for a whole number of shares (under the conditions mentioned in section 12 below).

The Coordination Warrants Exercise Ratio may be adjusted following transactions implemented by the Company after the Coordination Warrants issue date, in accordance with applicable French laws and regulations, in order to maintain the rights of the holders of Coordination Warrants, as described in section 11. For the avoidance of doubt, the Coordination Warrants Exercise Ratio shall not be adjusted as a result of the completion of the Issuance Steps, as those issuances of instruments and securities have already been taken into account to define the terms and conditions of the Coordination Warrants.

Subject to the extension cases planned in section 8 below, the Coordination Warrants shall become exercisable as from the Restructuring Effective Date and during a six-month period starting on the Restructuring Effective Date (the “**Coordination Warrants Exercise Period**”).

The Company will issue a press release indicating the Restructuring Effective Date as soon as possible from the Restructuring Effective Date.

Subject to the extension cases planned in section 8 below, the Coordination Warrants will expire at the close of trading on Euronext Paris (5:30 p.m. Paris time) on the last Business Day of the sixth month following the Restructuring Effective Date (or the next Business Day if such date is not a Business Day) or earlier in the event of (i) the Company’s liquidation or (ii) the redemption of all the Coordination Warrants, in accordance with section 13 (the “**Coordination Maturity Date**”).

7.4. Backstop Warrants issue date, Exercise Price, Exercise Period and Exercise Method

The Backstop Warrants will be issued on the Backstop Warrants issue date.

Subject to provisions of sections 10, 11 and 12 below, one (1) Backstop Warrant will entitle its holder to subscribe to one (1) share (the “**Backstop Warrants Exercise Ratio**”), at a subscription price of €0.01 per new share. The Backstop Warrants may only be exercised in exchange for a whole number of shares (under the conditions mentioned in section 12 below).

The Backstop Warrants Exercise Ratio may be adjusted following transactions implemented by the Company after the Backstop Warrants issue date, in accordance with applicable French laws and regulations, in order to maintain the rights of the holders of Backstop Warrants, as described in section 11. For the avoidance of doubt, the Backstop Warrants Exercise Ratio shall not be adjusted as a result of the Issuance Steps, as those issuances of instruments and securities have already been taken into account to define the terms and conditions of the Backstop Warrants.

Subject to the extension cases planned in section 8 below, the Backstop Warrants shall become exercisable as from the Restructuring Effective Date and during a six-month period starting on the Restructuring Effective (the “**Backstop Warrants Exercise Period**”).

The Company will issue a press release indicating the Restructuring Effective Date as soon as possible from the Restructuring Effective Date.

Subject to the extension cases planned in section 8 below, the Backstop Warrants will expire at the close of trading on Euronext Paris (5:30 p.m., Central European time) on the last Business Day of the sixth month following the Restructuring Effective Date (or the next Business Day if such date is not a Business Day) or earlier in the event of (i) the Company’s liquidation or (ii) the redemption of all the Backstop Warrants, in accordance with section 13 (the “**Backstop Maturity Date**”).

8. Suspension of the exercise of Warrants

In the event of an increase in share capital, acquisition, merger, spin-off or issuance of new shares or new securities giving access to the share capital, or other financial transactions conferring preferential subscription rights or reserving a priority subscription period for the benefit of the Company’s shareholders, the Company will be entitled to suspend the exercise of the Warrants for a period that will not exceed three months or such other period as may be established by applicable regulations. The Company’s decision to suspend the exercise of the Warrants will be published (so long as required by French law) in the *Bulletin des Annonces légales obligatoires* (“**BALO**”). This notice will be published at least seven days prior to the date on which such suspension comes into effect and will indicate both the date on which the exercise of the Warrants will be suspended and the date on which it will resume. This information will also be published on the Company’s website at www.cgg.com and in a notice to be issued by Euronext Paris.

In case of the suspension of the exercise period for Warrants #3, Coordination Warrants and/or Backstop Warrants, the exercise period of the concerned Warrants will be extended for the suspension period.

9. Ranking of Warrants

Not applicable.

10. Amendment of the rules on distribution of profits and amortization, legal form or corporate purpose of the Company - reduction of the share capital of the Company resulting from losses

In accordance with the provisions of Article L. 228-98 of the French Commercial Code,

- (i) the Company may change its legal form or corporate purpose without requesting the approval of the general meeting of any of the categories of the holders of Warrants;
- (ii) the Company may, without requesting authorization from the general meeting of any of the categories of the holders of Warrants, redeem its share capital, change its profit distribution or issue preferred shares, provided that, if any Warrants are still outstanding, it takes the necessary measures to protect the rights of the holders of Warrants (see section 11 below);

- (iii) in the event of a reduction of the share capital of the Company resulting from losses and realized through the decrease in the par value or of the number of shares comprising the share capital, the rights of the holders of Warrants will be reduced accordingly, as if they had exercised their Warrants before the date such share capital reduction occurred. In the event of a reduction of the share capital by means of a decrease in the number of shares, the new Exercise Ratio will be equal to the product of the Exercise Ratio in effect before the decrease in the number of shares and the following ratio:

$$\frac{\text{Number of shares outstanding after the transaction}}{\text{Number of shares outstanding before the transaction}}$$

In accordance with Article R. 228-92 of the French Commercial Code, if the Company decides to issue, in any form whatsoever, new shares or securities giving access to the share capital with preferential subscription rights reserved for shareholders, to distribute reserves, in cash or in kind, to issue premiums or to change the distribution of its profits by creating preferential shares, it will inform the holders of Warrants by a notice published in the BALO (so long as required by French law).

11. Maintenance of the rights of the holders of Warrants

Subsequent to any of the following transactions:

1. financial transactions with listed preferential subscription rights or by the free distribution of listed warrants;
2. the free distribution of shares to shareholders, share splits or reverse splits;
3. capitalizations of reserves, profits or premiums through an increase in the nominal value of the shares;
4. distributions of reserves or premiums, in cash or in kind;
5. the free distribution to the Company's shareholders of any financial instrument other than the shares;
6. a merger (*absorption or fusion*) or spin-off (*scission*);
7. repurchases by the Company of its own shares at a price higher than the market price;
8. the redemption of share capital;
9. changes in profit distribution and/or the creation of preferred shares;

by the Company after the Warrants #1 issue date, the Warrants #3 issue date, the Coordination Warrants issue date or the Backstop Warrants issue date and for which the Record Date (as defined below) occurs before the delivery date of shares issued upon exercise of the Warrants, the rights of holders of Warrants until the delivery date (excluded), by means of an adjustment to the Exercise Ratio, in accordance with the terms set forth below.

