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Integra Group Reports 1H 2007 Financial Results

MOSCOW, September 11, 2007 – Integra Group (LSE:INTE), a leading Russian oilfield service provider, has today released its unaudited Consolidated Financial Statements, prepared in accordance with IFRS, for the six month period ended 30 June 2007.

1H 2007 Financial Highlights

- Sales increased 176.6% to USD 487.9 million (vs. USD 176.4 million in 1H 2006)
 - Adjusted EBITDA⁽¹⁾ rose by 204.9% to USD 75.3 million (vs. USD 24.7 million in 1H 2006)
 - Adjusted EBITDA margin was 15.4 % (vs. 14.0 % in 1H 2006)
- Adjusted EBITDA margin by division was:
- Drilling, workover and IPM division: 15.8 % in 1H 2007 (vs. 14.0 % in 1H 2006)
 - Formation evaluation division: 20.6 % in 1H 2007 (vs. 15.1 % in 1H 2006)
 - Equipment manufacturing division: 10.5 % in 1H 2007 (vs. 36.5% in 1H 2006)
- Net loss attributable to the shareholders for the period amounted to USD 50.3 million (vs. net loss of USD 5.6 million in 1H 2006)
 - Net cash flow provided by operating activities was USD 70.7 million (vs. cash flow used in operating activities of USD 13.5 million in 1H 2006).
 - Cash used for capital expenditures during 1H 2007 amounted to USD 70.4 million (vs. US 67.2 million in 1H 2006)
 - Gearing⁽²⁾ was 21.8% at the end of 1H 2007 (vs. 67.9% at the end of 2006)

⁽¹⁾ Adjusted EBITDA represents profit (loss) before interest income (expenses), exchange gains (losses), income taxes, gain on acquisition of subsidiaries, loss on disposal of property, plant and equipment, depreciation and amortization, share-based compensation, share of results of associates and minority interest.

⁽²⁾ Gearing defined as (short term debt +long term debt)/(short term debt + long term debt+equity)

1H 2007 Operating Highlights⁽³⁾

- 216,300 meters drilled (vs. 206,700 meters in 1H 2006)
- 101 wells were completed (vs. 80 wells in 1H 2006)
- 477 workover operations conducted (vs. 474 workover operations in 1H 2006)
- 13,299 km of two-dimensional (2D) seismic surveys carried out (vs. 13,662 km of 2D seismic surveys in 1H 2006)
- 5,404 sq. km of three-dimensional (3D) seismic surveys carried out (vs. 4,898 sq. km of 3D seismic surveys in 1H 2006)
- Over 8.8 thousand logging operations conducted (flat compared to 1H 2006)
- Significant increase in the number of heavy drilling rigs in production to 22 rigs (vs. 11 in production at the end of 2006 and 5 in production at the end of 1H 2006)

(3) Operating results for 1H2006 are on the pro-forma basis



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Felix Lubashevsky, Integra's Chief Executive Officer, commented,

"Integra demonstrated a solid performance during the first six months of 2007, giving us greater confidence and visibility of our future growth prospects. We have almost tripled our revenue and EBITDA compared to the first six months of 2006. Approximately two thirds of our incremental EBITDA was due to the acquisitions which we made in 2006. However, we continue to grow our business organically, benefiting from both favorable market conditions and increasing utilisation of our assets. We estimate third of our EBITDA growth to be organic, representing 62% growth in EBITDA year-on-year. Favorable industry trends supported our strategy in terms of continuing our intensive capital expenditure program.

"Having successfully built the critical mass of our business in 2006 via substantial investments in order to exponentially grow our business, our current focus is on the integration of our assets to achieve superior efficiency and enhance our platform for organic growth. We initiated an extensive restructuring process across all our divisions, and are already witnessing the initial results of this work. Naturally, complex restructuring is not a one-day process, and we believe that the financial impact of our restructuring efforts will begin to be visible in our financial results during the second half of 2007 and in 2008.

"We continue to realise our strategy based on a strong combination of organic and non-organic growth, and continue to monitor acquisition opportunities which may be complimentary to our current asset portfolio and would serve to maximize value for our shareholders."

Alex Polevoy, Integra's Chief Financial Officer, commented:

"Despite the fact that the first half of 2007 was the first period when the company operated as a unified entity, in addition to the seasonal challenges of our business during the first half of the year, Integra demonstrated strong financial performance at the revenue, EBITDA and operating cash-flow levels.

