



QUARTERLY REPORT

For the Three Months Ended
March 31, 2008



Advisory Regarding Forward-Looking Statements

This document contains forward-looking statements under the heading “Outlook” and elsewhere concerning future events or the Company’s future performance, including the Company’s projected operating results for 2008 and beyond, and anticipated capital expenditure trends and drilling activity in the oil and gas industry. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. Actual events or results may differ materially from those reflected in the Company’s forward-looking statements due to a number of known and unknown risks, uncertainties and other factors affecting the Company’s business and the oil and gas industry generally. These factors, include, but are not limited to, fluctuations in oil and gas prices, fluctuations in the level of oil and gas industry capital expenditures and expenditures on production and remedial work and other factors that affect demand for the Company’s services, industry competition, the need to effectively integrate acquired businesses, uncertainties as to the Company’s ability to implement its business strategy effectively in Canada and the United States, political and economic conditions, the Company’s ability to attract and retain key personnel, and other risks and uncertainties described under the heading “Risk Factors” and elsewhere in the Company’s Annual Information Form for the year ended December 31, 2007 and other documents filed with Canadian provincial securities authorities and available to the public at www.sedar.com. The Company believes that the expectations reflected in these forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this report should not be unduly relied upon. These statements speak only as of the date of this report. The Company does not undertake to update any forward-looking statement, whether written, or oral that may be made from time to time by the Company or on the Company’s behalf, except as may be required under applicable securities laws. The forward-looking statements contained in this report are expressly qualified by this statement.

Unless otherwise indicated, all financial information in this document is presented in Canadian dollars and in accordance with the Canadian Generally Accepted Accounting Principles (“GAAP”).

The following Management’s Discussion and Analysis (“MD&A”), prepared as at May 15, 2008, should be read in conjunction with the Company’s audited Consolidated Financial Statements and MD&A for the year ended December 31, 2007.

MANAGEMENT’S DISCUSSION AND ANALYSIS

Net earnings for the three months ended March 31, 2008 were \$18.4 million (\$0.38 per common share – diluted) compared to \$22.2 million (\$0.46 per common share – diluted) in 2007. Revenue increased 2.6% to \$515.6 million from \$502.7 million in 2007. Funds provided by operations before changes in non-cash working capital for the first quarter were \$30.0 million compared to \$26.2 million for the same period in 2007.

Highlights

The increase in revenue of \$12.9 million is primarily due to increased operations in Flint’s 50% owned joint venture, Flint Transfield Services Limited (FT Services). FT Services, in its 5 year maintenance contract with Suncor combined with Flint’s other joint ventures, generated \$38.6 million in revenue compared to \$5.1 million for the same period in 2007. Offsetting this increase was a reduction through the remaining segments as a result of the continued slowdown in activity levels in the Canadian gas and drilling industries. The pricing pressure experienced in the second

half of 2007 continued to impact the Oilfield Transportation operating segment and the Production Services operating segment as the backlog of work in natural gas completions was drawn down and the lower level of activity affected the Company's divisional offices.

Summary of Consolidated Financial Results

(\$ millions, except per share data)

Three months ended March 31	2008		2007	
Revenue	\$515.6	100.0%	\$502.7	100.0%
Direct costs	423.8	82.2	396.2	78.8
Gross profit	91.8	17.8	106.5	21.2
General & administrative expense	38.1	7.4	46.9	9.3
EBITDA ¹	53.7	10.4	59.6	11.9
Stock based compensation expense	1.2	0.2	1.1	0.2
Amortization	17.8	3.5	17.8	3.6
Interest	5.9	1.1	6.8	1.4
Earnings before income taxes	28.8	5.6	33.9	6.7
Income taxes	10.4	2.0	11.7	2.3
Net earnings	18.4	3.6%	22.2	4.4%
Per common share – basic	0.39		0.47	
Per common share – diluted	0.38		0.46	
Total assets	1,566.7		1,546.7	
Total long-term liabilities	465.7		485.3	
Funds provided by operations before changes in non-cash working capital ¹	30.0		26.2	

¹The Company presents "EBITDA" as a supplemental earnings measure as it is used by the chief operating decision makers of the Company to measure operating segment profitability. EBITDA is equal to earnings before interest, taxes, depreciation, amortization and stock based compensation. Management uses EBITDA to establish performance benchmarks for incentive compensation for employees, to evaluate the performance of its operating segments and valuing its existing operations to determine potential goodwill impairment. It also presents "funds provided by operations before changes in non-cash working capital" as it is used to measure funds generated from operations. Funds provided by operations before changes in non-cash working capital is equal to net earnings adjusted for items not affecting cash. EBITDA and funds provided by operations before changes in non-cash working capital are non-GAAP financial measure that does not have any standardized meaning prescribed by GAAP, and may not be comparable to similar measures presented by other issuers.

Quarterly Information

(\$ millions, except per share data)

	2008		2007				2006		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	
Revenues	\$515.6	\$465.0	\$424.3	\$421.8	\$502.7	\$426.6	\$341.5	\$354.7	
Net earnings	18.4	9.6	12.2	6.3	22.2	16.9	12.9	6.0	
Per common share-basic	0.39	0.20	0.26	0.13	0.47	0.39	0.34	0.17	
Per common share-diluted	0.38	0.21	0.25	0.13	0.46	0.39	0.33	0.16	

A number of factors contribute to variations in the Company's results between periods such as weather and customer capital spending, as well as drilling programs which are affected by oil and natural gas commodity prices and seasonal behaviors in customer spending caused by activities such as plant shutdown work. The Company continues to strive to create the optimum portfolio of services to meet customer needs and maximize shareholder returns.

Certain of the Company's business lines relate to the maintenance and operation of oilfield facilities, generally producing consistent revenues, while other business lines relate to large projects, potentially resulting in fluctuating revenue streams over time. While a significant amount

of the business activity related to the maintenance and operation of oilfield facilities is under long-term contract, the work is still primarily call-out related and provided on an as needed basis and therefore, does not generate a consistent revenue stream between periods. The Oilfield Transportation and Tubular Management operating segments' primary business drivers are related to the drilling cycle in the Western Canadian Sedimentary Basin, while the specialized heavy haul division, included as part of Oilfield Transportation, will have more specific business drivers related to movement of large pieces of equipment and module components of construction projects.

As Flint has United States operations, the Company's consolidated financial results may vary between periods due to the effect of foreign exchange fluctuations in translating the revenues and expenses of its United States operations to Canadian dollars. In the first three months of 2008, 21.8% (2007 – 22.8%) of the Company's business activity was in the United States.

