Company number: 06492082

EXPRO HOLDINGS UK 3 LIMITED

Unaudited Condensed Consolidated
Financial Statements

Quarterly Report

Six months to 30 September 2011

Contents

Financial summary

Q2 FY 2012 vs. Q1 FY 2012	3 months to September 2011 $'000	3 months to June 2011 $'000	Change
Adjusted revenue on a constant currency basis[1]	284,892	271,316	5.0%
Adjusted operating profit[2]	61,539	58,335	5.5%
Adjusted operating margin[3]	21.6%	21.5%	0.1pts
Capital expenditure[4]	39,530	32,499	21.6%
Revenue	284,892	303,032	(6.0%)
Operating profit	12,737	36,976	(65.6%)

H1 FY 2012 vs. H1 FY 2011	6 months to September 2011 $'000	6 months to September 2010 $'000	Change
Adjusted revenue on a constant currency basis[1]	556,032	503,808	10.4%
Adjusted operating profit[2]	119,874	125,719	(4.6%)
Adjusted operating margin[3]	21.6%	25.0%	-3.4pts
Capital expenditure[4]	72,029	17,155	319.9%
Revenue	587,924	501,812	17.2%
Operating profit	49,713	37,866	31.3%

Q2 FY 2012 vs. Q2 FY 2011	3 months to September 2011 $'000	3 months to September 2010 $'000	Change
Adjusted revenue on a constant currency basis[1]	284,892	258,499	10.2%
Adjusted operating profit[2]	61,539	61,276	0.4%
Adjusted operating margin[3]	21.6%	23.7%	-2.1pts
Capital expenditure[4]	39,530	11,938	231.1%
Revenue	284,892	269,103	5.9%
Operating profit	12,737	28,102	(54.7%)

Q2 FY 2012 vs. Q4 FY 2011	30 September 2011 $'000	31 March 2011 $'000	Change
Cash	128,226	66,525	92.7%
Working capital percentage[5]	16.7%	12.6%	4.1pts
Net debt[6]	(2,099,304)	(2,135,346)	(1.7%)
LTM leverage[7]	9.1x	9.0x	0.1pts
Liquidity headroom[8]	269,063	142,362	89.0%

[1] "Adjusted revenue" is defined as revenue excluding items that either distort the underlying trends of the business or are not considered by management to be part of the core operations of the Group. Further details are set out in note 3. Results for the comparative periods have been restated on a constant currency basis by converting each underlying transaction that arose in the period and applying the average monthly foreign exchange rate that prevailed in each month of the current period.

[2] "Adjusted operating profit" is defined as operating profit excluding depreciation and amortisation and other similar non-cash items, together with other items that either distort the underlying trends of the business or are not considered by management to be part of the core operations of the Group. Further details are set out in note 3.

[3] "Adjusted operating margin" is the ratio of adjusted operating profit over adjusted revenue.

[4] "Capital expenditure" is the equivalent of cash outflow on the purchase of property, plant and equipment as set out within the Condensed consolidated cash flow statement.

[5] "Working capital percentage" is defined within the business review.

[6] "Net debt" is defined within the business review.

[7] "LTM leverage" is defined within the business review.

[8] "Liquidity headroom" is defined within the business review.

Business review

Introduction
This report represents the quarterly results for Expro Holdings UK 3 Limited and its consolidated subsidiaries (the "Group").

Financial and operating results
The business review in the quarterly report presents financial and operating results for the following periods:

- Three months to 30 September 2011 compared to three months to 30 June 2011;
- Six months to September 2011 compared to six months to September 2010;
- Three months to 30 September 2011 compared to three months to 30 September 2010.

Key points arising
In order to facilitate an understanding of the Group's performance and progression over prior periods, segmental revenue and adjusted measures have been provided to identify key trends over the periods under review. We would like to highlight the following points in this report:

Equity injection
To support growth, the Group received an equity injection of $250.0m during the six months to 30 September 2011. In addition, the Group increased its revolving credit facility by $60.0m to $160.0m and covenants on both the revolving credit facility and mezzanine loan were amended, resulting in additional headroom. Early settlement provisions were also amended in respect of the mezzanine loan.

Use of adjusted measures
Adjusted items, be that revenue, costs or operating profit exclude depreciation and amortisation and other similar non-cash items together with other items that either distort the underlying trends of the business or are not considered by management to be part of the core operations of the Group. In summary, the exclusion of non-cash charges such as depreciation, amortisation and impairment means that this measure is similar to EBITDA. Full details are set out in note 3.

Restatement of comparative segmental information
The Group concluded the acquisition of the business of Production Testers International ("PTI") on 1 September 2010. The Group's existing operations in Thailand and Vietnam were similar in nature to the operations of PTI and as a result have been integrated into the acquired business to create the Expro PTI business unit ("Expro PTI"). The Group has updated its segmental reporting as a result of the acquisition and, accordingly, comparative segmental financial information for the period ended 30 September 2010 has been restated to reflect this change.

Expro Meters
The Expro Meters business unit was classified as an adjusted item in previous reporting periods on the basis that operations were focused on product development, and therefore not considered by management to be part of the core operations of the Group. As a significant part of the Expro Meters business is no longer in the development stage, the results are now reported within the adjusted results of the Group. All comparative segmental financial information has been updated to reflect this change.

Three months to 30 September 2011 compared to three months to 30 June 2011

	3 months to September 2011 $'000	**3 months to June 2011 $'000**	**Change**
Adjusted revenue – constant currency[1]	**284,892**	271,316	5.0%
Adjusted operating profit[2]	**61,539**	58,335	5.5%
Adjusted operating margin[3]	**21.6%**	21.5%	0.1pts
Revenue	**284,892**	303,032	(6.0%)
Operating profit	**12,737**	36,976	(65.6%)

Business review

Overall trading performance

Adjusted revenue in the three months to September 2011 of $284.9m increased by $13.6m or 5.0% compared to the prior quarter on a constant currency basis. With the exception of South and West Africa, Asia and North America Offshore, all business units were ahead of the prior quarter, most notably in Europe CIS, Connectors and Measurements and Expro PTI. Activity in South and West Africa was impacted by the phasing of projects, whereas Asia was behind primarily as a result of lower pass-through revenue in Australia.