H1 2007 was a landmark six months with respect to financing. During this period, we completed an IPO on the London Stock Exchange, allowing us to significantly de-leverage the company, thus optimising our capital structure. Our IPO also allowed us to obtain substantial incremental financial resources to continue to finance our extensive capital expenditures program.

"During 1H 2007, we also continued to be significantly affected by our historical acquisition strategy, and our pre IPO financing, in particular in the areas of interest expense and amortization of intangibles. These factors have been the primary contributors to the company realizing a net loss for 1H 2007.

"We believe that the strong backlog of orders, favorable pricing trends and the seasonality of our business provides a clear path to improve profitability for all of our business lines. We are confident that Integra is well positioned to deliver much stronger semi-annual results during 2H 2007."



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Conference Call Dial-In Details

Integra's CEO Felix Lubashevsky and CFO Alex Polevoy will host a conference call to review Integra's financial results and comment on current operations. There will be a Q&A session for investors and analysts following the presentation.

The dial-in details for the conference call are:

Date: Tuesday, 11 September

Time: 14:00 London / 09:00 New York / 17:00 Moscow time

Title: Integra Group – 2007 Half Year Results

UK local rate tel: 0845 245 5299

UK international tel: +44 (0) 1452 562 815

US tel: 1 (866) 629 0054

There will be a play-back facility available until 24 September 2007 on the following numbers:

UK local rate tel: 0845 245 5205

UK International tel: +44 (0) 1452 550 000

US tel: 1866 247 4222

PIN (access) no: 15972954#

Presentation materials

Management presentation for the conference call will be available one hour prior to the call at our web-site at the following link:

http://www.integrargroup.ru/eng/for_investors/presentations/index.php

Full Consolidated Interim Financial Report will be available at our web site at the following link:

http://www.integrargroup.ru/eng/for_investors/results/index.php

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Market and Competitive Environment

Integra continues to benefit from favorable market conditions. In particular we have been supported by a strong trend towards increasing capital expenditures by oil and gas companies in the markets in which we operate, coupled with a shortage of quality oil field services on offer. As a result, we have experienced substantial growth in pricing and volumes across all of our business divisions.

During 1H 2007, our three business divisions all enjoyed a healthy increase in prices across all product and service lines.

- Drilling, Workover and IPM division experienced pricing increases of 26% during 2007 compared to prices realised in 2006.
- Formation Evaluation division experienced average pricing improvements of 13% in our main seismic business line.
- Equipment Manufacturing prices increased in the range of 7-16% for various types of heavy drilling rigs and by approximately 3-7% for various types of cementing and pumping equipment.

Pricing continues to be influenced by strong demand for drilling and seismic capacity in Russia and the CIS and better recognition of the Integra brand, which allows the Company to maintain pricing power for our business divisions. Our segment revenues in Drilling, Workover and IPM are also positively impacted by growing demand for higher value-added services such as IPM and technological services (i.e. directional drilling, packer and bits services, coring service and completions).

As our business is seasonal in nature, we expect the financial results from 2H 2007 to be significantly better than the indicators we have experienced for 1H 2007, as the majority of our revenues are generated during the second half of the year, while our fixed costs and overheads are spread evenly throughout the calendar year.

The structure of drilling contracts, most of which are conducted on a turn key basis, does not always allow us to disclose the exact unit cost for our services. Therefore, the price trends stated above are based on management's best estimates.

Discussion of Consolidated Financial Results

Consolidated sales during 1H 2007 increased by 176.6% to USD 487.9 million compared to USD 176.4 million during 1H 2006. Of the total increase in our sales of USD 311.5 million, USD 195.5 million, or 62.8%, was attributable to incremental sales from the consolidation of companies not owned by Integra during 1H 2006. The remaining increase of US 116 million, or 37.2%, was attributable to organic sales growth of the companies which Integra owned during 1H 2006 and that were fully or partially consolidated into our results. This organic growth was primarily attributed to favorable pricing conditions and higher capacity utilisation resulting from implementation of our investment programme focused on optimisation and upgrades of our equipment.

The cost of sales amounted to 82.1% of sales in 1H 2007 compared to 78.9% of sales in 1H 2006. In 1H 2007, materials and supplies represented 21.1% of sales vs. 27.6% in 1H 2006. Employee costs were equal to 24.7% of sales vs. 22.2% in 1H 2006. Services from third parties were equal to 22.6% of sales during 1H 2007 vs. 19.3% during 1H 2006. Of the USD 261.6 million increase in the cost of sales, USD 160.9 was attributable to the consolidation of our subsidiaries acquired during 2H 2006, with the



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remaining USD 100.7 million attributable to an increase in the costs of companies which Integra owned in 1H 2006.

