



CGG Announces its 2020 Second Quarter Results

A quarter impacted by Covid-19 and oil price drop Swiftly aligning cost structure to the new baseline

PARIS, France – July 29, 2020 – **CGG** (ISIN: FR0013181864), a world leader in **Geoscience**, announced today its 2020 second quarter unaudited results.

Commenting on these results, Sophie Zurquiyah, CGG CEO, said:

“The geoscience market continued to deteriorate this quarter as clients reprioritized portfolios to factor in reductions in E&P spending. Our priority remains the safety of our employees, preservation of cash and maintaining excellent business continuity despite the global spread of Covid-19. We are swiftly taking actions necessary to align our cost structure with the new baseline, while maintaining focus on our differentiated technologies and key multi-client investments. With our strong balance sheet and solid strategy and plans, I am confident that CGG is well positioned to successfully navigate through these crises while best supporting our clients’ production optimization, reservoir evaluation and near field exploration challenges.”

Q2 2020: Revenue and EBITDAs impacted by the crises

- **IFRS figures:** revenue at \$239m, OPINC at \$(32)m, net income at \$(147)m
- **Segment revenue at \$202m**, down 41% year-on-year
 - Geoscience: Resilient despite backlog decline
 - Multi-client: Supported by ongoing well prefunded projects in mature basins
 - Equipment: Reduced demand with some delays in deliveries due to Covid-19
- **Segment EBITDAs at \$68m**, down 60% year-on-year, a 34% margin
- **Segment operating income at \$(53)m**

Supplementary information

- **Adjusted Segment EBITDAs at \$76m** before \$(7)m of Covid-19 plan costs, down 56% year-on-year, a 37% margin
- **Adjusted Segment operating income at \$(5)m** before \$(49)m of non-recurring charges, including \$(17)m fair value adjustments and limited \$(24)m goodwill impairment

*Adjusted indicators represent supplementary information adjusted of non-recurring charges triggered by economic downturn and unprecedented drop in oil price.

Sound Liquidity

- **Liquidity of \$546m** and **Net debt before IFRS 16 of \$626m** at June 30, 2020
- **Q2 2020 Segment Free Cash Flow of \$(8)m**
- **Q2 2020 Net Cash Flow of \$(77)m**, including \$(25)m 2021 plan and Covid-19 plan cash costs
- **H1 2020 Net Cash Flow of \$(60)m**, including \$(54)m 2021 plan and Covid-19 plan cash costs

Aligning cost structure to the new baseline

- All saving plans (2021 plan and Covid-19) expected to generate cash costs reduction of around **\$35m** in 2020 and **\$135m** annualized, including around **\$90m** of fixed cash costs

- Covid-19 plan cash expenses of around **\$(30)m** in 2020, of which **\$(4)m** in H1

\$(94)m of non-recurring charges were booked in Q2 2020

Global economic crisis, triggered by Covid-19 pandemic and unprecedented drop in oil price and E&P spending lead CGG to carry a full impairment test in Q2 2020 and launch cost reduction actions («Covid-19 plan»). **\$(94)m** of non-recurring charges were booked in Q2 2020:

- **\$(7)m** severance costs related to Covid-19 plan
- **\$(17)m** non-cash fair value remeasurement of GeoSoftware business available for sale
- **\$(24)m** non-cash goodwill impairment related to GeoConsulting business mainly focused on exploration and appraisal
- **\$(37)m** non-cash remeasurement of other financial assets and liabilities mainly related to Marine Acquisition exit transaction
- **\$(9)m** non-cash impairment of Deferred Tax Assets

Non-recurring charges (in m\$)	Q1 2020	Q2 2020	H1 2020
Operational costs provisions	(3)	(7)	(10)
Multi-client library Impairment	(69)		(69)
Asset impairment		(17)	(17)
Goodwill impairment		(24)	(24)
Other Financial Items (OFI) adjustment		(37)	(37)
Deferred Tax Assets impairment		(9)	(9)
Total	(72)	(94)	(166)

Key Figures - Second Quarter 2020

Key Figures – Quarter in million \$	2019 Q2	2020 Q2
Operating revenues	335	239
Operation Income	51	(32)
Equity from Investment	0	0
Net cost of financial debt	(33)	(33)
Other financial income (loss)	0	(36)
Income taxes	(3)	(33)
Net income / Loss from continuing operations	(15)	(134)
Net income / Loss from discontinued operations	(113)	(13)
Group net income / (loss)	(98)	(147)
Operating Cash Flow	124	81
Net Cash Flow	(31)	(77)
Net debt	883	783
Net debt before lease	694	626
Capital employed	2,435	2,129