The adjusted operating margin was 0.1pts higher reflecting slightly lower trading margins, which was primarily due to start-up costs in relation to projects due to commence in the second half of the year, with some beneficial offset from corporate charges incurred in the first quarter not repeated in the current quarter.

Segmental revenue

	3 months to September 2011 $'000	3 months to June 2011 constant currency $'000	Change constant currency %
Regional businesses			
Europe CIS	**79,884**	73,557	8.6%
South and West Africa	**47,912**	56,683	(15.5%)
Middle East North Africa	**19,926**	16,446	21.2%
Asia	**14,879**	15,342	(3.0%)
North America Land	**19,388**	18,842	2.9%
North America Offshore	**19,641**	20,694	(5.1%)
Latin America	**23,816**	23,611	0.9%
Global businesses			
Connectors and Measurements	**31,839**	26,355	20.8%
Expro PTI	**18,297**	13,246	38.1%
Equipment Sales	**8,371**	6,171	35.7%
Expro Meters	**1,410**	908	55.3%
Eliminations of intra-group sales	**(471)**	(539)	(12.6%)
Adjusted revenue[1]	**284,892**	271,316	5.0%
AX-S	-	31,892	(100.0%)
Revenue	**284,892**	**303,208**	**(6.0%)**

Regional Businesses

Europe CIS
Revenue in the three months to September 2011 of $79.9m was 8.6% higher than the previous quarter, with increased activity in the UK North Sea reflecting the typical seasonal weather patterns. Underlying activity across Continental Europe was also ahead of the previous quarter reflecting additional activity in offshore Israel.

South and West Africa
Revenue in the three months to September 2011 of $47.9m was 15.5% lower, most notably in Cameroon following the end of a major contract and in Angola where the phasing on the construction and sale of equipment also adversely impacted revenue. This lower activity was partially offset by the start of a multi-service line project in Gabon.

Middle East North Africa
Revenue in the three months to September 2011 of $19.9m was 21.2% higher, with well test activity in Algeria and Saudi Arabia accounting for the majority of the increase. During the current period activities in Iraq continued to gain momentum.

Business review

Asia
Revenue in the three months to September 2011 of $14.9m was 3.0% lower, with lower pass-through revenue in Australia being partially offset by the start of a series of subsea development projects in China.

North America Land
Revenue in the three months to September 2011 of $19.4m was 2.9% higher, reflecting the increased rig count in the US.

North America Offshore
Revenue in the three months to September 2011 of $19.6m was 5.1% lower, reflecting the usual seasonal aspect of work in Alaska.

Latin America
Revenue in the three months to September 2011 of $23.8m was 0.9% higher, reflecting higher activity in Brazil and Columbia offset by lower well test and subsea activity in Argentina.

Global Businesses

Connectors and Measurements
Revenue in the three months to September 2011 of $31.8m was $5.5m higher than the previous quarter, with increased sales to subsea tree vendors, reflecting the anticipated growth in subsea developments.

Expro PTI
Revenue in the three months to September 2011 of $18.3m was $5.1m higher, reflecting an increase in production optimisation activity in Thailand and the design and build of an early production facility in Malaysia.

Equipment Sales
Revenue in the three months to September 2011 of $8.4m was $2.2m higher.

Expro Meters
Revenue in the Expro Meters business was above the prior quarter, after adjusting for inter-company sales.

Six months to 30 September 2011 compared to six months to 30 September 2010

	6 months to September 2011 $'000	**6 months to September 2010 $'000**	**Change**
Adjusted revenue – constant currency[1]	**556,032**	503,808	10.4%
Adjusted operating profit[2]	**119,874**	125,719	(4.6%)
Adjusted operating margin[3]	**21.6%**	25.0%	-3.4pts
Revenue	**587,924**	501,812	17.2%
Operating profit	**49,713**	37,866	31.3%

Overall trading performance

Adjusted revenue for the six months to September 2011 of $556.0m was ahead by $52.2m or 10.4% on a constant currency basis compared to the same period in the prior year. Despite the impact of the conflict in Libya which had a significant impact on the Middle East and North Africa region and a reduction in the level of subsea and well test work in Australia which affected the Asia region, increased activity in South and West Africa and the acquisition of Expro PTI more than offset those shortfalls.

The adjusted operating margin was 3.4pts lower, reflecting the operational impact of the conflict in Libya, start-up costs in Iraq, operational gearing in Asia and the end of certain higher margin projects in South and West Africa. Investment in the Group's product line support structure also impacted the margin.

Business review

Segmental revenue

	6 months to September 2011 $'000	6 months to September 2010 constant currency $'000	Change constant currency %
Regional businesses			
Europe CIS	**153,387**	147,075	4.3%
South and West Africa	**104,621**	87,618	19.4%
Middle East North Africa	**36,372**	44,986	(19.1%)
Asia	**30,187**	41,218	(26.8%)
North America Land	**38,230**	33,928	12.7%
North America Offshore	**40,338**	39,245	2.8%
Latin America	**47,213**	41,282	14.4%
Global businesses			
Connectors and Measurements	**58,294**	48,390	20.5%
Expro PTI	**31,539**	9,048	248.6%
Equipment Sales	**14,542**	11,528	26.1%
Expro Meters	**2,319**	946	145.1%
Elimination of intra-group sales	**(1,010)**	(1,456)	(30.6%)
Adjusted revenue[1]	**556,032**	503,808	10.4%
AX-S	**31,892**	23,650	34.8%
Revenue	**587,924**	527,458	11.5%

Regional Businesses

Europe CIS
Revenue in the six months to September 2011 of $153.4m was 4.3% higher, primarily reflecting increased subsea activity in the UK North Sea and the start of activity in offshore Israel.

