

Interim Results



for the six months ended 30 September 2004



FINANCIAL STATISTICS

	Unaudited Six months ended 30 September 2004	Unaudited Six months ended 30 September 2003 Restated (note 1)	Audited Year ended 31 March 2004 Restated (note 1)
Turnover ^a	£106.7m	£103.5m	£208.4m
Operating profit/(loss) ^a	£9.5m	£6.9m	(£2.0m)
Operating profit before goodwill amortisation and exceptional items ^b	£11.2m	£8.0m	£16.5m
Finance charges (net)	£1.2m	£1.3m	£2.5m
Tax charge ^c	£3.6m	£2.4m	£5.4m
Goodwill amortisation and exceptional items before taxation ^c	(£1.7m)	(£1.1m)	(£18.5m)
Basic EPS/(loss)	7.1p	4.7p	(15.0p)
Basic EPS before goodwill amortisation and exceptional items ^c	9.6p	6.5p	13.0p
Dividends per share	3.8p	3.8p	10.9p
Net indebtedness	£47.3m	£48.4m	£44.8m

a Group and share of joint ventures (September 2003 Turnover restated – see note 1).

b Group and share of joint ventures, before goodwill amortisation and exceptional items, as extracted from the consolidated profit and loss account.

c As extracted from the consolidated profit and loss account.

NOTES TO THE INTERIM RESULTS

continued

7. Cash flow information

Reconciliation of operating profit/(loss) to net operating cash inflow

	Unaudited Six months ended 30 September 2004	Unaudited Six months ended 30 September 2003 Restated (note 1)	Audited Year ended 31 March 2004
	£000's	£000's	£000's
Operating profit/(loss)	7,214	5,877	(5,544)
Depreciation and amortisation	9,924	9,472	19,399
Exceptional provision for goodwill impairment	–	–	16,125
Exceptional provision for inventory obsolescence	1,546	–	–
Loss/(profit) on sale of tangible fixed assets	155	(28)	26
Decrease/(increase) in stocks and work-in-progress	326	(986)	400
Decrease/(increase) in debtors	1,541	(3,940)	584
(Decrease)/increase in creditors and provisions	(3,496)	1,374	(3,000)
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Net cash inflow from operating activities	17,210	11,769	27,990
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Analysis of net debt

	Audited 1 April 2004 Restated (Note 1)	Cash flow	Other non-cash changes	Unaudited 30 September 2004
	£000's	£000's	£000's	£000's
Cash at bank and in hand	14,563	(1,350)	–	13,213
Debt due after one year	(59,407)	–	(1,106)	(60,513)
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	(44,844)	(1,350)	(1,106)	(47,300)
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Other non-cash changes represent foreign exchange revaluations of foreign currency loans.

NOTES TO THE INTERIM RESULTS

continued

3. Tax on profit/(loss) on ordinary activities

Tax on profit/(loss) on ordinary activities has been calculated based on an estimated weighted average tax rate for the year ended 31 March 2005 and includes foreign tax of £2,080,000 (six months ended 30 September 2003 £1,934,000; year ended 31 March 2004 £3,699,000). The weighted average tax charge for the period on profit on ordinary activities is 43.3%. This is compared to the UK standard rate of 30% with the difference largely attributable to foreign profits taxed at rates higher than the UK rate, expenses not deductible for tax purposes and the impact of unrelieved foreign losses in locations where the future utilisation of those losses is not sufficiently certain to justify recognition of the losses.

Tax on profit/(loss) on ordinary activities includes tax on profits of joint ventures of £94,000 (six months ended 30 September 2003 £42,000; year ended 31 March 2004 £340,000).

4. Dividends paid and proposed

An interim dividend of 3.8 pence per ordinary share is declared for payment on 31 January 2005 (six months ended 30 September 2003 3.8 pence; year ended 31 March 2004 10.9 pence).

5. Earnings per ordinary share

The calculations of earnings per share are based on the following profits/(losses) and numbers of shares.