Key Segment Figures - Second Quarter 2020

Key Segment Figures – Quarter in million \$	2019 Q2	2020 Q2
Segment revenue	340	202
Segment EBIDTAs	170	68
<i>Group EBIDTDAS margin</i>	50%	34%
Segment operating income	53	(53)
<i>Opinc margin</i>	16%	(26)%
IFRS 15 adjustment	(1)	21
IFRS operating income	51	(32)
Operation Cash Flow	124	81
Segment Net Cash Flow	(31)	(77)
Supplementary information		
Adjusted segment EBITDAS before NRC	170	76
<i>EBIDTDAS margin</i>	50%	37%
Adjusted segment operation income before NRC	53	(5)
<i>Opinc margin</i>	16%	(2)%

Key Figures – First Half 2020

Key Figures – YTD	2019	2020
in million \$	Jun	Jun
	YTD	YTD
Operating revenues	607	491
Operation Income	71	(72)
Equity from Investment	0	0
Net cost of financial debt	(66)	(66)
Other financial income (loss)	1	(30)
Income taxes	(6)	(38)
Net income / Loss from continuing operations	(0)	(205)
Net income / Loss from discontinued operations	(128)	(40)
Group net income / (loss)	(128)	(245)
Operating Cash Flow	(328)	226
Net Cash Flow	(13)	(60)
Net debt	883	783
Net debt before lease	694	626
Capital employed	2,435	2,129

Key Segment Figures – First Half 2020

Key Segment Figures – YTD	2019	2020
in million \$	Jun	Jun
	YTD	YTD
Segment revenue	623	473
Segment EBITDAs	290	191
<i>Group EBITDAs margin</i>	<i>47%</i>	<i>40%</i>
Segment operating income	64	(84)
<i>Opinc margin</i>	<i>10%</i>	<i>(18)%</i>
IFRS 15 adjustment	7	12
IFRS Operating income	71	(72)
Operating Cash Flow	328	226
Segment Net Cash Flow	13	(60)
Supplementary information		
Adjusted segment EBITDAs before NRC	290	200
<i>Group EBITDAs margin</i>	<i>47%</i>	<i>42%</i>
Adjusted segment operation income before NRC	64	36
<i>Opinc margin</i>	<i>10%</i>	<i>8%</i>

Key figures bridge: Segment to IFRS - Second Quarter 2020

P&L items In million \$		Segment figures	IFRS15 adjustments	IFRS Figures
Total Revenue		202	36	239
OPINC		(53)	21	(32)
Cash Flow Statement Items In million \$		Segment figures	IFRS15 adjustments	IFRS Figures
EBITDAs		68	36	105
Change in Working Capital & Provisions		15	(36)	(21)
Cash Provided by Operations		81	0	81
Multi-Client Data Library NBV In million \$		Segment figures	IFRS15 adjustments	IFRS Figures
Opening Balance Sheet	Mar,20	318	157	475
Closing Balance Sheet	Jun,20	340	140	480

Key figures bridge: Segment to IFRS - First Half 2020

P&L items In million \$		Segment figures	IFRS15 adjustments	IFRS Figures
Total Revenue		473	18	491
OPINC		(84)	12	(72)
Cash Flow Statement Items In million \$		Segment figures	IFRS15 adjustments	IFRS Figures
EBITDAs		191	18	209
Change in Working Capital & Provisions		36	(18)	18
Cash Provided by Operations		226	0	226
Multi-Client Data Library NBV In million \$		Segment figures	IFRS15 adjustments	IFRS Figures
Opening Balance Sheet	Dec,19	376	155	531
Closing Balance Sheet	Jun,20	340	140	480

Second Quarter 2020 Segment Financial Results

Geology, Geophysics & Reservoir (GGR)

Geology, Geophysics & Reservoir (GGR) in million \$	2019 Q2	2020 Q2
Segment revenue	220	144
Geoscience (SIR)	93	83
Multi-Client	127	62
Prefunding	49	46
After Sales	78	15
Segment EBITDAS	149	74
	<i>EBITDAs Margin</i>	<i>51%</i>
Segment Operating income	40	(39)
	<i>OPINC Margin</i>	<i>(27)%</i>
Equity from investments	0	0
Capital employed (in billion \$)	2.0	1.7