South and West Africa
Revenue in the six months to September 2011 of $104.6m was 19.4% higher, reflecting higher levels of activity across multiple product lines in Angola, Equatorial Guinea, Cameroon and Ghana. The revenue performance was offset by the end of the Dibi contract, a large scale early production facility in Nigeria.

Middle East North Africa
Revenue in the six months to September 2011 of $36.4m was 19.1% lower, as the effects of the civil unrest, most notably in Libya, affected activities. The results of the region were also impacted by reduced levels of well test activity in Saudi Arabia due to the transitioning of some work over to other service providers.

Asia
Revenue in the six months to September 2011 of $30.2m was 26.8% lower. Well test and subsea activity in Australia in the same period last year was lower as a number of development projects came to an end. Year to date performance was also lower as a result of the completion of an exploration and appraisal campaign in China; although the Group is due to commence work on the development phase in the second half of the year.

North America Land
Revenue in the six months to September 2011 of $38.2m was 12.7% higher, reflecting the increased rig count across the US land markets.

Business review

North America Offshore
Revenue in the six months to September 2011 of $40.3m was 2.8% ahead of the same period in the prior year, with reduced well test and subsea activity in Canada being more than offset by increased levels of activity in the Gulf of Mexico.

Latin America
Revenue in the six months to September 2011 of $47.2m was $5.9m higher than the same period in the prior year, reflecting the introduction and expansion of services to the Brazilian market, as well as a well test project in Argentina.

Global Businesses

Connectors and Measurements
Revenue in the six months to September 2011 of $58.3m was 20.5% higher than that of the same period in the prior year, with increased sales to subsea tree vendors, reflecting the anticipated growth in subsea developments.

Expro PTI
The Expro PTI business in the same period in the prior year reflects the legacy Expro Thailand and Vietnam businesses, so is not comparable to the current period revenue. Performance of the Expro PTI business in the six months to September 2011 was in line with expectations.

Equipment Sales
Revenue in the six months to September 2011 of $14.5m was $3.0m higher than the same period last year, reflecting increased sales in the US and China.

Expro Meters
Expro Meters revenue increased from $1.0m to $2.3m, reflecting the growing traction of this business unit.

Three months to 30 September 2011 compared to three months to 30 September 2010

	3 months to September 2011 $'000	3 months to September 2010 $'000	Change
Adjusted revenue – constant currency[1]	**284,892**	258,499	10.2%
Adjusted operating profit[2]	**61,539**	61,276	0.4%
Adjusted operating margin[3]	**21.6%**	23.7%	-2.1pts
Revenue	**284,892**	269,103	5.9%
Operating profit	**12,737**	28,102	(54.7%)

Overall trading performance

Adjusted revenue for the three months to September 2011 of $284.9m was ahead by 10.2% on a constant currency basis, compared to the same period in the prior year, or $26.4m. Despite the conflict in Libya which had a significant impact on the Middle East and North Africa region and a reduction in the level of call off work in Australia which affected the Asia region, increased activity in South and West Africa and the acquisition of Expro PTI more than offset those shortfalls.

The adjusted operating margin was 2.1pts lower, reflecting the impact of the conflict in Libya, start-up costs in Iraq, operational gearing in Asia and the end of certain higher margin projects in South and West Africa. Investment in the Group's product line support structure also impacted the margin.

Business review

Segmental revenue

	3 months to September 2011 $'000	3 months to September 2010 constant currency $'000	Change constant currency %
Regional businesses			
Europe CIS	**79,884**	80,800	(1.1%)
South and West Africa	**47,912**	44,622	7.4%
Middle East North Africa	**19,926**	21,196	(6.0%)
Asia	**14,879**	19,755	(24.7%)
North America Land	**19,388**	16,828	15.2%
North America Offshore	**19,641**	19,143	2.6%
Latin America	**23,816**	19,100	24.7%
Global businesses			
Connectors and Measurements	**31,839**	24,517	29.9%
Expro PTI	**18,297**	6,672	174.2%
Equipment Sales	**8,371**	6,600	26.8%
Expro Meters	**1,410**	534	164.0%
Elimination of intra-group sales	**(471)**	(1,268)	(62.9%)
Adjusted revenue[1]	**284,892**	258,499	10.2%
AX-S	-	23,650	(100.0%)
Revenue	**284,892**	282,149	1.0%

Regional Businesses

Europe CIS
Revenue in the three months to September 2011 of $79.9m was 1.1% lower, reflecting the end of a contract in Italy and lower levels of well test activity in Norway. This lower activity was for the most part offset by work in offshore Israel.

South and West Africa
Revenue in the three months to September 2011 of $47.9m was 7.4% higher, with the end of the campaign with Bowleven in Cameroon being more than offset by the increased activity with Tullow in Ghana, the ongoing design and build of an early production facility and subsea activity in Equatorial Guinea.

Middle East North Africa
Revenue in the three months to September 2011 of $19.9m was 6.0% lower, as the effects of the conflict in Libya halted activities. The results of the region were also impacted by reduced levels of well test activity in Saudi Arabia due to the transitioning of some work over to other service providers.

Asia
Revenue in the three months to September 2011 of $14.9m was 24.7% lower. Well test and subsea activity with in Australia in the same period last year was lower as a number of development projects came to an end. Activity in Brunei was more than offset by the start up of subsea contracts in Malaysia.

North America Land
Revenue in the three months to September 2011 of $19.4m was 15.2% higher, reflecting the increased rig count across the US land market.

Business review

North America Offshore
Revenue in the three months to September 2011 of $19.6m was 2.6% ahead of the same period in the prior year, with reduced well test and subsea activity in Canada being more than offset by increased levels of activity in the Gulf of Mexico.

Latin America
Revenue in the three months to September 2011 of $23.8m was $4.7m higher than the same period in the prior year, reflecting additional services supplied within the Brazilian market.

Global Businesses

Connectors and Measurements
Revenue in the three months to September 2011 of $31.8m was 29.9% higher than those of the same period in the prior year, with increased sales to subsea tree vendors, reflecting the anticipated growth in subsea developments.

