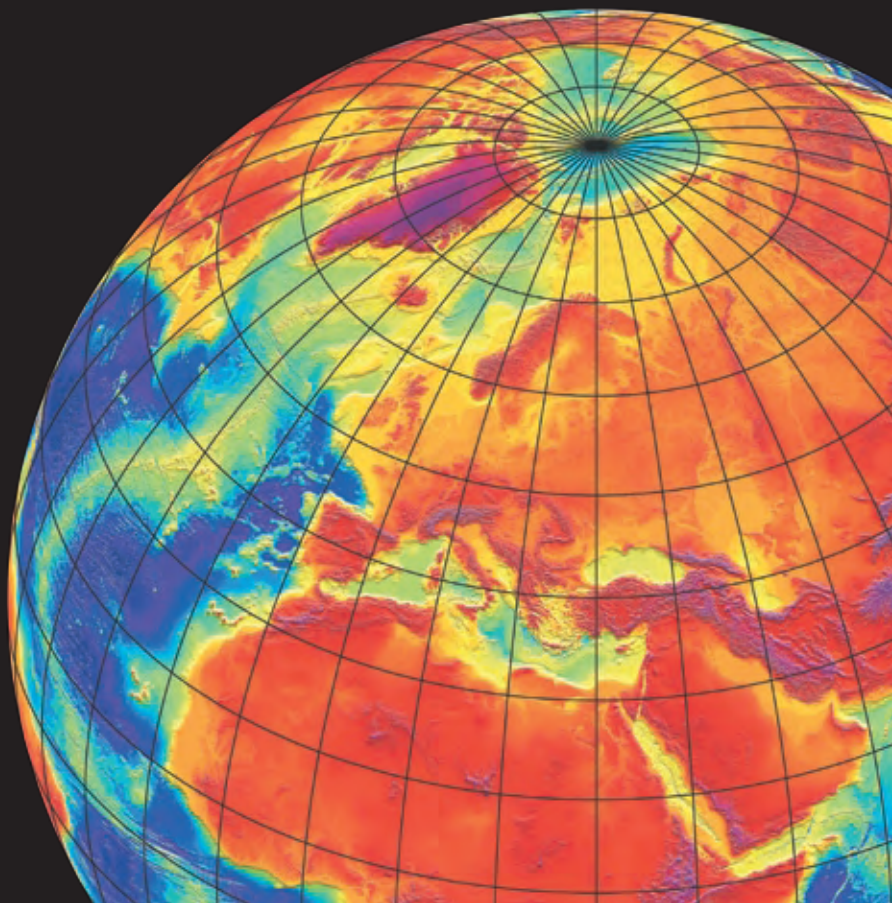




**GETECH**

GLOBAL EXPLORATION  
STARTS HERE

GETECH Group plc  
INTERIM REPORT FOR THE SIX MONTHS ENDED  
31 JANUARY 2009



## CORPORATE STATEMENT

FOUNDED IN 1986, GETECH IS A LEADING GEOSCIENCES SERVICE COMPANY PROVIDING GRAVITY AND MAGNETIC DATA AND A GROWING SUITE OF PETROLEUM EXPLORATION STUDIES TO THE OIL AND MINING EXPLORATION INDUSTRIES.

BY MAKING USE OF OUR SERVICES, DATA AND STUDIES EARLY IN THEIR PROGRAMMES, EXPLORATION COMPANIES CAN BE MORE COST EFFECTIVE AND FOCUSED IN THEIR DECISION MAKING.

### **IFC** CORPORATE STATEMENT

- 01** HIGHLIGHTS
- 02** CHAIRMAN'S STATEMENT
- 04** CONDENSED CONSOLIDATED INCOME STATEMENT
- 04** CONDENSED CONSOLIDATED STATEMENT OF TOTAL RECOGNISED INCOME AND EXPENSE
- 05** CONDENSED CONSOLIDATED BALANCE SHEET
- 06** CONDENSED CONSOLIDATED CASH FLOW STATEMENT
- 07** NOTES TO THE INTERIM REPORT
- 12** DIRECTORS, SECRETARY AND ADVISORS

## HIGHLIGHTS

- ▼ Revenue for the six months of £2,419,000 (six months ended 31 January 2008: £2,235,000)
- ▼ Profit before tax of £187,000 (six months ended 31 January 2008: £603,000)
- ▼ Interim dividend of 0.6p per share (2008: interim 0.6p, final 0.7p)
- ▼ Acquisition of data and related assets from Lisle Gravity Inc.
- ▼ Cash balances returned to £1,626,000 at the end of the period
- ▼ Four major new non-exclusive studies completed in the period
- ▼ Net assets of £5,038,000 (31 January 2008: £4,582,000)

I report the interim accounts of GETECH Group plc and its subsidiary company (collectively "GETECH"), the oil services business specialising in the provision of data, studies and services to the oil and mining exploration sectors, for the six month period to 31 January 2009.