Results of Operations

Flint modified its segmented reporting for the year ended in 2007 to combine three jointly owned companies into one operating segment called Plant Maintenance and Other which replaces the Plant Maintenance and Asset Management segment. The new segment is comprised of FT Services, a 50% owned incorporated joint venture previously reported in the Plant Maintenance and Asset Management operating segment; Mackenzie Valley Construction Ltd. ("MVC"), a 49% owned incorporated joint venture previously reported as part of the Production Services operating segment; and S.R.P. North Ventures ("SRP"), a 33 1/3% owned joint venture previously reported in the Oilfield Transportation operating segment. Additionally, the fluid hauling operations were previously reported in Oilfield Transportation and have been moved to Production Services. The segment reporting for prior periods was restated.

Revenue for the three months ended March 31, 2008 increased by 2.6% to \$515.6 million as compared to the \$502.7 million for the same period of 2007. Direct costs increased by \$27.6 million, resulting in a decline in gross margin for the period. The increased direct costs were offset by savings in sales, general and administration expenses of \$8.8 million. EBITDA was \$53.7 million for the first quarter of 2008 compared to \$59.6 million in 2007.

The \$12.9 million increase in revenue in the first quarter of 2008 from 2007, was a combination of the \$33.5 million increase from the Plant Maintenance and Other operating segment offset by decreases in revenues in the other operating segments. The Oilfield Transportation operating segment experienced a \$1.3 million decrease in revenue over the first three months of the year compared to the same period in 2007 due to competitive pricing in the segment. The Tubular Management and Manufacturing operating segment revenue decreased by \$8.1 million primarily in Canada as Canadian operations did not benefit from seasonally higher winter drilling activity until near the end of the first quarter. A further contributing factor was less drill pipe inspection, hard banding and lower tubing sales from the reduced drilling activity levels. In the United States, J.W. Williams' production equipment manufacturing remained at similar levels to 2007. The Production Services operating segment's revenue was down \$6.7 million from the prior year due to the continued weakness in Canadian gas drilling throughout 2007. Activity in the United States remained even with 2007 due to continued robust gas drilling activity; however, poor weather in the U.S. impacted margins in a number of areas across the southern United States. Infrastructure revenues decreased by \$4.5 million over the first three months of 2008 compared to the same period in 2007, primarily from the expected project shift to the new contracts entered into and engineering delays that have shifted the timing of the Shell Albian Sands and Suncor Firebag revenue streams.

Selected Segmented Information

(\$ millions)

Three months ended March 31	2008		2007	
Revenue by operating segment				
Production Services	\$270.0	52.4%	\$276.7	55.0%
Facility Infrastructure	101.0	19.6	105.5	21.0
Oilfield Transportation	58.9	11.4	60.2	12.0
Tubular Management and Manufacturing	47.1	9.1	55.2	11.0
Plant Maintenance and Other	38.6	7.5	5.1	1.0
Total	\$515.6	100.0%	\$502.7	100.0%
EBITDA¹ by operating segment				
Production Services	\$27.5	51.2%	\$28.5	47.8%
Facility Infrastructure	8.0	14.9	6.5	11.0
Oilfield Transportation	10.0	18.6	13.9	23.2
Tubular Management and Manufacturing	5.4	10.0	10.4	17.5
Plant Maintenance and Other	2.8	5.3	0.3	0.5
Total	\$53.7	100.0%	\$59.6	100.0%

¹ The Company presents EBITDA as a supplemental earnings measure as it is used by the chief operating decision makers of the Company to measure operating segment profitability. EBITDA is equal to earnings before interest, taxes, depreciation, amortization and stock based compensation. Management uses EBITDA to establish performance benchmarks for incentive compensation for employees, to evaluate the performance of its operating segments, and in valuing existing operations to determine potential goodwill impairment. EBITDA is a non-GAAP financial measure that does not have any standardized meaning prescribed by GAAP, and may not be comparable to similar measures presented by other issuers.

Production Services

The Production Services operating segment provides pipeline work, day-to-day field facility installation and maintenance services, as well as electrical, instrumentation, mechanical, safety, pressure and vacuum, fluid hauling, plant shutdown and turnaround services.

Revenue

Revenue from the Production Services operating segment for the first quarter of 2008 decreased 2.4% to \$270.0 million from \$276.7 million in the first three months of 2007, primarily due to reduced activity levels in Canada. In the United States, revenues were flat with 2007 with continued strong activity levels in west and central Texas and in the Rocky Mountain region. In Canada, a moderate decrease in revenue was experienced as natural gas well completions declined. This drop in natural gas well completions work was partially offset by increases achieved from additional maintenance work on existing producing wells in eastern Alberta and expansion of capabilities in the Fort McMurray, Alberta area.

EBITDA

Production Services' EBITDA decreased by 3.6% to \$27.5 million in the first quarter of 2008 compared to \$28.5 million in the same period of 2007. EBITDA was impacted by lower overall margins in this operating segment, in the United States margins were negatively impacted by weather and poor operating execution in one district office. The largest weather impact was on the Oneok pipeline project which experienced 48 rainout days during the first half of the project; five times greater than normal for this time of year. This significantly impacted productivity and resulted in no margins on \$5.4 million of work. Savings in general and administrative expenses offset lower Canadian revenues and contributed to the improved EBITDA.

Facility Infrastructure

The Facility Infrastructure operating segment provides major facility project development services to the energy and natural resources sector, providing a full-cycle approach to all phases of project development from concept and design to fabrication and installation. Customer capital expenditure programs related to large oil sands projects have a significant effect on the results of this operating segment by impacting activity levels. Margin as a percentage of revenue can also fluctuate based on the contractual terms of major projects and their overall weighting to the total revenue earned in any given period, fluctuation in activity levels, and the ability of the Company to average fixed operating costs related to fabrication facilities and field construction management overheads.

Revenue

Revenue from the Facility Infrastructure operating segment for the three months ended March 31, 2008 decreased 4.2% to \$101.0 million from \$105.5 million in the first quarter of 2007. Increased scope of work on the Long Lake project provided additional work, offsetting to some degree the project start up delays on the two newest contracts in Fort McMurray, Alberta. The successful mechanical completion of the Long Lake gasifier was the culmination of work on the largest project ever undertaken by the Company.

EBITDA

Facility Infrastructure's EBITDA increased by 22.8% to \$8.0 million for the three months ended March 31, 2008 from \$6.5 million for the first quarter of 2007. A portion of the revenue in 2008 was derived from activity on the Long Lake project; margins recorded on this project remain lower as a result of the increase in overall scope and cost of the project. Under generally accepted accounting principles, no margin on the increased cost over approved scope is recorded until such time the customer formally approves the scope change. The portion of the work for the quarter associated with Long Lake declined and as a result, the overall EBITDA for the group improved.

Oilfield Transportation

The Oilfield Transportation operating segment includes activities focused around specialized hauling such as drilling rig moving, heavy hauling, service rig moving and light hauling.