The “**Record Date**” is the date on which the holding of shares is fixed so as to determine which shareholders are beneficial owners of a transaction or may participate in a transaction, and in particular to which shareholders, a distribution, or an allotment, announced or approved on or before such date, should be paid or delivered.

This adjustment will be carried out such that the value of the shares that would have been allocated if the Warrants had been exercised immediately before the completion of any of the transactions listed above is equal, to the nearest thousandth of a share, to the value of the shares to be allocated upon exercise of the Warrants immediately after the completion of such a transaction.

In the event of adjustments carried out in accordance with paragraphs 11.1 to 11.9 below, the new Exercise Ratio will be calculated to three decimal places by rounding to the nearest thousandth (with 0,0005 being rounded upwards to the nearest thousandth, i.e., 0.001). Any subsequent adjustments will

be carried out on the basis of such newly calculated and rounded Exercise Ratio. However, because the Exercise Ratio may result only in the allocation of a whole number of shares, fractional entitlements will be treated as specified in section 12.

1. (a) In the event of a financial transaction conferring listed preferential subscription rights, the new Exercise Ratio will be determined by multiplying the Exercise Ratio in effect prior to the commencement of the relevant transaction by the following ratio:

$$\frac{\text{Value of a share after detachment of the preferential subscription right} + \text{Value of the preferential subscription right}}{\text{Value of a share after detachment of the preferential subscription right}}$$

Value of a share after detachment of the preferential subscription right

For the calculation of this ratio, the values of a share after detachment of the preferential subscription right and of the preferential subscription right will be equal to the arithmetic average of the opening prices quoted on Euronext Paris (or, in the absence of a listing on Euronext Paris, on any other regulated market or on a similar market on which the shares or preferential subscription rights are listed) on each Trading Day included in the subscription period.

- (b) In the event of a financial transaction involving the free distribution of listed warrants to shareholders, with the corresponding ability to place the securities resulting from the exercise of warrants not exercised by their holders at the end of the subscription period that applies to them, the new Exercise Ratio will be determined by multiplying the Exercise Ratio in effect prior to the commencement of the relevant transaction by the following ratio:

$$\frac{\text{Value of the shares after detachment of the warrant} + \text{Value of the warrant}}{\text{Value of the shares after detachment of the warrant}}$$

Value of the shares after detachment of the warrant

For the calculation of this ratio,

- the value of a share after detachment of the warrant will be equal to the volume-weighted average of (i) the share price quoted on Euronext Paris (or, in the absence of a listing on Euronext Paris, on any other regulated or similar market on which the shares are listed) on each Trading Day included in the subscription period, and (ii) (a) the transfer price of the securities sold within the framework of the placement, if such securities are shares fungible with the existing shares, applying the volume of shares sold within the framework of the placement to the transfer price or (b) the price of the shares quoted on Euronext Paris (or, in the absence of a listing on Euronext Paris, on any other regulated or similar market on which the shares are listed) on the determination date of the sale price of the securities sold within the framework of the placement if such securities are not shares fungible with the existing shares.
- the value of the warrant will be equal to the volume-weighted average of (i) the price of the warrants on Euronext Paris (or, in the absence of a listing on Euronext Paris, on any other regulated or similar market on which the warrants are listed) on each Trading Day included in the subscription period, and, (ii) the implicit value (*valeur implicite*) of the warrants represented by the sale price of the securities sold within the framework of the placement – which corresponds to the difference (if it is positive), adjusted by the warrants' exchange ratio, between the sale price of the securities sold within the framework of the placement and the subscription price of the securities – by applying the volume of exercised warrants to the price so determined in order to allocate the securities sold within the framework of the placement.

2. In the event of the free distribution of shares to shareholders, share splits or reverse splits, the new Exercise Ratio will be determined by multiplying the Exercise Ratio in effect prior to the commencement of the relevant transaction by the following ratio:

Number of shares outstanding after the transaction

Number of shares outstanding before the transaction

3. In the event of a share capital increase by means of the capitalization of reserves, profits or premiums carried out by increase in the nominal value of the shares, the nominal value of the shares to be allocated to holders of Warrants exercising their Warrants will be increased accordingly.
4. In the event of a distribution of reserves or premiums in cash or in kind (portfolio securities, etc.), the new Exercise Ratio will be determined by multiplying the Exercise Ratio in effect prior to the commencement of the relevant transaction by the following ratio:

Value of the share before distribution

**Value of the share before distribution – Amount distributed per share or
value of the securities or assets distributed per share**

For the calculation of this ratio:

- the value of a share before distribution will be equal to the volume-weighted average price of the shares quoted on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market on which the shares are listed) during the three Trading Days immediately preceding the Trading Day on which the shares are listed ex-distribution;
 - if the distribution is made in kind:
 - a. in the event of a distribution of securities already listed on a regulated market or similar market, the value of the securities distributed will be determined as indicated above;
 - b. in the event of the distribution of securities that are not already listed on a regulated market or similar market, the value of the securities distributed will be equal, if they are expected to be listed on a regulated market or similar market within ten Trading Days starting on the date on which the shares are listed ex-distribution, to the volume-weighted average price on such market during the first three Trading Days included in such period during which such securities are listed; and
 - c. in other cases (distribution of securities that are not listed on a regulated market or a similar market or are listed for fewer than three Trading Days within the period of ten Trading Days referred to above or a distribution of assets), the value of the securities or assets allocated per share will be determined by an Expert.
5. In the event of a free distribution to the Company's shareholders of financial instruments other than shares, and subject to paragraph 11.1(b) above, the new Exercise Ratio will be determined as follows:
 - a. if the right to the free allocation of securities was admitted to trading on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market), by multiplying the Exercise Ratio in effect prior to the commencement of the relevant transaction by the following ratio:

Value of a share ex-right to free allocation + Value of the free allocation right

Value of the share ex-right to free allocation

For the calculation of this ratio:

- the value of a share ex-right to free allocation will be equal to the volume-weighted average share price on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market on which the share ex-right to free allocation is listed) of the share ex-right to free allocation during the first three Trading Days on which the Company shares are listed ex-right to free allocation;
 - the value of the free allocation right will be determined as indicated in the paragraph above. If the free allocation right is not listed during each of the three Trading Days, then its value will be determined by an Expert.
- b. if the right to free allocation of securities was not admitted to trading on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market), by multiplying the Exercise Ratio in effect prior to the commencement of the relevant transaction by the following ratio:

$$\frac{\text{Value of a share ex-right to free allocation} + \text{Value of the security or securities allocated per share}}{\text{Value of a share ex-right to free allocation}}$$

Value of a share ex-right to free allocation

For the calculation of this ratio:

- the value of a share ex-right to free allocation will be determined as indicated in paragraph (a) above;
 - if the securities allocated are listed or may become listed on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market), within ten Trading Days beginning on the date on which the shares are listed ex-distribution, then the value of the security or securities allocated per share will be equal to the volume-weighted average of the price of such financial securities recorded on such market during the first three Trading Days included within this period during which such securities are listed. If the securities allocated are not listed on each of the three Trading Days, then the value of the security or securities allocated per share will be determined by an Expert.
6. In the event that the Company is merged into another company or merges with one or more companies to form a new company or is spun-off, the Warrants will be exchangeable for shares of the absorbing or new company or of the beneficiary companies of such spin-off.

