
**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 15, 2005 (September 14, 2005)
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 14, 2005, Mitcham Industries, Inc. issued a press release announcing earnings for the quarter ended July 31, 2005. 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 14, 2005.

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 15, 2005

By: /s/ Michael A. Pugh
Michael A. Pugh
Executive Vice President - Finance and Chief Financial
Officer

EXHIBIT INDEX

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PRESS RELEASE

FOR IMMEDIATE RELEASE

CONTACT:

Christine Reel
713.629.1316

MITCHAM INDUSTRIES REPORTS SECOND QUARTER RESULTS

HUNTSVILLE, Texas — September 14, 2005 — Mitcham Industries, Inc. (NASDAQ: MIND) today reported revenues for its second quarter ended July 31, 2005 of \$7.0 million, up 10% from revenues of \$6.4 million recorded in the comparable quarter of the previous year. Revenues for the quarter reflected strong growth in the Company's core leasing business, one month of Seamap's operations and a decline in used equipment sales. Net income for the second quarter totaled \$1.2 million, or \$0.13 per diluted share, as compared to \$155,000, or \$0.02 per diluted share, in last year's second quarter.

"The second quarter was outstanding for our core leasing business," said Billy F. Mitcham, Jr., President and CEO of Mitcham Industries. "Historically, our second quarters are relatively slow. During this quarter, seismic equipment leasing revenues increased 42% over the prior year as we provided equipment around the globe to crews in North and South America, Russia, New Zealand, Australia and New Guinea."

The Company said that its equipment sales for the quarter included used equipment sales of \$1.7 million. This compares with \$3.0 million in the prior year's second quarter, when a large sale was completed. The Company noted that sales of used equipment vary considerably from quarter-to-quarter and are not indicative of growth trends as they are essentially a by-product of the Company's operations.

"Seismic equipment leasing drives our growth," said Mr. Mitcham. "From ongoing leasing business and bid activity, it appears that the industry is undergoing a healthy upswing in seismic exploration programs worldwide. While weather patterns have yet to play their role, we are optimistic that the typically more active winter season will continue to reflect our improving industry trends."

For the six months ended July 31, 2005, the Company recorded revenues of \$14.6 million and net income of \$3.4 million, or \$0.35 per diluted share, as compared to revenues of \$14.6 million and net income of \$1.5 million, or \$0.17 per diluted share, for the comparable six-month period of the prior year.

M O R E

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.

M O R E

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,	
	2005	2004	2005	2004
Revenues:				
Equipment leasing	\$ 4,796	\$ 3,378	\$ 10,992	\$ 8,779
Equipment sales	2,206	3,015	3,648	5,820
Total revenues	<u>7,002</u>	<u>6,393</u>	<u>14,640</u>	<u>14,599</u>
Costs and expenses:				
Direct costs — seismic leasing	609	211	1,206	900
Cost of equipment sales	1,072	1,263	1,764	2,814
General and administrative	2,233	2,111	4,107	3,948
Provision for doubtful accounts	—	—	79	—
Depreciation and amortization	2,155	2,706	4,332	5,413
Total costs and expenses	<u>6,069</u>	<u>6,291</u>	<u>11,488</u>	<u>13,075</u>
Operating income	933	102	3,152	1,524
Other income (expense) — net	112	(27)	197	(79)
Income from continuing operations before income taxes	1,045	75	3,349	1,445
Provision (benefit) for income taxes	(194)	—	(32)	—
Net income from continuing operations	<u>1,239</u>	<u>75</u>	<u>3,381</u>	<u>1,445</u>
Income from discontinued operations, net of income taxes	—	80	—	80
Net income	<u>\$ 1,239</u>	<u>\$ 155</u>	<u>\$ 3,381</u>	<u>\$ 1,525</u>
Income per common share from continuing operations				
Basic	\$ 0.14	\$ 0.01	\$ 0.38	\$ 0.16
Diluted	\$ 0.13	\$ 0.01	\$ 0.35	\$ 0.17
Income per common share from discontinued operations				
Basic	\$ —	\$ 0.01	\$ —	\$ 0.01
Diluted	\$ —	\$ 0.01	\$ —	\$ 0.01
Net Income per common share				
Basic	\$ 0.14	\$ 0.02	\$ 0.38	\$ 0.17
Diluted	\$ 0.13	\$ 0.02	\$ 0.35	\$ 0.17
Shares used in computing net income per common share:				
Basic	9,052,000	8,791,000	9,014,000	8,795,000
Dilutive effect of common stock equivalents	642,000	369,000	630,000	372,000
Diluted	<u>9,694,000</u>	<u>9,160,000</u>	<u>9,644,000</u>	<u>9,167,000</u>

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

	<u>July 31,</u> <u>2005</u>	<u>January 31,</u> <u>2005</u>
	<u>(Unaudited)</u>	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 13,807	\$ 13,138
Accounts receivable, net of allowance for doubtful accounts of \$988 and \$723	4,841	6,021
Current portion of notes receivable, net of allowance for doubtful notes of \$338 and \$286	844	1,192
Inventories	1,155	—
Prepaid expenses and other current assets	535	705
Current assets of discontinued operations	315	393
Total current assets	<u>21,497</u>	<u>21,449</u>
Seismic equipment lease pool, property and equipment	74,780	74,792
Accumulated depreciation of seismic equipment lease pool, property and equipment	(57,116)	(55,067)
Goodwill	5,304	—
Long-term assets of discontinued operations	73	216
Other assets	19	5
Total assets	<u>\$ 44,557</u>	<u>\$ 41,395</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,692	\$ 4,893
Current maturities — long-term debt	—	918
Deferred revenue	293	652
Income taxes payable	215	284
Wages payable	693	299
Accrued expenses and other current liabilities	980	458
Current liabilities of discontinued operations	14	14
Total current liabilities	<u>3,887</u>	<u>7,518</u>
Long-term debt	3,000	—
Total liabilities	<u>6,887</u>	<u>7,518</u>
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; 10,000,432 and 9,893,732 shares issued respectively	100	99
Additional paid-in capital	62,975	62,702
Treasury stock, at cost (915,000 shares)	(4,686)	(4,686)
Deferred compensation	(29)	(94)
Accumulated deficit	(22,901)	(26,282)
Accumulated other comprehensive income	2,211	2,138
Total shareholders' equity	<u>37,670</u>	<u>33,877</u>
Total liabilities and shareholders' equity	<u>\$ 44,557</u>	<u>\$ 41,395</u>

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