

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

September 14, 2004 (September 13, 2004)
Date of Report (Date of earliest event reported)

Mitcham Industries, Inc.

(Exact name of registrant as specified in its charter)

Texas
(State or other jurisdiction
of incorporation)

000-25142
(Commission
File Number)

76-0210849
(IRS Employer
Identification No.)

8141 SH 75 South, P.O. Box 1175, Huntsville, Texas 77342
(Address of principal executive offices) (Zip Code)

936-291-2277
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operations and Financial Condition.

On September 13, 2004, Mitcham Industries, Inc. issued a press release announcing earnings for the second quarter ended July 31, 2004. The text of the press release is attached to this report as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits. The following exhibits are filed as a part of this report:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Mitcham Industries, Inc. press release dated September 13, 2004.

Pursuant to the rules and regulations of the Securities and Exchange Commission, information attached as Exhibit 99.1 is being furnished pursuant to Item 2.02 and shall not be deemed to be "filed" under the Securities Exchange Act of 1934.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MITCHAM INDUSTRIES, INC.

Date: September 14, 2004

By: /s/ Christopher C. Siffert

Christopher C. Siffert

Vice President and Corporate Controller

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Exhibit No.	Description
99.1	Mitcham Industries, Inc. press release dated September 13, 2004.

PRESS RELEASE

FOR IMMEDIATE RELEASE

CONTACT:

Christine Reel
713.629.1316

MITCHAM INDUSTRIES REPORTS SECOND QUARTER RESULTS

HUNTSVILLE, Texas – September 13, 2004 – Mitcham Industries, Inc. (NASDAQ: MIND) today reported revenues for its second quarter ended July 31, 2004 of \$6.4 million, up 63% from revenues of \$3.9 million recorded in the comparable quarter of the previous year. Net income for the second quarter totaled \$155,000, or \$0.02 per diluted share, as compared to a net loss in the prior year of \$4.1 million, or (\$0.47) per diluted share (inclusive of discontinued operations). During the quarter, the Company incurred one-time severance-related charges of approximately \$0.7 million related to the resignation of its former chief financial officer.

“We are very encouraged by the improvement in our second quarter results and in the seismic exploration market as a whole,” said Billy F. Mitcham, Jr., President and CEO of Mitcham Industries. “Historically, the second quarter is our seasonally slowest quarter, yet revenues increased significantly in our core land and marine leasing business and we experienced stronger used equipment sales. Various indicators, including recent bid activity, equipment movement and public announcements of companies adding crew capacity, suggest that the worst of the downturn may be behind us and that the seismic exploration market is in an uptrend.”

For the six months ended July 31, 2004, the Company recorded net income of \$1.5 million, \$0.17 per share, as compared to a net loss (inclusive of discontinued operations) of \$5.6 million, or (\$0.64) per share, for the prior year period. Revenues totaled \$14.6 million as compared to \$9.8 million for the comparable six-month period of the prior year.

Mitcham Industries, Inc., a geophysical equipment supplier, offers for lease or sale, new and “experienced” seismic equipment to the oil and gas industry, seismic contractors, environmental agencies, government agencies and universities. Headquartered in Texas, with sales and services offices in Calgary, Canada, Brisbane, Australia and associates throughout Europe, South America and Asia, Mitcham conducts operations on a global scale and is the largest independent exploration equipment lessor in the industry.

This press release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts included herein, including statements regarding potential future demand for the Company’s products and services, the Company’s future financial position and results of operations, business strategy and other plans and objectives for

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future operations, are forward-looking statements. Actual results may differ materially from such forward-looking statements. Important factors that could cause or contribute to such differences include a prolonged and gradual recovery, or no full recovery, of the energy services sector of a depressed oil and gas industry, and thereafter, the inherent volatility of oil and gas prices and the related volatility of demand for the Company's services; loss of significant customers; significant defaults by customers on amounts due to the Company; international economic and political instability; dependence upon additional lease contracts; the risk of technological obsolescence of the Company's lease fleet; vulnerability of seismic activity and demand to weather conditions and seasonality of operating results; dependence upon few suppliers; and other factors which are disclosed in the Company's Securities and Exchange Commission filings, available from the Company without charge.