Supplementary information

Adjusted segment EBITDAs before NRC	149	81
	<i>EBITDAs Margin</i>	<i>56%</i>
Adjusted segment OPINC before NRC	40	9
	<i>OPINC Margin</i>	<i>6%</i>

Other Key Metrics

Multi-client cash capex (\$m)	(56)	(73)
Multi-client cash prefunding rate (%)	88%	63%

GGR segment revenue was \$144 million, down 35% year-on-year.

- **Geoscience revenue** was \$83 million, down 11% year-on-year.

Q2 activity was impacted by the general slowdown of the economy and its effect on clients E&P spending. Preservation of business continuity, profitability, technology leadership and client support continue to be the focus. New businesses in Geothermal, Carbon Monitoring and Environmental Science were established.

- **Multi-Client revenue** was \$62 million this quarter, down 52% year on year.

Prefunding revenue of our multi-client projects was \$46 million. We had four ongoing multi-client programs this quarter: one onshore - Central Basin Platform – in US land, and three offshore programs: one marine streamer survey – Nebula – in Brazil, one marine streamer survey – Gippsland – in Australia, and one nodes survey in the UK North Sea. Multi-client cash capex was \$73m this quarter and prefunding rate was 63%.

After-sales were at \$15 million this quarter, down 80% year-on-year.

The segment library Net Book Value was \$340 million (\$480 million after IFRS 15 adjustments) at the end of June 2020, split 85% offshore and 15% onshore.

GGR segment EBITDAs was \$74 million, down 50% with 51% margin.

Adjusted GGR segment EBITDAs \$81m with 56% margin before \$(7) million of COVID-19 plan costs.

GGR segment operating income was \$(39) million.

Adjusted GGR segment operating income was \$9 million with 6% margin before \$(48) million of non-recurring charges.

GGR capital employed was down to \$1.7 billion at the end of June 2020.

Equipment

Equipment in million \$	2019 Q2	2020 Q2
Segment revenue	124	58
Land	90	45
Marine	19	10
Downhole Gauges	9	3
Non Oil & Gas	6	1
Segment EBITDAS	27	0
<i>EBITDAs Margin</i>	22%	0%
Segment Operating income	20	(7)
<i>OPINC Margin</i>	16%	(12)%
Capital employed (in billion \$)	0.6	0.5
Supplementary information		
Adjusted segment EBITDAs before NRC	27	1
<i>EBITDAs Margin</i>	22%	2%
Adjusted segment OPINC before NRC	20	(6)
<i>OPINC Margin</i>	16%	(11)%

Equipment segment revenue was \$58 million, down 53% year-on-year. External sales were \$58 million.

- Land equipment sales represented 78% of total sales, as we delivered in Q2 over 60 thousand 508XT channels and 10 Nomad 90 mainly in North Africa and Middle East. Sercel also delivered its first node land WiNG system.
- Marine equipment sales represented 17% of total sales. Activity in the streamer market remains low with mostly spares for Sentinel sections.
- Downhole equipment sales were \$3 million.

Equipment segment EBITDAs was \$0 million.

Adjusted Equipment segment EBITDAs was \$1m before \$(1) million of COVID-19 plan costs.

Equipment segment operating income was \$(7) million.

Adjusted Equipment segment operating income \$(6) million before \$(1) million of non-recurring charges.

Equipment capital employed was down at \$0.5 billion at the end of June 2020.

Second Quarter 2020 Financial Results

Consolidated Income Statements		2019	2020
In million \$		Q2	Q2
Exchange rate Euro / Dollar		1.12	1.10
Segment revenue		340	202
	GGR	220	144
	Equipment	123	58
	Elim & Other	(3)	(1)
Segment Gross Margin		88	27
Segment EBITDAs		170	68
	GGR	149	81
	Equipment	27	1
	Corporate	(6)	(6)
	Elim & Other	0	0
	COVID-19 plan	0	(7)
Segment operating income		53	(53)
	GGR	40	9
	Equipment	20	(6)
	Corporate	(6)	(7)
	Elim & Other	0	(1)
	Non recurring charges	0	(49)
	IFRS 15 adjustment	(1)	21
IFRS operating income		51	(32)
Equity from investments		0	0
Net cost of financial debt		(33)	(33)
Other financial income (loss)		0	(1)
Income taxes		(3)	(24)
NRC (Tax & OFI)			(46)
Net income / (loss) from continuing operations		15	(134)
Net income / (loss) from discontinued operations		(113)	(13)
IFRS net income / (loss)		(98)	(147)
Shareholder's net income / (loss)		(101)	(147)
Basic Earnings per share in \$		(0.14)	(0.21)
Basic Earnings per share in €		(0.12)	(0.19)