Expro PTI
The Expro PTI business in the same period in the prior year reflects the legacy Expro Thailand and Vietnam businesses, so is not comparable to the current period revenue. Performance of the Expro PTI business in the three months to September 2011 was in line with expectations.

Equipment Sales
Revenue in the three months to September 2011 of $8.4m was $1.8m higher than the same period last year, reflecting increased sales in the US and China.

Expro Meters
Expro Meters revenue increased from $0.5m to $1.4m, reflecting the growing traction of this product line.

Foreign exchange rates

Foreign exchange rates at the reporting date

	30 September 2011 $1 equals	31 March 2011 $1 equals	Change %
AUD (Australian Dollar)	1.0211	0.9698	5.3%
BRL (Brazilian Real)	1.8291	1.6360	11.8%
EUR (Euro)	0.7354	0.7093	3.7%
GBP (Pound Sterling)	0.6399	0.6237	2.6%
NOK (Norwegian Kroner)	5.7770	5.5897	3.4%

Average foreign exchange rates

	3 months to September 2011 $1 equals	3 months to June 2011 $1 equals	6 months to September 2011 $1 equals	6 months to September 2010 $1 equals
AUD (Australian Dollar)	0.9293	0.9430	0.9361	1.1248
BRL (Brazilian Real)	1.5762	1.6008	1.5885	1.7819
EUR (Euro)	0.6946	0.6968	0.6957	0.7805
GBP (Pound Sterling)	0.6160	0.6119	0.6139	0.6593
NOK (Norwegian Kroner)	5.3900	5.4403	5.4151	6.2096

Business review

Financial position, liquidity and capital resources

The Group's financial position has improved since the preceding year end, reflecting the recent equity injection of $250.0m. Leverage has remained broadly constant with net debt and adjusted operating profit both at similar levels compared to the year ended 31 March 2011.

The Group's liquidity improved over the same period, reflecting the equity injection and expansion of the revolving credit facility, cash interest payments, the final contingent payment in respect of the PTI acquisition, higher capital expenditure and higher levels of working capital. The increase in capital expenditure reflects commitments to new contracts as well as the opportunities the Group sees within its sector. These new contracts and opportunities should allow the Group to improve financial performance and grow into its current capital structure.

Working capital

Working capital as a percentage of annualised adjusted revenue was 16.7% as set out below. This increased during the period, reflecting a combination of additional revenue and collection issues experienced in both West Africa and Latin America. The Group has made progress on these specific issues after the reporting date.

	30 September 2011 $'000	31 March 2011 $'000	Change $'000
Adjusted revenue for the quarter	284,892	242,858	42,034
Annualised adjusted revenue (Adjusted revenue x4)	**1,139,568**	**971,432**	**168,136**
Working capital[9]	155,417	55,747	99,670
Add back accrued interest	35,039	35,039	-
Add amounts received in advance in respect of AX-S (note 3)	-	31,892	(31,892)
Adjusted working capital	**190,456**	**122,678**	**67,778**
Working capital percentage[10]	**16.7%**	**12.6%**	**4.1pts**

Capital expenditure

	3 months to September 2011 $'000	3 months to June 2011 $'000	Change to prior quarter $'000	6 months to September 2011 $'000	6 months to September 2010 $'000	Change to prior year $'000
Capital expenditure[4]	39,530	32,499	7,031	72,029	17,155	54,874

The Group continued to increase its capital expenditure during the three months to September 2011.

Net debt

	30 September 2011 $'000	31 March 2011 $'000	Change $'000
Finance leases	(36,411)	(39,552)	3,141
Senior secured notes	(1,332,543)	(1,327,633)	(4,910)
Bank and other interest bearing loans	(858,576)	(834,686)	(23,890)
Less cash	128,226	66,525	61,701
Total net debt excluding shareholder loan	**(2,099,304)**	**(2,135,346)**	**(21,508)**

[9] "Working capital" is defined as Inventories, Trade and other receivables and Asset held for sale, less Trade and other payables as set out within the Condensed consolidated statement of financial position.

[10] "Working capital percentage" is the ratio of adjusted working capital over annualised adjusted revenue

Business review

Leverage

At 30 September 2011, the Group is levered to 9.1x as set out below (31 March 2011: 9.0x).

	30 September 2011 $'000	31 March 2011 $'000	Change $'000
Net debt	2,099,304	2,135,346	(1.7%)
Adjusted operating profit over last 12 months	230,588	236,433	(2.5%)
LTM leverage	9.1x	9.0x	0.1pts

Liquidity

At 30 September 2011, the Group had total liquidity headroom of $269.1m as set out below (31 March 2011: $142.4m).

	30 September 2011 $'000	31 March 2011 $'000	Change $'000
Cash	128,226	66,525	92.7%
Undrawn loan facilities	140,837	75,837	85.7%
Liquidity headroom	**269,063**	**142,362**	**89.0%**

Covenants

The Group has maintenance covenants on its Mezzanine debt and Revolving Credit Facility. At the 30th September 2011 and based on the Group's current projections, covenant headroom remains adequate.

Outlook and risk factors

In the first half of the financial year, the Group's performance remained consistent with prior quarters, reflecting a relatively stable market. While performance has been slightly below expectations, liquidity has been preserved through a measured approach to capital expenditure. In addition, the lower capital expenditure reflects the movement of certain near term opportunities to later periods.

As regards the second half, the Group remains cautiously optimistic and expects to see an improvement in performance, reflecting the continued strengthening in the international oil and gas sector and the benefits of its increased capital expenditure programme. This anticipated near term improvement is, however, subject to the timing of significant offshore oil and gas developments, which in turn are subject to the decision making processes of both International and National Oil Companies.

In the longer term, the Group continues to believe it has excellent growth prospects reflecting the opportunities arising from the continued demand for hydrocarbons, the tightening of supply and its position within the Oil Field Service sector.

