SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE

SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): May 11, 2004

ESCO TECHNOLOGIES INC.

(Exact Name of Registrant as Specified in Charter)

Missouri (State or Other Jurisdiction of Incorporation)	1-10596 (Commission File Number)	43-1554045 (I.R.S. Employer Identification No.)

8888 Ladue Road, Suite 200, St. Louis, Missouri (Address of Principal Executive Offices)	63124-2056 (Zip Code)

Registrant's telephone number, including area code: 314-213-7200

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS

(c) Exhibits

Exhibit No.	Description of Exhibit
99.1	Press Release dated May 11, 2004

ITEM 9. REGULATION FD DISCLOSURE

Today, May 11, 2004, the Registrant is issuing a press release announcing its fiscal 2004 second quarter and first six months financial and operating results. This press release is furnished herewith as Exhibit 99.1 and will be posted on the Registrant's website located at http://www.escotechnologies.com. It can be viewed through the Investor Relations page of the website under the tab "Press Releases", although the Registrant reserves the right to discontinue that availability at any time.

In addition, the Registrant announced in a press release issued on April 16, 2004 that a webcast of a fiscal second quarter conference call would be held on May 11, 2004 at 9:30 am, central time, and that the related press release would be available on that date.

ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Operations and Financial Information Furnished

Today, the Registrant is issuing a press release (Exhibit 99.1 to this report) announcing its fiscal 2004 second quarter and first six months financial and operating results. See Item 9, Regulation FD Disclosure, above.

Non-GAAP Financial Measures

The press release furnished herewith contains financial measures and financial terms not calculated in accordance with generally accepted accounting principles in the United States of America ("GAAP") in order to provide investors and management with an alternative method for assessing the Registrant's operating results in a manner that is focused on the performance of the Registrant's ongoing operations. The Registrant has provided definitions below for the non-GAAP financial measures utilized in the press release, together with an explanation of why management uses these measures, and why management believes that these non-GAAP financial measures are useful to investors. The press release uses the non-GAAP financial measures of "operational" sales, net earnings, earnings per share and results of operations and also of "EBIT from continuing operations," "EBIT margin", "free cash flow from continuing operations " and Filtration segment "operational" net sales and EBIT.

The Registrant defines "operational" sales, net earnings, earnings per share, and results of operations as sales, net earnings, earnings per share, and results of operations in accordance with GAAP, except for the exclusion of (i) exit costs and severance charges related to the shutdown of the Filtration segment Puerto Rico facility, (ii) costs resulting from the Management Transition Agreement between the Registrant and its former Chairman and (iii) the charge resulting from an equipment lease termination related to the Whatman Hemasure MSA dispute. The Registrant defines "operational" EBIT margin as EBIT margin (defined below) with the foregoing exclusions. The Registrant's management uses these "operational" results in evaluating the measures of continuing operations of the Registrant and believes that this information provides investors with additional insight into the period over period financial performance of the Registrant.

The Registrant defines “EBIT from continuing operations” as earnings before interest and taxes. The Registrant defines “EBIT margin” as EBIT from continuing operations as a percent of net sales. The Registrant’s management evaluates the performance of its operating segments based on EBIT from continuing operations and EBIT margin, and believes that EBIT from continuing operations and EBIT margin are useful to investors to demonstrate the operational profitability of the Registrant’s business segments by excluding interest and taxes, which are generally accounted for across the entire Registrant on a consolidated basis. EBIT from continuing operations is also one of the measures used by management in determining resource allocations within the Registrant and incentive compensation.

The Registrant defines “Free cash flow from continuing operations” as “Net cash provided by operating activities—continuing operations” less “Capital expenditures—continuing operations”. The Registrant’s management believes that free cash flow from continuing operations is useful to investors and management as a supplemental financial measurement in the evaluation of the Registrant’s business and believes that free cash flow may provide additional information with respect to the Registrant’s ability to meet its future debt service, capital expenditures and working capital requirements. Free cash flow can also be reinvested in the Registrant for future growth.

The Registrant defines Filtration segment “operational” net sales and EBIT as segment net sales and EBIT, excluding the costs related to the shutdown of the Puerto Rico facility.