Segment revenue was \$202 million, down 41% year-on-year. The respective contributions from the Group's businesses were 41% from Geoscience, 30% from Multi-Client (71% for the GGR segment) and 29% from Equipment.

Segment EBITDAs was \$68 million, including \$(7) million of Covid-19 plan costs, a 34% margin.

Segment operating income was \$(53) million, including \$(49) million related to non-recurring charges with \$(17) million fair value adjustments and limited \$(24) million goodwill impairment.

IFRS 15 adjustment at operating income level was \$21 million and **IFRS operating income**, after IFRS 15 adjustment, was \$(32) million.

Cost of financial debt was \$(33) million. The total amount of interest paid during the quarter was \$(32) million.

Other Financial Items were \$(36) million, including \$(37) million of non-recurring charges related to remeasurements of fair value of other financial assets and liabilities.

Taxes were at \$(33) million, including \$(9) million of non-recurring charges related to deferred tax assets (DTA) adjustments.

Net loss from continuing operations was \$(134) million.

Discontinued operations

Correspond to the former Contractual Data Acquisition and Non-Operated Resources segments. Main aggregates are as follows:

- **Q2 revenue from discontinued operations** was \$5 million.
- **Net loss from discontinued operations** was \$(13) million this quarter.
- **Net Cash flow from discontinued operations** was \$0 million before Plan 2021

Group net loss was \$(147) million.

After minority interests, **Group net loss attributable to CGG shareholders** was \$(147) million/ €(134) million.

Adjusted Net loss from continuing operations, excluding \$(94) million of non-recurring charges, was \$(40) million.

Cash Flow

Cash Flow items In million \$	2019 Q2	2020 Q2
Segment revenue	124	81
CAPEX	(74)	(89)
Industrial	(9)	(4)
R&D	(8)	(12)
Multi-Client (Cash)	(56)	(73)
Marine MC	(51)	(62)
Land MC	(5)	(11)
Proceeds from disposals of assets	0	0
Segment Free Cash Flow	51	(8)
Lease repayments	(13)	(15)
Paid Cost of debt	(33)	(32)
Plan 2021	(16)	(22)
Free cash flow from discontinued operations	(20)	(0)
Net Cash flow	(31)	(77)
Financing cash flow	0	0
Forex and other	(3)	(1)
Net increase / (decrease) in cash	(34)	(78)
Supplementary information		
Covid-19 plan Cash		(3)
Segment Free Cash Flow before COVID-19 plan	51	(5)

Segment Operating Cash Flow was \$81 million, down 35% compared to \$124 million in Q2 2019.

Total capex was \$89 million, up 20% year-on-year:

- **Industrial capex** was \$4 million, down 56%
- **Research & Development capex** was \$12 million, up 50%
- **Multi-client cash capex** was \$73 million, up 30%

Segment Free Cash Flow before lease repayments was at \$(8) million, compared to \$51 million in Q2 2019.

After \$(15) million lease repayments, \$(32) million paid cost of debt, \$(22) million 2021 plan cash costs, \$(3) million Covid-19 plan and \$0 million free cash flow from discontinued operations, **Net Cash Flow** was \$(77) million compared to \$(31) million in Q2 2019.