Key items pressuring our costs in 1H 2007 were:

- Wage inflation of 10-15% across all our segments.
- In the Drilling, Workover and IPM division, the first two quarters of the year were impacted by front-loaded mobilization costs contrasted with seasonally lower revenues in the period
- In the Formation Evaluation division, costs were pressured by an unusually warm winter and testing of our “summer seismic technology” which would allow us to perform off-season operations in Western Siberia.
- The Equipment Manufacturing division was affected by increased fixed, marketing and procurement costs coupled with a much larger backlog of revenue which will be recognized beyond 1H 2007.

Integra’s Adjusted EBITDA increased to USD 75.3 million, up nearly three times when compared to USD 24.7 million realized during 1H 2006. A material increase of USD 35.4 million in adjusted EBITDA was attributed to acquisitions made during 2H 2006. However, Integra Group’s management estimates that USD 15.2 million of our EBITDA growth was attributed to organic growth from assets owned at the end of 1H 2006. This represents an estimated 61.5% organic EBITDA growth in 1H 2007 from 1H 2006 levels.

The net loss attributable to shareholders for 1H 2007 increased by USD 44.7 million compared to 1H 2006, resulting in a loss of USD 50.3 million compared to a loss of USD 5.6 million in 1H 2006. The substantial increase in net loss for the period was primarily due to an increase in interest expenses, most of which was recognized in 1Q2007, prior to the IPO. Due to the fact that Integra repaid a substantial portion of its outstanding debt with the IPO proceeds, management expects that a significant amount of these interest expenses to be non-recurring in 2H 2007, all else being constant. Considering the acquisitive nature of our growth, another factor impacting our net loss in the period was a substantial DD&A charge, primarily due to increased levels of intangible assets from recent acquisitions. Non-cash charges, e.g. share based compensation, have also had a significant impact on our bottom line.

Operating Highlights

Organic Growth

During the first six months of 2007, all our divisions demonstrated good organic performances, which were reflected in our operational results.

Our Drilling, Workover and IPM Division drilled 216,300 meters (206,700 meters in 1H 2006). A total of 101 wells (80 wells in 1H 2006) were constructed and 477 workover operations conducted (462 workover operations in 1H 2006). The overall increase in volumes was mainly attributed to higher capacity utilisation of our drilling and workover assets, as well as to investment into upgrades of our existing drilling and workover fleet.

Our Formation Evaluation Division carried out 13,299 km of two-dimensional (2D) seismic surveys (13,662 surveys in 1H 2006), 5,404 sq. km of three-dimensional (3D) seismic surveys (4,898 sq. km of surveys in 1H 2006). Our well geophysics units carried out over 8.8 thousand logging operations (8.8 operations in 1H 2006). The activities of our Formation Evaluation Division were affected by an unprecedented warm winter and a very early spring. However, we managed to maintain volumes of 2D seismic close to levels of 1H 2006 levels and to substantially enhance our 3D seismic activities, illustrating a trend towards shifting volumes to more technologically advanced 3D seismic surveys.

During the first six months of 2007, our Equipment Manufacturing Division significantly increased the number of heavy drilling rigs in production to 22 rigs (in comparison with 11 rigs in production at the end



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of 2006 and 5 rigs in production at the end of 1H 2006). No new rigs were commissioned to customers during the first half of 2007, nor during the first half of 2006, as the timing of orders dictates that products are dispatched during the second half of the year. This tendency negatively affects our margins in the segment which are driven down by fixed costs and lead-in costs early in the year. In addition, during the first half of 2007, eight rigs were modernised, twice the number modernised during the first half of 2006.

Drilling, Workover and IPM

Drilling, workover and IPM sales represented 55.4% of our total sales in 1H 2007, compared to 56.2% in 1H 2006. Sales of drilling, workover and IPM services increased by USD 170.9 million to USD 270.1 million in 1H 2007 primarily as a result of the consolidation of companies acquired in 2H 2006, increased capacity utilisation, upgrade of our drilling fleet and improved pricing for drilling services.

