

June 2010

Company Fact Sheet

MITCHAM INDUSTRIES, INC.

NASDAQ: MIND



The Mitcham Advantage

WWW.MITCHAMINDUSTRIES.COM

- **A Seismic Leasing Leader.** Mitcham Industries (MIND) is the world's leading independent lessor of land and marine seismic equipment to the oil and gas industry. MIND also sells new and "experienced" equipment on an opportunistic basis. Its global presence, extensive lease pool and strong customer relationships are significant competitive differentiators. Moreover, its expansive franchise and infrastructure would be expensive and time-consuming to replicate.
- **Leasing More Economic Than Buying.** Leasing offers economic benefits for both Mitcham and its customers. In an uncertain economic environment, contractors are more likely to lease incremental equipment needs rather than make expensive capital commitments. As the lessor, Mitcham benefits from attractive economics and, its customers benefit by gaining quick and reliable access to MIND's extensive inventory.
- **Exclusive Supplier Agreement Offers Advantages.** MIND has an exclusive supply and lease referral agreement with Sercel that gives the Company a significant competitive advantage as a sole lessor on certain digital and downhole seismic equipment in addition to preferential pricing and expedited delivery.
- **Marine Seismic Brings Upside Potential.** Mitcham's Seemap business, which manufactures and sells proprietary offshore seismic equipment and telemetry systems, has become an increasingly important growth platform, as fiscal first-quarter 2011 Seemap revenues more than doubled from a year ago to \$5.8 million. Exposure to the marine seismic market affords more favorable lease terms and a platform on which to expand into faster-growing international markets.
- **Building a Bigger Presence Overseas.** Last year, MIND opened offices in Peru and Colombia, which was a part of its strategy to build scale internationally in order to enhance its operating efficiencies and customer service capabilities in South America. The Company is also pursuing opportunities in India, North Africa, Indonesia, Russia and Canada. For the first fiscal quarter of 2011, about 89% of consolidated revenues came from international customers.
- **Gradual Improvement in FY11.** Although North American natural gas prices continue to be weak, global crude oil prices remain relatively firm and there are indications of heightened seismic bid activity, with Southeast Asia and South America expected to be areas of particular strength. Going forward, MIND will make more targeted lease pool investments over the year that address particular areas of customer demand.

Price (June 9, 2010) **\$6.18**

Stock Data

Fiscal Year end:	January
Symbol / Exchange:	MIND / NASDAQ
52-Week Range:	\$4.09 - \$8.43
Diluted Shares Outstanding <sup>1)</sup> :	10.08mm
Market Capitalization <sup>1)</sup> :	\$62.3mm
Total Enterprise Value (TEV) <sup>2)</sup> :	\$69.5mm
Avg. Daily Stock Volume (L3M):	23,575
Insider Ownership <sup>3)</sup> :	15.6%
13F Institutional Ownership <sup>4)</sup> :	60.8%

Financial Data

Select Income Statement:	1Q11	1Q10
Revenue:	\$16.5mm	\$10.6mm
Adjusted EBITDA <sup>5)</sup> :	\$7.5mm	\$4.9mm
EPS <sup>6)</sup> :	\$0.11	(\$0.01)

Select Balance Sheet: (\$MM)

	1/31/10	1/31/09
Total Cash & ST Investments:	\$6.7	\$6.0
Total Debt:	\$15.7	\$6.0
Total Stockholders' Equity:	\$85.0	\$77.1
Total Debt / Capitalization:	15.6%	7.2%

Segment Data

Revenue Mix:		1Q11	1Q10
Lease / Sales		65% / 35%	75% / 25%
U.S. / International		11% / 89%	21% / 79%

Profitability:	Gross Margins	42.1%	35.6%
	Operating Margins	15.0%	0.2%

Stock Price & Volume



1) Reflects diluted shares outstanding as of January 31, 2010.  
2) Total Enterprise Value (TEV) is defined as Market Capitalization plus Total Debt less Total Cash.  
3) Represents executive officers and directors as disclosed in the latest Proxy Statement on file with the SEC.  
4) As reported by BigDough  
5) Adjusted EBITDA is a non-GAAP financial measure; see back cover for GAAP reconciliation.  
6) 1Q11 Earnings adjusted for \$1.3mm after-tax gain from AES bargain purchase.