Revenue

During the first quarter of 2008, revenue was \$58.9 million which is down from \$60.2 million during the first quarter of 2007. Drilling rig moving activities in this operating segment are closely correlated to drilling activity which increases during the first quarter of the year but was down 15% from activity levels in the first quarter of 2007. The improvement in activity levels from the third and fourth quarters of 2007 did not impact pricing and project bidding, resulting in the gross margin on work remaining well below 2005 and 2006 levels. Revenue in the specialized heavy haul portion of Oilfield Transportation did not significantly increase until late in the first quarter when additional contract awards began to use Flint's expanded capacity in this group.

EBITDA

Oilfield Transportation's EBITDA for the first quarter of 2008 was \$10.0 million compared to \$13.8 million during the first quarter of 2007. Certain areas of northeastern Alberta and British Columbia saw increased drilling activity during the quarter, allowing some offices to increase fleet utilization. Central Alberta and parts of southern Alberta, where natural gas drilling predominates, remained fairly quiet and did not achieve the desired level of utilization for the quarter.

Tubular Management and Manufacturing

The Tubular Management and Manufacturing operating segment includes inspection, threading and refurbishment of drill pipe, pipe storage facilities, and manufacturing of polyethylene pipe and gas processing equipment.

Revenue

Revenue for the three months ended March 31, 2008 was \$47.1 million, down from \$55.2 million for the first quarter of 2007. In Canada, Tubular Management and Manufacturing operations were positively impacted only late in the quarter by the increased drilling activity, and drill pipe related services did not pick up until the stock of repaired and refurbished materials was in the cycle of use. The work on production related tubular goods remained constant but it was not sufficient to support the division's capacity without a certain level of drilling activity to drive volume levels. In the United States, increased capacity in J.W. Williams continued to be utilized with the timing of deliveries, product mix and poor weather impacting revenue slightly.

EBITDA

Tubular Management and Manufacturing's EBITDA decreased by 48.5% to \$5.4 million for the three months ended March 31, 2008 from \$10.4 million in 2007. The decrease was a result of the lower activity levels in Canada. Global Poly Systems, the polyethylene pipe manufacturer acquired in 2006 as part of the Transco acquisition, continued to under perform due to lack of demand in shallow gas drilling. Operating costs in the manufacturing facility were not fully recovered at this lower level of sales and as a result, Global Poly Systems had a negative impact on the Canadian earnings from this division. In the United States, changing customer demands requiring more specific project engineering and start up time impacted margins when compared to long product runs on uniform equipment in 2007.

Plant Maintenance and Other

The Plant Maintenance and Other operating segment provides delivery of sophisticated management services for all routine maintenance and plant turn-around services for oil sands production facilities in Alberta as well as oil refineries and related chemical, energy, electrical and processing plants. This work is performed through a 50% owned joint venture company, FT Services. Also included in this operating segment is the proportional share of two other joint venture companies, MVC, with a base operation in Inuvik, Northwest Territories, and SRP, with a base operation in Norman Wells, Northwest Territories. Both these joint venture companies provide a variety of services including maintenance and logistical services.

Revenue

Revenue for the first quarter of 2008 increased to \$38.6 million from \$5.1 million for the comparative period of 2007. The most significant reason for the increase was the commencement of the FT Services contact with Suncor in 2007 contributing to the resulting increase in revenues of \$32.5 million in 2008 versus revenues of \$1.0 million in the first quarter of 2007.

EBITDA

Plant Maintenance and Other's EBITDA increased to \$2.8 million in the first three months of 2008 from \$0.3 million in 2007. The significant increase in revenue in this segment contributed to the increased EBITDA.

Liquidity and Capital Resources

The Company's principal sources of capital are cash flows from operations and borrowings under its senior credit facility. The Company's principal uses of cash are for the financing of working capital and capital expenditures.

Selected Cash Flow and Capitalization Data

(\$ millions, except ratios)

Three months ended March 31	2008	2007
Funds provided by operations before changes in non-cash working capital ¹	\$30.0	\$26.2
Cash used by operating activities	(78.2)	(37.7)
Cash flow to interest bearing debt (%) ^{2,4}	7.0	6.1
	March 31	December 31
	2008	2007
Long-term debt, (including current portion)	\$427.2	\$368.5
Debt to total capitalization (%) ^{2,3}	33.5	30.9

¹ The Company presents "funds provided by operations before changes in non-cash working capital" as it is used to measure funds generated from operations. Funds provided by operations before changes in non-cash working capital is equal to net earnings adjusted for items not affecting cash. Funds provided by operations before changes in non-cash working capital is a non-GAAP financial measure that does not have any standardized meaning prescribed by GAAP, and may not be comparable to similar measures presented by other issuers.

² Ratios contained in this table do not have any standard meaning under GAAP and may not be comparable to similar statistics published by other companies. The ratios are presented since they are commonly referred to by lenders and other interested parties in evaluating the Company's financial position.

³ Debt to total capitalization, expressed as a percentage, is equal to debt divided by total capitalization. Debt is equal to long-term debt including the current portion. Total capitalization is equal to long-term debt including the current portion plus shareholders' equity.

⁴ Cash flow to interest bearing debt, expressed as a percentage, is equal to cash flow divided by interest bearing debt. Cash flow is equal to funds provided by operations before changes in non-cash working capital. Interest bearing debt is equal to long-term debt including the current portion.

Cash Flow and Liquidity

Cash used by operating activities for the three months ended March 31, 2008 increased to \$78.2 million compared to \$37.7 million for the same period in 2007. The first quarter is seasonally one of the busiest and requires an increase in working capital to finance the expanded operating activity. This was also impacted by the timing of billings on the Long Lake project and the conversions of systems in Production Services which delayed some billing by 30 days during the quarter.

At March 31, 2008, the Company's net working capital position was \$413.3 million compared to \$324.5 million at December 31, 2007. The expansion in net working capital was primarily due to increased revenue and receivables generated by operations during the quarter.

The Company increased its long-term debt position (including the current portion) by \$58.6 million as at March 31, 2008 as compared to the balance at December 31, 2007. Long-term debt includes the utilized portion of a revolving operating line facility, as the facility does not mature until November 30, 2009. The Company has the ability to request the expansion of borrowing capacity under the revolving operating loans to \$250 million Canadian and \$18 million U.S., and expand term loan borrowing capacity to a maximum of \$325 million with the approval of the lenders.

During the first three months of 2008, the Company incurred net capital expenditures totaling \$4.7 million to maintain its fleet and facilities and replace aging equipment, compared to \$15.3 million

in the same period of 2007. Included in net capital expenditures were \$1.8 million of proceeds on disposal of property, plant and equipment compared to \$0.6 million of proceeds from disposals during the first quarter of 2007. In 2008, the majority of the expenditures were to replace equipment in Canada and the United States to maintain operational capacity and meet customer needs in new areas.

