
**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**

Date of Report: May 28, 2004

(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
(Address of principal executive offices)

77342
(Zip Code)

936-291-2277

(Registrant's telephone number, including area code)

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

Item 7. Financial Statements and Exhibits.

(c) Exhibits. The following exhibit is filed as a part of this report:

99 Mitcham Industries, Inc. press release dated May 28, 2004.

Pursuant to the rules and regulations of the Securities and Exchange Commission, information attached as Exhibit 99 is being furnished pursuant to Item 12 and shall not be deemed to be "filed" under the Securities Exchange Act of 1934.

Item 12. Results of Operations and Financial Condition.

On May 28, 2004, Mitcham Industries, Inc. issued a press release announcing earnings for the fiscal year ended January 31, 2004. The text of the press release is attached to this report as Exhibit 99.

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: June 2, 2004

By: /s/ Billy F. Mitcham, Jr.
Billy F. Mitcham, Jr.
Chief Executive Officer and President

EXHIBIT INDEX

Exhibit No.	Name of Exhibit
99	Mitcham Industries, Inc. press release dated May 28, 2004.

PRESS RELEASE**FOR IMMEDIATE RELEASE****Contact: Christine Reel
AVP Enterprises, Inc.
713.419.1236****MITCHAM ANNOUNCES FILING OF FORM 10-K AND
REPORTS IMPROVED FOURTH QUARTER
AND FISCAL 2004 RESULTS**

HUNTSVILLE, Texas — May 28, 2004 — Mitcham Industries, Inc. (NASDAQ: MINDE) announced today that it filed its Form 10-K with the Securities Exchange Commission, and reported a net loss of \$811,000, or (\$0.09) per diluted share, for the quarter ended January 31, 2004 compared to a net loss of \$2,931,000, or (\$0.34) per diluted share, in the fourth quarter of fiscal 2003. In the fourth quarter of fiscal 2004, the Company recorded \$5,334,000 of revenues compared to \$3,403,000 in the fourth quarter of fiscal 2003. The Company's net loss from continuing operations for the quarter was \$889,000, or (\$0.10) per diluted share, compared to a net loss from continuing operations of \$2,109,000, or (\$0.24) per diluted share, reported in the prior year.

For the fiscal year ended January 31, 2004, the Company reported a net loss of \$6,289,000, or (\$0.72) per diluted share, on revenues of \$22,406,000. For the corresponding period in fiscal 2003 the Company reported a net loss of \$10,099,000, or (\$1.15) per diluted share, on revenues of \$14,139,000. The net loss from continuing operations for fiscal 2004 was \$3,574,000, or (\$0.41) per diluted share, compared to a net loss from continuing operations of \$7,677,000, or (\$0.88) per diluted share, reported for fiscal 2003.

In other news, the Nasdaq Stock Market today informed the Company that its common stock will not be delisted and that the "E" will be dropped from the Company's trading symbol at the opening of business on June 1, 2004. The Company previously reported that because of the late filing of its Form 10-K, its common stock would be subject to delisting at the opening of business on June 2, 2004. Nasdaq had appended a fifth character, "E", to the trading symbol for the Company's common stock, to reflect the Company's filing delinquency.

Commenting on the Company's results, Billy F. Mitcham, Jr., President and CEO said, "The cash we generated in fiscal 2004, coupled with our reduced levels of capital expenditures, resulted in significant improvements to our balance sheet. Leasing revenues continue to rebound from the depressed levels of 2003 and we have realized additional benefits from our efforts to penetrate the South East Asia market through our Australian subsidiary, Seismic Asia Pacific Pty. Ltd. (SAP)."

“Our selective entry into the international marine seismic market with digital streamers and related peripheral equipment has been a rewarding addition to our revenues and we will continue to expand our marine seismic business as the market demands. While the North American market is and will continue to be our largest source of revenue, we will maximize our efforts to improve utilization of our lease pool by re-deploying equipment to markets with more balanced seasonal operating conditions. Based upon our bidding activity, indications from our customers and projections for increased spending by E & P companies, we expect our quarterly results for the current fiscal year to continue to improve,” Mitcham said.

Mr. Mitcham further stated: “While we are pleased that our recent internal investigation is behind us, it was a valuable lesson for us. We now know the particular areas we need to improve, and how they should be improved, for us to achieve a higher level of assurance and to provide the transparency that is so critical in the current environment. As more fully disclosed in our Form 10-K, we are continuing to implement changes and procedures to improve our company-wide internal controls, with a particular focus on those of our subsidiaries Mitcham Canada, Ltd. and SAP.”