The new Exercise Ratio will be determined by multiplying the Exercise Ratio in effect prior to the commencement of the relevant transaction by the exchange ratio of shares for shares of the acquiring or new company or the beneficiary companies of a spin-off. These latter companies will be substituted *ipso jure* for the Company with regard to its obligations towards the holders of Warrants.

7. In the event of a repurchase by the Company of its own shares at a price higher than the market price, the new Exercise Ratio will be determined by multiplying the Exercise Ratio in effect prior to the commencement of the repurchase by the following ratio:

$$\frac{\text{Share value} \times (1 - \text{Pc}\%)}{\text{Share value} - (\text{Pc}\% \times \text{Repurchase price})}$$

For the calculation of this ratio:

- Share value means the volume-weighted average price of the shares on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market on which the share is listed) during the three Trading Days immediately preceding such repurchase (or the option to repurchase);
- Pc% means the percentage of repurchased capital; and

- Repurchase price means the actual price at which shares are repurchased.

8. In the event of a redemption of share capital, the new Exercise Ratio will be determined by multiplying the Exercise Ratio in effect prior to the commencement of the relevant transaction by the following ratio:

$$\frac{\text{Value of a share before redemption}}{\text{Value of a share before redemption} - \text{Amount of redemption per share}}$$

For the calculation of this ratio, the value of a share before redemption will be equal to the volume-weighted average price of the shares on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market on which the shares are listed) during the three Trading Days immediately preceding the Trading Day on which the shares are listed ex-redemption.

9. (a) In the event of the modification by the Company of the distribution of its profits and/or the creation of preferred shares resulting in such a change, the new Exercise Ratio will be determined by multiplying the Exercise Ratio in effect prior to the commencement of the relevant transaction by the following ratio:

$$\frac{\text{Value of the share before the change}}{\text{Value of the share before the change} - \text{Reduction per share of the right to profits}}$$

For the calculation of this ratio:

- the value of the share before the change will be determined on the basis of the volume-weighted average price of the shares on Euronext Paris (or if the shares are not listed on Euronext Paris, on another regulated or similar market on which the shares are listed) during the three Trading Days immediately preceding the day of such change;
- the Reduction per share of the rights to profits will be determined by an Expert.

Notwithstanding the above, if such preferred shares are issued with shareholders' preferential subscription rights or by the free distribution to shareholders of warrants exercisable for such preferred shares, the new Exercise Ratio will be adjusted in accordance with paragraphs 11.1 or 11.5 above.

(b) In the event of the creation of preferred shares that do not lead to a modification of the distribution of profits, the adjustment of the Exercise Ratio, if necessary, will be determined by an Expert.

Adjustment calculations will be made by the Calculation Agent (as defined in section 16) based, in particular, in the specific circumstances described in this section, on one or more values determined by an Expert (and who may be the Calculation Agent itself, acting as Expert).

If the Company were to carry out transactions where an adjustment had not been completed under paragraphs 11.1 to 11.9 above, and where a later law or regulation would imply an adjustment, the Calculation Agent will make this adjustment in accordance with the law or regulations applicable and the market customs in this matter in France.

In case of adjustment, the new terms for exercising Warrants will be communicated to the holders of Warrants through a publication by the Company on its website (www.cgg.com) at the latest five (5) Business Days after the new adjustment becomes effective. This adjustment will also be published by Euronext Paris within the same timeframe.

Adjustments, calculations and determinations performed by the Calculation Agent or the Expert, pursuant to this section will be final and binding (save in the case of gross negligence (*faute lourde*), willful misconduct (*dol*) or manifest error) on the Company, in respect of calculation made by the Expert, and the holders of Warrants.

12. No Fractional shares

Each Holder of Warrants exercising such Warrants can subscribe to a number of shares calculated in application of the Exercise Ratio.

Any Holder of Warrants must exercise such number of Warrants to allow the subscription of a whole number of shares with respect to the Warrants #1 Exercise Ratio (that is to say setting the Warrants #1 by multiples of three), the Warrants #3 Exercise Ratio, the Coordination Warrants Exercise Ratio and the Backstop Warrants Exercise Ratio

In accordance with Articles L. 225-149 and R. 228-94 of the French Commercial Code, in case of adjustment to the Warrants #1 Exercise Ratio (that is to say setting the Warrants #1 by multiples of three), the Warrants #3 Exercise Ratio, the Coordination Warrants Exercise Ratio and the Backstop Warrants Exercise Ratio and if the number of shares so calculated is not a whole number, (i) the Company will round down the number of shares to be issued to the Holder of Warrants to the nearest whole number of shares and (ii) the Holder of Warrants will receive an amount in cash from the Company equal to the resulting fractional share multiplied by the last quote at the stock exchange session preceding the day of filing of the request to exercise its Warrants. Therefore, no fractional shares will be issued upon exercise of the Warrants.

13. Early redemption by repurchase - Cancellation

The Company may, at its option, purchase all or part of the Warrants #3 and/or the Coordination Warrants and/or the Backstop Warrants, at any time, without limitation as to price or quantity, by means of purchases directly or through offer to all holders.

The Company may, at its option, redeem all or part of the Warrants #1, at any time, without limitation as to price or quantity, by means of purchases on or off the market, or by means of tender or exchange offers.

Warrants redeemed will be cancelled in accordance with French law.

For the avoidance of doubt, the redemption of the Warrants #1 and/or Warrants #3 and/or the Coordination Warrants and/or the Backstop Warrants by the Company cannot be mandatory for their holders (except with respect to a squeeze-out procedure following a public tender offer, as the case may be).

14. Representative of the body of Holders of Warrant

In accordance with Article L. 228-103 of the French Commercial Code, the Holders of each class of Warrants will respectively be grouped into a body (*masse*), which will benefit from legal personality and which will be subject to the same provisions as those provided for in Articles L. 228-47 to L. 228-64, L. 228-66 and L. 228-90 of the French Commercial Code.