	Unaudited Six months ended 30 September 2004 £000's	Unaudited Six months ended 30 September 2003 £000's	Audited Year ended 31 March 2004 £000's
Profit/(loss) for the period for Basic and Diluted earnings per share	4,684	3,136	(9,903)
Goodwill amortisation of group and joint ventures	1,599	1,144	2,372
Exceptional provision for inventory obsolescence	1,546	–	–
Exceptional credit from release of joint ventures provision	(1,464)	–	–
Exceptional provision for goodwill impairment	–	–	16,125
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Earnings before goodwill and exceptional items	6,365	4,280	8,594
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	Number of shares 30 September 2004	Number of shares 30 September 2003	Number of shares 31 March 2004
Weighted average number of shares ranking for dividend used for Basic earnings per share	66,075,394	66,075,394	66,075,394
Dilutive effect of share options	57,828	24,628	21,595
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Weighted average number of shares used for Diluted earnings per share	66,133,222	66,100,022	66,096,989
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The directors believe that the presentation of basic earnings per share before goodwill amortisation and exceptional items assists with understanding the underlying performance of the Group.

6. Goodwill and exceptional provision for goodwill impairment

In accordance with FRS11 'Impairment of fixed assets and goodwill' the carrying value of the Group's subsidiary undertakings has been compared to their recoverable amounts, represented by their value in use to the Group. At 31 March 2004 this review resulted in an exceptional provision for impairment of £16,125,000 reducing the net carrying value of goodwill at that date from £35,452,000 to £19,327,000. The carrying value of goodwill at 30 September 2004 is £18,494,000 and no adjustment to the impairment provision is considered necessary at that date.

The Group is pleased to announce an improved overall business performance, driven by our re-focused strategy announced this time last year and in line with our pre-close trading statement on 28 September 2004. The improvement follows three consecutive 6-month periods of difficult trading conditions for both Expro and the wider oilfield service industry.

The scale of the improvement in financial performance is demonstrated by the 48% increase in Basic EPS, pre-goodwill and exceptional items, to 9.6p* compared to the same period last year. This has been achieved on revenues, including share of joint ventures, which are only 3% ahead. Adverse exchange rate movements mask the underlying turnover improvement. The Group operates a consistent policy of selling 12 months forward the majority of its US dollar net income, which largely protects earnings within that time horizon, but inevitably cannot protect against the longer term effects of the weakening US dollar. As already highlighted, this weakening will impact the results for the year with a bias towards the second half, and as a result, despite the strong first half performance, the overall outlook for the year remains in line with market consensus.

The results for the first half include two significant one-off items. A gain of £1.5m arose as the consequence of the final phase of the Soroosh contract for Shell, offshore Iran. The expiry of contract options relating to the Soroosh production platform

(ESP1) and its subsequent disposal has enabled us to release certain contingent contract provisions. Offsetting this gain is an increase in the obsolescence provision of a similar amount relating to US inventories.

Tax position

At the half year, the Group's effective tax rate reduced to 43%, compared to 47% for the last full financial year and it is expected that this rate will be appropriate for the full financial year. The effective rate reflects the Group's broad geographic spread of profits, unrecoverable losses in certain territories, a variety of imputed and higher rate overseas tax regimes, and non deductible items such as goodwill amortisation. Tax remains a key priority for the Group, both reducing the underlying tax rate and resolving a number of historical, non recurring, tax issues. During the first half of the year the Group made progress in addressing the latter, particularly in the USA, and work continues in addressing similar matters elsewhere in the Group.

Dividend

The Group's dividend policy remains focused on making payments at an earnings and cash cover that is prudent and consistent with the long-term earnings profile of the business. The Board remains confident in the long-term outlook for the Group and, as performance improves, anticipates rebuilding dividend cover to a level consistent with the long-term capital needs of the business. As a result, the Board believes that it is appropriate to declare a maintained interim dividend of 3.8p per share. This

will be payable on 31 January 2005 to shareholders on the register at 31 December 2004.

Business strategy

Expro has a balanced strategy which aims to improve the short-term business performance whilst investing for long term value. The strategy is driven primarily by using technology advancement to deliver material service benefits and improvements for our clients in the upstream oil and gas industry.

The major focus for management during the first half has been to reverse the adverse effects of the operational gearing in the business, which were such a significant feature in the prior year results. This has been achieved through the combination of a rigorous review of our global infrastructure, aimed at aligning it with local market opportunities, and a systematic approach to managing client relationships, which ensures that they have a deep understanding of the Group's capabilities and its ability to deliver superior technology to meet their needs.

Overview by business stream:

The business continues to operate with three distinct segments all of which have benefited from our re-focused strategy.

Cased Hole Services

First half revenues fell 9% to just under £40 million compared to the corresponding period in the prior year. Outside of the currency effect, poor market conditions in the shallow Gulf of Mexico continued to have an impact. In local currency

* as extracted from the consolidated profit and loss account

CHAIRMAN'S AND CHIEF EXECUTIVE'S STATEMENT

terms, the cased hole business remains resilient through assisting clients enhance productivity from new and existing wells. There is, however, an element of commodity business within our cased hole services portfolio. These commodity elements remain under significant supply chain pressure from our clients and new technology is essential to enhance our growth potential in this segment.