## Company Overview

*Mitcham Industries, Inc. (MIND or the "Company") offers for lease and sale a wide variety of new and used seismic equipment worldwide. It leases equipment on a short-term basis, typically three to six months, to contractors in need of additional capacity to complete a seismic survey. Mitcham also sells equipment as: (1) used equipment from its lease pool, (2) original equipment manufactured by its Seamap subsidiary, (3) resale of new seismic equipment manufactured by third parties, and (4) resale of new oceanographic and hydrographic equipment.*

## Investment Considerations

### **Leading Market Share in Seismic Equipment Leasing**

During its twenty-three year history, Mitcham has developed the industry knowledge and customer relationships to become the world's preferred independent provider of seismic lease equipment. Its scale in terms of geographic footprint and lease pool is a significant service differentiator over its more fragmented competition. Mitcham's strong reputation centers on its ability to lease quality assets on short notice, in most cases, within 24 hours. Its extensive seismic equipment lease pool and worldwide geographic presence not only allow quick on-site delivery but the ability to provide technical assistance and repair on demand.

### **Credit Facility Provides Capital Flexibility**

Mitcham has had a \$25 million revolver in place since September 2008 which at any time can be converted either all or in part into amortizing notes. Based on the Company's borrowing base as of April 30, 2010, the entire \$25 million of the facility is available to the Company.

### **Exclusive Contracts Enhance Product Base**

Mitcham has an agreement with leading seismic equipment maker Sercel, which allows the Company to continue as the exclusive short-term rental agent for Sercel's DSU3 digital sensor unit worldwide as well as short-term rental exclusivity for all of Sercel's downhole tools in North and South America. Both the DSU3 and downhole tools are areas of higher potential growth relative to other types of seismic equipment, giving the Company an edge in its equipment offerings. The agreement is valid through December 2011 and entails future equipment purchase commitments.

### **Investing in New Product Applications**

Mitcham continues to invest in new types of equipment that broaden seismic applications. Its objective is to leverage its latest state-of-the-art Sercel equipment with new technology that can not only expand its lease pool but add value to the seismic acquisition process. During fiscal 2009, it added vertical seismic profiling (VSP) equipment to its lease pool, which expands seismic into the production stage of a well. The Company also invested in ultra light submersible (ULS) systems for use in transition zones. In February 2010, Mitcham bought Absolute Equipment Solutions, a Canadian provider of equipment used by helicopters to deploy and retrieve seismic equipment.

## Marine Product Opportunities

Mitcham serves the marine seismic market through marine seismic equipment in its lease pool as well as its two subsidiaries, Australian-based Seismic Asia Pacific (SAP) and Seamap, its manufacturing business.

SAP leases and sells marine and land-based seismic equipment in the Pacific Rim and Australia, which has increased Mitcham's international opportunities. Most of SAP's sales are made into the hydrographic and oceanographic market and therefore are not related to oil and gas exploration.

Seamap designs, manufactures and sells specialized marine equipment including its flagship systems, GunLink and BuoyLink, which are sophisticated devices that allow more precise control over a marine seismic survey. Seamap's gross margins have improved with manufacturing and cost efficiencies (50% in FY11 versus 46% in FY10). While less seasonal than land-based leasing, marine product sales are affected by customer delivery requirements and in-port availability of client vessels.

### **Extended Geographic Diversification Driving Revenue**

Over the last four years, the Company has expanded beyond its traditional markets in North and South America into new international markets. In addition to its domestic operations, Mitcham has facilities in Canada, U.K., Russia, Australia, Indonesia and Singapore, and has made inroads into Central Europe and other parts of the CIS. In 2009, the Company expanded its South American presence by opening offices in Peru and Colombia to better serve the region. International expansion not only provides a platform for growth, but also allows for better customer service and efficiency gains through greater operating scale.

### **Core Leasing Improves; Seamap Strong in 1Q11**

Fiscal first quarter 2011 revenue was up 56% to \$16.5 million, and the Company reported a profit of \$0.11 per diluted share (adjusted for a \$0.13 extraordinary gain due to bargain purchase accounting) versus a one cent loss a year earlier. Adjusted EBITDA for the quarter was \$7.5 million, up 53% over last year's first quarter.

Core leasing revenue was up about 51% year over year to \$9.6 million. The increase was driven by greater demand in international regions, particularly Russia, Southeast Asia and South America. Gross profit also improved from 27% to 40%