The following table presents the Company's future payment obligations:

Contractual Obligations (\$ millions)	Maturity				Total
	Less than 1 year	2 – 3 years	4 – 5 years	In excess of 5 years	
Long-term debt	\$ 19.0	\$ 170.7	\$ 135.9	\$ 86.6	\$ 412.2
Operating leases	5.7	9.3	-	-	15.0
Total contractual obligations	\$ 24.7	\$ 180.0	\$ 135.9	\$ 86.6	\$ 427.2

Accounting Policies

The Company adopted Canadian Institute of Chartered Accountants (CICA) Handbook Section 3031, Inventories; Section 1535, Capital Disclosures; Section 3862, Financial Instruments – Disclosures; and Section 3863, Financial Instruments – Presentation on January 1, 2008.

(CICA) Handbook Section 3031, Inventories

In June 2007, the CICA issued Section 3031, "Inventories", which requires inventory to be measured at the lower of cost and net realizable value and includes guidance on the determination of cost, including allocation of overheads and other costs to inventory. Further, it requires the reversal of previous write-downs to net realizable value when the economic circumstances have changed to support an increased inventory value.

As a result of adopting CICA Section 3031, "Inventories", the Company now allocates fixed and variable production overheads to the costs of conversion based on normal capacity of the production facilities. Normal capacity is the production expected to be achieved on average over a number of periods or seasons under normal circumstances. The costs of conversion of inventories include costs directly related to the units of production, such as direct labour and a systematic allocation of fixed and variable production overheads that are incurred in converting materials into finished goods. Previously, fixed and variable production overheads were allocated to general and administrative expenses. There is no material impact on the consolidated financial statements from adoption of this new standard.

Section 1535, Capital Disclosures

In December 2006, the CICA issued Section 1535, "Capital Disclosures". This section establishes standards for disclosing information about an entity's objectives, policies, and processes for managing capital. As a result of adopting this section, the Company now discloses details about its capital management.

Section 3862, Financial Instruments – Disclosures; and Section 3863, Financial Instruments – Presentation

In March, 2007, the CICA issued Section 3862, "Financial Instruments – Disclosures" and Section 3863, "Financial Instruments – Presentation", which together comprise a complete set of disclosure and presentation requirements that revise and enhance current disclosure requirements. Section 3862 requires disclosure of additional detail by financial asset and liability category. Section 3863 establishes standards for presentation of financial instruments and non-

financial derivatives. It addresses the classification of financial instruments from the perspective of the issuer, between liabilities and equity, the classification of related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities are offset. As a result of adopting CICA Section 3862, "Financial Instruments – Disclosures", the Company has expanded its financial risks and financial instruments disclosures.

There is no other material impact on the Consolidated Financial Statements from adoption of these new standards.

Future Accounting Changes

Goodwill and Intangible Assets

In February 2008, the CICA issued Section 3064, "Goodwill and Intangible Assets", replacing Section 3062, "Goodwill and Other Intangible Assets" and Section 3450, "Research and Development Costs". The new pronouncement establishes standards for the recognition, measurement, presentation, and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. Standards concerning goodwill are unchanged from the standards included in Section 3062. This Section is effective in the first quarter of 2009, and the Company is currently evaluating the impact of the adoption of this new Section on its consolidated financial statements.

Convergence with International Financial Reporting Standards

In 2006, Canada's Accounting Standards Board ratified a strategic plan that will result in Canadian generally accepted accounting principles (GAAP), as used by public companies, being evolved and converged with International Financial Reporting Standards (IFRS) over a transitional period to be complete by 2011. The official changeover date from Canadian GAAP to IFRS is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. As the International Accounting Standards Board currently has projects underway that should result in new pronouncements and since this Canadian convergence initiative is very much in its infancy as of the date of these statements, the Company is currently evaluating the impact of the adoption of this new Section on its consolidated financial statements.

Outstanding Share Data

The Company is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares. As at March 31, 2008, 47,813,616 common shares were outstanding as compared to 47,560,450 as at December 31, 2007. No preferred shares were outstanding during, or at the end of either of these periods. Certain employees, officers and directors of the Company have been granted options to purchase common shares under the Company's incentive stock option plan. At March 31, 2008, 2,567,007 options were outstanding.

Outlook

Crude oil and natural gas prices have continued to rise since the end of the first quarter with crude oil prices exceeding \$120 per barrel and NYMEX natural gas prices for June delivery stand near \$12.00. This compares with pricing of \$63.40 for crude oil and \$7.55 for natural gas in June 2007.

Interest in shale gas in northeast British Columbia and conventional sweet crude oil in southeast Saskatchewan are leading to increased drilling activity outside of Alberta where recent changes to provincial royalties have impacted drilling expenditures.

Canadian rig activity, though down seasonally for spring breakup, recorded 122 active rigs last week up from 103 rigs at the same time last year. Forecasts for Canadian oil and gas drilling

activity for 2008 were revised upwards to between 16,000 and 17,000 wells compared to 19,500 wells drilled last year. With improving commodity prices, we should see further improvements in drilling activity in the second half of this year.

Improvements in Canadian drilling activity in the second half should benefit the Company's Oilfield Transportation and Tubular Management and Manufacturing operating segments directly while Production Services gas well connections lag drilling and will see a resulting lift in activity in the latter part of the year.

U.S. rig counts continue to hold at record levels with over 1,820 active rigs in April, and forecasts are calling for close to 57,000 wells in the U.S. in 2008. This continued strength of U.S. drilling, especially gas drilling, has led to strong backlogs of work for our U.S. based Production Services and our J.W. Williams manufacturing operations.

Oil sands capital investment activity in Alberta is expected rise to \$19 billion this year from \$16 billion spent in 2007. Industry forecasts estimate \$100 billion in announced oil sands capital spending over the next five to seven years and an additional \$40 billion in refinery capital spending in Alberta in the same time frame.

The Company has \$1 billion in oil sands construction backlog in two projects; one with Shell Albian Sands; and one with Suncor Energy. Work is underway on both projects which will continue through 2008 and 2009.

FT Services, the Company's 50% owned plant maintenance and asset management company, recently was awarded a one year extension onto the five year asset management contract with Suncor Energy signed in 2007. FT Services will also be taking over responsibility for Suncor Energy's Sarnia, Ontario refinery later this year. A contract for maintenance work at Canadian Natural Resources Ltd. was added to FT Services' backlog in the first quarter of 2008.

During 2008, Flint expects to see continued growth in all divisions associated with heavy oil and oil sands development.