In the area of new technology we have made significant progress with the positive effects from three new business initiatives now starting to be seen. In North America our Escape® well perforating technology is playing a material part in re-engineering Expro Americas. Marathon Oil, the original founders of the technology and partners with Expro, are clear early adopters in several of their business units. Our SmarTrac™ tractors which are used for the deployment of cased hole tooling into horizontal wells, and Wireless Well Solutions (WWS), our cableless in-well telemetry technology, are making material progress. SmarTrac™ played a pivotal role in winning a contract in the Alberta tar sands development with Encana and WWS was employed by Shell US in the Rockies, enabling multiple data transmission instruments to be installed in a single well. In addition, WWS has just collected the prestigious World Oil "best completion technology" award in Houston. This is the second year in a row that the Group has won this award, clearly demonstrating the success of our strategy to become a leading cased hole technology provider.

Notwithstanding these successes, both of these latter technologies are still in the early stages of commercial exploitation and have yet to make a contribution to Group profitability.

Subsurface Systems

Our deepwater field development segment has benefited from the combination of a significant increase in management focus, together with strong demand for our market leading technologies. Overall revenue, including our share of the QuantX joint venture, increased by 37% to £29 million compared to the corresponding period in the prior year, despite the negative translation impact on our US dollar revenue. All three businesses in the subsurface segment showed improvement. Tronic, our seabed power and instrumentation connector business, had a particularly strong performance reflecting overall market share gains and its leading position in the growing market for seabed power connectors. Demand for our Subsea safety tools also increased during the period, partly as a result of a restructuring to focus the business towards global clients and projects. Whilst the introduction of our new ultra-deep water controls technology has yet to materially impact business performance, our enquiry book is running at high levels. The QuantX joint venture with Baker Hughes continues to meet expectations, delivering market penetration beyond the individual capabilities of the parent companies.

Surface and Environmental

After the negative impact of the US

dollar translation, this project driven business delivered revenues slightly lower than the corresponding period in the prior year of £38 million. This result was driven by healthy demand for our well testing and associated well clean-up services. In particular, volumes were high in North and West Africa as well as in the North Sea, where clients continue to be active in linking their marginal accumulations to existing platform infrastructure via subsea tie-backs. The revenues from production solutions included the final phase of Shell's Soroosh field production contract in Iran which will conclude in December 2004, but did not include any benefit from the Chayvo Sakhalin contract, for ExxonMobil, which remains on schedule for July 2005 operations.

Overview by geographic market:

Following the review of September 2003, the Group was reorganised to give better alignment to its geographic markets. *Europe and Former Soviet Union ("Europe FSU")* was created to allow our European critical mass and know-how to accelerate our development of the rapidly emerging FSU market. The Europe FSU region has enjoyed good activity levels in what have been favourable market conditions for the Group, particularly in the North Sea. In this market our clients continue to be very focused on incremental spend, both on enhancing existing well performance or adding new production wells, areas which play heavily to the strengths of the Group. In the FSU we are making progress, with significant increases in enquiry levels. Our focus in the

NOTES TO THE INTERIM RESULTS

continued

2. Segmental information (continued)

Turnover and operating profit/(loss) by geographical origin were as follows:

	Unaudited Six months ended 30 September 2004		Unaudited Six months ended 30 September 2003 Restated (note 1)		Audited Year ended 31 March 2004	
	Turnover £000's	Profit/(loss) £000's	Turnover £000's	Profit/(loss) £000's	Turnover £000's	Profit/(loss) £000's
Group						
Europe/FSU ^a	49,747	12,922	44,772	8,935	91,751	18,103
Africa/ME ^b	20,455	1,795	21,473	4,130	44,253	7,000
Asia Pacific	12,128	348	10,968	(898)	20,964	(2,174)
Americas	18,318	115	19,942	(1,039)	38,772	(3,481)
	100,648	15,180	97,155	11,128	195,740	19,448
Common costs		(6,420)		(5,251)		(8,867)
Exceptional provision for goodwill impairment		-		-		(16,125)
Exceptional provision for inventory obsolescence**		(1,546)		-		-
Operating profit/(loss)		7,214		5,877		(5,544)
Share of joint ventures						
Europe/FSU ^a	1,195	24	1,030	(176)	2,243	28
Africa/ME ^b	3,441	821	4,486	1,237	8,679	3,475
Asia Pacific	499	(31)	282	19	99	114
Americas	870	(5)	569	(74)	1,634	(51)
Exceptional credit from release of provision***	-	1,464	-	-	-	-
	6,005	2,273	6,367	1,006	12,655	3,566
Group and share of joint ventures	106,653	9,487	103,522	6,883	208,395	(1,978)
Finance charges (net)		(1,205)		(1,312)		(2,488)
Profit/(loss) on ordinary activities before taxation		8,282		5,571		(4,466)