First Half 2020 Financial Results

Consolidated Income Statements 2019 2020

In million \$	Jun YTD	Jun YTD
Exchange rate Euro / Dollar	1.13	1.10
Segment revenue	623	473
GGR	401	342
Equipment	228	133
Elim & Other	(6)	(2)
Segment Gross Margin	137	97
Segment EBITDAs	290	191
GGR	254	204
Equipment	51	9
Corporate	(14)	(12)
Elim & Other	0	(1)
COVID-19 plan	0	(9)
Segment operating income	64	(84)
GGR	45	57
Equipment	35	(6)
Corporate	(16)	(13)
Elim & Other	0	(2)
Non recurring charges	0	(120)
IFRS 15 adjustment	7	12
IFRS operating income	71	(72)
Equity from investments	0	0
Net cost of financial debt	(66)	(66)
Other financial income (loss)	1	7
Income taxes	(6)	(29)
NRC (Tax & OFI)		(46)
Net income / (loss) from continuing operations	0	(205)
Net income / (loss) from discontinued operations	(128)	(40)
IFRS net income / (loss)	(128)	(245)
Shareholder's net income / (loss)	(135)	(247)
Basic Earnings per share in \$	(0.19)	(0.35)
Basic Earnings per share in €	(0.17)	(0.31)

Segment revenue was \$473 million, down 24% compared to H1 2019. The respective contributions from the Group's businesses were 37% from Geoscience, 35% from Multi-Client (72% for the GGR segment) and 28% from Equipment.

GGR segment revenue was \$342 million, down 15% year-on-year

- **Geoscience revenue** was \$176 million, down 4% year-on-year mainly due to a reduced backlog.
- **Multi-Client sales** reached \$166 million, down 23% year-on-year. Prefunding revenue was \$103 million, up 13% year-on-year. Multi-Client cash capex was \$(140) million, up 46% year-on-year. Cash prefunding rate was 74%.

After-sales were \$62 million, down 50%.

Equipment revenue was \$133 million, down 42% year-on-year in a low equipment market due to the Covid-19 situation.

Segment EBITDAs was \$191 million, including \$(10) million of Covid-19 plan costs, down 34% year-on-year, a 40% margin. GGR EBITDA margin was at 58% and Equipment EBITDA margin at 6%

Segment operating income was \$(84) million, including \$(120) million of non-recurring charges.

IFRS 15 adjustment at operating income level was \$12 million and **IFRS operating income**, after IFRS 15 adjustment, was \$(72) million.

Cost of financial debt was \$(66) million. The total amount of interest paid during H1 was \$(40) million.

Other Financial Items were \$(30) million, including \$(37) million of non-recurring charges related to remeasurements of fair value of other financial assets and liabilities.

Taxes were at \$(38) million, including \$(9) million of non-recurring charges related to DTA adjustments.

Net income from continuing operations was \$(205) million.

Discontinued operations

Correspond to the former Contractual Data Acquisition and Non-Operated Resources segments. Main aggregates are as follows:

-**H1 revenue from discontinued operations** was \$19 million.

-**Net loss from discontinued operations** was \$(40) million.

-**Net Cash flow from discontinued operations** was \$9 million before Plan 2021.

Group net loss was \$(245) million.

After minority interests, **Group loss attributable to CGG shareholders** was \$(247) million/ €(223) million.

Adjusted Net Loss from continuing operations, excluding \$(166) million non-recurring charges, was \$(39) million.

Cash Flow

Cash Flow items in million \$	2019 Jun YTD	2020 Jun YTD
Segment revenue	328	226
CAPEX	(131)	(177)
Industrial	(20)	(12)
R&D	(16)	(24)
Multi-Client (Cash)	(96)	(140)
Marine MC	(81)	(113)
Land MC	(15)	(27)
Proceeds from disposals of assets	0	0
Segment Free Cash Flow	196	50
Lease repayments	(29)	(29)
Paid Cost of debt	(40)	(40)
Plan 2021	(41)	(50)
Free cash flow from discontinued operations	(73)	9
Net Cash flow	13	(60)
Financing cash flow	0	0
Forex and other	(6)	(5)
Net increase / (decrease) in cash	7	(65)

Supplementary information

Covid-19 plan Cash		(4)
Segment Free Cash Flow before COVID-19 plan	196	54

Segment Operating Cash Flow was \$226 million compared to \$328 million for the first half of 2019, a 31% decrease.

Capex was \$(177) million, up 35% year-on-year,

- **Industrial capex** was \$(12) million, down 40% year-on-year,
- **Research & Development capex** was \$(24) million, up 50% year-on-year,
- **Multi-client cash capex** was \$(140) million, up 46% year-on-year.

Segment Free Cash Flow before lease repayments was at \$50 million compared to \$196 million in H1 2019.