The presentation of the information described above is intended to supplement investors’ understanding of the Registrant’s operating performance. The Registrant’s non-GAAP financial measures may not be comparable to other companies’ non-GAAP financial performance measures. Furthermore, these measures are not intended to replace net earnings, cash flows, financial position, or comprehensive income (loss), as determined in accordance with GAAP.

Other Matters

The information contained in this report, including Exhibit 99.1, shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934 as amended (“Exchange Act”) or otherwise subject to the liabilities of that section, unless the Registrant specifically incorporates it by reference in a document filed under the Securities Act of 1933 as amended or the Exchange Act.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ESCO TECHNOLOGIES INC.

Dated: May 11, 2004

By: /s/ G.E. Muenster
G.E. Muenster
Vice President and
Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description of Exhibit
99.1	Press release dated May 11, 2004

Exhibit 99.1

News From
ESCO Technologies

For more information contact:
Patricia K. Moore
Director, Investor Relations
ESCO Technologies Inc.
(314) 213-7277

For media inquiries:
David P. Garino
(314) 982-0551

ESCO ANNOUNCES SECOND QUARTER RESULTS

St. Louis, MO, May 11, 2004 - ESCO Technologies Inc. (NYSE: ESE) today announced its results for the fiscal 2004 second quarter ended March 31, 2004.

These results reflect the following items which were announced in previous releases in fiscal 2003: severance and move charges related to the exit and relocation of Filtertek's Puerto Rican manufacturing facility; the divestiture of the Microfiltration and Separations businesses (MicroSep) which is accounted for as "discontinued operations;" and the fiscal 2003 costs associated with the Management Transition Agreement (MTA) and the Whatman Manufacturing and Supply Agreement (MSA).

The reconciliation of GAAP reported earnings to "Operational" earnings is included in the Exhibits attached to this release. The Company believes that the presentation of "Operational" earnings provides additional insight into the Company's performance.

The Company uses the following definitions in describing its results of operations for the periods noted:

- "GAAP": Represents the results of operations required by accounting principles generally accepted in the United States of America. The GAAP reported results present the MicroSep businesses as "discontinued operations."
- "Adjustments": Represents the Filtertek severance and exit costs incurred in first half of fiscal 2004, the MTA costs incurred during the first half of fiscal 2003, and the MSA charge recorded in the second quarter of fiscal 2003.
- "Operational": Represents the financial results from continuing operations, excluding the MicroSep businesses and excluding the "Adjustments" as defined above. The "Adjustments" are considered ordinary operating expenses under GAAP.

Results of Operations (in millions, except EPS)

Sales and net earnings for the fiscal 2004 and 2003 second quarter and six month year-to-date periods ended March 31 are noted below:

2nd Qtr. - FY 2004	Sales	Net Earnings	Diluted EPS
GAAP	$102.2M	$5.4M	$0.40
Operational	$102.2M	$8.1M	$0.60

2nd Qtr. - FY 2003	Sales	Net Earnings	Diluted EPS
GAAP	$102.0M	$5.6M	$0.43
Operational	$102.0M	$8.5M	$0.65

6 Months YTD. - FY 2004	Sales	Net Earnings	Diluted EPS
GAAP	$198.6M	$11.5M	$0.87
Operational	$198.6M	$15.2M	$1.14

6 Months YTD - FY 2003	Sales	Net Earnings	Diluted EPS
GAAP	$200.3M	$12.2M	$0.93

Operational	$200.3M	$17.4M	$1.33

Sales
- -----

Fiscal 2004 second quarter consolidated sales of $102.2 million were consistent with fiscal 2003 second quarter sales. Year-to-date sales in fiscal 2004 decreased slightly versus the similar period in fiscal 2003.

On a segment basis for the fiscal 2004 second quarter, Communications sales decreased 20 percent, Filtration sales increased 6 percent and Test sales increased 22 percent, as compared to the prior year second quarter. Year-to-date, fiscal 2004 Communications sales decreased 20 percent, Filtration sales increased 4 percent and Test sales increased 25 percent as compared to the first six months of fiscal 2003.