The threat of a slowdown in the U.S. economy could affect overall demand for energy resulting in weaker energy prices and reduced demand for the Company's services. The Company anticipates any reduction in demand for its services resulting from weaker energy prices will be offset by oil sands project and maintenance work, which is generally not directly impacted by short-term commodity price volatility.

CONSOLIDATED BALANCE SHEETS

(unaudited)
(in thousands of Canadian dollars)

As at	March 31, 2008	December 31, 2007
ASSETS		
Current assets:		
Cash	\$ 13,933	\$ 32,318
Accounts receivable	346,581	236,586
Revenue in excess of billings	226,865	234,285
Inventories	53,815	51,273
Prepays and other current assets	10,049	11,462
Future income tax assets	8,788	7,961
Income taxes receivable (Note 3)	4,608	4,631
	664,639	578,516
Property, plant and equipment	452,050	460,590
Goodwill	397,068	396,250
Intangible assets	45,431	47,640
Other long-term assets	775	2,552
Future income tax assets	6,687	9,330
	\$ 1,566,650	\$ 1,494,878
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 198,149	\$ 186,175
Billings in excess of revenue	7,054	8,945
Income taxes payable	20,059	33,857
Future income tax liabilities	1,371	9,009
Current portion of long-term debt	24,730	15,987
	251,363	253,973
Long-term debt	402,421	352,548
Future income tax liabilities	63,320	64,054
	465,741	416,602
Shareholders' equity:		
Capital stock (Note 4)	580,315	576,304
Contributed surplus	9,382	9,359
Accumulated other comprehensive loss	(23,559)	(26,325)
Retained earnings	283,408	264,965
	849,546	824,303
Commitments and contingencies (Note 8)		
	\$ 1,566,650	\$ 1,494,878

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF EARNINGS AND RETAINED EARNINGS

<i>(unaudited)</i> <i>(in thousands of Canadian dollars, except share data)</i>	Three months ended March 31, 2008	Three months ended March 31, 2007
Revenue	\$ 515,583	\$ 502,694
Direct costs	423,766	396,138
	91,817	106,556
General and administrative expenses	38,137	46,947
Amortization on property, plant and equipment	15,559	15,199
Amortization on intangible assets	2,238	2,575
Stock based compensation expense	1,160	1,146
Interest expense	6,598	7,034
Interest income	(697)	(230)
Earnings before income taxes	28,822	33,885
Income taxes		
Current	17,891	26,972
Future (recovery)	(7,512)	(15,271)
	10,379	11,701
Net earnings	18,443	22,184
Retained earnings, beginning of period	264,965	214,695
Retained earnings, end of period	\$ 283,408	\$ 236,879
Earnings per share:		
Basic (Note 4)	\$ 0.39	\$ 0.47
Diluted (Note 4)	\$ 0.38	\$ 0.46
Weighted average common shares:		
Basic (Note 4)	47,648,923	47,201,241
Diluted (Note 4)	47,869,634	47,825,399

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS

<i>(unaudited)</i> <i>(in thousands of Canadian dollars)</i>	Three months ended March 31, 2008	Three months ended March 31, 2007
Net earnings	\$ 18,443	\$ 22,184
Other comprehensive (loss) earnings, net of income taxes:		
Unrealized (loss) gain on translation of self-sustaining foreign operations	2,766	(715)
Other comprehensive earnings (loss)	2,766	(715)
Comprehensive earnings	\$ 21,209	\$ 21,469

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited)
(in thousands of Canadian dollars)

Three months ended
March 31, 2008

Three months ended
March 31, 2007

Cash provided by (used in):

Operating activities:

Net earnings	\$	18,443	\$	22,184
Items not affecting cash:				
Amortization of property, plant and equipment		15,559		15,199
Amortization of intangible assets		2,238		2,575
Amortization of deferred finance charges		177		138
(Gain) loss on disposal of property, plant and equipment		(443)		206
Stock based compensation expense		1,160		1,146
Foreign exchange translation		415		-
Future income taxes		(7,512)		(15,271)
		30,037		26,177
Change in non-cash balances relating to operations		(108,251)		(63,856)
Net cash used in operating activities		(78,214)		(37,679)

Investing activities:

Business combination		-		(2,153)
Purchase of property, plant and equipment		(6,467)		(15,919)
Proceeds from disposal of property, plant and equipment		1,767		647
Net cash used in investing activities		(4,700)		(17,425)

Financing activities:

Proceeds from long-term debt		311,843		74,806
Repayments of long-term debt		(250,185)		(22,899)
Deferred finance costs		-		(20)
Proceeds from issue of capital stock on exercise of options		2,871		1,538
Net cash provided by financing activities		64,529		53,425
Decrease in cash		(18,385)		(1,679)
Cash, beginning of period		32,318		11,520
Cash, end of period	\$	13,933	\$	9,841

Supplemental cash flow information:

Net cash (paid) received during the year:				
Interest paid	\$	(6,386)	\$	(6,658)
Interest received		697		229
Income taxes	\$	(31,355)	\$	(10,363)

See accompanying notes to the consolidated financial statements.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

Three Months Ended March 31, 2008

(tabular amounts in thousands of Canadian dollars, except share data and stock option exercise prices)

1. BASIS OF PRESENTATION

These interim consolidated financial statements are expressed in Canadian dollars and have been prepared in accordance with accounting principles generally accepted in Canada. They do not include all the disclosures as required for annual financial statements under Canadian generally accepted accounting principles. The interim consolidated financial statements include the accounts of Flint Energy Services Ltd. and all subsidiary companies. All subsidiary companies are wholly owned and all material intercompany accounts and transactions have been eliminated. The Company proportionately consolidates its interests in joint ventures. The interim consolidated financial statements follow the same significant accounting policies as described and used in the most recent annual report of the Company for the year ended December 31, 2007, except as described in Note 2(a) below, and should be read in conjunction with that report.

The preparation of the interim consolidated financial statements require management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosures of contingent assets and liabilities. Actual results may differ from those estimates and assumptions.

2. ACCOUNTING POLICIES

(a) Changes In Accounting Policies

The Company adopted Canadian Institute of Chartered Accountants (CICA) Handbook Section 3031, Inventories; Section 1535, Capital Disclosures; Section 3862, Financial Instruments – Disclosures; and Section 3863, Financial Instruments – Presentation on January 1, 2008.

(CICA) Handbook Section 3031, Inventories

In June 2007, the CICA issued Section 3031, "Inventories", which requires inventory to be measured at the lower of cost and net realizable value, the allocation of overhead based on normal capacity, the requirement for an entity to use a consistent cost formula for inventory of a similar nature and use, and the reversal of previous write-downs to net realizable value when economic circumstances have changed to support higher inventory values. Disclosures requirements have also been enhanced requiring inventory policies, carrying amounts, amounts recognized as an expense, write-downs and the reversal of write-downs to be disclosed.