The representative of each *masse* of the Holders of a class of Warrants will be:

Aether Financial Services

36 rue de Monceau
75008 Paris

(the “**Representative of the *Masse* of Holders of a Class of Warrants**”)

In the event of incompatibility, resignation or revocation of the Representative of the *Masse* of Holders of a Class of Warrants, a replacement will be elected by a meeting of the general meeting of the holders of Warrants of the class concerned.

The Company will pay to the Representative of the *Masse* of Holders of a Class of Warrants an annual flat fee equal to five hundred euros (EUR 500) (excluding VAT) each year. The first flat fee will be calculated on a pro-rata basis, based on the outstanding number of days until the end of the year. With respect to subsequent years, the flat fee will become due and payable on each 1st January.

The Representative of the *Masse* of Holders of a Class of Warrants will remain in office until his resignation, revocation by the general meeting of the Holder of Warrants of the class concerned or until

an incompatibility occurs. His term of office will automatically end on the maturity date of the class of Warrants concerned. This term may be automatically extended until the final resolution of pending litigation in which the Representative of the *Masse* of Holders of a Class of Warrants may be involved, and until the decision or settlements have been enforced.

The Company will pay the compensation of the Representative of the *Masse* of Holders of a Class of Warrants and the costs of convening and holding the general meeting of Warrant Holders of the class of Warrants concerned, the publication of their decisions and the expenses incurred in connection with the appointment of a representative of the holders, where applicable, pursuant to article L. 228-50 of the French Commercial Code, as well as all justified costs related to the administration and the functioning of the *masse*.

The meeting of the holders of Warrants of a given class will be called upon to authorize any amendment of the terms and conditions of the Warrants of said class, and to make any decision relating to the subscription or allocation of the Warrants of said class.

Unless otherwise decided under a resolution of the general meeting of holders of Warrants of the class concerned, the Representative of the *Masse* of holders of a Class of Warrants will have the right to perform all management acts in the name of the body of holders of Warrants of said class aimed at protecting the common interests of said holders of Warrants.

Such power may be delegated by the Representative of the *Masse* of Holders of a Class of Warrants to a third-party in accordance with legal provisions and regulations.

The meetings of the *masse* of Holders of the class of Warrants concerned will take place at the registered office of the Company or in any other place set out in the convening notice. Each Holder of Warrants of the class concerned will be entitled, for a 15-day period prior to the meeting of the corresponding body, personally or via an agent, to be provided with a copy of the proposed resolutions and reports that will be presented to the meeting, at the Company's registered office, its principal place of business, or as the case may be, in any other place set out in the convening notice.

Under the applicable French law in effect on the date of the Prospectus n°1, the meeting of the holders of Warrants of each class can validly transact business if the holders of Warrants of the class concerned, present or represented, hold at least one-fourth of the voting rights of the Warrants #1 when meeting on first call and one-fifth of the voting rights of the Warrants of that class on second call. Decisions of the body are by a two-third majority of the votes of the holders of Warrants of the class concerned, present or represented (in accordance with articles L. 225-96 and L. 228-103 of the French Commercial Code). One Warrant of a given class gives right to one vote at general meetings of the holders of Warrants of that class.

15. Shares issued upon exercise of Warrants

The shares resulting from the exercise of Warrants shall be of the same category and benefit from the same rights as those of the existing shares. They will carry dividend rights and entitle their holders, from their delivery, to all of the rights attached to such shares (*jouissance courante*).

The new shares issued upon exercise of the Warrants will be admitted to trading on Euronext Paris on the same quotation line as the existing shares (same ISIN Code), as well as on the New York Stock Exchange (in the form of American Depositary Shares; NYSE: CGG).

The rules governing the form, ownership and transfer of the new shares resulting from the exercise of the Warrants are the same as the one out in paragraph 4.1.3 of the Prospectus n°1.

16. Centralizing Agent and Calculation Agent

The initial centralizing agent is BNP Paribas Securities Service (the “**Centralizing Agent**”) and the initial calculation agent is Aether Financial Services (the “**Calculation Agent**”).

The Company reserves the right to change or terminate the appointment of the Centralizing Agent and the Calculation Agent and/or to appoint a new Centralizing Agent or Calculation Agent.

17. Future new issues and fungibles

The Company may from time to time, without the consent of the general meeting of the holders of Warrants of the category concerned, issue further warrants to be assimilated (*assimilables*) with the Warrants of the category concerned, provided that such further warrants and the Warrants of the category concerned shall carry rights identical in all respects and that the terms of such further warrants provide for such assimilation.

In the event of such an assimilation, the holders of Warrants of the category concerned, as the case may be, and the holders of such further warrants will be grouped together in a single *masse* for the defense of their common interests.

18. Restrictions on the free negotiability of the Warrants and the shares to be issued from the exercise of the Warrants

No provision in the articles of association restricts the free negotiability of the Warrants or the shares composing the Company' share capital.

Appendix 2

Terms and conditions of the Warrants #2

For the purposes of Appendix 2, the terms beginning with a capital letter and not defined in the supplementary report shall have the following meanings:

“Business Day”	means a day of the week (other than a Saturday or Sunday) on which banks are open in London, Luxembourg, Paris and New York.
“Expert”	means an independent expert of international renown chosen by the Company.
“Issuance Steps”	means, together, the issuance of Warrants #1, the issuance of ABSA, the issuance of Creditor Shares 1, Creditor Shares 2, New Notes, Warrants #3, Coordination Warrants and Backstop Warrants.
“New Notes”	means a new US \$375 million note issue, through the issuance by the Company of new high yield notes subject to New York State law with secondary collateral (Second Lien Notes), bearing interest at a rate comprising a variable component indexed to the LIBOR for the US dollar tranche and to the EURIBOR for the euro tranche (with a floor of 1%) plus 400 basis points per year in cash and capitalized interest at term (PIK) of 850 basis points per year.
“Restructuring Effective Date”	means the date on which all the conditions relating to the effectiveness of the implementation of the restructuring plan under Chapter 11 of the Federal Bankruptcy Code and the safeguard or reorganization plan (if any) have been fulfilled or waived, including the completion of all the steps necessary to complete the restructuring, and in particular all the issues of debt securities and transferable securities provided for therein, regardless of whether or not the time limits for recourse have elapsed.
“Trading Day”	means a day on which Euronext Paris ensures the listing of the shares on its market, other than a day on which the listing ceases before the usual closing time.