Communications segment sales decreased in both the quarter and year-to-date periods as a result of lower shipments of Automatic Meter Reading (AMR) equipment to PPL Electric Utilities Corporation (PPL) and lower shipments of Comtrak's SecurVision(R) video security products. Sales to PPL were $15.2 million and $37.8 million in the fiscal 2003 second quarter and six months, respectively, compared to $7.4 million and $19.9 million in the current year second quarter and six months, respectively. The balance of the PPL contract is expected to be complete during fiscal 2004. The decrease in sales to PPL was partially offset by significantly higher AMR product sales to the electric utility cooperative (COOP) market and other customers. Sales to COOP and other customers increased 21 percent during the first six months of fiscal 2004 to $41.0 million, from $33.7 million in the comparable period of fiscal 2003.

Filtration segment sales increased in the second quarter and year-to-date periods primarily as a result of higher defense aerospace shipments at VACCO and PTI, and as a result of favorable foreign currency exchange rates at Filtertek's European operations.

The Test segment sales increased significantly in the current quarter and year-to-date periods as a result of additional test chamber installations in Europe and increased volume from the Company's Asian operations. Year-to-date sales increased $10.8 million of which $1.7 million related to the acoustics business being included for six months in the current year and only three months in the prior year.

Earnings Before Interest and Taxes (EBIT)

EBIT from continuing operations for the periods ended March 31, 2004 and 2003 were negatively affected by the impact of the Puerto Rican facility exit and move costs (fiscal 2004), and the MTA and MSA (fiscal 2003). The pretax charges in continuing operations in fiscal 2004 were $0.6 million for the second quarter and $1.3 million year-to-date related to Puerto Rico. In fiscal 2003, the charges in continuing operations include $2.2 million and $2.9 million for the MTA and MSA for the second quarter and year-to-date periods, respectively. These items are identified within "Earnings before income taxes" in the Exhibits attached to this release.

On a segment basis, the following items impacted EBIT from continuing operations as a percent of sales ("EBIT margin") during fiscal 2004. In the Communications segment, EBIT margin is lower than prior year due to additional sales, marketing, and engineering costs incurred at DCSI to further penetrate the Investor Owned Utility (IOU) market. These additional costs were incurred against a lower sales base recorded in the period.

In the Filtration segment, EBIT margin improved in the second quarter of fiscal 2004 primarily due to higher defense sales at VACCO. Year-to-date, EBIT margin was lower than prior year due to the impact of the exit and move costs incurred and the inefficiencies being absorbed at Filtertek as a result of operating in both the Puerto Rico and Juarez facilities. The move out of Puerto Rico was completed in mid-March 2004, and Management expects the facility to be sold within the next 12 months. Filtration EBIT was also negatively impacted by the lower sales of commercial aerospace products.

In the Test segment, EBIT margin improved in the current fiscal year periods as a result of the significantly higher sales volume recognized in fiscal 2004.

New Orders and Cash Flow

New orders received during fiscal 2004 were $96.8 million and $195.1 million for the second quarter and six-month period, resulting in a backlog at March 31, 2004 of $259.5 million. New orders received during the first six months of fiscal 2004 in Filtration, Communications and Test were $86.3 million, $57.5 million, and $51.3 million, respectively. During the second quarter, the Communications segment recorded $30.5 million of new orders related to AMR products, primarily for the COOP market.

During the first six months of fiscal 2004, the Company generated $19.5 million of free cash flow from continuing operations. Discontinued operations used $3.6 million of free cash flow. Free cash flow from continuing operations is defined as "Net Cash Provided by Operating Activities - Continuing Operations" less "Capital Expenditures - Continuing Operations." For a reconciliation of free cash flow, see the Exhibits attached to this release.

Subsequent Events

On April 2, 2004, the Company sold two of its three MicroSep businesses for $18 million in cash. PTI Advanced Filtration Inc. (Oxnard, CA) and PTI Technologies Limited (Sheffield, England) were sold to domnick hunter group plc (London: DKH). Management expects to complete the sale of the remaining MicroSep business, PTI S.p.A. (Milan, Italy) before the end of fiscal 2004.