As a result of adopting CICA Section 3031, "Inventories", the Company allocates fixed and variable production overheads to the cost of conversion of inventories based on normal capacity of the production facilities. Normal capacity is the production expected to be achieved on average over a number of periods or seasons under normal circumstances. The costs of conversion of inventories include costs directly related to the units of production, such as direct labour and a systematic allocation of fixed and variable production overheads that are incurred in converting materials into finished goods. Previously, some fixed and variable production overheads were allocated to general and administrative expenses. The adoption of this standard did not have a material impact on the consolidated financial statements.

Inventories expensed in direct costs in the three months ended March 31, 2008 were \$30 million (March 31, 2007 - \$28 million). In the three months ended March 31, 2008 or in the same period of 2007, there were no material write-downs or reversals of write-downs that were taken in previous periods. Amortization expense included in direct costs for the three months ended March 31, 2008 and its comparative period is not material.

Section 1535, Capital Disclosures

In December 2006, the CICA issued Section 1535, "Capital Disclosures". This Section establishes standards for disclosing information about an entity's objectives, policies, and processes for managing capital. The Company has applied this new accounting standard prospectively and has disclosed details about its capital management (Note 5). The adoption of this new standard did not have an effect on the Company's financial position or on the results of its operations.

Section 3862, Financial Instruments – Disclosures; and Section 3863, Financial Instruments – Presentation

In March, 2007, the CICA issued Section 3862, “Financial Instruments – Disclosures” and Section 3863, “Financial Instruments – Presentation”, which together comprise a complete set of disclosure and presentation requirements that revise and enhance current disclosure requirements. Section 3862 requires entities to provide disclosures in their financial statements that enable users to evaluate (i) the significance of financial instruments for their financial position and performance and (ii) the nature and extent of risks arising from financial instruments to which they are exposed during the period and as at the balance sheet date and how they manage those risks. Section 3863 establishes standards for presentation of financial instruments and non-financial derivatives. It addresses the classification of financial instruments, from the perspective of the issuer, between liabilities and equity, the classification of related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities are offset. As a result of adopting these new sections, the Company has expanded its financial risks and financial instruments disclosures (Note 6). The adoption of this new standard did not have an effect on the Company’s financial position or on the results of its operations.

(b) Future accounting changes

Goodwill and Intangible Assets

In February 2008, the CICA issued Section 3064, “Goodwill and Intangible Assets”, replacing Section 3062, “Goodwill and Other Intangible Assets” and Section 3450, “Research and Development Costs”. The new pronouncement establishes standards for the recognition, measurement, presentation, and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. Standards concerning goodwill are unchanged from the standards included in the previous Section 3062. This Section is effective January 1, 2009, and the Company is currently evaluating the impact of the adoption of this new Section on its consolidated financial statements.

Convergence with International Financial Reporting Standards

In 2006, Canada’s Accounting Standards Board ratified a strategic plan that will result in Canadian generally accepted accounting principles (GAAP), as used by public companies, being evolved and converged with International Financial Reporting Standards (IFRS) over a transitional period to be complete by 2011. The official changeover date from Canadian GAAP to IFRS is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The impact of the transition to IFRS on the Company’s consolidated financial statements has not been determined.

3. INCOME TAXES

In 2002, the Company commenced using a Quebec Trust as part of its corporate structure. In 2006, the Quebec National Assembly passed into law Bill 15 to amend the Quebec Taxation Act and other legislative provisions. Bill 15 includes retroactive changes to the Act that has the impact of creating Quebec taxable income for the Company for the 2002, 2003, 2004 and 2005 taxation years. Notices of reassessment, dated June 28, 2006 for these years amount to \$15.5 million of income taxes and \$3.3 million of interest for a total reassessment of \$18.8 million.

On September 25, 2006, the Company filed the notices of objection in relation to the notices of reassessment received from the Government of Quebec. The Company continues to consider alternatives to reduce the potential exposure for Quebec tax created as a result of this retroactive legislation. The Company recorded \$15.5 million in income tax expense and \$4.2 million in interest expense for the year ended December 31, 2006 in relation to the reassessments and in 2007, an additional \$1.8 million of interest was accrued on these assessments. The unpaid portion of income tax and interest expense on the Quebec tax reassessments has been included in income taxes payable at March 31, 2008. The Company has entered final negotiations with the federal and provincial tax authorities and a portion of the assessed tax and accrued interest expense is expected to be reversed in 2008 upon finalization of the settlement.

4. CAPITAL STOCK

(a) *Issued Capital Stock:*

Issued:	Common Shares	Amount
Balances at December 31, 2007	47,560,450	\$ 576,304
Shares issued in conjunction with:		
Exercised employee stock options	253,166	2,872
Transfer from contributed surplus for stock options exercised	-	1,139
Balances at March 31, 2008	47,813,616	\$ 580,315

The Company received regulatory approval to make a normal course issuer bid to purchase up to 2,379,689 of its issued and outstanding common shares. The normal course issuer bid commenced on February 29, 2008 and terminates on February 28, 2009. No shares were acquired and cancelled.

(b) *Stock Based Compensation Plan:*

The Company has an incentive stock option plan for certain employees, officers and directors. Options issued under the plan vest at a rate of one third on the three subsequent award date anniversaries. All stock options must be exercised over specified periods not to exceed five years from the date granted.

At March 31, 2008, 3,170,627 common shares remained reserved for issuance under the stock option plan.

As at March 31, 2008

Options	Shares	Weighted Average Exercise Price
Outstanding at December 31, 2007	2,375,626	\$ 22.02
Granted	492,500	\$ 16.58
Cancelled / Forfeited	(47,953)	\$ 23.61
Exercised	(253,166)	\$ 11.34
Outstanding at March 31, 2008	2,567,007	\$ 22.00
Options exercisable at March 31, 2008	1,236,479	\$ 21.00

Included in the diluted number of common shares for the three months period ended March 31, 2008 is 220,711 of stock options (624,158 at March 31, 2007).

5. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are:

- (i) to maintain a flexible capital structure which optimizes the cost of capital at acceptable risk; and
- (ii) to manage capital in a manner which balances the interests of equity and debt holders.

In the management of capital, the Company includes short-term and long-term debt and shareholders' equity. The Company manages its capital structure and makes adjustments for changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may purchase shares for cancellation pursuant to normal course issuer bids, issue new shares, issue new debt, and/or issue new debt to replace existing debt with different characteristics.

The Company monitors the following ratios: debt to total capitalization and cash flow to interest bearing debt. Debt to total capitalization and cash flow to interest bearing debt ratios are non-GAAP measures which do not have a standardized meaning prescribed by GAAP and therefore, may not be comparable to similar measures presented by other issuers.