The holders of Warrants #2 will be entitled to the same rights and privileges as the holders of shares (including to vote or receive dividend payments or other distributions relating to shares) only after the exercise of their share subscription warrants and the delivery of the corresponding shares.

1. Type and class of the Warrants #2 for which admission to trading is requested or not

The Warrants #2 shall be securities giving access to the share capital within the meaning of articles L. 228-91 *et seq.* of the French Code de commerce. One (1) Warrant #2 will be attached to each New Share. Accordingly, a maximum number of [71,932,731] Warrants #2 will be issued as part of this issue. Upon issuance, each Warrant #2 will be detached from the New Share to which it is originally attached.

The Warrants #2 will be detached immediately after issuance from the Shares issued in the context of the issuance of ABSA and will start trading on the regulated market of Euronext Paris on their Warrants #2 issue date under the ISIN Code FR0013309622. No request for admission to trading on another market has been made nor is it foreseen.

2. Applicable law and courts of competent jurisdiction

The Warrants #2 are governed by French law. The courts having jurisdiction in the event of a dispute are those where the registered office of the Company is located if the Company is the defendant and are designated according to the nature of the dispute, unless otherwise provided for by the French *Code de procédure civile*.

3. Form and method of registration in accounts of the Warrants #2

The Warrants #2 may be held as registered (*nominatif*) or bearer (*au porteur*) securities at the option of the holders of Warrants #2.

In accordance with article L. 211-3 of the French *Code monétaire et financier*, the Warrants #2 are required to be registered in securities accounts held by the Company or an authorised intermediary, as the case may be.

Consequently, the rights of holders of Warrants #2 will be recorded as book-entries in securities accounts opened in their name and held by:

- BNP Paribas Securities Services, Grands Moulins de Pantin, 9 rue du Débarcadere, 93500 Pantin, France, mandated by the Company, in the case of Warrants #2 held in fully registered form (*forme nominative pure*);
- an authorized intermediary of their choosing and BNP Paribas Securities Services, Grands Moulins de Pantin, 9 Rue du Débarcadère, 93500 Pantin, France, acting for the Company, in the case of Warrants #2 held in administered registered form (*forme nominative administrée*); or
- an authorised financial intermediary chosen by the relevant holder of Warrants #2 if held in bearer form (*au porteur*).

No physical document of title (including representative certificates pursuant to article R. 211-7 of the French *Code monétaire et financier*) will be issued to represent the Warrants #2.

In accordance with articles L. 211-15 and L. 211-17 of the French *Code monétaire et financier*, transfer of the Warrants #2 is made by account transfers, and the transfer of ownership of the Warrants #2 will occur once they are recorded as book-entries in the acquirer's securities account.

Application will be made to admit the Warrants #2 for clearance through Euroclear France, which will be responsible for clearing the Warrants #2 between account holders. In addition, application will also be made for clearance of the Warrants #2 through Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* (Luxembourg).

The Warrants #2 will be recorded as book-entries in securities accounts on the Warrants #2 issue date which shall be no later than the Restructuring Effective Date.

4. Currency of the issue

The Warrants #2 issue will be completed in euros.

5. Number of Warrants #2

One (1) Warrant #2 will be attached to each New Share issued pursuant to the issuance of ABSA. Consequently, the maximum number of Warrants #2 to be issued on the Warrants #2 issue date shall be equal to [71,932,731].

The number of Warrants #2 to be issued on the Warrants #2 issue date shall be published by the Company as soon as possible following the Warrants #2 issue date on the Company's website at www.cgg.com and in a notice to be issued by Euronext Paris.

6. Warrants #2 issue date, subscription price, Exercise Period and exercise procedures

The Warrants #2 will be issued on the Warrants #2 issue date.

Subject to provisions of sections 9, 11 and 12 below, three (3) Warrants #2 will entitle their holder to subscribe to two (2) new shares (the "**Exercise Ratio**"), at a subscription price of €4.02 per new share. The Warrants #2 may only be exercised in exchange for a whole number of shares (under the conditions mentioned in section 12 below).

The Exercise Ratio may be adjusted following transactions implemented by the Company after the Warrants #2 issue date, in accordance with applicable French laws and regulations, in order to maintain the rights of the holders of Warrants #2, as described in section 11. For the avoidance of doubt, the Exercise Ratio shall not be adjusted as a result of the completion of the Issuance Steps, as those Issuance Steps have already been taken into account to define the terms and conditions of the Warrants #2.

The Warrants #2 shall become exercisable as from the Restructuring Effective Date until the fifth anniversary of the Restructuring Effective Date (the “**Exercise Period**”).

The Company will issue a press release indicating the Restructuring Effective Date as soon as possible from the Restructuring Effective Date.

The Warrants #2 will expire at the close of trading on Euronext Paris (5:30 p.m., Central European time) on the Business Day corresponding to the fifth anniversary of the Restructuring Effective Date (or the first Business Day following the fifth anniversary of the Restructuring Effective Date if such date is not a Business Day) or earlier upon (i) liquidation of the Company or (ii) redemption of all the Warrants #2 in accordance with section 13 (the “**Maturity Date**”).

To exercise its Warrants #2, a holder must:

- send (a) a request and (b) if it is located in the United States, an executed investor letter attached as Schedule 2 to the Prospectus n°2, (i) to its accredited financial intermediary, for the Warrants #2 held in bearer form (*forme au porteur*) or in administrative registered form (*forme nominative administrée*), or (ii) to the agent who will be appointed at a later stage by the Company, for Warrants #2 held in registered form (*forme nominative pure*); and
- pay in cash the amount due to the Company as a result of the exercise of the Warrants #2.

The Centralizing Agent assuming the centralization of the operations is the one mentioned in section 16.

The date of exercise (the “**Exercise Date**”) in respect of any Warrants #2 shall be the date on which the last of the following conditions is met:

- the Warrants #2 have been transferred by the accredited financial intermediary to the Centralizing Agent;
- the amount due to the Company as a result of the exercise of the Warrants #2 is received by the Centralizing Agent.

Delivery of shares issued upon exercise of Warrants #2 shall take place at the latest on the fifth (5th) Trading Day after their Exercise Date.

In the event of any transaction giving right to an adjustment pursuant to section 11 and for which the Record Date (as defined in section 11) is between (i) the Exercise Date (inclusive) of the Warrants #2 and (ii) the delivery date of the shares issued upon exercise of Warrants #2 (excluded), the holders of Warrants #2 shall not be entitled to take part in such transaction, subject to their right to adjustment in accordance with section 11 at any time up to (but excluding) the delivery date of the shares.