After lease repayments of \$(29) million, the payment of interest expenses of \$(40) million, CGG 2021 Plan and Covid-19 cash costs of \$(54) million and positive free cash flow from discontinued operations of \$9 million, **Group Net Cash Flow** was \$(60) million, compared to \$13 million in H1 2019.

Balance Sheet

Group gross debt before IFRS 16 was \$1,172 million at the end of June 2020 and **net debt** was \$626 million.

Group gross debt after IFRS 16 was \$1,329 million at the end of June 2020 and **net debt** was \$783 million.

Group's liquidity amounted to \$546 million at the end of June 2020.

Q2 2020 Conference call

An English language analysts' conference call is scheduled today at 8:15 am (Paris time) – 7:15 am (London time)

To follow this conference, please access the live webcast:

From your computer at: www.cgg.com

A replay of the conference will be available via webcast on the CGG website at: www.cgg.com.

For analysts, please dial the following numbers 5 to 10 minutes prior to the scheduled start time:

France call-in:	+33 (0) 1 70 70 07 81
UK call-in:	+44(0) 844 4819 752
Access Code:	1391217

About CGG

CGG (www.cgg.com) is a global geoscience technology leader. Employing around 4,600 people worldwide, CGG provides a comprehensive range of data, products, services and equipment that supports the discovery and responsible management of the Earth's natural resources. CGG is listed on the Euronext Paris SA (ISIN: 0013181864).

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CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2020

FINANCIAL STATEMENTS

Unaudited Interim Consolidated statements of operations

<i>(In millions of US\$, except per share data)</i>	Six months ended June 30,	
	2020	2019
Operating revenues	491.2	606.7
Other income from ordinary activities	0.5	0.4
Total income from ordinary activities	491.7	607.1
Cost of operations	(382.5)	(462.5)
Gross profit	109.2	144.6
Research and development expenses - net	(7.5)	(12.3)
Marketing and selling expenses	(17.2)	(21.7)
General and administrative expenses	(36.3)	(37.2)
Other revenues (expenses) - net	(120.3)	(2.2)
Operating income (loss)	(72.1)	71.2
Expenses related to financial debt	(67.2)	(67.4)
Income provided by cash and cash equivalents	1.5	1.6
Cost of financial debt, net	(65.7)	(65.8)
Other financial income (loss)	(30.0)	0.5
Income (loss) before incomes taxes	(167.8)	5.9
Income taxes	(37.6)	(5.6)
Net income (loss) from consolidated companies before share of income (loss) in companies accounted for under the equity method	(205.4)	0.3
Share of income (loss) in companies accounted for under the equity method	0.1	0.1
Net income (loss) from continuing operations	(205.3)	0.4
Net income (loss) from discontinued operations	(40.0)	(128.5)
Net income (loss)	(245.3)	(128.1)
<i>Attributable to :</i>		
<i>Owners of CGG S.A</i>	(246.6)	(134.6)
<i>Non-controlling interests</i>	1.3	6.5
Net income (loss) per share		
Basic	(0.35)	(0.19)
Diluted	(0.35)	(0.19)
Net income (loss) from continuing operations per share		
Basic	(0.29)	(0.00)
Diluted	(0.29)	(0.00)
Net income (loss) from discontinued operations per share		
Basic	(0.06)	(0.19)
Diluted	(0.06)	(0.19)

Unaudited Consolidated statements of financial position

(In millions of US\$)

