

**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

December 15, 2004 (December 15, 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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TABLE OF CONTENTS

[Item 2.02. Results of Operations and Financial Condition.](#)

[Item 9.01. Financial Statements and Exhibits.](#)

[SIGNATURE](#)

[EXHIBIT INDEX](#)

[Press Release dated December 15, 2004](#)

[Table of Contents](#)

Item 2.02. Results of Operations and Financial Condition.

On December 15, 2004, Mitcham Industries, Inc. issued a press release announcing earnings for the third quarter ended October 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 December 15, 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: December 15, 2004

By: /s/ Christopher C. Siffert

Christopher C. Siffert

Vice President and Corporate Controller

EXHIBIT INDEX

Exhibit No.	Description
99.1	Mitcham Industries, Inc. press release dated December 15, 2004.

PRESS RELEASE

FOR IMMEDIATE RELEASE

CONTACT:

**Christine Reel
713.629.1316**

MITCHAM INDUSTRIES REPORTS THIRD QUARTER RESULTS

HUNTSVILLE, Texas – December 15, 2004 – Mitcham Industries, Inc. (NASDAQ: MIND) today reported revenue of \$4.7 million for its third quarter ended October 31, 2004, as compared to revenue of \$7.3 million in the third quarter last year. For the quarter, the Company recorded a net loss of \$823,000, or \$(0.09) per share, as compared to net income of \$105,000, or \$0.01 per diluted share, for the comparable quarter last year.

“While our third quarter loss is disappointing, our core leasing business was in line with last year and we ordered an additional 3,500 channels and associated peripheral seismic equipment from Sercel to satisfy increased demand for the upcoming winter months,” said Billy F. Mitcham, Jr., President and CEO of Mitcham Industries. “Our fourth and first quarters are seasonally our strongest periods and thus far in the fourth quarter we are pleased with the overall level of demand for our equipment and the general tone of the market worldwide.”

“In our business, the timing of equipment sales is difficult to predict,” said Mitcham. “Quarter-over-quarter, our equipment sales comparison reflected an unusually large sale in last year’s third quarter,” Mitcham said. “At quarter’s end, our financial position is strong with working capital increasing to \$14.4 million from \$7.4 million at the beginning of this fiscal year.”

For the nine months ended October 31, 2004, the Company recorded net income of \$702,000, or \$0.08 per diluted share, as compared to a net loss (inclusive of discontinued operations) of \$5.5 million, or \$(0.63) per share, for the prior year period. Revenues totaled \$19.3 million as compared to \$17.1 million for the comparable nine-month period in 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 Industries conducts operations on a global scale and is the largest independent exploration equipment lessor in the industry.

M O R E

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.

M O R E

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

	Three Months Ended October 31,		Nine Months Ended October 31,	
	2004	2003	2004	2003
Revenues:				
Equipment leasing	\$ 3,948	\$ 3,970	\$ 12,727	\$ 10,574
Equipment sales	790	3,305	6,610	6,497
Total revenues	4,738	7,275	19,337	17,071
Costs and expenses:				
Direct costs – seismic leasing	450	896	1,350	1,756
Cost of equipment sales	557	1,555	3,371	3,300
General and administrative	1,471	1,287	5,419	3,818
Provision for doubtful accounts	122	25	122	25
Depreciation and amortization	2,700	3,336	8,113	10,767
Total costs and expenses	5,300	7,099	18,375	19,666
Operating income (loss)	(562)	176	962	(2,595)
Other income (expense) – net	3	(71)	(76)	(91)
Income (loss) from continuing operations before income taxes	(559)	105	886	(2,686)
Provision for income taxes	264	—	264	—
Net income (loss) from continuing operations	(823)	105	622	(2,686)
Income (loss) from discontinued operations, net of income taxes of \$0	—	—	80	(2,792)
Net income (loss)	\$ (823)	\$ 105	\$ 702	\$ (5,478)
Income (loss) per common share from continuing operations				
Basic	\$ (0.09)	\$ 0.01	\$ 0.07	\$ (0.31)
Diluted	\$ (0.09)	\$ 0.01	\$ 0.07	\$ (0.31)
Income (loss) per common share from discontinued operations				
Basic and diluted	\$ —	\$ —	\$ 0.01	\$ (0.32)
Net income (loss) per common share – basic and diluted	\$ (0.09)	\$ 0.01	\$ 0.08	\$ (0.63)
Shares used in computing income (loss) per common share:				
Basic	8,880,000	8,795,000	8,824,000	8,763,000
Dilutive effect of common stock equivalents	—	78,000	411,000	—
Diluted	8,880,000	8,873,000	9,235,000	8,763,000

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MITCHAM INDUSTRIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands except share data)

	October 31, 2004	January 31, 2004
	<u>(Unaudited)</u>	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 12,929	\$ 6,834
Accounts receivable, net of allowance for doubtful accounts of \$532 and \$847	5,433	5,635
Current portion of notes receivable, net of allowance for doubtful notes of \$492 and \$28	308	811
Prepaid expenses and other current assets	676	700
Current assets of discontinued operations	389	898
Total current assets	19,735	14,878
Seismic equipment lease pool, property and equipment	77,063	84,624
Accumulated depreciation of seismic equipment lease pool, property and equipment	(58,341)	(59,265)
Long-term assets of discontinued operations	286	491
Other assets	8	2
Total assets	<u>\$ 38,751</u>	<u>\$ 40,730</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,471	\$ 1,532
Current maturities – long-term debt	2,263	2,203
Equipment notes payable	—	1,296
Deferred revenue	291	345
Income taxes payable	272	—
Wages payable	543	495
Accrued expenses and other current liabilities	428	1,245
Current liabilities of discontinued operations	23	399
Total current liabilities	5,291	7,515
Long-term debt, net of current maturities	714	2,418
Total liabilities	6,005	9,933
Commitments and contingencies Shareholders' equity:		
Preferred stock, \$1.00 par value; 1,000,000 shares authorized; none issued and outstanding	—	—
Common stock, \$.01 par value; 20,000,000 shares authorized; 9,824,826 and 9,714,994 shares issued, respectively	98	97
Additional paid-in capital	62,615	61,913
Treasury stock, at cost (915,000 shares)	(4,686)	(4,686)
Deferred compensation	(124)	(83)
Accumulated deficit	(27,709)	(28,411)
Accumulated other comprehensive income	2,552	1,967
Total shareholders' equity	32,746	30,797
Total liabilities and shareholders' equity	<u>\$ 38,751</u>	<u>\$ 40,730</u>

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