Chairman's Commentary

Vic Richey, Chairman and Chief Executive Officer, commented, "While our orders and revenues for the second quarter were generally in line with our expectations, our second quarter earnings were stronger than we anticipated at the start of the quarter. Our earnings improvement was, for the most part, a result of stronger margins in our Filtration and Test segments.

"The increase to our full year earnings outlook which is covered in more detail in the Fiscal 2004 Business Outlook section of this release reflects our second quarter improvements and our continued expectation for a strong second half.

"Addressing the second quarter results, in Filtration, our margin improvement was primarily a product of contributions from our aerospace and defense programs. Additionally, in March, we completed the closure of our plant in Puerto Rico. The improvements in our cost position resulting from the closure is significant in the context of our expectations for further performance improvements in the Filtration segment.

"In the Test segment, revenues and margins improved significantly in the second quarter both on a year-over-year basis and sequentially. Our performance reflects both an improved operating environment and our ability to capitalize on this improvement by virtue of our prominence in these end markets.

"In Communications, throughout the second quarter we continued to demonstrate our strength in the COOP market and in April we expanded our presence in the IOU space with the booking of a $7.5M order from Bangor Hydro-Electric Company, an electric utility wholly-owned by Emera, Inc. (EMA-TSX). Excluding PPL, our second quarter orders were 135 percent of our sales in Communications.

"We also completed the sale of two of the three MicroSep businesses that were held for sale. We still expect to complete this initiative prior to the end of the fiscal year."

"Mr. Richey concluded, "In the second quarter we continued to make progress both in our financial performance and with the key initiatives we have undertaken to further advance the business."

Fiscal 2004 Business Outlook

Statements contained in the preceding and following paragraphs are based on current expectations. Statements that are not strictly historical are forward-looking, and actual results may differ materially.

The fiscal 2004 Business Outlook described below does not include the impact of potential acquisitions.

The fiscal 2004 Revenue and EBIT guidance provided by Management in the Company's November 20, 2003 press release remains unchanged for the Filtration and Communications segments. Management now expects year-over-year revenue growth in the Test segment in the range of 20 percent to 25 percent, versus the previous revenue growth expectation of 15 percent to 20 percent. EBIT margins in the Test segment should remain in the 9 percent to 11 percent range.

Earnings Per Share (GAAP and Operational)

Management estimates fiscal 2004 GAAP earnings per share (EPS) from continuing operations to be in the range of $2.42 to $2.52 per share. The impact of the pretax charges related to the exit of the Puerto Rico facility was recognized in the first half of fiscal 2004. GAAP EPS from continuing operations for the second half of fiscal 2004 is expected to be in the range of $1.36 to $1.46 per share.

Management estimates EPS on an Operational basis will be in the range of $2.50 to $2.60 per share for fiscal year 2004, excluding any contributions from new acquisitions or new IOU contracts. Operational EPS for the second half of fiscal 2004 is expected to be in the range of $1.36 to $1.46 per share.

Conference Call

The Company will host a conference call today, May 11, 2004, at 9:30 a.m., Central Daylight Time (CDT), to discuss the Company's second quarter operating results. A live audio web cast will be available on the Company's web site at www.escotechnologies.com. Please access the web site at least fifteen minutes prior to the call to register, download and install any necessary audio software.

A replay of the conference call will be available today from 12:00 p.m., CDT, until 11:59 p.m., CDT on May 18, 2004. To access the replay, dial 1-888-203-1112 and enter the pass code 658840. In addition, a replay will be available for seven days on the Company's web site noted above.

Forward-Looking Statements

Statements in this press release regarding the results and timing of planned divestitures, the results of recent facility closures, real estate sales, the associated costs and resulting savings to be achieved, future fiscal 2004 revenues, EBIT, EPS, and earnings, the level of IOU activity, and other written or oral statements which are not strictly historical are "forward-looking" statements within the meaning of the safe harbor provisions of the federal securities laws. Investors are cautioned that such statements are only predictions, and speak only as of the date of this release. The Company's actual results in the future may differ materially from those projected in the forward-looking statements due to risks and uncertainties that exist in the Company's operations and business environment including, but not limited to: the timing and terms of the PTI S.p.A. divestiture; weakening of economic conditions in served markets; changes in customer demands or customer insolvencies; competition; intellectual property rights; the performance of discontinued operations prior to completion of the PTI S.p.A. divestiture; successful execution of planned facility sales with regard to the Company's Puerto Rico facility; delivery delays or defaults by customers; termination for convenience of customer contracts; timing and magnitude of future contract awards; performance issues with key suppliers and subcontractors; collective bargaining and labor disputes; changes in laws and regulations including changes in accounting standards and taxation requirements; changes in foreign or U.S. business conditions affecting the distribution of foreign earnings; costs relating to environmental matters; litigation uncertainty; and the Company's successful execution of internal operating plans.