^aFSU – Former Soviet Union

^bME – Middle East

* The exceptional provision for goodwill impairment of £16,125,000 reported in the year ended 31 March 2004 related to Cased Hole Services - £14,950,000 and Surface & Environmental Systems - £1,175,000.

** The exceptional provision for inventory obsolescence relates to Cased Hole Services inventories in the Americas region. As a result of an obsolescence review, a one-off stock obsolescence provision of £1,546,000 has been recorded in the six months ended 30 September 2004.

*** The exceptional credit from release of a provision, which relates to a Surface & Environmental Systems Africa/ME joint venture, represents the release of a provision of £1,464,000 no longer required for a customer's equipment purchase option.

There is no material difference between turnover by origin and turnover by destination.

NOTES TO THE INTERIM RESULTS

1. The results for the six months to 30 September 2004 and the comparative results for the six months to 30 September 2003 have not been audited by the company's auditors or reviewed in accordance with APB Bulletin 1999/4. They have been prepared on a basis consistent with the accounting policies set out in the statutory accounts for the year ended 31 March 2004, except for the adoption of UITF Abstract 38 'Accounting for ESOP trusts' as described below.

The adoption of Amendment to FRS5 'Reporting the substance of transactions: Revenue recognition' during the year ended 31 March 2004 resulted in certain subcontractor costs recharged to customers being recorded as turnover rather than as part of cost of sales. Turnover for the period to 30 September 2003 has been restated accordingly with no impact on profit.

Also during the year ended 31 March 2004 the Group concluded that the accounting policy of classifying certain specific categories of replacement components for operational equipment as tangible fixed assets was no longer appropriate. Following a change in the accounting policy these items are now classified as stocks and work-in-progress. Accordingly, tangible fixed assets and stocks and work-in-progress at 30 September 2003 have been restated.

The adoption of UITF Abstract 38 'Accounting for ESOP trusts' during the period ended 30 September 2004 resulted in the investment in own shares, previously reported within tangible fixed assets and investments, to be shown as a reduction in equity of £9,000 (six months ended 30 September 2003 £13,000; year ended 31 March 2004 £13,000). Prior period figures have been restated accordingly.

The comparative figures for the year ended 31 March 2004, as restated, do not constitute statutory accounts for the purpose of Section 240 of the Companies Act 1985 and have been extracted from the company's published accounts, a copy of which has been delivered to the Registrar of Companies and on which an unqualified audit report has been made by the auditors under Section 235 of the Companies Act 1985.

2. Segmental information

Turnover and operating profit/(loss) by business stream were as follows:

	Unaudited Six months ended 30 September 2004		Unaudited Six months ended 30 September 2003 Restated (note 1)		Audited Year ended 31 March 2004	
	Turnover £000's	Profit/(loss) £000's	Turnover £000's	Profit/(loss) £000's	Turnover £000's	Profit/(loss) £000's
Group						
Cased Hole Services	39,860	3,480	43,735	4,261	88,054	7,755
Subsurface Systems	25,158	7,895	18,100	4,241	34,770	7,129
Surface & Environmental Systems	35,630	3,805	35,320	2,626	72,916	4,564
	<u>100,648</u>	<u>15,180</u>	<u>97,155</u>	<u>11,128</u>	<u>195,740</u>	<u>19,448</u>
Common costs		(6,420)		(5,251)		(8,867)
Exceptional provision for goodwill impairment*		-		-		(16,125)
Exceptional provision for inventory obsolescence**		(1,546)		-		-
Operating profit/(loss)		<u>7,214</u>		<u>5,877</u>		<u>(5,544)</u>
Share of joint ventures						
Subsurface Systems	4,133	270	3,261	131	7,232	863
Surface & Environmental Systems	1,872	539	3,106	875	5,423	2,703
Exceptional credit from release of provision***	-	1,464	-	-	-	-
	<u>6,005</u>	<u>2,273</u>	<u>6,367</u>	<u>1,006</u>	<u>12,655</u>	<u>3,566</u>
Group and share of joint ventures	<u>106,653</u>	<u>9,487</u>	<u>103,522</u>	<u>6,883</u>	<u>208,395</u>	<u>(1,978)</u>
Finance charges (net)		(1,205)		(1,312)		(2,488)
Profit/(loss) on ordinary activities before taxation		<u>8,282</u>		<u>5,571</u>		<u>(4,466)</u>

coming period will be to convert our enquiry book into firm orders and add to the Group's important, growing position.