The cost of sales for drilling, workover and IPM services increased by USD 150.2 million to USD 228.0 million in 1H 2007 from USD 77.8 million in 1H 2006. The increase in cost of sales was primarily attributable to consolidation of newly acquired companies. The increase in costs of sales in our existing businesses was due to an increase in the volume of our drilling and workover services business with key cost pressures coming from wage inflation and services procured from third parties. The latter being driven by substantial mobilization in the first two quarters, which is a typical seasonal pattern for this business. Our key cost components and their share in the division's cost of sales for 1H 2007 were as follows: services procured from third parties – 40.1%, employee costs – 24.4%, material costs – 19.7%, depreciation – 15.5%, other – 0.3%.

Adjusted EBITDA in the drilling, workover and IPM services division reached USD 42.7 million compared to USD 13.9 million in 1H 2006. Adjusted EBITDA margin for the division increased to 15.8% in 1H 2007 from 14.0% in 1H 2006. The increase in margin was reflective of our restructuring effort in the segment, upgrading of our rig fleet, more favorable pricing and significantly expanding our higher valued services like IPM and technological services.

Formation Evaluation

Formation evaluation services sales comprised 29.5% of total sales in 1H 2007 compared to 25.2% in 1H 2006. Sales from formation evaluation services increased by USD 99.6 million to USD 144.0 million in 1H 2007 from USD 44.4 million in 1H 2006 primarily as a result of the consolidation of acquired companies not owned in 1H 2006 and increased volumes of higher revenue 3D seismic surveys.

The cost of sales of formation evaluation services increased by USD 81.1 million to USD 120.3 million in 1H 2007 from USD 39.2 million in 1H 2006. The increase in the cost of sales was primarily attributable to consolidation of newly acquired companies and growth in the prices of services provided to us by third parties, which primarily comprise transportation services for the mobilization and rotation of crews and equipment. Additional cost increases came from the trial run of our "summer seismic technology": testing of off-season operations in Western Siberia. Our key cost components and their share in the division's cost of sales for 1H 2007 were as follows: employee costs – 42.6%, depreciation – 20.2%, material costs – 12.2%, services procured from third parties – 23.0%, other – 2.0%.

Adjusted EBITDA of the formation evaluation services division reached USD 29.7 million in 1H2007 compared to USD 6.7 million in 1H 2006. The adjusted EBITDA margin for the division increased to 20.6% in 1H 2007 compared to 15.1% in 1H 2006. This division's margins particularly benefited from consolidation of the seismic services company Yamalgeophysika and the launch of seismic operations in the higher margin market of Kazakhstan via the acquisition of Azimuth.



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Equipment Manufacturing

Manufacturing sales comprised 19.4% of total sales in 1H 2007 compared to 19.6% in 1H 2006. Sales in our manufacturing division for 1H 2007 increased by USD 60 million to USD 94.5 million. The increase in sales was primarily attributable to consolidation of our manufacturing subsidiary, Stromneftemash (STM), an increased number of rig modernizations, and an overall increase in prices for rigs in production.

The cost of sales in our manufacturing division increased by USD 49.6 million to USD 73.6 million in 1H 2007 from USD 24.0 million in 1H 2006. The increase in the cost of sales was primarily attributable to consolidation of STM and to an increased share of services procured from third parties. The key cost components and their share in the division's cost of sales in 1H 2007 were as follows: material costs – 62.8%, employee costs – 18.1%, services procured from third parties – 13.3%, depreciation – 5.6%, other – 0.2%.

Adjusted EBITDA in the manufacturing division decreased to USD 9.9 million compared to USD 12.6 million in 1H 2006. Adjusted EBITDA margin for the division declined to 10.1 % in 1H 2007 compared to 36.5% in 1H 2006. The decline in segment EBITDA and margin is explained by higher lead-in, marketing and procurement costs in 1H 2007 resulting from a much larger order book and a greater number of rigs in production. Based on the current order book, management estimates margins observed in the manufacturing segment to improve in 2H 2007. However, on an annual basis, we expect margins to be below FY 2006 levels as we execute our strategy to capture larger market share in this fast growing market by offering more attractive pricing to our customers.

M&A Update

During 1H 2007, we considered a number of acquisition opportunities in different segments of the OFS market in order to find the most attractive targets which would be the best fit for Integra's strategy.

In August 2007 we acquired Geotechsystem, a leading provider of geological and geophysical data processing and interpretation services. This acquisition will substantially enhance our leadership position in the Formation Evaluation Segment.