ESCO, headquartered in St. Louis, is a leading supplier of engineered filtration products to the process, health care and transportation markets worldwide. In addition, the Company markets proprietary, special purpose communications systems and is the industry leader in RF shielding and EMC test products.

(Tables Attached)

Add XXX

ESCO Technologies Inc. and Subsidiaries
Condensed Consolidated Statements of Operations (Unaudited)
(Dollars in thousands, except per share amounts)

	Three Months Ended March 31, 2004			
	GAAP	Adj.		(1) "Operational"
Net Sales	$102,171			102,171
Cost and Expenses:				
Cost of sales	70,781			70,781
SG&A	19,111	(176)	(2)	18,935
Interest income	(483)			(483)
Other expenses, net	513	(468)	(3)	45
Total costs and expenses	89,922	(644)		89,278
Earnings before income taxes	12,249	644		12,893
Income taxes	4,684	155	(4)	4,839
Net earnings from continuing operations	7,565	489		8,054
Loss from discontinued operations, net of tax	(2,200)	2,200	(5)	-
Loss on sale of discontinued operations, net of tax	-	-		-
Net loss from discontinued operations	(2,200)	2,200		-
Net earnings	$ 5,365	2,689		8,054
Earnings (loss) per share:				
Basic				
Net earnings from continuing operations	$ 0.59			0.63
Net loss from discontinued operations	(0.17)			0.00
Net earnings	$ 0.42			0.63
Diluted				
Net earnings from continuing operations	$ 0.57			0.60
Net loss from discontinued operations	(0.17)			0.00
Net earnings	$ 0.40			0.60
Average common shares O/S:				
Basic	12,874			12,874
Diluted	13,325			13,325

(1) Represents results on an adjusted basis, after removing the items described below in (2)-(4).
(2) Represents severance charges related to the exit of the Puerto Rico facility.
(3) Represents shutdown costs related to the exit of the Puerto Rico facility.
(4) Represents the tax impact of items described above in (2)-(3).
(5) Relates to the MicroSep businesses, which are classified as "discontinued operations."

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ESCO TECHNOLOGIES INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Operations (Unaudited)
(Dollars in thousands, except per share amounts)

	Three Months Ended March 31, 2003		
	GAAP	Adj	(1) "Operational"
Net Sales	$101,996		101,996
Cost and Expenses:			
Cost of sales	69,640		69,640
SG&A	18,327	(705)(2)	17,622
Interest income	(158)		(158)
Other expenses, net	2,300	(1,489)(3)	811
Total costs and expenses	90,109	(2,194)	87,915
Earnings before income taxes	11,887	2,194	14,081
Income taxes	4,549	1,070 (4)	5,619
Net earnings from continuing operations	7,338	1,124	8,462
Loss from discontinued operations, net of tax	(1,707)	1,707 (5)	-
Gain (loss) on sale of discontinued operations, net of tax	-	-	-
Net loss from discontinued operations	(1,707)	1,707	-
Net earnings	$ 5,631	2,831	8,462
Earnings (loss) per share:			
Basic			
Net earnings from continuing operations	$ 0.58		0.67
Net loss from discontinued operations	(0.13)		0.00
Net earnings	$ 0.45		0.67
Diluted			
Net earnings from continuing operations	$ 0.56		0.65
Net loss from discontinued operations	(0.13)		0.00
Net earnings	$ 0.43		0.65
Average common shares O/S:			
Basic	12,627		12,627
Diluted	13,072		13,072

(1) Represents results on an adjusted basis, after removing the items described below in (2)-(4).
(2) Represents the costs and tax impact related to the MTA between the Company and its former Chairman.
(3) Represents the charge resulting from an equipment lease termination related to the Whatman Hemasure MSA dispute.
(4) Represents the tax impact of the items described above in (2) - (3)
(5) Relates to the MicroSep businesses which are classified as "discontinued operations."