Turning to *Africa Middle East* ("*AfricaME*") where the Group has opened a new region office in Dubai managing activities in South, West and North Africa, the Middle East as well as our re-aligned Asian business. In the important deep water markets of West Africa enquiry levels have been very active, however management remain cautious on revenue conversion as project timing and slippage, usually driven by factors outside of our clients' control, remain a key factor. Our new Dubai presence covering the Middle East has yet to deliver material benefit for the Group. However, it is already allowing us to market many of our new products into this region which has a growing appetite for new technology, having historically been much more commodity focused. In this area we remain very disciplined to ensure that we target individual markets best suited to Expro's technology leadership. *Asia* has seen a positive turn around under our new focused approach to what are multiple and fragmented markets. During the period we reviewed operations to deliver cost reductions including the closure of our Perth regional and Singapore offices. Trading has also improved in target markets such as Australia, again due to an increase in management focus.

Finally, in the *Americas*, where the Group was over-exposed to the shallow water Gulf of Mexico market, our business has been undergoing complete re-engineering. We continue to actively reduce the

historical dependence upon the shallow water Gulf by driving our Subsea technology in the deep water Gulf, and promoting Excape®, SmarTrac™, and Wireless Well Solutions in the land market.

Technology

This remains a fundamental part of the Group's strategy, aimed at delivering step change performance for our clients and shareholders. We are building a strong reputation for the introduction of high value, cost effective technology within our sector. Evidence of this lies in previously highlighted World Oil Technology awards. This year's award was in recognition of the potential of our new wireless well, cableless telemetry technology which is already beginning to find its way into the planning cycle of our clients looking at enhanced recovery from both old and new fields. In addition, during the period we successfully concluded phase one of our joint industry project to develop a rigless intervention system capable of transforming the economics of existing subsea wells and materially influencing the future direction of the subsea industry. The initial phase, which was funded by the project partners, concluded that such a system, under our intellectual ownership, was fully feasible. We are currently engaged with the same oil industry partners to define subsequent phases prior to considering prototype build and eventual field use. Technology development continues at a strong pace within the Group. We are scheduling to spend more throughout the year on this vital area of our business driven by the compelling and clear business opportunities.

Outlook

We are pleased to report improved levels of activity, after three consecutive periods of flat performance. Our focus remains clearly on executing the strategy outlined 12 months ago in order to restore short-term performance by reversing the adverse impact of operational gearing effect in the business, and to create longer-term shareholder value by establishing our technology position within the upstream sector. Our strategy is being delivered through a management structure which ensures that we have a higher degree of engagement with our clients at all levels and our efforts are now being assisted by improving market conditions.

The outlook for the remainder of this year is broadly favourable. Notable events, such as the conclusion of the highly successful Soroosh contract and the negative effect of the US dollar working its way through to earnings, will be evident in the second-half performance. Our strategy places no reliance on improved market conditions and we remain focused on delivery. Our performance in the current period has established the validity of this approach. Our longer term objective remains clear, to profitably grow the business throughout the cycle.

Dr Chris Fay, CBE

Chairman

Graeme Coutts

Chief Executive Officer

30 November 2004

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the six months ended 30 September 2004