Condensed consolidated income statement

Period ended 30 September 2011

	Note	3 months to September 2011 Adjusted $'000	3 months to September 2011 Adjustments[11] $'000	3 months to September 2011 Total $'000	3 months to September 2010 Adjusted $'000	3 months to September 2010 Adjustments[11] $'000	3 months to September 2010 Total $'000
Continuing operations							
Revenue	3	284,892	-	284,892	245,453	23,650	269,103
Cost of sales		(212,615)	(44,743)	(257,358)	(174,055)	(54,997)	(229,052)
Gross profit		**72,277**	**(44,743)**	**27,534**	**71,398**	**(31,347)**	**40,051**
Administration expenses		(10,738)	(4,059)	(14,797)	(10,122)	(1,827)	(11,949)
Operating profit	3	**61,539**	**(48,802)**	**12,737**	**61,276**	**(33,174)**	**28,102**
Post tax share of results from joint venture				1,455			994
				14,192			**29,096**
Net finance costs	4			(184,495)			(174,151)
Loss before tax				**(170,303)**			**(145,055)**
Tax	5			606			(2,387)
Loss after tax				**(169,697)**			**(147,442)**
Attributable to Equity holders of the parent				**(169,697)**			**(147,442)**

[11] Details of adjustments are included in note 3.

Condensed consolidated income statement

Period ended 30 September 2011

	Note	6 months to September 2011 Adjusted $'000	6 months to September 2011 Adjustments[11] $'000	6 months to September 2011 Total $'000	6 months to September 2010 Adjusted $'000	6 months to September 2010 Adjustments[11] $'000	6 months to September 2010 Total $'000
Continuing operations							
Revenue	3	556,032	31,892	587,924	478,162	23,650	501,812
Cost of sales		(412,816)	(91,149)	(503,965)	(335,441)	(107,573)	(443,014)
Gross profit		**143,216**	**(59,257)**	**83,959**	**142,721**	**(83,923)**	**58,798**
Administration expenses		(23,342)	(10,904)	(34,246)	(17,002)	(3,930)	(20,932)
Operating profit	3	**119,874**	**(70,161)**	**49,713**	**125,719**	**(87,853)**	**37,866**
Post tax share of results from joint venture				3,698			1,953
				53,411			**39,819**
Net finance costs	4			(361,237)			(332,976)
Loss before tax				**(307,826)**			**(293,157)**
Tax	5			(4,180)			(6,533)
Loss after tax				**(312,006)**			**(299,690)**
Attributable to Equity holders of the parent				**(312,006)**			**(299,690)**

Condensed consolidated statement of comprehensive income

Period ended 30 September 2011

	Note	3 months to September 2011 $'000	3 months to September 2010 $'000	6 months to September 2011 $'000	6 months to September 2010 $'000
Loss for the period		**(169,697)**	**(147,442)**	**(312,006)**	**(299,690)**
Fair value loss on cash flow hedges		-	(18,131)	-	(41,238)
Transferred to income statement on cash flow hedges	4	1,545	16,206	4,838	33,302
Actuarial gain on defined benefit pension		-	8,395	-	-
Other comprehensive income/(loss) for the period, net of tax		**1,545**	**6,470**	**4,838**	**(7,936)**
Total comprehensive loss for the period, net of tax		**(168,152)**	**(140,972)**	**(307,168)**	**(307,626)**
Attributable to Equity holders of the parent		**(168,152)**	**(140,972)**	**(307,168)**	**(307,626)**

Condensed consolidated statement of financial position

At 30 September 2011

	Note	30 September 2011 $'000	31 March 2011 $'000
Non-current assets			
Goodwill		2,293,673	2,293,673
Intangible assets		1,095,858	1,147,560
Property, plant and equipment	6	353,755	327,928
Interest in joint venture		22,678	18,980
Deferred tax assets		16,552	13,609
		3,782,516	**3,801,750**
Current assets			
Inventories		52,340	41,391
Trade and other receivables		315,174	263,298
Cash		128,226	66,525
Asset held for sale		463	463
		496,203	371,677
Current liabilities			
Derivative financial instruments	9	(44,146)	(46,665)
Trade and other payables		(212,560)	(249,405)
Finance leases		(3,647)	(3,689)
Tax liabilities		(59,235)	(61,024)
Provisions	7	(8,497)	(32,841)
		(328,085)	(393,624)
Net current assets/(liabilities)		**168,118**	**(21,947)**
Non-current liabilities			
Finance leases		(32,764)	(35,863)
Derivative financial instruments	9	(65,343)	(65,831)
Senior secured notes	8	(1,332,543)	(1,327,633)
Other interest bearing loans	8	(858,576)	(834,686)
Provisions	7	(3,080)	(2,856)
Deferred tax		(319,659)	(329,750)
Pension deficit		(4,512)	(8,586)
Shareholder loan	8	(3,388,582)	(3,171,531)
		(6,005,059)	**(5,776,736)**
Total assets less total liabilities		(2,054,425)	(1,996,933)
Total assets less total liabilities excluding shareholder loan[12]		**1,334,157**	**1,174,598**
Equity attributable to owners of the parent			
Share capital	10	200	200
Share premium	10	249,676	-
Translation reserve		(53,404)	(53,404)
Hedging reserve		(1,787)	(6,625)
Equity reserve		4,710	4,710
Retained earnings		(2,253,820)	(1,941,814)
Total equity		(2,054,425)	(1,996,933)
Total equity and shareholder loan[12]		**1,334,157**	**1,174,598**

The financial statements were approved by the directors and authorised for issue on 29 November 2011.

[12] Non-statutory measure in line with management's view of the capital structure of the Group to aid the users of the financial statements.