Debt to total capitalization is calculated as short-term and long-term debt (total debt) divided by total capitalization. Total capitalization is defined as the sum of total debt and all components of equity (share capital, contributed surplus, accumulated other comprehensive loss, and retained earnings).

Cash flow to interest bearing debt, expressed as a percentage, is equal to cash flow divided by interest bearing debt. Cash flow is equal to funds provided by operations before changes in non-cash working capital. Interest bearing debt is equal to long-term debt including the current portion.

The Company's objective is to maintain a (i) debt to total capitalization ratio that would not exceed 50% and (ii) minimum cash flow to interest bearing debt of 4% for the quarter.

The objectives and policy for managing capital are established on an annual basis and are monitored on a quarterly basis and remained unchanged in the first quarter of 2008 from the prior comparative period. The Company believes these ratios are currently in the targeted range and provide access to capital at a reasonable cost.

The total debt to capital ratio and cash flow to interest bearing debt are comparable, year over year, and are within the Company's targeted range.

As at and for the period ended March 31 (\$ thousands, except as noted)	2008	2007
Components of Debt and Coverage Ratios		
Funds provided by operations before changes in non-cash working capital ¹	30.0	26.2
Long-term debt, at end of year (including current portion)	427.2	429.0
Total shareholders' equity	849.5	801.3
Ratios		
Debt to total capitalization	33.5%	34.9%
Cash flow to interest bearing debt	7.0%	6.1%

¹ The Company presents "funds provided by operations before changes in non-cash working capital" as it is used to measure funds generated from operations. Funds provided by operations before changes in non-cash working capital is equal to net earnings adjusted for items not affecting cash. Funds provided by operations before changes in non-cash working capital is a non-GAAP financial measure that does not have any standardized meaning prescribed by GAAP and may not be comparable to similar measures presented by other issuers.

The Company is subject to restrictive covenants related to its credit facilities that are measured on a quarterly basis. These covenants include, but are not limited to, a working capital ratio, debt to EBITDA ratio and debt to total capitalization ratio. Failure to meet the terms of one or more of these covenants may constitute a default, potentially resulting in accelerating the repayment of the Company's debt obligations. The Company was in compliance with all covenants under this agreement as at March 31, 2008.

6. FINANCIAL INSTRUMENTS

(a) Fair Value

The fair values of financial instruments have been estimated on the basis of available market quotations or the use of various valuation techniques, such as present value of future cash flows. However, the methods and assumptions followed to disclose fair values are inherently judgmental. Thus, estimated fair values do not necessarily reflect amounts that would be received or paid in case of immediate settlement of these instruments.

The use of different estimations, methodologies and assumptions could have a material effect on the estimated fair value amounts. The methodologies used are as follows:

- cash, accounts receivables, revenue in excess of billings, accounts payables, billings in excess of revenue: due to the short-term nature of these balances, the recorded amounts approximate fair value;
- other long-term financial debt: the fair values of long-term debt were determined by estimating future cash flows on a borrowing-by-borrowing basis, and discounting these future cash flows using a rate which takes into account the Company's spread for credit risk at year-end for similar types of debt arrangements;
- derivative instruments: the fair values of foreign exchange, interest rates, commodities and equity derivatives were calculated using market prices that the Company would pay or receive to settle the related agreements.

(b) Risk Management

The Company is exposed to a number of financial risks in the normal course of its business operations, including market risks resulting from fluctuations in commodity prices, interest rates and foreign currency exchange rates,

as well as credit and liquidity risks. The nature of the financial risks and the Company's strategy for managing these risks has not changed significantly from the prior period.

i. Market Risks

The Company monitors its exposure to market fluctuations and may use derivative contracts to manage these risks, as it considers appropriate.

Interest Rate Risk

The Company is exposed to interest rate risk as changes in market interest rates affect the fair values of fixed-interest rate liabilities and the cash flows of both floating-interest rate liabilities and future borrowings. Capital leases and finance contracts all bear interest at fixed rates. Drawings on the demand credit facilities bear interest at floating rates. The Company regularly reviews the mix of floating and fixed rate debt for consistency with its financing objectives. The Company attempts to minimize the short-term interest rate risk and effective cost of borrowing by purchasing banker's acceptance notes and minimize long-term interest rate risk and effective cost of borrowing by entering into long-term credit facilities at fixed rates.

See Note 18(a)(ii) to the 2007 Annual Financial Statements for the effect of a 1% change in interest rates.

Foreign Currency Exchange Risk

The Company is exposed to foreign currency exchange risk as changes in the foreign currency exchange affect the future cash flows of certain financial instruments. The Company has foreign currency exchange risk that arises from its long-term debt of which a portion is in the form of U.S. dollar denominated credit facilities. The Company's U.S. self-sustaining operations also expose the Company to fluctuations in foreign currency exchange rates, predominantly U.S. dollars. These fluctuations are recorded as currency translation adjustments in other comprehensive income. The Company does not hedge for these foreign exchange risks.

As at March 31, 2008, holding all other variables constant, a \$0.01 strengthening (weakening) of the Canadian dollar against the US dollar would increase (decrease) net earnings by approximately \$0.7 million and would result in an increase (decrease) of \$1.5 million to other comprehensive earnings.

ii. Credit Risk

The Company is exposed to credit risk, primarily through its accounts receivables and revenues in excess of billings, from its counterparties' abilities to fulfill their obligations to the Company. The Company manages this risk through the establishment of credit policies and limits, which are applied in the selection of counterparties, and through ongoing management review of all receivable balances past due with the objective of identifying matters that could potentially delay the collection of funds at an early stage. The Company carries adequate provisions for expected losses arising from credit risk associated with all financial assets. These provisions have not been material. The maximum amount of credit risk exposure is limited to the carrying amount of the balances in the financial statements. No amounts were held as collateral at March 31, 2008.

iii. Liquidity Risk

The Company is exposed to liquidity risk from the potential inability to generate or obtain sufficient cash and cash equivalents in a timely and cost-effective manner to discharge its financial liabilities as they come due. The Company manages liquidity risk by forecasting cash flows to identify financing requirements, by maintaining committed and demand credit facilities, and by maintaining access to additional financing at competitive rates through capital markets and highly rated financial institutions. Any debt issued by the Company is managed in accordance with specified liquidity and maturity profiles.

The Company believes that internally generated cash flows, supplemented by borrowings, if necessary, will be sufficient to cover its normal operating and capital expenditures.

7. SEGMENTED INFORMATION

As at March 31, 2008, the Company is operating within five reportable business segments, each of which are distinct business units that offer different products and services within the oil and natural gas industry. These reportable business segments include Production Services, Facility Infrastructure, Oilfield Transportation, Tubular Management and Manufacturing, and Plant Maintenance and Other.