### RESULTS

GETECH is pleased to report a Group profit before tax of £187,345 (six months ended 31 January 2008: profit of £603,630) after interest receivable of £16,924 (six months ended 31 January 2008: £32,267) on revenue of £2,418,756 (six months ended 31 January 2008: £2,235,275). The post-tax profit was £72,601 (six months ended 31 January 2008: profit of £413,897).

The accounts have been prepared under IFRS.

### DIVIDEND

Your Board remains confident for the future and recommends an interim dividend of 0.6p per share, costing £175,384 to be paid on 7 May 2009 to shareholders on the register at 14 April 2009.

### BUSINESS REVIEW

During the half year under review, we completed and delivered four major non-exclusive geological studies, all of which have sold well, and the £441,000 of work in progress that had been carried in the accounts as inventory at July 2008 has now been fully recovered against sales. The impact of recovering the value of this inventory was that the costs accounted for in the period were increased, with the effect of reducing profit despite the strong sales performance.

In December 2008, our US subsidiary acquired from Lisle Gravity Inc. its data and a number of other assets. Lisle Gravity Inc. held what we believe to be the largest commercial database of onshore US gravity data, along with magnetic and magnetotelluric data. This acquisition is expected to be both earnings enhancing and to deliver medium and long-term strategic benefits in enhancing our presence in the US domestic market. The acquisition was paid for mainly by internal funds but supported by a placing of £400,000, which was oversubscribed. Despite the first payment of \$1,400,000 in December 2008 for the acquisition, the Group cash balances had returned to £1,626,000 by 31 January 2009 (31 January 2008: £1,589,000).



THIS ACQUISITION IS EXPECTED TO BE BOTH EARNINGS ENHANCING AND TO DELIVER MEDIUM AND LONG-TERM STRATEGIC BENEFITS IN ENHANCING OUR PRESENCE IN THE US DOMESTIC MARKET.



## OUTLOOK

Looking forward to the second half of this financial year, we will complete an additional new study which we anticipate will generate further sales along with additional sales from our existing library. A number of our major clients have already requested follow-on work arising from earlier studies and pre-committed to new non-exclusive studies that we will commence in the second half and later.

The turmoil in the financial markets and lower oil prices in the region of \$45 per barrel, appear to have had limited impact on GETECH's business in the first half of the year. This is in part due to the new diversity of GETECH's products with a global range of multi-client petroleum geology studies, and partly because the oil price, although around \$45 per barrel, is still a healthy price on an historical basis. Most major oil companies appear to be prepared to continue spending on our data and studies in order to help maintain their long-term reserves.

The Directors believe that our reputation in the field of gravity and magnetic data and interpretation studies continues to be excellent, and several substantial, proprietary, non-exclusive geophysical projects are in advanced stages of discussion. The acquisition of the assets from Lisle Gravity Inc. should also leverage our position and reputation in the US domestic oil and mining markets.

The pattern of follow-on purchases of our products by oil companies appears to confirm that within a period of less than four years we have also established a strong market position and an excellent reputation with our non-exclusive petroleum geological studies. We now have a significant library of completed multi-client studies available for sale.

Getech's result for the full year to July 2009 is dependent on the crystallisation of a number of deals that are currently under negotiation and the pattern of demand in the remaining months of the year. That result may well be adversely affected by budget restraints seen in oil companies since the start of 2009.

However, we remain confident about our medium and long-term prospects despite the current global economic climate. Indeed, the relative stability of the crude oil price since December 2008 and its recent improvement are seen as encouraging.

**PETER STEPHENS**  
NON-EXECUTIVE CHAIRMAN  
30 MARCH 2009

## CONDENSED CONSOLIDATED INCOME STATEMENT

for the six months ended 31 January 2009

	<b>Six months ended 31 January 2009 Unaudited £'000</b>	Six months ended 31 January 2008 Unaudited £'000	Year ended 31 July 2008 Audited £'000
Revenue	<b>2,419</b>	2,235	4,125
Cost of sales	<b>(335)</b>	(578)	(940)
<b>Gross profit</b>	<b>2,084</b>	1,657	3,185
Administrative costs	<b>(1,908)</b>	(1,086)	(2,363)
<b>Operating profit</b>	<b>176</b>	571	822
Finance income	<b>17</b>	32	78
Finance costs	<b>(6)</b>	—	—
<b>Profit before tax</b>	<b>187</b>	603	900
Income tax expense	<b>(114)</b>	(189)	(298)
<b>Profit for the period attributable to equity holders of the parent</b>	<b>73</b>	414	602
<b>Earnings per share</b>			
Basic earnings per share	<b>0.26p</b>	1.50p	2.17p
Diluted earnings per share	<b>0.26p</b>	1.38p	2.17p