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.

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

	Three Months Ended January 31,		Year Ended January 31,	
	2004	2003	2004	2003
	(unaudited)			
Revenues:				
Equipment leasing	\$ 3,191	\$ 2,466	\$ 13,765	\$ 8,306
Equipment sales	2,143	933	8,641	5,829
Commissions	—	4	—	4
Total revenues	<u>5,334</u>	<u>3,403</u>	<u>22,406</u>	<u>14,139</u>
Costs and expenses:				
Direct costs — seismic leasing	570	359	2,326	1,369
Cost of equipment sales	1,415	510	4,715	4,561
General and administrative	1,277	1,221	5,095	4,502
Provision (benefit) for doubtful accounts	—	(216)	25	(1,920)
Depreciation and amortization	2,910	3,513	13,677	14,681
Total costs and expenses	<u>6,172</u>	<u>5,387</u>	<u>25,838</u>	<u>23,193</u>
Operating loss	(838)	(1,984)	(3,432)	(9,054)
Other income (expense):				
Interest expense (net of interest income)	(65)	(134)	(176)	(281)
Other, net	14	9	34	11
Total other income (expense)	<u>(51)</u>	<u>(125)</u>	<u>(142)</u>	<u>(270)</u>
Loss from continuing operations before income taxes	(889)	(2,109)	(3,574)	(9,324)
Benefit for income taxes	—	—	—	(1,647)
Net loss from continuing operations	<u>\$ (889)</u>	<u>\$ (2,109)</u>	<u>\$ (3,574)</u>	<u>\$ (7,677)</u>
Net income (loss) from discontinued operations (including impairment charge of \$700,000 in 2004)	78	(822)	(2,715)	(2,422)
Net loss	<u>\$ (811)</u>	<u>\$ (2,931)</u>	<u>\$ (6,289)</u>	<u>\$ (10,099)</u>
Loss per common share from continuing operations:				
Basic and diluted	\$ (0.10)	\$ (0.24)	\$ (0.41)	\$ (0.88)
Net income (loss) per common share from discontinued operations:				
Basic and diluted	\$ 0.01	\$ (0.09)	\$ (0.31)	\$ (0.28)
Net loss per common share — basic and diluted	<u>\$ (0.09)</u>	<u>\$ (0.34)</u>	<u>\$ (0.72)</u>	<u>\$ (1.15)</u>
Shares used in computing net income (loss) per common share:				
Basic	8,796,000	8,743,000	8,772,000	8,747,000
Dilutive effect of common stock equivalents	—	—	—	—
Diluted	<u>8,796,000</u>	<u>8,743,000</u>	<u>8,772,000</u>	<u>8,747,000</u>

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

	January 31, 2004	January 31, 2003
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 6,834	\$ 5,137
Accounts receivable, net of allowance for doubtful accounts of \$847 and \$770 at January 31, 2004 and 2003, respectively	5,635	2,908
Current portion of notes receivable	811	12
Prepaid expenses and other current assets	700	611
Current assets of discontinued operations	898	685
Total current assets	14,878	9,353
Seismic equipment lease pool, property and equipment	84,624	84,552
Accumulated depreciation of seismic equipment lease pool, property and equipment	(59,265)	(51,398)
Notes receivable, net of allowance for doubtful notes of \$29 at January 31, 2004	487	—
Long-term assets of discontinued operations	4	1,789
Other assets	2	44
Total assets	<u>\$ 40,730</u>	<u>\$ 44,340</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,532	\$ 1,495
Current maturities — long-term debt	2,203	2,092
Equipment notes payable	1,296	—
Deferred revenue	345	216
Wages payable	495	414
Accrued expenses and other current liabilities	1,245	646
Current liabilities of discontinued operations	399	1,197
Total current liabilities	7,515	6,060
Long-term debt	2,418	4,622
Total liabilities	9,933	10,682
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; 9,714,994 and 9,657,801 shares issued, respectively	97	97
Additional paid-in capital	61,913	61,814
Treasury stock, at cost (915,000 shares)	(4,686)	(4,686)
Deferred compensation	(83)	—
Accumulated deficit	(28,411)	(22,122)
Accumulated other comprehensive income (loss)	1,967	(1,445)
Total shareholders' equity	<u>30,797</u>	<u>33,658</u>
Total liabilities and shareholders' equity	<u>\$ 40,730</u>	<u>\$ 44,340</u>

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