Condensed consolidated cash flow statement

Period ended 30 September 2011

	Note	6 months to September 2011 Total $'000	6 months to September 2010 Total $'000
Operating profit		**49,713**	**37,866**
Non cash items before movements in working capital	11	95,595	91,868
Operating cash flows before movements in working capital		**145,308**	**129,734**
Increase in inventories		(10,949)	(2,933)
Increase in receivables		(62,133)	(2,265)
Decrease in payables		(26,055)	(8,617)
Increase/(decrease) in provisions, and defined benefit contributions		165	(7,955)
Cash generated by operations		**46,336**	**107,964**
Income taxes paid		(19,308)	(25,770)
Interest paid		(105,392)	(104,517)
Net cash from operating activities		**(78,364)**	**(22,323)**
Investing activities			
Interest received		81	41
Purchase of property, plant and equipment		(72,029)	(17,155)
Proceeds on disposal of property, plant and equipment		7	331
Purchase of intangible assets		(1,644)	(3,203)
Acquisition of business		(30,000)	(84,000)
Payment of deferred consideration		(17)	(1,424)
Dividend received from joint venture		2,236	2,113
Net cash used in investing activities		**(101,366)**	**(103,297)**
Financing activities			
Issue of share capital	10	250,000	-
Proceeds from borrowings	8	75,837	84,000
Repayment of borrowings	8	(75,837)	(53,250)
Payment of transaction costs		(5,043)	(6,600)
Repayment of finance leases		(2,334)	(2,166)
Exercise of share options		-	680
Net cash from financing activities		**242,623**	**22,664**
Net increase/(decrease) in cash		62,893	(102,956)
Cash at beginning of year		66,525	193,086
Effect of foreign exchange		(1,192)	1,289
Cash at end of year		**128,226**	**91,419**

Condensed consolidated statement of changes in equity

Period ended 30 September 2011

	Share capital	Share premium	Translation reserve	Hedging reserve	Equity reserve	Retained Earnings	Attributed to equity holders of parent
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
At 1 April 2011	200	-	(53,404)	(6,625)	4,710	(1,941,814)	(1,996,933)
Comprehensive income/(loss)	-	-	-	4,838	-	(312,006)	(307,168)
Share issue (note 10)	-	249,676	-	-	-	-	249,676
At 30 September 2011	**200**	**249,676**	**(53,404)**	**(1,787)**	**4,710**	**(2,253,820)**	**(2,054,425)**

Period ended 30 September 2010

	Share capital	Share premium	Translation reserve	Hedging reserve	Equity reserve	Retained Earnings	Attributed to equity holders of parent
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
At 1 April 2010	200	-	(53,404)	(26,734)	235	(962,289)	(1,041,992)
Comprehensive loss	-	-	-	(7,936)	-	(299,690)	(307,626)
Share-based payments	-	-	-	-	(235)	-	(235)
At 30 September 2010	**200**	**-**	**(53,404)**	**(34,670)**	**-**	**(1,261,979)**	**(1,349,853)**

Notes to the condensed consolidated financial statements

Period ended 30 September 2011

1. Corporate information

The condensed consolidated financial statements of the Group for the six months ended 30 September 2011 were authorised for issue by the Company's directors on 29 November 2011. The Company is a limited company incorporated in Great Britain and domiciled in England and Wales.

2. Basis of preparation and accounting policies

Basis of preparation

The basis of preparation and accounting policies set out in the annual report and accounts for the year ended 31 March 2011 have been applied in the preparation of these condensed consolidated financial statements as disclosed below. The condensed consolidated financial statements for the six months ended 30 September 2011 have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union. The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2011.

The figures for the six months ended 30 September 2011 and six months ended 30 September 2010 are unaudited and do not constitute full accounts within the meaning of s.435 of the Companies Act 2006. The financial statements for the year ended 31 March 2011, which have been delivered to the Registrar of Companies and on which the auditors have issued an unqualified audit report, did not contain a statement under s.498(2) or s.498(3) of the Companies Act 2006.

The financial risks are detailed in the business review of the Group's annual financial statements as at 31 March 2011. Having considered these risks and the current economic environment it is expected that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly the condensed consolidated financial statements have been prepared on a going concern basis.

Accounting policies

The accounting policies adopted in the preparation of the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2011.

3. Adjustments

Adjusted revenue

Adjusted revenue is defined as revenue excluding items that either distort the underlying trends of the business or are not considered by management to be part of the core operations of the Group.

	3 months to September 2011 $'000	3 months to September 2010 $'000	6 months to September 2011 $'000	6 months to September 2010 $'000
Revenue	**284,892**	**269,103**	**587,924**	**501,812**
AX-S	-	(23,650)	(31,892)	(23,650)
Adjusted revenue	**284,892**	**245,453**	**556,032**	**478,162**

AX-S

During the year to March 2011, the Group sold the AX-S prototype to Expro AX-S Technology Limited, a company under common control, for $23.7m. The sale agreement included an earn-out conditional on future events that was pre-paid to the Group for $31.9m at the year end. The earn-out has been recognised in revenue during the six month period to September 2011 reflecting the achievement of earn-out conditions.

Notes to the condensed consolidated financial statements

Period ended 30 September 2011

Adjusted operating profit

Adjusted operating profit is defined as operating profit excluding impairment, depreciation and amortisation and other similar non-cash items, together with other items that either distort the underlying trends of the business or are not considered by management to be part of the core operations of the Group.

	3 months to September 2011 $'000	3 months to September 2010 $'000	6 months to September 2011 $'000	6 months to September 2010 $'000
Operating profit	**12,737**	**28,102**	**49,713**	**37,866**
Amortisation of intangible assets	26,022	27,091	53,313	53,613
Property, plant and equipment depreciation	19,162	19,455	38,815	38,414
Loss on disposal of property, plant and equipment	250	408	336	433
AX-S	-	(14,822)	(31,892)	(6,970)
Business rationalisation	264	(51)	1,636	(51)
Business improvement initiatives	2,958	416	3,693	416
Acquisition related costs	-	912	-	2,233
Other costs	146	-	4,260	-
Share based payments	-	(235)	-	(235)
Adjusted operating profit	**61,539**	**61,276**	**119,874**	**125,719**

Business rationalisation

Business rationalisation costs relate to redundancy and other costs primarily associated with the closure of the Italian business and the withdrawal from Libya due to the country's civil unrest.

Business improvement initiatives

Costs during the period relate primarily to third party consultancy fees in relation to specific projects focussed on facilitating structural change.

Acquisition related costs

Costs in the prior period relate to the acquisition of PTI.