## CONDENSED CONSOLIDATED STATEMENT OF TOTAL RECOGNISED INCOME AND EXPENSE

for the six months ended 31 January 2009

	<b>Six months ended 31 January 2009 Unaudited £'000</b>	Six months ended 31 January 2008 Unaudited £'000	Year ended 31 July 2008 Audited £'000
<b>Profit for the period</b>	<b>73</b>	414	602
Currency translation differences	<b>120</b>	1	28
Tax on items taken directly to equity	<b>(33)</b>	—	(7)
<b>Net expense recognised directly in equity</b>	<b>87</b>	1	21
<b>Total recognised income and expense for the period attributable to equity holders of the parent</b>	<b>160</b>	415	623

All activities relate to continuing operations.

## CONDENSED CONSOLIDATED BALANCE SHEET

as at 31 January 2009

	<b>31 January 2009 Unaudited £'000</b>	31 January 2008 Unaudited £'000	31 July 2008 Audited £'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	<b>2,788</b>	2,805	2,791
Goodwill	—	1	—
Other intangible assets	<b>1,890</b>	—	—
Deferred tax assets	<b>47</b>	—	37
	<b>4,725</b>	2,806	2,828
<b>Current assets</b>			
Inventories	<b>20</b>	344	441
Trade and other receivables	<b>1,125</b>	1,852	1,602
Other current assets	—	22	—
Cash and cash equivalents	<b>1,626</b>	1,589	1,688
	<b>2,771</b>	3,807	3,731
<b>Total assets</b>	<b>7,496</b>	6,613	6,559
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	<b>1,751</b>	1,906	1,767
Current tax payable	<b>122</b>	125	99
	<b>1,873</b>	2,031	1,866
<b>Non-current liabilities</b>			
Trade and other payables	<b>558</b>	—	—
Deferred tax liabilities	<b>27</b>	—	41
	<b>585</b>	—	41
<b>Total liabilities</b>	<b>2,458</b>	2,031	1,907
<b>Net assets</b>	<b>5,038</b>	4,582	4,652
<b>Equity</b>			
<b>Equity attributable to shareholders of the parent</b>			
Share capital	<b>73</b>	69	69
Share premium account	<b>2,841</b>	2,461	2,461
Share option reserve	<b>169</b>	105	133
Currency translation reserve	<b>87</b>	(21)	(1)
Retained earnings	<b>1,868</b>	1,968	1,990
<b>Total equity</b>	<b>5,038</b>	4,582	4,652

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

for the six months ended 31 January 2009

	<b>Six months ended 31 January 2009 Unaudited £'000</b>	Six months ended 31 January 2008 Unaudited £'000	Year ended 31 July 2008 Audited £'000
<b>Cash flows from operating activities</b>			
Operating profit	<b>187</b>	571	900
Share-based payments	<b>36</b>	26	54
Depreciation and amortisation charges	<b>73</b>	36	73
Impairment loss recognised	<b>—</b>	—	1
Finance income	<b>(17)</b>	—	(79)
Finance costs	<b>5</b>	—	—
Exchange adjustments	<b>120</b>	1	28
Decrease/(increase) in inventories	<b>421</b>	(151)	(248)
Decrease in debtors	<b>500</b>	186	497
(Decrease)/increase in creditors	<b>(382)</b>	484	345
Cash generated from operations	<b>943</b>	1,153	1,571
Income taxes paid	<b>(172)</b>	(254)	(453)
<b>Net cash generated from operating activities</b>	<b>771</b>	899	1,118
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	<b>(36)</b>	(41)	(64)
Purchase of other intangible assets	<b>(1,004)</b>	—	—
Interest received	<b>17</b>	32	79
<b>Net cash (used in)/generated from investing activities</b>	<b>(1,023)</b>	(9)	15
<b>Cash flows from financing activities</b>			
Proceeds from issue of share capital	<b>400</b>	—	—
Costs of issue of share capital	<b>(16)</b>	—	—
Equity dividends paid	<b>(194)</b>	(222)	(388)
<b>Net cash generated from/(used in) financing activities</b>	<b>190</b>	(222)	(388)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(62)</b>	668	745
<b>Cash and cash equivalents at beginning of period</b>	<b>1,688</b>	921	943
<b>Cash and cash equivalents at end of period</b>	<b>1,626</b>	1,589	1,688

## NOTES TO THE INTERIM REPORT

for the six months ended 31 January 2009

### 1 NATURE OF OPERATIONS

The principal activity of GETECH Group plc and its subsidiary company Geophysical Exploration Technology Inc. (collectively "GETECH" or "the Group") is the provision of gravity and magnetic data, services and geological studies to the petroleum and mining industries to assist in their exploration activities.