Also, in September 2007, we announced the acquisition of Obnfteremont, a company specializing in well workovers, which is complimentary to Integra's current operations in the workover segment and allows Integra to more than double its workover capacity.

Integra management continues to review potential acquisition opportunities that would be value enhancing for our three core business divisions.



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Outlook for 2007

The outlook for the remainder of 2007 remains positive, as the majority of our revenues are generated during the second half of the year due to the seasonal nature of the oilfield services business in our primary markets.

As of September 10, 2007, Integra Group had signed contracts for over USD 1,043 million in revenue for services and equipment to be delivered to customers.

2007 Revenue Backlog⁽⁴⁾

USD million	Contracts signed	Tenders won, contracts not signed	Total Backlog
Oilfield services	724	188	912
Equipment manufacturing	319	6	325
TOTAL	1,043	194	1,237
- including share of associates	56	3	59

(4) Backlog is not a measure defined by accounting principles, and our methodology for determining backlog may not be comparable to the methodology used by other companies. Non-audited data.

We expect stronger profitability during the second half of 2007, and better revenue growth given the seasonal nature of our business. Our restructuring program remains on track, and we expect the initial results of these efforts to be visible in our financial indicators for 2H 2007. We remain optimistic about the long-term prospects for our business.

With regard to our specific business divisions, we expect sound performance across the board during 2H 2007. Our Drilling, Workover and IPM division is expected to deliver stronger results during 2H 2007 as seasonally drilling volumes in the second half comprise about 60% of the annual volumes and are less affected by mobilization costs. Formation Evaluation division is expected to recover some of the revenue lost in 1H 2007 upon commencement of the new season in November 2007, weather permitting. Our Equipment Manufacturing division will experience increasing production volumes during 2H 2007, primarily as a result of the commencement of our landmark contracts with Gazprom and Rosneft.

In summary, we remain confident regarding the prospects for Integra during the second half of 2007 and beyond. We believe we have achieved the right balance of organic and inorganic growth, and internally are focused on continuing the reorganization of our assets, as well as evaluating acquisition opportunities that we believe would be value enhancing for our core businesses.



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Integra Group
Consolidated Statement of Income for the six month period ending 30 June 2007
 (expressed in thousands of US Dollars, except as indicated)

	Six months ended 30 June:	
	2007	2006
Sales	487,892	176,400
Cost of sales	(400,699)	(139,069)
Gross profit	87,193	37,331
Selling, general and administrative expenses	(95,419)	(31,602)
Profit from disposal of property, plant and equipment	256	-
Gain on acquisition/disposal of subsidiaries	91	225
Gain on acquisition of minority interests	506	-
Operating (loss) profit	(7,373)	5,954
Interest income	5,170	474
Interest expense	(40,189)	(16,155)
Exchange (loss) gain	(896)	7,289
Share of results of associates	1,352	335
Loss before taxation	(41,936)	(2,103)
Current income tax expense	(14,978)	(4,482)
Deferred income tax benefit	5,372	1,995
Total tax expense	(9,606)	(2,487)
Loss for the period	(51,542)	(4,590)
(Loss) profit attributable to:		
- Minority interest	(1,246)	960
- Shareholders of Integra Group	(50,296)	(5,550)
Loss per share, basic and diluted (in US Dollars per share)	(9.56)	(1.80)
Weighted average shares outstanding, basic and diluted	5,262,651	3,083,018



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Integra Group
Consolidated Balance Sheet as of 30 June 2007
(expressed in thousands of US Dollars, except as indicated)