Other costs

Costs during the period relate primarily to a provision in connection with the adverse outcome of claims in relation to the acquisition of Expro International Group PLC.

Notes to the condensed consolidated financial statements

Period ended 30 September 2011

4. Net finance costs

	3 months to September 2011 $'000	3 months to September 2010 $'000	6 months to September 2011 $'000	6 months to September 2010 $'000
Finance income:				
Bank interest receivable	7	14	81	43
Expected return on defined benefit pension assets	2,783	2,816	5,583	4,998
Other interest receivable	-	-	-	2,515
Total finance income	**2,790**	**2,830**	**5,664**	**7,556**
Finance Costs:				
Senior secured notes interest	(29,750)	(29,750)	(59,500)	(59,500)
Revolving credit facility interest	(170)	(34)	(461)	(34)
Mezzanine loan cash settled interest	(9,994)	(9,960)	(19,855)	(19,160)
Mezzanine loan payment in kind interest	(14,448)	(13,534)	(28,508)	(26,704)
Amortisation of financing costs	(3,340)	(3,088)	(6,433)	(5,940)
Commitment fees	(521)	(255)	(744)	(607)
Finance leases	(640)	(627)	(1,295)	(1,112)
Shareholder loan interest	(115,483)	(99,393)	(217,052)	(186,614)
Other interest payable	(26)	(14)	(38)	(14)
Total interest expense	**(174,372)**	**(156,655)**	**(333,886)**	**(299,685)**
Fair value loss on cash flow hedges	(7,821)	(1,274)	(20,653)	(2,605)
Transferred to income statement on cash flow hedges	(1,545)	(16,206)	(4,838)	(33,302)
Finance cost on defined benefit pension obligation	(2,302)	(2,248)	(4,617)	(4,342)
Unwinding of discounted contingent consideration	(1,096)	(450)	(2,664)	(450)
Other payable	(149)	(148)	(243)	(148)
Total finance costs	**(187,285)**	**(176,981)**	**(336,901)**	**(340,532)**
Net finance costs	**(184,495)**	**(174,151)**	**(361,237)**	**(332,976)**

5. Tax

	3 months to September 2011 $'000	3 months to September 2010 $'000	6 months to September 2011 $'000	6 months to September 2010 $'000
Current tax:				
Current period	(5,439)	(8,582)	(17,903)	(22,060)
Prior period	(106)	(699)	5	1,395
	(5,545)	(9,281)	(17,898)	(20,665)
Deferred tax:				
Current period	6,151	6,894	13,718	14,132
	606	**(2,387)**	**(4,180)**	**(6,533)**

Notes to the condensed consolidated financial statements

Period ended 30 September 2011

The effective income tax rate in the six months to September 2011 is -1.4% (six months to September 2010: -2.2%). The tax charge has been calculated by categorising income and applying the best estimate of the annual effective income tax rate for each category of income to the pre-tax income arising in that category for the three month period.

6. Property, plant and equipment

During the six month period to September 2011, the Group acquired plant and equipment with a cost of $65.1m (year ended March 2011: $74.6m additions of which $36.7m related to finance leases).

Assets with a net book value of $4.0m were disposed of by the Group during the six months to September 2011 (year ended March 2011: $1.9m).

As at 30 September 2011, the Group had entered into contractual commitments for the acquisition of property, plant and equipment with an expected capitalised value of $55.7m (March 2011: $56.3m).

7. Provisions

	Deferred and contingent consideration	Legal and other provisions	Total
	$'000	$'000	$'000
At 1 April 2011	**27,956**	**7,741**	**35,697**
Payments or amounts utilised	(30,021)	(1,465)	(31,486)
Released	-	(170)	(170)
Increase including unwinding of discounted consideration	3,250	4,431	7,681
Exchange difference	(33)	(112)	(145)
At 30 September 2011	**1,152**	**10,425**	**11,577**
Included in current liabilities	77	8,420	8,497
Included in non-current liabilities	1,075	2,005	3,080
	1,152	**10,425**	**11,577**

Legal and other provisions comprise management's best estimate of potential costs, penalties and fines in respect of the review of certain issues resulting from the acquisition process, and arising from the potential adverse outcome of various legal claims and unfavourable tax assessments in foreign jurisdictions.

Deferred consideration utilised during the six month period to September 2011 includes $30.0m paid in relation to the acquisition of PTI.

Except for the items disclosed above, the Group had no material contingent liabilities as at 30 September 2011.

Notes to the condensed consolidated financial statements

Period ended 30 September 2011

8. Interest bearing loans

	Effective interest rate %	Maturity date	September 2011 $'000	March 2011 $'000
Senior secured notes				
Principal	9.91%	15 December 2016	(1,400,000)	(1,400,000)
Original issue discount			42,824	45,935
Transaction costs			24,633	26,432
			(1,332,543)	**(1,327,633)**
Loans				
Mezzanine	USD LIBOR +10.75%	15 July 2018	(884,222)	(855,715)
Revolving credit facility	USD LIBOR +3%	21 December 2014	-	-
Principal			(884,222)	(855,715)
Transaction costs			25,646	21,029
			(858,576)	**(834,686)**
Total interest bearing loans (excluding shareholder loan)			**(2,191,119)**	**(2,162,319)**
Shareholder loan	14%	15 July 2019	(3,349,301)	(3,136,463)
	25%	15 July 2019	(39,281)	(35,068)
			(3,388,582)	**(3,171,531)**
Total interest bearing loans (including shareholder loan)			**(5,579,701)**	**(5,333,850)**

On 20 April 2011, $15.0m of the revolving credit facility was drawn, with a further $60.8m being drawn on 25 May 2011. The balance was repaid in full on 25 July 2011.

The Group increased its revolving credit facility by a further $60m to $160m, effective 11 August 2011. Covenants on both the revolving credit facility and the mezzanine loan were amended, resulting in additional headroom, and additional transaction costs were recorded during the period to September 2011. Early settlement provisions were also amended in respect of the mezzanine loan.