	June 30, 2020	December 31, 2019
ASSETS		
Cash and cash equivalents	545.7	610.5
Trade accounts and notes receivable, net	250.9	436.0
Inventories and work-in-progress, net	212.3	200.1
Income tax assets	81.7	84.9
Other current assets, net	98.7	116.7
Assets held for sale, net	135.1	316.6
Total current assets	1,324.4	1,764.8
Deferred tax assets	12.2	19.7
Investments and other financial assets, net	40.5	27.4
Investments in companies under the equity method	3.7	3.0
Property, plant and equipment, net	276.8	300.0
Intangible assets, net	639.1	690.8
Goodwill, net	1,177.9	1,206.9
Total non-current assets	2,150.2	2,247.8
TOTAL ASSETS	3,474.6	4,012.6
LIABILITIES AND EQUITY		
Financial debt – current portion	55.8	59.4
Trade accounts and notes payables	97.1	117.4
Accrued payroll costs	125.1	156.6
Income taxes payable	75.9	59.3
Advance billings to customers	22.2	36.9
Provisions — current portion	29.8	50.0
Other current financial liabilities	33.6	—
Other current liabilities	237.0	327.3
Liabilities directly associated with the assets classified as held for sale	5.4	259.2
Total current liabilities	681.9	1,066.1
Deferred tax liabilities	17.1	10.4
Provisions — non-current portion	52.5	58.1
Financial debt – non-current portion	1,273.0	1,266.6
Other non-current financial liabilities	52.5	—
Other non-current liabilities	51.6	4.0
Total non-current liabilities	1,446.7	1,339.1
Common stock: 1,194,133,367 shares authorized and 711,323,839 shares with a €0.01 nominal value outstanding at June 30, 2020	8.7	8.7
Additional paid-in capital	1,687.1	3,184.7
Retained earnings	(279.6)	(1,531.1)
Other Reserves	(20.8)	(23.5)
Treasury shares	(20.1)	(20.1)
Cumulative income and expense recognized directly in equity	(0.8)	(0.7)
Cumulative translation adjustment	(67.6)	(56.3)
Equity attributable to owners of CGG S.A.	1,306.9	1,561.7
Non-controlling interests	39.1	45.7
Total equity	1,346.0	1,607.4
TOTAL LIABILITIES AND EQUITY	3,474.6	4,012.6

Unaudited Consolidated statements of cash flows

(In millions of US\$)	Six months ended June 30,	
	2020	2019
OPERATING		
Net income (loss)	(245.3)	(128.1)
Less: Net income (loss) from discontinued operations	(40.0)	(128.5)
Net income (loss) from continuing operations	(205.3)	0.4
Depreciation, amortization and impairment	100.8	65.1
Multi-client surveys impairment and amortization	186.4	139.2
Depreciation and amortization capitalized in multi-client surveys	(8.4)	(4.0)
Variance on provisions	1.2	(0.6)
Share-based compensation expenses	2.6	2.5
Net (gain) loss on disposal of fixed and financial assets	0.1	0.1
Equity (income) loss of investees	(0.1)	(0.1)
Dividends received from investments in companies under the equity method	—	—
Other non-cash items	30.0	0.8
Net cash-flow including net cost of financial debt and income tax	107.3	203.4
Less : net cost of financial debt	65.7	65.8
Less : income tax expense (gain)	37.6	5.6
Net cash-flow excluding net cost of financial debt and income tax	210.6	274.8
Income tax paid	(1.1)	(13.0)
Net cash-flow before changes in working capital	209.5	261.8
Change in working capital	16.7	66.5
- change in trade accounts and notes receivable	77.1	90.6
- change in inventories and work-in-progress	(18.5)	(4.4)
- change in other current assets	(1.5)	(23.2)
- change in trade accounts and notes payable	(2.4)	19.8
- change in other current liabilities	(38.0)	(16.3)
Net cash-flow provided by operating activities	226.2	328.3
INVESTING		
Total capital expenditures (incl. variation of fixed assets suppliers, excluding multi-client surveys)	(36.6)	(36.4)
Investment in multi-client surveys, net cash	(139.9)	(95.8)
Proceeds from disposals of tangible and intangible assets	0.1	—
Total net proceeds from financial assets	0.2	—
Acquisition of investments, net of cash and cash equivalents acquired	(0.4)	—
Variation in loans granted	—	—
Variation in subsidies for capital expenditures	—	—
Variation in other non-current financial assets	9.7	(1.4)
Net cash-flow used in investing activities	(166.9)	(133.6)

Six months ended June 30,

<i>(In millions of US\$)</i>	2020	2019
FINANCING		
Repayment of long-term debt	—	—
Total issuance of long-term debt	—	—
Lease repayments	(28.8)	(28.7)
Change in short-term loans	—	—
Financial expenses paid	(39.5)	(40.1)
Net proceeds from capital increase:		
— from shareholders	—	—
— from non-controlling interests of integrated companies	—	—
Dividends paid and share capital reimbursements:		
— to shareholders	—	—
— to non-controlling interests of integrated companies	(7.2)	(3.8)
Acquisition/disposal from treasury shares	—	—
Net cash-flow provided by (used in) financing activities	(75.5)	(72.6)
Effects of exchange rates on cash	(7.5)	(0.3)
Impact of changes in consolidation scope	—	—
Net cash flows incurred by discontinued operations	(41.1)	(114.7)
Net increase (decrease) in cash and cash equivalents	(64.8)	7.1
Cash and cash equivalents at beginning of year	610.5	434.1
Cash and cash equivalents at end of period	545.7	441.2