7. Suspension of the exercise of Warrants #2

In the event of an increase in share capital, merger (*absorption* or *fusion*), spin-off (*scission*) or issuance of new shares or new securities giving access to the share capital, or other financial transactions conferring preferential subscription rights or reserving a priority subscription period for the benefit of the shareholders of the Company, the Company will be entitled to suspend the exercise of the Warrants #2 for a period that shall not exceed three months or such other period as may be established by applicable regulations. The Company’s decision to suspend the exercise of the Warrants #2 will be published (so long as required by French law) in the *Bulletin des Annonces légales obligatoires* (“**BALO**”). This notice will be published at least seven days prior to the date on which such suspension comes into effect and will indicate both the date on which the exercise of the Warrants #2 will be

suspended and the date on which it will resume. This information will also be published on the Company's website at www.cgg.com and in a notice to be issued by Euronext Paris.

8. Ranking of Warrants #2

Not applicable.

9. Amendment of the rules on distribution of profits and amortization, legal form or corporate purpose of the Company - reduction of the share capital of the Company resulting from losses

In accordance with the provisions of article L. 228-98 of the French *Code de commerce*:

- (i) the Company may change its corporate form or corporate purpose without requesting the approval of the general meeting of holders of Warrants #2;
- (ii) the Company may, without requesting authorisation from the general meeting of holders of Warrants #2, redeem its share capital, change its profit distribution or issue preferred shares, provided, so long as any Warrants #2 are outstanding, that it takes the necessary measures to preserve the holders of Warrants #2's rights (see section 11 below);
- (iii) in the event of a reduction of the share capital of the Company resulting from losses and realised through the decrease in the par value or of the number of shares comprising the share capital, the rights of the holders of Warrants #2 will be reduced accordingly, as if they had exercised their Warrants #2 before the date such share capital reduction occurred. In the event of a reduction of the share capital by a decrease in the number of shares, the new Exercise Ratio will be equal to the product of the Exercise Ratio in effect before the decrease in the number of shares and the following ratio:

$$\frac{\text{Number of shares comprising the share capital after the transaction}}{\text{Number of shares comprising the share capital before the transaction}}$$

In accordance with article R. 228-92 of the French *Code de commerce*, if the Company decides to issue, in any form whatsoever, new Shares or securities giving access to the share capital with preferential subscription rights reserved for shareholders, to distribute reserves, in cash or in kind, to issue premiums or to change the distribution of its profits by creating preferential shares, it will inform the holders of Warrants #2 by a notice published in the BALO (so long as required by French law).

10. Maintenance of rights of the holders of Warrants #2

Subsequent to any of the following transactions:

1. financial transactions with listed preferential subscription rights or by the free distribution of listed warrants;
2. the free distribution of shares to shareholders, share splits or reverse splits;
3. capitalisations of reserves, profits or premiums through an increase in the nominal value of the shares;
4. distributions of reserves or premiums, in cash or in kind;
5. the free distribution to the Company's shareholders of any financial instrument other than the shares;
6. a merger (*absorption or fusion*) or spin-off (*scission*);
7. repurchases by the Company of its own shares at a price higher than the market price;

8. the redemption of share capital;
9. changes in profit distribution and/or the creation of preferred shares,

by the Company after the Warrants #2 issue date and for which the Record Date (as defined below) occurs before the delivery date of shares issued upon exercise of the Warrants #2, the rights of holders of Warrants #2 will be maintained until the delivery date (excluded), by means of an adjustment to the exercise ratio, in accordance with the terms set forth below.

The “**Record Date**” is the date on which the holding of shares is fixed so as to determine which shareholders are beneficial owners of a transaction or may participate in a transaction, and in particular to which shareholders, a distribution, or an allotment, announced or approved on or before such date, should be paid or delivered.

This adjustment will be carried out such that the value of the shares that would have been allocated if the Warrants #2 had been exercised immediately before the completion of any of the transactions listed above is equal, to the nearest thousandth of a share, to the value of the shares to be allocated upon exercise of the Warrants #2 immediately after the completion of such a transaction.

In the event of adjustments carried out in accordance with paragraphs 1 to 9 below, the new exercise ratio will be calculated to three decimal places by rounding to the nearest thousandth (with 0,0005 being rounded upwards to the nearest thousandth, i.e., 0.001). Any subsequent adjustments will be carried out on the basis of such newly calculated and rounded exercise ratio. However, because the exercise ratio may result only in the allocation of a whole number of shares, fractional entitlements will be treated as specified in section 12.

1. (a) In the event of a financial transaction conferring listed preferential subscription rights, the new exercise ratio will be determined by multiplying the exercise ratio in effect prior to the commencement of the relevant transaction by the following ratio:

$$\frac{\text{Value of a share after detachment of the preferential subscription right} + \text{Value of the preferential subscription right}}{\text{Value of a share after detachment of the preferential subscription right}}$$

Value of a share after detachment of the preferential subscription right

For the calculation of this ratio, the values of a share after detachment of the preferential subscription right and of the preferential subscription right will be equal to the arithmetic average of the opening prices quoted on Euronext Paris (or, in the absence of a listing on Euronext Paris, on any other regulated market or on a similar market on which the shares or preferential subscription rights are listed) on each Trading Day included in the subscription period.

- (b) In the event of a financial transaction involving the free distribution of listed warrants to shareholders, with the corresponding ability to place the securities resulting from the exercise of warrants not exercised by their holders at the end of the subscription period that applies to them, the new exercise ratio will be determined by multiplying the exercise ratio in effect prior to the commencement of the relevant transaction by the following ratio:

$$\frac{\text{Value of the shares after detachment of the warrant} + \text{Value of the warrant}}{\text{Value of the shares after detachment of the warrant}}$$

Value of the shares after detachment of the warrant

For the calculation of this ratio,

- the value of a share after detachment of the warrant will be equal to the volume-weighted average of (i) the share price quoted on Euronext Paris (or, in the absence of a listing on Euronext Paris, on any other regulated or similar market on which the shares are listed) on each Trading Day included in the subscription period, and (ii) (a) the transfer price of the securities sold within the framework of the placement, if such securities are shares fungible with the existing shares, applying the volume of shares sold within the framework of the placement to the transfer price or (b) the price of the shares quoted on Euronext Paris (or, in the absence of a listing on

Euronext Paris, on any other regulated or similar market on which the shares are listed) on the determination date of the sale price of the securities sold within the framework of the placement if such securities are not shares fungible with the existing shares.