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Add XXX

ESCO Technologies Inc. and Subsidiaries
Condensed Consolidated Statements of Operations (Unaudited)
(Dollars in thousands, except per share amounts)

	Six Months Ended March 31, 2004			
	GAAP	Adj.		(1) "Operational"
Net Sales	$198,567			198,567
Cost and Expenses:				
Cost of sales	137,051			137,051
SG&A	37,880	(470)	(2)	37,410
Interest income	(519)			(519)
Other expenses, net	1,127	(860)	(3)	267
Total costs and expenses	175,539	(1,330)		174,209
Earnings before income taxes	23,028	1,330		24,358
Income taxes	8,875	305	(4)	9,180
Net earnings from continuing operations	14,153	1,025		15,178
Loss from discontinued operations, net of tax	(2,637)	2,637	(5)	-
Loss on sale of discontinued operations, net of tax	-	-		-
Net loss from discontinued operations	(2,637)	2,637		-
Net earnings	$ 11,516	3,662		15,178
Earnings (loss) per share:				
Basic				
Net earnings from continuing operations	$ 1.10			1.18
Net loss from discontinued operations	(0.20)			0.00
Net earnings	$ 0.90			1.18
Diluted				
Net earnings from continuing operations	$ 1.06			1.14
Net loss from discontinued operations	(0.19)			0.00
Net earnings	$ 0.87			1.14
Average common shares O/S:				
Basic	12,857			12,857
Diluted	13,305			13,305

(1) Represents results on an adjusted basis, after removing the items described below in (2)-(4).
(2) Represents severance charges related to the exit of the Puerto Rico facility.
(3) Represents shutdown costs related to the exit of the Puerto Rico facility.
(4) Represents the tax impact of the items described above in (2) - (3).
(5) Relates to the MicroSep businesses which are classified as "discontinued operations."

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ESCO TECHNOLOGIES INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Operations (Unaudited)
(Dollars in thousands, except per share amounts)

	Six Months Ended March 31, 2003		
	GAAP	Adj.	(1) "Operational"
Net Sales	$ 200,285		200,285
Cost and Expenses:			
Cost of sales	136,197		136,197
SG&A	36,391	(1,411)(2)	34,980
Interest income	(269)		(269)
Other expenses, net	2,816	(1,489)(3)	1,327
Total costs and expenses	175,135	(2,900)	172,235
Earnings before income taxes	25,150	2,900	28,050
Income taxes	9,338	1,338(4)	10,676
Net earnings from continuing operations	15,812	1,562	17,374
Loss from discontinued operations, net of tax	(3,629)	3,629(5)	-
Gain (loss) on sale of discontinued operations, net of tax	-	-	-
Net loss from discontinued operations	(3,629)	3,629	-
Net earnings	$ 12,183	5,191	17,374
Earnings (loss) per share:			
Basic			
Net earnings from continuing operations	$ 1.26		1.38
Net loss from discontinued operations	(0.29)		0.00
Net earnings	$ 0.97		1.38
Diluted			
Net earnings from continuing operations	$ 1.21		1.33
Net loss from discontinued operations	(0.28)		0.00
Net earnings	0.93		1.33
Average common shares O/S:			
Basic	12,590		12,590
Diluted	13,056		13,056

(1) Represents results on an adjusted basis, after removing the items described below in (2)-(4).
(2) Represents the costs and tax impact related to the MTA between the Company and its former Chairman.
(3) Represents the charge resulting from an equipment lease termination related to the Whatman Hemasure MSA Dispute.
(4) Represents the tax impact of items (2) and (3) described above.
(5) Relates to the MicroSep businesses which are classified as "discontinued operations."