	Note	Unaudited Six months ended 30 September 2004 £000's	Unaudited Six months ended 30 September 2003 Restated (note 1) £000's	Audited Year ended 31 March 2004 £000's
Turnover:				
Group and share of joint ventures		106,653	103,522	208,395
Less: share of joint ventures		(6,005)	(6,367)	(12,655)
Group turnover	2	100,648	97,155	195,740
Operating profit before goodwill amortisation and exceptional items				
Goodwill amortisation		11,157	8,027	16,519
Exceptional provision for goodwill impairment	6	(1,588)	(1,144)	(2,372)
Exceptional provision for inventory obsolescence	2	-	-	(16,125)
Exceptional credit from release of joint ventures provision	2	(1,546)	-	-
		1,464	-	-
Operating profit/(loss)		9,487	6,883	(1,978)
Operating profit/(loss):				
Group	2	7,214	5,877	(5,544)
Share of joint ventures	2	2,273	1,006	3,566
Total		9,487	6,883	(1,978)
Profit/(loss) on ordinary activities before finance charges				
Finance charges (net)		9,487	6,883	(1,978)
		(1,205)	(1,312)	(2,488)
Profit/(loss) on ordinary activities before tax				
Tax on profit/(loss) on ordinary activities	3	8,282	5,571	(4,466)
		(3,586)	(2,418)	(5,428)
Profit/(loss) on ordinary activities after tax				
Minority equity interests		4,696	3,153	(9,894)
		(12)	(17)	(9)
Profit/(loss) for the period				
Dividends paid and proposed	4	4,684	3,136	(9,903)
		(2,511)	(2,511)	(7,202)
Retained profit/(loss) for the period				
		2,173	625	(17,105)
Earnings per ordinary share:				
Basic	5	7.1p	4.7p	(15.0p)
Diluted	5	7.1p	4.7p	(15.0p)
Basic before goodwill amortisation and exceptional items	5	9.6p	6.5p	13.0p

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

for the six months ended 30 September 2004

	Unaudited Six months ended 30 September 2004 £000's	Unaudited Six months ended 30 September 2003 £000's	Audited Year ended 31 March 2004 £000's
Profit/(loss) for the financial period	4,684	3,136	(9,903)
Translation gain/(loss) on foreign currency investments	907	(3,297)	(14,114)
(Loss)/gain on foreign currency borrowings	(1,083)	1,922	6,943
	4,508	1,761	(17,074)

CONSOLIDATED BALANCE SHEET

at 30 September 2004

		Unaudited 30 September 2004	Unaudited 30 September 2003 Restated (note 1)	Audited 31 March 2004 Restated (note 1)
	Note	£000's	£000's	£000's
Fixed assets				
Intangible fixed assets and goodwill	6	25,092	36,897	26,137
Tangible fixed assets		59,964	65,046	58,077
Investments in joint ventures:				
– share of gross assets		12,696	18,970	12,496
– share of gross liabilities		(4,201)	(14,140)	(6,012)
– goodwill		–	863	757
		8,495	5,693	7,241
		93,551	107,636	91,455
Current assets				
Stocks and work-in-progress		14,424	17,558	16,296
Debtors – due within one year		67,224	74,019	69,146
– due after one year		800	–	419
Cash at bank and in hand		13,213	16,104	14,563
		95,661	107,681	100,424
Creditors due within one year		(44,062)	(50,103)	(49,932)
Net current assets		51,599	57,578	50,492
Total assets less current liabilities		145,150	165,214	141,947
Creditors due after more than one year		(60,513)	(64,846)	(59,407)
Provisions for liabilities and charges		(8,462)	(2,668)	(8,374)
Net assets		76,175	97,700	74,166
Capital and reserves				
Called-up share capital		6,615	6,615	6,615
Share premium account		61,650	61,650	61,650
Other reserves		17	17	17
Profit and loss account		7,849	29,378	5,852
Shareholders' funds being equity interests		76,131	97,660	74,134
Minority equity interests		44	40	32
Total capital and reserves		76,175	97,700	74,166

CONSOLIDATED CASH FLOW STATEMENT

for the six months ended 30 September 2004

		Unaudited Six months ended 30 September 2004	Unaudited Six months ended 30 September 2003 Restated (note 1)	Audited Year ended 31 March 2004
	Note	£000's	£000's	£000's
Net cash inflow from operating activities	7	17,210	11,769	27,990
Finance charges (net)		(1,182)	(1,692)	(2,805)
Taxation		(3,379)	(5,440)	(10,278)
Capital expenditure and financial investment		(9,313)	(7,959)	(13,401)
Acquisitions and disposals		–	–	(3,867)
Equity dividends paid		(4,686)	(4,700)	(7,202)
Net cash outflow before financing		(1,350)	(8,022)	(9,563)
Financing		–	(4,000)	(4,000)
Decrease in cash in the period		(1,350)	(12,022)	(13,563)

Visit our Website for more information about the Group:

www.exprogroup.com

Copies of these unaudited interim results will be sent to registered shareholders.

Further copies can be obtained from Company Secretary,
Expro International Group PLC, Reading Bridge House, Reading, Berkshire RG1 8PL