During 2006, the Company operated principally in two business segments; Production Services and Facility Infrastructure. On December 1, 2006, the Company added the Oilfield Transportation and Tubular Management and Manufacturing segments. In addition, the Company announced the establishment of an operation and maintenance joint venture, Flint Transfield Services Ltd., in which the Company has a fifty percent ownership interest. As a result, an additional operating segment, Plant Maintenance and Other, is disclosed commencing the first quarter of 2007.

During the fourth quarter of 2007, the Plant Maintenance and Other segment was reorganized to include the operations of Mackenzie Valley Construction Ltd., a 49% joint venture and S.R.P. North Ventures Ltd., a 33 1/3% joint venture. The Company has reclassified its segment disclosures to include these new business segments and has provided comparative information where applicable.

The Production Services operating segment provides pipeline work, day-to-day field facility installation and maintenance services, as well as electrical, instrumentation, mechanical, safety, pressure and vacuum and fluid hauling.

The Facility Infrastructure operating segment provides major facility project development services to the energy and natural resources sector, providing a full-cycle approach to all phases of project development from concept and design to fabrication and installation.

The Oilfield Transportation operating segment includes specialized hauling of oversized and over weight modules, vessels, equipment and machinery, tank truck services, drilling rig moving and heavy hauling of associated drilling rig equipment, heavy construction equipment, service rig and light hauling services to and from drilling site locations.

The Tubular Management and Manufacturing operating segment includes inspection, threading, refurbishment and bucking of drill and line pipe, manufacturing of high density pipe, the assembly of oil and natural gas process piping and equipment design, manufacturing and distribution of oilfield production equipment.

The Plant Maintenance and Other operating segment provides operations, oil and gas production and maintenance, construction, logistical oilfield services, asset management and project management services to the North American energy sector.

The Company allocates resources based on revenue and evaluates performance of operating segments based on earnings before interest, taxes, depreciation, amortization and stock based compensation.

Selected financial information for each reportable business segment is as follows:

	Production Services	Facility Infrastructure	Oilfield Transportation	Tubular Management and Manufacturing	Plant Maintenance and Other	Total
Three months ended March 31, 2008						
Revenue	\$ 269,978	\$ 101,051	\$ 58,866	\$ 47,101	\$ 38,587	\$ 515,583
EBITDA ¹	27,500	8,028	9,979	5,355	2,818	53,680
Amortization	7,829	2,300	5,757	1,609	302	17,797
Capital expenditures	1,222	369	2,769	335	1,772	6,467
Additions to goodwill	818	-	-	-	-	818
Goodwill	178,693	28,900	146,212	43,263	-	397,068
Total assets	694,227	282,514	411,929	145,037	32,943	1,566,650
Three months ended March 31, 2007						
Revenue	\$ 276,695	\$ 105,535	\$ 60,199	\$ 55,202	\$ 5,063	\$ 502,694
EBITDA ¹	28,516	6,538	13,844	10,392	319	59,609
Amortization	7,594	1,987	5,447	2,529	217	17,774
Capital expenditures	5,855	1,762	5,768	2,466	68	15,919
Additions to goodwill	(523)	-	32	8	-	(483)
Goodwill	184,792	28,900	146,058	46,330	-	406,080
Total assets	730,074	260,229	381,987	160,994	13,410	1,546,694

The Company's operations are carried on in the following geographic locations:

	Canada	United States	Total
Three months ended March 31, 2008			
Revenue	\$ 403,256	\$ 112,327	\$ 515,583
Property, plant and equipment	401,167	50,883	452,050
Goodwill	373,225	23,843	397,068
Total assets	1,438,703	127,947	1,566,650
Three months ended March 31, 2007			
Revenue	\$ 388,085	\$ 114,609	\$ 502,694
Property, plant and equipment	380,789	47,025	427,814
Goodwill	379,262	26,818	406,080
Total assets	1,440,979	105,715	1,546,694

¹ In addition to providing earnings measures in accordance with Canadian GAAP, the Company presents EBITDA as a supplemental earnings measure as it is used by the chief operating decision makers of the Company to measure operating segment profitability. EBITDA is equal to earnings before interest, taxes, depreciation, amortization and stock based compensation. Management uses EBITDA to establish performance benchmarks for incentive compensation for employees, to evaluate the performance of its operating segments, and in valuing existing operations to determine potential goodwill impairment. EBITDA is a non-GAAP financial measure that does not have any standardized meaning prescribed by GAAP, and may not be comparable to similar measures presented by other issuers.

8. COMMITMENTS AND CONTINGENCIES

At March 31, 2008 the Company was involved in various legal claims related to the normal course of operations. Management believes that it has adequately provided a provision for these legal claims.

9. COMPARATIVE INFORMATION

Certain comparative figures have been reclassified to conform to current period presentation.

CORPORATE INFORMATION

Directors

John Geddes
Chairman of the Board
Flint Energy Services Ltd.
Calgary, Alberta

W.J. (Bill) Lingard
President and Chief
Executive Officer
Flint Energy Services Ltd.
Calgary, Alberta

John Bates
President
Flint Resources Company, LLC
Tulsa, Oklahoma

Stuart O'Connor
President
Timber Ridge Capital Ltd.
Calgary, Alberta

Douglas E. Swanson
Retired
Former Chief Executive Officer
Oil States International Inc.
Houston, Texas

T.D. (Terry) Freeman
Managing Director
Northern Plains
Investment Growth Fund
Edmonton, Alberta

C. Douglas Annable
President
CD Consulting Inc.
Calgary, Alberta

Officers

W.J. (Bill) Lingard
President and Chief
Executive Officer

Paul M. Boechler
Chief Financial Officer
and Corporate Secretary

Wayne Shaw
Senior Vice President,
Infrastructure Services

Keith Lambert
Senior Vice President,
Production Services

Bryce Satter
President, Flint Energy
Services Inc. (U.S.A.)

Shawn Carry
Vice President, Transco
Energy Services Ltd.

Bob Henderson
Vice President,
Human Resources

Bankers

Bank of Montreal
Calgary, Alberta

Auditors

KPMG LLP
Edmonton, Alberta

Legal Counsel

Bennett Jones LLP
Edmonton and Calgary,
Alberta

Transfer Agent and Registrar

Computershare Trust
Company of Canada
600, 530 – 8th Avenue S.W.
Calgary, Alberta T2P 3S8
Tel: 1-888-267-6555
Email: caregistryinfo@
computershare.com
www.computershare.com

Stock Exchange Listing

Toronto Stock Exchange (TSX)
Common Shares – FES

Corporate Head Office

700, 300 – 5th Avenue S.W.
Calgary, Alberta, Canada
T2P 3C4
Tel: 403-218-7100
Toll Free: 1-877-215-5499
Fax: 403-215-5445
www.flintenergy.com