	30 June	31 December
	2007	2006
Assets		
Cash and cash equivalents	231,932	87,821
Trade and other receivables	346,288	235,777
Inventories	131,247	100,184
Total current assets	709,467	423,782
Goodwill and other intangible assets	325,369	340,002
Property, plant and equipment	445,039	424,643
Investments in associates	16,995	15,375
Deferred tax assets	1,002	1,925
Loans provided and other assets	45,005	34,331
Total non-current assets	833,410	816,276
Total assets	1,542,877	1,240,058
Liabilities and shareholders' equity		
Accounts payable and accrued liabilities	361,624	254,773
Income taxes payable	15,409	18,425
Other taxes payable	26,928	22,689
Short-term borrowings and current portion of long-term borrowings	25,035	340,421
Total current liabilities	428,996	636,308
Long-term financial liabilities	206,634	246,089
Deferred tax liability	75,103	79,246
Other non-current liabilities	1,527	1,601
Total non-current liabilities	283,264	326,936
Total liabilities	712,260	963,244
Shareholders' equity:		
Class A common shares (5,858,206 and 2,085,844 shares issued and outstanding at 30 June 2007 and 31 December 2006, respectively; nominal value one ten thousandth of one US Dollar)	1	-
Class B common shares (940,000 shares issued and outstanding at 30 June 2007 and 31 December 2006, respectively; nominal value one ten thousandth of one US Dollar)	-	-
Convertible preferred shares (nil and 1,755,447 shares issued and outstanding at 30 June 2007 and 31 December 2006, respectively; nominal value one ten thousandth of one US Dollar)	-	-
Treasury shares	(1,598)	(1,598)
Cumulative translation adjustment	27,540	12,434
Warrants	-	116
Share premium	809,972	217,354
Retained earnings	(80,146)	(29,850)
Total equity attributable to Integra Group shareholders	755,769	198,456
Minority interest	74,848	78,358
Total equity	830,617	276,814
Total liabilities and equity	1,542,877	1,240,058



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Integra Group
Consolidated Statement of Cash Flows for the six month period ending 30 June 2007
(expressed in thousands of US Dollars)

	Six months ended 30 June:	
	2007	2006
Cash flows from operating activities		
Loss before taxation	(41,936)	(2,103)
Adjustments for:		
Gain on acquisition/disposal of subsidiaries	(91)	(225)
Gain on acquisition of minority interest in subsidiaries	(506)	-
Depreciation and amortization	67,461	15,937
Interest income	(5,170)	(474)
Interest expense	40,189	16,155
Share-based compensation	16,075	3,005
Share of results of associates	(1,352)	(335)
Other	910	10
Operating cash flows before working capital changes	75,580	31,970
Change in trade and other receivables	(91,031)	(39,353)
Change in inventories	(29,959)	(18,530)
Change in accounts payable and accrued liabilities	153,045	25,795
Change in other taxes payable	4,075	426
Operating cash flows before interest and income taxes	111,710	308
Income tax paid	(19,707)	(9,281)
Interest paid	(21,326)	(4,505)
Net cash provided by (used in) operating activities	70,677	(13,478)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(70,409)	(67,188)
Proceeds from the disposal of property, plant and equipment	2,801	2,049
Settlements for purchases of companies, net of cash acquired	(58,367)	(28,838)
Disposal of subsidiaries	-	1,736
Loans provided	(1,972)	(2,541)
Repayment of loans provided	3,213	-
Interest received	3,410	299
Other	(4)	(24)
Net cash used in investing activities	(121,328)	(94,507)
Cash flows from financing activities:		
Proceeds from issuance of shares, net of certain transaction costs	562,352	336
Proceeds from exercise of warrants connected with Senior Notes and Facility Agreement	17,167	-
Proceeds from borrowings	15,862	126,947
Repayment of borrowings	(408,093)	(29,768)
Net cash provided by financing activities	187,288	97,515
Net increase (decrease) in cash and cash equivalents	136,637	(10,470)
Cash and cash equivalents at the beginning of the period	87,821	21,471
Effect of exchange differences on cash balances	7,474	1,352
Cash and cash equivalents at the end of the period	231,932	12,353



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Notes to editors:

Integra Group:

Integra Group is a leading Russian independent provider of onshore oilfield services and is also a leading manufacturer in the Russian Federation of drilling rigs with heavy lifting capacity, cementing equipment and certain specialized equipment used in the exploration, development and production of oil and gas.

Integra Group operates in the drilling, workover, seismic and geophysics sectors and manufactures oilfield services equipment. Integra has oilfield services operations in all major oil and gas producing regions in Russia and in many other CIS countries. The company's customer base includes major Russian and international oil and gas companies operating in Russia and CIS.

Established in March 2004, Integra Group has, through 16 strategic acquisitions, become one of the leading companies in the oilfield services and equipment manufacturing sectors of the Russian market and employs approximately 19 000 people.

Since February 27, 2007 Integra Group has been traded on the London Stock Exchange (symbol: INTE).

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Forward looking statements: *These materials contain statements about future events and expectations that are forward-looking in nature. Any statement in these materials that is not a statement of historical fact is a forward-looking statement that involves known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements expressed or implied by such forward-looking statements to differ. We assume no obligations to update the forward-looking statements contained herein to reflect actual results, changes in assumptions or changes in factors affecting these statements.*