



**NEWS RELEASE**

**FOR IMMEDIATE RELEASE**

***CE Franklin Ltd. announces significant improvement in its first quarter 2003 results***

**Calgary, Alberta, April 16, 2003 - CE FRANKLIN LTD. (TSX.CFT, AMEX.CFK)**

announced its results for the first quarter ended March 31, 2003.

“CE Franklin showed continued improvement with its first quarter 2003 results”, said Michael West, President and Chief Executive Officer. “The Company has shown significant improvements in the areas of margin enhancement and cost rationalization. This results in a year over year Earnings before interest, taxes, depreciation and amortization (“EBITDA”) improvement of \$742,000 or 152%. Earnings before income taxes were a positive \$33,000 compared to a loss of \$819,000 in Q1 2002. We will continue to develop and execute our strategies and will look for incremental improvement as we go forward.”

Net loss for the first quarter ended March 31, 2003 was \$62,000 or \$0.00 per share diluted as compared to a loss of \$389,000 or \$0.02 per share diluted for the quarter ended March 31, 2002.

Sales decreased \$16.7 million or 21% for the quarter ended March 31, 2003 to \$63.0 million as compared to the quarter ended March 31, 2002. Tubulars sales decreased \$19.6 million reflecting two large customers now ordering their tubular goods directly from steel mills.

General Supplies sales increased \$3.2 million or 7.0% to \$49.1 million reflecting the increase in well completion activity to 3,615 wells completed during the first quarter of 2003 as compared to 2,860 wells completed during the first quarter of 2002.

Net loss for the first quarter ended March 31, 2003 was \$62,000 or \$0.00 per share diluted as compared to a net loss of \$678,000 or \$0.04 per share diluted for the fourth quarter ended December 31, 2002. Sales increased \$1.9 million Q1 2003 vs. Q4 2002, however earnings increased \$616,000 as a result of an improvement in gross profit margins and a reduction in SG&A expenses representing an incremental flow through of approximately 33%.

**Conference Call and Webcast Information**

A conference call to review the quarterly results, which is open to the public, will be held on Thursday, April 17, 2003, beginning at 11:00 a.m. EDT. Participants may join the call by dialing 1-888-881-4892 at the scheduled time. A recording of the entire call may be accessed by 1 p.m. EDT on the same day by calling 1-877-289-8525 and entering the pass code of 233113# and may be accessed until midnight Wednesday, April 19<sup>th</sup>, 2003.

The call will also be webcast live at:

<http://www.newswire.ca/webcast/viewEventCNW.html?eventID=458480> and will be available on the Company's website at <http://www.cefranklin.com>.

### **About CE Franklin**

CE Franklin is one of the largest distributors of thousands of complex products to the Canadian oil and gas exploration, production and refining industry, as well as an important provider of materials to other resource-based industries including oil sands, refineries, petrochemicals, pulp and paper and mining. Our energy industry customers drill for, produce, process, pipeline and refine hydrocarbons. We provide them with a complete range of tubular products and production equipment, including air and gas compressors and artificial lift technology, plus pipe, valves, fittings and maintenance supplies. We provide complete customer inventory procurement and management services through our 37 locations across Canada. We are also leveraging our relationship with Wilson Supply in the U.S. in order to provide our customers with an even wider range of products and services.

CE Franklin's strategy is to increase market share, maximize gross profit margins, rationalize expenses, enhance customer service, improve earnings and create shareholder wealth. Underpinning the strategy are our eight operating values – integrity; credibility; performance; teamwork; service ethic; trust; responsibility and community.

EBITDA is defined as earnings before interest, tax and amortization. EBITDA is a Non-GAAP earnings measure and is presented to provide the reader with operating financial information that is comparable to prior years operating financial information. It should be noted that EBITDA is not defined by Canadian generally accepted accounting principles and has no standardized meaning. Therefore, these results may not be readily comparable to other companies' presentations of operating results.

This news release includes forward looking statements within the meaning of section 27A of the United States Securities Act of 1933 and Section 21E of the United States Securities Exchange Act of 1934. Although the Company believes that its expectations are based on reasonable assumptions, it can give no assurance that expected results will be achieved. Important factors that could cause actual results to differ materially from those in the forward looking statements herein include economic conditions, seasonality of drilling activity, commodity prices for oil and gas, currency fluctuations and government regulations, and other risks and uncertainties as described in the Company's 2001 Annual Report on Form 20-F as filed with the United States Securities and Exchange Commission.

### **For Further Information Contact:**

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