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Mitcham Industries Reports Strong First Quarter

HUNTSVILLE, Texas--(BUSINESS WIRE)--June 14, 2004--Mitcham Industries, Inc. (Nasdaq:MIND - News) today reported revenue of \$8.2 million and net income of \$1.4 million, or \$0.15 per diluted share, for its first quarter ended April 30, 2004, up substantially from revenues of \$5.9 million and a net loss of \$1.4 million, or (\$0.16) per diluted share, in the comparable quarter last year. The Company said that its first quarter results reflected strong contributions from every area of its operations. The Company also noted that general and administrative expenses were \$1.8 million in the first quarter, up 43% from the prior year's first quarter level of \$1.3 million, largely due to one-time charges associated with the recently completed internal investigation undertaken during the quarter.

"Operationally, our first quarter was positive across the board," said Billy F. Mitcham, Jr., Mitcham Industries' President & CEO. "Mitcham Canada recorded seasonally strong seismic leasing activity, as expected. Our Australian subsidiary, Seismic Asia Pacific Pty Ltd., maintained its sales of equipment to the oceanographic and hydrographic markets in Southeast Asia and increased its seismic leasing activity significantly. At headquarters, we saw a noticeable pick-up in demand for equipment leasing in the United States and several significant used equipment sales. We continue to see good results from our recent entry into the international marine seismic market.

"At this point, we have entered our traditionally slower summer season, but we believe from recent bid and quote activity that the seismic equipment market is firming," said Mitcham. "We are encouraged by the recent improvement in market conditions, but remain uncertain whether the improvement is sustainable."

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 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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