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MITCHAM INDUSTRIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands except share and per share data)
(Unaudited)

	Three Months Ended July 31,		Six Months Ended July 31,	
	2004	2003	2004	2003
Revenues:				
Equipment leasing	\$ 3,378	\$ 2,638	\$ 8,779	\$ 6,604
Equipment sales	3,015	1,291	5,820	3,193
Total revenues	6,393	3,929	14,599	9,797
Costs and expenses:				
Direct costs — seismic leasing	211	512	900	861
Cost of equipment sales	1,263	557	2,814	1,746
General and administrative	2,111	1,248	3,948	2,530
Depreciation	2,706	3,830	5,413	7,431
Total costs and expenses	6,291	6,147	13,075	12,568
Operating income (loss)	102	(2,218)	1,524	(2,771)
Other income (expense) — net	(27)	(46)	(79)	(20)
Income (loss) from continuing operations before income taxes	75	(2,264)	1,445	(2,791)
Provision for income taxes	—	—	—	—
Net income (loss) from continuing operations	75	(2,264)	1,445	(2,791)
Income (loss) from discontinued operations, net of income taxes of \$0	80	(1,879)	80	(2,792)
Net income (loss)	\$ 155	\$ (4,143)	\$ 1,525	\$ (5,583)
Income (loss) per common share from continuing operations				
Basic	\$ 0.01	\$ (0.26)	\$ 0.16	\$ (0.32)
Diluted	\$ 0.01	\$ (0.26)	\$ 0.16	\$ (0.32)
Income (loss) per common share from discontinued operations				
Basic and diluted	\$ 0.01	\$ (0.21)	\$ 0.01	\$ (0.32)
Net income (loss) per common share — basic and diluted	\$ 0.02	\$ (0.47)	\$ 0.17	\$ (0.64)
Shares used in computing income (loss) per common share:				
Basic	8,791,000	8,751,000	8,795,000	8,747,000
Dilutive effect of common stock equivalents	369,000	—	372,000	—
Diluted	9,160,000	8,751,000	9,167,000	8,747,000

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MITCHAM INDUSTRIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS EXCEPT SHARE DATA)

	July 31, 2004	January 31, 2004
	(Unaudited)	
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 11,609	\$ 6,834
Accounts receivable, net of allowance for doubtful accounts of \$822 and \$847	5,743	5,635
Current portion of notes receivable, net of allowance for doubtful notes of \$53 and \$28	307	811
Prepaid expenses and other current assets	452	700
Current assets of discontinued operations	336	898
Total current assets	18,447	14,878
Seismic equipment lease pool, property and equipment	77,287	84,624
Accumulated depreciation of seismic equipment lease pool, property and equipment	(57,086)	(59,265)
Long-term assets of discontinued operations	353	491
Other assets	7	2
Total assets	\$ 39,008	\$ 40,730
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 1,573	\$ 1,532
Current maturities — long-term debt	2,246	2,203
Equipment notes payable	—	1,296
Deferred revenue	369	345
Wages payable	575	495
Accrued expenses and other current liabilities	402	1,245
Current liabilities of discontinued operations	15	399
Total current liabilities	5,180	7,515
Long-term debt, net of current maturities	1,280	2,418
Total liabilities	6,460	9,933
Shareholders' Equity:		
Preferred stock, \$1.00 par value; 1,000,000 shares authorized; none issued and outstanding	—	—
Common stock, \$0.01 par value; 20,000,000 shares authorized; 9,707,994 and 9,714,994 shares issued, respectively	97	97
Additional paid-in capital	62,298	61,913
Treasury stock, at cost, 915,000 shares	(4,686)	(4,686)
Deferred compensation	(51)	(83)
Accumulated deficit	(26,886)	(28,411)
Accumulated other comprehensive income	1,776	1,967
Total shareholders' equity	32,548	30,797
Total liabilities and shareholders' equity	\$ 39,008	\$ 40,730

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