Analysis by segment (continuing operations)

Six months ended June 30, 2020

<i>Amounts in millions of US\$, except for assets and capital employed in billions of US\$</i>	GGR	Equipment	Eliminations	Segment figures	IFRS 15 adjustments	Consolidated Total / As reported
Revenues from unaffiliated customers	341.9	131.0	-	472.9	18.3	491.2
Inter-segment revenues ⁽¹⁾		1.8	(1.8)			
Operating revenues	341.9	132.8	(1.8)	472.9	18.3	491.2
Depreciation and amortization (excluding multi-client surveys)	(85.0)	(14.9)	(0.9)	(100.8)	-	(100.8)
Depreciation and amortization of multi-client surveys	(180.4)	-	-	(180.4)	(6.0)	(186.4)
Operating income ⁽²⁾	(61.3)	(7.2)	(15.9)	(84.4)	12.3	(72.1)
EBITDAs	197.1	8.1	(14.2)	191.0	18.3	209.3
Share of income in companies accounted for under the equity method	0.1	-	-	0.1	-	0.1
Earnings Before Interest and Tax ⁽²⁾	(61.2)	(7.2)	(15.9)	(84.3)	12.3	(72.0)
Capital expenditures (excluding multi-client surveys) ⁽³⁾	23.5	11.5	1.6	36.6	-	36.6
Investments in multi-client surveys, net cash	139.9	-	-	139.9	-	139.9
Capital employed ⁽⁴⁾	1.7	0.5	(0.1)	2.1	-	2.1
Total identifiable assets ⁽⁴⁾	2.3	0.6	-	2.9	-	2.9

(1) Sale of equipment to the Contractual Data Acquisition segment which is classified as discontinued operation.

(2) "Eliminations and other" corresponded to general corporate expenses.

(3) Capital expenditures included capitalized development costs of US\$(24.1) million for the six months ended June 30, 2020. "Eliminations and other" corresponded to the variance of suppliers of assets for the six months ended June 30, 2020.

(4) Capital employed and identifiable assets related to discontinued operations are included under the column "Eliminations and other".

Six months ended June 30, 2019

<i>Amounts in millions of US\$, except for assets and capital employed in billions of US\$</i>	GGR	Equipment	Eliminations	Segment figures	IFRS 15 adjustments	Consolidated Total / As reported
Revenues from unaffiliated customers	400.5	222.2	-	622.7	(16.0)	606.7
Inter-segment revenues ⁽¹⁾	-	6.0	(6.0)	-	-	-
Operating revenues	400.5	228.2	(6.0)	622.7	(16.0)	606.7
Depreciation and amortization (excluding multi-client surveys)	(49.1)	(15.7)	(0.3)	(65.1)	-	(65.1)
Depreciation and amortization of multi-client surveys	(162.6)	-	-	(162.6)	23.4	(139.2)
Operating income ⁽²⁾	44.9	34.7	(15.9)	63.7	7.5	71.2
EBITDAs	254.0	50.5	(14.6)	289.9	(15.9)	274.0
Share of income in companies accounted for under the equity method	0.1	-	-	0.1	-	0.1
Earnings Before Interest and Tax ⁽²⁾	44.9	34.7	(15.8)	63.8	7.5	71.3
Capital expenditures (excluding multi-client surveys) ⁽³⁾	26.2	9.3	0.9	36.4	-	36.4
Investments in multi-client surveys, net cash	95.8	-	-	95.8	-	95.8
Capital employed ⁽⁴⁾	2.0	0.6	(0.2)	2.4	-	2.4
Total identifiable assets ⁽⁴⁾	2.2	0.7	0.7	3.6	-	3.6

(1) Sale of equipment to the Contractual Data Acquisition segment which is classified as discontinued operation.

(2) "Eliminations and other" corresponded to general corporate expenses.

(3) Capital expenditures included capitalized development costs of US\$(16.4) million for the six months ended June 30, 2019. "Eliminations and other" corresponded to the variance of suppliers of assets for the six months ended June 30, 2019.

(4) Capital employed and identifiable assets related to discontinued operations are included under the column "Eliminations and other".