9. Derivative financial instruments

The Group's mezzanine term loan is at a floating rate and bears interest fixed for periods of three months, based upon 3 month US Dollar LIBOR. As a result, the Group is exposed to cash flow interest rate risk.

As at 30 September 2011, the Group held interest rate swaps designated as cash flow hedges with a fixed swap rate of 6.27%. Interest payable or receivable under the swap is the difference between the prevailing 3 month US Dollar LIBOR rate and the fixed swap rate. The swaps re-price on a quarterly basis when contractual cash flows fall due.

The Group assessed the hedge effectiveness of its swaps both prospectively and retrospectively at 31 March 2011; the swaps were assessed to be ineffective retrospectively and as a result, hedge accounting ceased from 1 January 2011. The hedging reserve relating to the swaps is being amortised through profit and loss over the remaining life of the instruments. A fair value loss of $20.7m has been recognised in the income statement in the six month period to September 2011.

Notes to the condensed consolidated financial statements

Period ended 30 September 2011

10. Share capital and share premium

During the six month period to September 2011, Expro Holdings UK 3 Limited issued two £1 ordinary shares to the immediate parent company, Expro Holdings UK 2 Limited, at a premium of $249.7m, net of transaction costs of $0.3m.

11. Non-cash items before movements in working capital

	6 months to September 2011 $'000	6 months to September 2010 $'000
Adjustments for:		
Amortisation of intangible asset	53,313	53,613
Depreciation of property, plant and equipment	38,815	38,414
Loss on disposal of property, plant and equipment	336	433
Retirement benefit	(411)	236
Share based payments	-	(235)
Unrealised foreign exchange	3,542	(593)
Non-cash items	**95,595**	**91,868**

12. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

During the six month period to September 2011, costs of $0.4m (six months to September 2010: $0.4m) were charged to the Group by Goldman Sachs, Arle Capital Partners (formerly Candover Partners Ltd until 16 June 2011) and AlpInvest (the "Investors"), in accordance with the terms of the Consortium Deed between the Company's subsidiary Expro Holdings UK 4 Limited and the Investors, dated 6 November 2008. Costs include directors' fees incurred by the Investor-nominated directors of, and board observers connected to, Expro International Group Holdings Limited, the Company's principal holding company.

At 30 September 2011, the Group held a 50% stake in a joint venture, COSL – Expro Testing Services (Tianjin) Co. Ltd ("CETS") and a 49% stake in a joint venture, PV Drilling Production Testers International Company Limited ("PVD-PTI"). As at 30 September 2011, the Group held balances of $1.1m and $0.8m in respect of dividends receivable from CETS and PVD-PTI respectively.

At 30 September 2011, the Group owed $3,388.6m (March 2011: $3,171.5m) to the immediate parent company, Expro Holdings UK 2 Limited, of which $217.1m of interest has been expensed during the period (period to September 2010: $186.6m).

During the year to March 2011, the Group sold the AX-S lightweight, deepwater intervention prototype to Expro AX-S Technology Limited, a company under common control, for $23.7m. The sale agreement included an earn-out conditional on future events that was pre-paid to the Group for $31.9m at the year end. The earn-out has been recognised in revenue during the six month period to September 2011 reflecting the achievement of the earn-out conditions.

Notes to the condensed consolidated financial statements

Period ended 30 September 2011

Trading transactions

During the period to September 2011, the Group entered into transactions with related parties who were not members of the Group:

		Goods and services provided to related party $'000	Goods and services provided by related party $'000	Amounts owed by related party $'000	Amounts owing to related party $'000
Umbrellastream Ltd Partnership Inc	Ultimate parent company	-	-	221	-
Expro International Group Holdings Ltd	Company under common control	65	-	75	-
Expro AX-S Technology Ltd	Company under common control	1,445	190	1,805	-
CETS	Joint venture	1,552	59	603	-
PVD-PTI	Joint venture	754	-	-	-
Group directors	Key management personnel	-	-	1,477	-
At 30 September 2011		**3,816**	**249**	**4,181**	**-**
Expro AX-S Technology Ltd	Company under common control	99	8,615	63	3,672
CETS	Joint venture	4,248	37	608	-
PVD-PTI	Joint venture	100	-	100	-
At 30 September 2010		**4,447**	**8,652**	**771**	**3,672**

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of the amounts owed by related parties.

13. Events after the reporting date

There were no events between the reporting date and the date the financial statements were authorised for issue that require disclosure.

Quarterly summary

Period ended 30 September 2011

	3 months to September 2011 $'000	3 months to June 2011 $'000	3 months to March 2011 $'000	3 months to December 2010 $'000	3 months to September 2010 $'000
Adjusted revenue	284,892	271,140	242,858	245,162	245,453
Adjusted operating profit	61,539	58,335	51,062	59,652	61,276
Adjusted operating margin	21.6%	21.5%	21.0%	24.3%	25.0%
Adjustments[13]:					
Impairment of goodwill	-	-	101,358	213,100	-
Impairment of intangible	-	-	-	15,000	-
Impairment of slow moving inventory	146	-	-	28,000	-
Impairment of other assets	-	-	2,619	489	-
Amortisation of intangible assets	26,022	27,291	27,195	27,931	27,091
Property, plant and equipment depreciation	19,162	19,653	20,231	19,632	19,455
Loss on disposal of property, plant and equipment	250	86	128	123	408
Profit on disposal of asset held for sale	-	-	-	(187)	-
AX-S	-	(31,892)	7	(163)	(14,822)
Business improvement initiatives	2,958	735	516	245	416
Business rationalisation	264	1,372	3,264	(28)	(51)
Acquisition related costs/(income)	-	-	18	(126)	912
Formation costs in respect of the management incentive plan	-	-	282	2,786	-
Other costs/(income)	-	4,114	(6,774)	-	-
Share based payment	-	-	4,710	-	(235)
	48,802	21,359	153,554	306,802	33,174
Operating profit/(loss)	12,737	36,976	(102,492)	(247,150)	28,102

13 Details of adjustments are included in note 3.