### 2 GENERAL INFORMATION

GETECH Group plc, a limited liability company, is the Group's ultimate parent company. It is incorporated in England and Wales and domiciled in England (CRN: 2891368). The address of its registered office is Convention House, St. Mary's Street, Leeds LS9 7DP. Its principal place of business is Kitson House, Elmete Hall, Elmete Lane, Leeds LS8 2LJ. GETECH's shares are admitted to trading on the London Stock Exchange's AIM.

The financial information set out in this Interim Report does not constitute statutory accounts as defined in Section 240 of the Companies Act 1985. These condensed consolidated interim financial statements (the "interim financial statements"), which have neither been audited nor reviewed by the Group's auditor, have been approved by the Board.

The Group's statutory financial statements for the year ended 31 July 2008, which were prepared under International Financial Reporting Standards (IFRS) as adopted by the European Union, have been filed with the Registrar of Companies. The Auditor's Report on those financial statements was unqualified and did not contain a statement under Section 237(2) of the Companies Act 1985.

### 3 BASIS OF PREPARATION

The interim financial statements are for the six months ended 31 January 2009. They have been prepared using the recognition and measurement principles of IFRS. They do not include all the information required for full annual financial statements and should be read in conjunction with the financial statements of the Group for the year ended 31 July 2008.

The interim financial statements have been prepared under the historical cost convention.

The interim financial statements have been prepared in accordance with the accounting policies adopted in the last annual financial statements for the year ended 31 July 2008 except in respect of the accounting policies on other intangible assets and financial liabilities, detailed in Notes 4.1 and 4.2, as a result of the acquisition of assets from Lisle Gravity Inc. during the period.

The accounting policies have been applied consistently throughout the Group for the purpose of preparation of the interim financial statements.

## NOTES TO THE INTERIM REPORT

for the six months ended 31 January 2009 CONTINUED

### 4 CHANGES TO ACCOUNTING POLICIES

#### 4.1 OTHER INTANGIBLE ASSETS

Other intangible assets include acquired data holdings, trade name and domain name that qualify for recognition as intangible assets in a business combination. They are accounted for using the cost model whereby capitalised costs are amortised on a straight line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment review. The following useful lives are applied:

- ▼ Data holdings – 10 years
- ▼ Trade name – 10 years
- ▼ Domain name – 10 years

Amortisation has been included within 'depreciation, amortisation and impairment of non-financial assets'.

#### 4.2 FINANCIAL LIABILITIES

There has been no change to the Group's policy in this regard, other than in respect of the recognition of a financial liability categorised as at fair value through profit or loss to account for the contingent consideration described in Note 5. Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities categorised as at fair value through profit or loss are recorded initially at fair value and all transaction costs are recognised immediately in the income statement. All other financial liabilities are recorded initially at fair value, net of direct issue costs.

Financial liabilities categorised as at fair value through profit or loss are remeasured at each reporting date at fair value, with changes in fair value being recognised in the income statement. All other financial liabilities are recorded at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs in the income statement. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are charged to the income statement on an accruals basis using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Financial liabilities are categorised as at fair value through profit or loss where they are classified as held-for-trading or designated as at fair value through profit or loss on initial recognition. Financial liabilities are designated as at fair value through profit or loss where they eliminate or significantly reduce a measurement (or recognition) mismatch.

A financial liability is derecognised only when the obligation is extinguished, that is, when the obligation is discharged or cancelled or expires.

## 5 PURCHASE OF NON-CURRENT ASSETS IN THE PERIOD

On 11 December 2008 the Group acquired assets from Lisle Gravity Inc., a US company based in Denver, Colorado. The acquisition was made to enhance the geographical reach of the Group's data holdings.

The total cost of the acquisition was £1.9m, of which £0.7m is the fair value of contingent consideration which is designated as a financial liability through profit or loss. The contingent consideration is an estimate of the final purchase price, the exact amount of which depends on the income generated by the assets acquired over the first three years of trading following the acquisition.