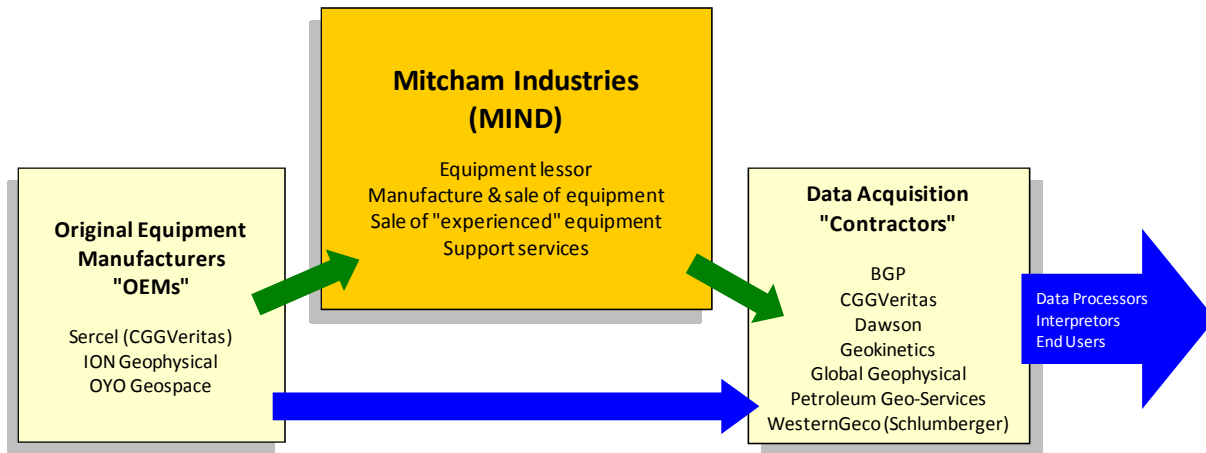
Seamap continued its strong performance, as sales more than doubled to \$5.8 due to the shipment of two GunLink 4000 systems as well as sales of ancillary services and parts. Gross profit decreased from 59% to 45% due to product mix and volume discounts.

The Company's balance sheet is strong with a total debt to capital ratio of 18.5% and working capital of \$27 million. MIND also has a \$25 million revolving credit facility, with \$18.6 million outstanding as of April 30, 2010.

For fiscal year 2011, MIND will not be adding as much equipment this year as last, and will be driven by customer demand for improved technology. The Company is seeing evidence of improving demand and expects South America and the Asia Pacific region to be areas of particular strength.