- the value of the warrant will be equal to the volume-weighted average of (i) the price of the warrants on Euronext Paris (or, in the absence of a listing on Euronext Paris, on any other regulated or similar market on which the warrants are listed) on each Trading Day included in the subscription period, and, (ii) the implicit value (*valeur implicite*) of the warrants represented by the sale price of the securities sold within the framework of the placement – which corresponds to the difference (if it is positive), adjusted by the warrants' exchange ratio, between the sale price of the securities sold within the framework of the placement and the subscription price of the securities – by applying the volume of exercised warrants to the price so determined in order to allocate the securities sold within the framework of the placement.
2. In the event of the free distribution of shares to shareholders, share splits or reverse splits, the new exercise ratio will be determined by multiplying the exercise ratio in effect prior to the commencement of the relevant transaction by the following ratio:

Number of shares outstanding after the transaction

Number of shares outstanding before the transaction

3. In the event of a share capital increase by means of the capitalization of reserves, profits or premiums carried out by increase in the nominal value of the shares, the nominal value of the shares to be allocated to holders of Warrants #2 exercising their Warrants #2 will be increased accordingly.
4. In the event of a distribution of reserves or premiums in cash or in kind (portfolio securities, etc.), the new exercise ratio will be determined by multiplying the exercise ratio in effect prior to the commencement of the relevant transaction by the following ratio:

Value of a share before distribution

**Value of a share before distribution – Amount distributed per share or
value of the securities or assets distributed per share**

For the calculation of this ratio:

- the value of a share before distribution will be equal to the volume-weighted average price of the shares quoted on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market on which the shares are listed) during the three Trading Days immediately preceding the Trading Day on which the shares are listed ex-distribution;
- if the distribution is made in kind:
 - a. in the event of a distribution of securities already listed on a regulated market or similar market, the value of the securities distributed will be determined as indicated above;
 - b. in the event of the distribution of securities that are not already listed on a regulated market or similar market, the value of the securities distributed will be equal, if they are expected to be listed on a regulated market or similar market within ten Trading Days starting on the date on which the shares are listed ex-distribution, to the volume-weighted average price on such market

during the first three Trading Days included in such period during which such securities are listed; and

- c. in other cases (distribution of securities that are not listed on a regulated market or a similar market or are listed for fewer than three Trading Days within the period of ten Trading Days referred to above or a distribution of assets), the value of the securities or assets allocated per share will be determined by an Expert.
5. In the event of a free distribution to the Company's shareholders of financial instruments other than shares, and subject to paragraph 10.1(b) above, the new exercise ratio will be determined as follows:
- a. if the right to the free allocation of securities was admitted to trading on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market), by multiplying the exercise ratio in effect prior to the commencement of the relevant transaction by the following ratio:

Value of a share ex-right to free allocation + Value of the free allocation right

Value of a share ex-right to free allocation

For the calculation of this ratio:

- the value of a share ex-right to free allocation will be equal to the volume-weighted average share price on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market on which the share ex-right to free allocation is listed) of the share ex-right to free allocation during the first three Trading Days on which the shares are listed ex-right to free allocation;
 - the value of the free allocation right will be determined as indicated in the paragraph above. If the free allocation right is not listed during each of the three Trading Days, then its value will be determined by an Expert.
- b. if the right to free allocation of securities was not admitted to trading on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market), by multiplying the exercise ratio in effect prior to the commencement of the relevant transaction by the following ratio:

Value of a share ex-right to free allocation + Value of the security or securities allocated per share

Value of a share ex-right to free allocation

For the calculation of this ratio:

- the value of a share ex-right to free allocation will be determined as indicated in paragraph (a) above;
 - if the securities allocated are listed or may become listed on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market), within ten Trading Days beginning on the date on which the shares are listed ex-distribution, then the value of the security or securities allocated per share will be equal to the volume-weighted average of the price of such financial securities recorded on such market during the first three Trading Days included within this period during which such securities are listed. If the securities allocated are not listed on each of the three Trading Days, then the value of the security or securities allocated per share will be determined by an Expert.
6. In the event that the Company is merged into another company (*absorption*) or merges with one or more companies to form a new company (*fusion*) or is spun-off (*scission*), the Warrants #2 will be exchangeable for shares of the absorbing or new company or of the beneficiary companies of such spin-off.

The new exercise ratio will be determined by multiplying the exercise ratio in effect prior to the commencement of the relevant transaction by the exchange ratio of shares for shares of the acquiring or new company or the beneficiary companies of a spin-off. These latter companies will be substituted *ipso jure* for the Company with regard to its obligations towards the holders of Warrants #2.

7. In the event of a repurchase by the Company of its own shares at a price higher than the market price, the new exercise ratio will be determined by multiplying the exercise ratio in effect prior to the commencement of the repurchase by the following ratio:

$$\frac{\text{Share value} \times (1 - \text{Pc}\%)}$$

$$\text{Share value} - (\text{Pc}\% \times \text{Repurchase price})$$

For the calculation of this ratio:

- Share value means the volume-weighted average price of the shares on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market on which the share is listed) during the three Trading Days immediately preceding such repurchase (or the option to repurchase);
 - Pc% means the percentage of repurchased capital; and
 - Repurchase price means the actual price at which shares are repurchased.
8. In the event of a redemption of share capital, the new exercise ratio will be determined by multiplying the exercise ratio in effect prior to the commencement of the relevant transaction by the following ratio:

$$\frac{\text{Value of a share before redemption}}{}$$

$$\text{Value of a share before redemption} - \text{Amount of redemption per share}$$

For the calculation of this ratio, the value of a share before redemption will be equal to the volume-weighted average price of the shares on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market on which the shares are listed) during the three Trading Days immediately preceding the Trading Day on which the shares are listed ex-redemption.

9. (a) In the event of the modification by the Company of the distribution of its profits and/or the creation of preferred shares resulting in such a change, the new exercise ratio will be determined by multiplying the exercise ratio in effect prior to the commencement of the relevant transaction by the following ratio:

$$\frac{\text{Value of a share before the change}}{}$$

$$\text{Value of a share before the change} - \text{Reduction per share of the right to profits}$$

For the calculation of this ratio:

- the value of the share before the change will be determined on the basis of the volume-weighted average price of the shares on Euronext Paris (or if the shares are not listed on Euronext Paris, on another regulated or similar market on which the shares are listed) during the three Trading Days immediately preceding the day of such change;
- the Reduction per share of the rights to profits will be determined by an Expert.

Notwithstanding the above, if such preferred shares are issued with shareholders' preferential subscription rights or by the free distribution to shareholders of warrants exercisable for such preferred shares, the new exercise ratio will be adjusted in accordance with paragraphs 1 or 5 above.

(b) In the event of the creation of preferred shares that do not lead to a modification of the distribution of profits, the adjustment of the exercise ratio, if necessary, will be determined by an Expert.