The amounts recognised for each class of the assets acquired as at the acquisition date are as follows:

	Recognised at acquisition date £'000
<b>Non-current assets</b>	
Property, plant and equipment	28
Intangible assets	1,896
	<b>1,924</b>
<b>Cost of acquisition</b>	
<b>Designated as financial liabilities</b>	
Trade and other payables – current liabilities	362
Trade and other payables – non-current liabilities	558
	920
<b>Satisfied in cash and net outflow on acquisition</b>	<b>1,004</b>
	<b>1,924</b>

## NOTES TO THE INTERIM REPORT

for the six months ended 31 January 2009 CONTINUED

**6 SHARE CAPITAL**

	<b>31 January 2009 Unaudited £'000</b>	31 January 2008 Unaudited £'000	31 July 2008 Audited £'000
<b>Authorised</b>			
90,000,000 ordinary shares of £0.0025 each (2008: 90,000,000)	<b>225</b>	225	225
	<b>225</b>	225	225
<b>Issued, called up and fully paid</b>			
29,230,768 ordinary shares of £0.0025 each (2008: 27,692,307)	<b>73</b>	69	69
	<b>73</b>	69	69

On 17 December 2008 1,538,461 ordinary shares of £0.0025 each were allotted at 26p per share. The total consideration was £400,000. The amount credited to the share premium account was £379,997 after deducting costs of the issue amounting to £16,157.

**7 DIVIDENDS**

	<b>Six months ended 31 January 2009 Unaudited £'000</b>	Six months ended 31 January 2008 Unaudited £'000	Year ended 31 July 2008 Audited £'000
<b>Paid during the period</b>			
Final at 0.7p per share (2008: 0.8p)	<b>194</b>	222	222
Interim at 0.6p per share	—	—	166
	<b>194</b>	222	388
<b>Proposed after the period end (not recognised as a liability)</b>			
Final at 0.7p per share	—	—	194
Interim at 0.6p per share (2008: 0.6p)	<b>175</b>	166	—

The proposed dividend is payable on 7 May 2009 to members on the register at 14 April 2009.

## 8 EARNINGS PER SHARE

Basic earnings per share is calculated on the basis of the profit for the period after tax, divided by the weighted average of ordinary shares in issue in the period of 28,076,922 (six months ended 31 January 2008 and year ended 31 July 2008: 27,692,307).

Diluted earnings per share is calculated on the basis of the profit for the year after tax, divided by the weighted average number of shares in issue plus the weighted average number of shares which would be issued if all options granted were exercised. The addition to the weighted average number of ordinary shares used in the calculation of diluted earnings per share for the six months ended 31 January 2009 is 338,294 (six months ended 31 January 2008: 2,372,346, and year ended 31 July 2008: nil).

## 9 INTERIM REPORT

This statement is being sent to the shareholders of GETECH and will be available at its registered office.

## DIRECTORS, SECRETARY AND ADVISORS

### DIRECTORS

#### PETER STEPHENS

Non-executive Chairman

#### PROFESSOR DEREK FAIRHEAD

Executive Chairman

#### RAYMOND WOLFSON ACA

Chief Executive Officer

#### IAN SOMERTON

Marketing Director

#### DR PAUL MARKWICK

Geological Director

#### COLIN GLASS FCA

Non-executive Finance Director

#### DR DAVID ROBERTS

Non-executive Director

#### CHARLES TAVNER

Non-executive Director

### COMPANY SECRETARY

COLIN GLASS FCA

### REGISTERED OFFICE

Convention House  
St. Mary's Street  
Leeds LS9 7DP

### COMPANY REGISTRATION NUMBER

2891368

### NOMINATED ADVISOR AND BROKER

WH Ireland Limited  
Zurich House  
Canal Wharf  
Leeds LS11 5DB

### AUDITORS

Grant Thornton UK LLP  
No. 1 Whitehall Riverside  
Whitehall Road  
Leeds LS1 4BN

### SOLICITORS

Walker Morris  
Kings Court  
12 King Street  
Leeds LS1 2HL

### PRINCIPAL BANKERS

National Westminster Bank plc  
PO Box 183  
8 Park Row  
Leeds LS1 1QT

### REGISTRARS

Capita Registrars  
Northern House  
Woodsome Park  
Fenay Bridge  
Huddersfield HD8 0LA



GETECH Group plc

Kitson House  
Elmete Hall  
Elmete Lane  
Leeds LS8 2LJ

Tel: 0113 322 2200

Fax: 0113 273 5236

Email: [info@getech.com](mailto:info@getech.com)

Web: [www.getech.com](http://www.getech.com)