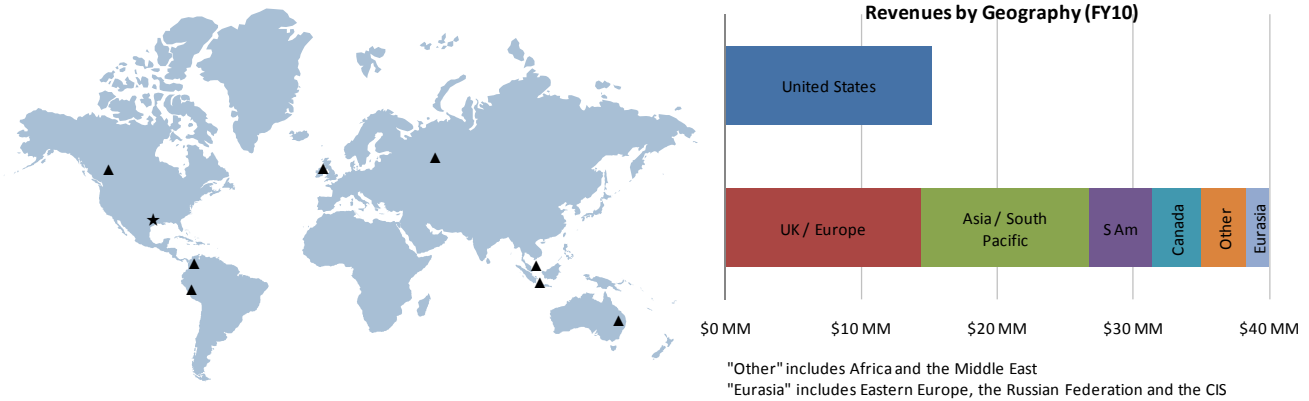
**THE MITCHAM ADVANTAGE**



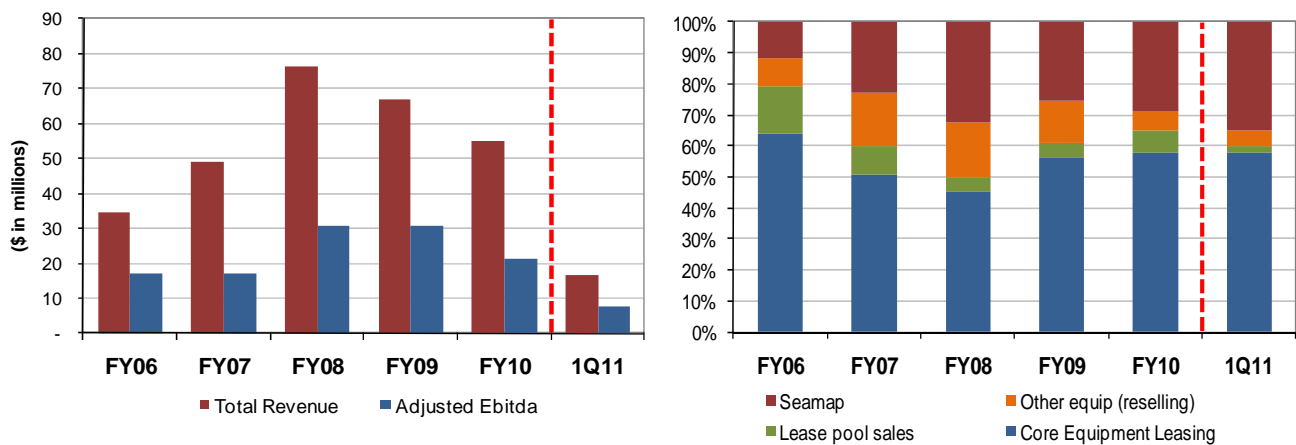
**Why Customers Lease versus Buy:**

- **Better leverage of customer balance sheet**
  - ⇒ Reduces prospect of idle equipment between jobs
  - ⇒ Reduces capital expenditures for new seismic equipment
- **Allows customers to supplement existing equipment inventories for specific jobs**
- **Equipment on demand**
  - ⇒ Ability to fulfill equipment needs within 24 hours

**GEOGRAPHIC DIVERSIFICATION**



**REVENUE/ADJUSTED EBITDA<sup>1</sup> GROWTH AND SHIFTING SALES MIX**



1) Adjusted EBITDA is a non-GAAP financial measure; see page 4 for "Regulation G EBITDA Reconciliation."



## Mitcham Industries, Inc.

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### Reader Advisory and Forward Looking Statements

This Fact Sheet is presented as a brief company overview for the information of investors, analysts and other parties with an interest in the Company. Mitcham's management hopes that this Fact Sheet will encourage analysts and investors to investigate more about the Company through its Securities and Exchange Commission (SEC) filings, press releases and other public materials. This Fact Sheet does not constitute an offer to sell or a solicitation of an offer to buy any securities of the Company. This Fact Sheet contains "forward-looking statements," as contemplated by the Private Securities Litigation Reform Act of 1995, in which Mitcham discusses factors it believes may affect its performance in the future. These statements are based on the Company's current assumptions, expectations and projections about future events, which are subject to a wide range of business risks. The Company encourages investors to review the information regarding the risks inherent to Mitcham and its industry, as described in its Annual Report on Form 10-K for the year ended January 31, 2010, copies of which are available at <http://www.sec.gov> and at the Company's website at [www.mitchamindustries.com](http://www.mitchamindustries.com). This Fact Sheet does not purport to be all-inclusive or to contain all of the information that a reader may desire regarding the structure or the affairs of the Company. Although the Company believes that the assumptions reflected in these forward-looking statements are reasonable, the Company can give no assurance that these assumptions will prove to be correct or that financial or market forecasts, savings or other benefits anticipated in the forward-looking statements will be achieved. Forward-looking statements are not guarantees of future performance and actual results may differ materially from those projected. The information contained in this Fact Sheet is only current as of the publish date and the Company undertakes no obligation to update this Fact Sheet.

### Regulation G EBITDA Reconciliation

This Fact Sheet contains references to the non-GAAP financial measure of earnings (net income) before interest, income taxes, depreciation, amortization and loss on early extinguishment of debt, or EBITDA. Adjusted EBITDA excludes stock-based compensation. Reconciliations of EBITDA and adjusted EBITDA to net income are provided in the table below. Management's opinion regarding the usefulness of such measure to investors and a description of the ways in which management uses such measure can be found in the Company's most recent Annual Report on Form 10-K filed with the SEC.

### Reconciliation of Net Income to EBITDA and Adjusted EBITDA (In thousands)

	Fiscal Year Ended January 31,						1Q10	1Q11
	2005	2006	2007	2008	2009	2010		
Net income (loss)	\$ 2,129	\$ 10,855	\$ 9,285	\$ 11,439	\$ 9,065	\$ 520	\$ (80)	\$ 2,394
Interest	71	(422)	(836)	(479)	(350)	415	89	94
Depreciation and amortization	10,596	9,575	8,919	11,879	16,531	18,740	4,385	5,291
Taxes	277	(2,964)	(1,828)	5,488	3,090	119	126	791
Gain from bargain purchase	-	-	-	-	-	-	-	(1,304)
EBITDA	\$ 13,073	\$ 17,044	\$ 15,540	\$ 28,327	\$ 28,336	\$ 19,794	\$ 4,520	\$ 7,266
Stock-based compensation	461	153	1,645	2,253	2,185	1,401	416	273
Adjusted EBITDA	\$ 13,534	\$ 17,197	\$ 17,185	\$ 30,580	\$ 30,521	\$ 21,195	\$ 4,936	\$ 7,539