Adjustment calculations will be made by the Calculation Agent (as defined in section 16) based, in particular, in the specific circumstances described in this section, on one or more values determined by an Expert (and who may be the Calculation Agent itself, acting as Expert).

If the Company were to carry out transactions where an adjustment had not been completed under paragraphs 1 to 9 above, and where a later law or regulation would imply an adjustment, the Calculation Agent will make this adjustment in accordance with the law or regulations applicable and the market customs in this matter in France.

In case of adjustment, the new terms for exercising Warrants #2 will be communicated to the holders of Warrants #2 through a publication by the Company on its website (www.cgg.com) at the latest five (5) Business Days after the new adjustment becomes effective. This adjustment will also be published by Euronext Paris within the same timeframe.

Adjustments, calculations and determinations performed by the Calculation Agent or the Expert, pursuant to this section will be final and binding (save in the case of gross negligence (*faute lourde*), willful misconduct (*dol*) or manifest error) on the Company, in respect of calculation made by the Expert, and the holders of Warrants #2.

11. No Fractional Shares

Each Holder of Warrant #2 exercising such Warrants #2 can subscribe to a number of shares calculated in application of the Exercise Ratio.

Any holder of Warrants #2 must exercise such number of Warrants #2 to allow the subscription of a whole number of shares with respect to the Exercise Ratio (i.e. by exercising the Warrants #2 in multiples of three).

In accordance with articles L. 225-149 and R. 228-94 of the French *Code de commerce*, in case of adjustment to the Exercise Ratio and if the number of shares so calculated is not a whole number, (i) the Company shall round down the number of shares to be issued to the holder of Warrants #2 to the nearest whole number of shares and (ii) the holder of Warrants #2 will receive an amount in cash from the Company equal to the resulting fractional share multiplied by the last quote at the stock exchange session preceding the day of filing of the request to exercise his/her/its Warrants #2. Therefore no fractional shares shall be issued upon exercise of the Warrants #2.

12. Early redemption by repurchase - Cancellation

The Company may, at its option, repurchase all or part of the Warrants #2, at any time, without limitation as to price or quantity, by means of purchases on or off the market, or by means of tender or exchange offers.

Warrants #2 so repurchased will be cancelled in accordance with French law.

For the avoidance of doubt, the repurchase of the Warrants #2 by the Company cannot be mandatory for their holders (except with respect to a squeeze-out procedure following a public tender offer, as the case may be).

13. Representative of the masse of holders of Warrants #2

In accordance with Article L. 228-103 of the French Code de commerce, the holders of Warrants #2 will be grouped into a body (*masse*), which will benefit from legal personality and which will be subject to the same provisions as those provided for in Articles L. 228-47 to L. 228-64, L. 228-66 and L. 228-90 of the French Code de commerce.

The *masse* of the holders of Warrants #2 will be represented by:

Aether Financial Services

36 rue de Monceau
75008 Paris
(the “**Warrants #2 Representative**”)

In the event of incompatibility, resignation or revocation of the Warrants #2 Representative, a replacement will be elected by the general meeting of the holders of Warrants #2.

The Company will pay to the Warrants #2 Representative an annual flat fee equal to five hundred euros (EUR 500) (excluding VAT) each year. The first flat fee will be calculated on a pro-rata basis, based on the outstanding number of days until the end of the year. With respect to subsequent years, the flat fee will become due and payable on each 1st January.

The Warrants #2 Representative will remain in office until his resignation, revocation by the general meeting of the holders of Warrants #2 or until an incompatibility occurs. His term of office will automatically end on the Maturity Date. This term may be automatically extended until the final resolution of pending litigation in which the Warrants #2 Representative may be involved, and until the decision or settlements have been enforced.

The meeting of the holders of Warrants #2 will be called upon to authorize any amendment of the terms and conditions of the Warrants #2, and to make any decision relating to the securities’ subscription or allocation conditions of the Warrants #2 as determined when issued.

Unless otherwise decided under a resolution of the general meeting of holders of Warrants #2, the Warrants #2 Representative will have the power to perform all management acts in the name of the body (*masse*) of holders of Warrants #2 aimed at protecting the common interests of said holders of Warrants #2. Such power may be delegated by the Warrants #2 Representative to a third-party in accordance with applicable law and regulations.

The Company will pay the compensation of the Warrants #2 Representative and the costs of convening and holding the general meeting of holders of Warrants #2, the publication of their decisions and the expenses incurred in connection with the appointment of a representative of the holders, where applicable, pursuant to article L. 228-50 of the French Code de commerce, as well as all justified costs related to the administration and the functioning of the *masse*.

The meetings of holders of Warrants #2 will take place at the registered office of the Company or in any other place set out in the convening notice. Each holder of Warrants #2 will be entitled, for a 15-day period prior to the general meeting, personally or via an agent, to be provided with a copy of the proposed resolutions and reports that will be presented to the meeting, at the Company’s registered office, its principal place of business, or as the case may be, in any other place set out in the convening notice.

Under French law in effect on the date of the Prospectus n°2, the meeting of the holders of Warrants #2 can validly resolve on the resolutions submitted to it if the holders of Warrants #2, present or represented, hold at least 25% of the voting rights of the Warrants #2 when meeting on first call and 20% of the voting rights of the Warrants #2 on second call. Decisions of the general meeting are by a two-third majority of the votes of the holders of Warrants #2, present or represented (in accordance with articles L. 225-96 and L. 228-103 of the French Code de commerce). One Warrant #2 gives right to one vote at general meetings of the holders of Warrants #2.

14. Centralizing Agent and Calculation Agent

The initial centralizing agent is BNP Paribas Securities Service (the “**Centralizing Agent**”) and the initial calculation agent is Aether Financial Services (the “**Calculation Agent**”).

The Company reserves the right to change or terminate the appointment of the Centralizing Agent and the Calculation Agent and/or to appoint a new Centralizing Agent or Calculation Agent.

15. Further Issues and Assimilation

The Company may from time to time without the consent of the general meeting of the holders of Warrants #2 issue further warrants to be assimilated (*assimilables*) with the Warrants #2, provided that

such further warrants and the Warrants #2 shall carry rights identical in all respects and that the terms of such further warrants are identical to the terms of the Warrants #2.

In the event of such an assimilation, the holders of Warrants #2 and the holders of such further warrants will be grouped together in a single *masse* for the defense of their common interests.

16. Restrictions on the free negotiability of the Warrants #2 and the shares to be issued from the exercise of the Warrants #2

No provision in the articles of association restricts the free negotiability of the Warrants #2 or the shares composing the Company' share capital.