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ESCO TECHNOLOGIES INC. AND SUBSIDIARIES
Condensed Business Segment Information
(Unaudited)
(Dollars in millions)

	Three Months Ended March 31, 2004	Three Months Ended March 31, 2003	Six Months Ended March 31, 2004	Six Months Ended March 31, 2003
Net Sales-GAAP				
Filtration	$ 42.2	39.9	82.1	79.0
Communications	30.4	37.8	61.8	77.4
Test	29.6	24.3	54.7	43.9
Totals	$102.2	102.0	198.6	200.3
EBIT-GAAP basis (1)				
Filtration	$ 4.2 (2)	3.4 (3)	7.7 (2)	9.1 (3)
Communications	7.2	9.8	14.6	20.1
Test	3.3	2.4	5.5	3.7
Corporate	(2.9)	(3.9) (4)	(5.3)	(8.0) (5)
Totals	$ 11.8	11.7	22.5	24.9

Note: Amounts presented above exclude the operations of the MicroSep businesses, which are classified as "discontinued operations." Depreciation and amortization expense for continuing operations was $3.1 million and $3.3 million for the fiscal quarters ended March 31, 2004 and 2003, respectively and $5.9 million and $5.8 million for the six-months periods ended March 31, 2004 and 2003, respectively.

(1) EBIT is defined as earnings from continuing operations before interest and taxes.
(2) The reconciliation to Operational Revenue/EBIT for the Filtration segment is below:

	Q2 FY 04 Net Sales	Q2 FY 04 EBIT	YTD 04 Net Sales	YTD FY 04 EBIT
Filtration Segment - GAAP	$42.2	$4.2	$82.1	$7.7
Add: Puerto Rico facility exit costs	--	0.6	--	1.3
Filtration Segment - "Operational"	$42.2	$4.8	$82.1	$9.0

(3) Includes a $1.5 million charge resulting from an equipment lease termination related to the Whatman Hemasure MSA dispute.
(4) Includes $0.7 million of costs related to the MTA between the Company and its former Chairman.
(5) Includes $1.4 million of costs related to the MTA between the Company and its former Chairman.

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ESCO TECHNOLOGIES INC. AND SUBSIDIARIES
Reconciliation of Non-GAAP Financial Measures
(unaudited)
(Dollars in millions)

EBIT (1) - As Reported

	Three Months Ended March 31, 2004	Three Months Ended March 31, 2003	Six Months Ended March 31, 2004	Six Months Ended March 31, 2003
EBIT	$11.8	$11.7	$22.5	$24.9
Interest income	0.5	0.1	0.5	0.3
Less: Income taxes	4.7	4.5	8.8	9.4
Net earnings from continuing operations	$ 7.6	$ 7.3	$14.2	$15.8

(1) EBIT is defined as earnings from continuing operations before interest and taxes. Excludes the operations of the MicroSep businesses, which are classified as "discontinued operations."

EPS FY 2004 Reconciliation

	Range		
	1st Half Actual	2nd Half	FY 2004
GAAP outlook - Continuing Operations	$1.06	$1.36-1.46	$2.42-2.52
Add: Puerto Rico exit	$0.08	-	$ 0.08
Operational outlook (2)	$1.14	$1.36-1.46	$2.50-2.60

(2) Operational EPS is defined as earnings per share less the "adjustments" defined above.

- more -

Add XXX

ESCO TECHNOLOGIES INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(Dollars in thousands)

	March 31, 2004	September 30, 2003
Assets		
Cash and cash equivalents	$ 40,672	$ 31,285
Accounts receivable, net	66,314	69,379
Costs and estimated earnings on long-term contracts	4,456	4,663
Inventories	51,080	48,432
Current portion of deferred tax assets	23,446	24,187
Other current assets	4,817	6,549
Current assets from discontinued operations (1)	23,405	21,640
Total current assets	214,190	206,135
Property, plant and equipment, net	71,413	71,169
Goodwill	68,886	68,653
Deferred tax assets	16,432	16,618
Other assets	15,958	14,081
Other assets from discontinued operations (1)	13,904	16,725
	$400,783	$393,381
Liabilities and Shareholders' Equity		
Short-term borrowings and current maturities of long-term debt	$ 440	$ 10,143
Other current liabilities	65,309	66,097
Current liabilities from discontinued operations (1)	10,633	9,397
Total current liabilities	76,382	85,637
Deferred income	2,966	3,194
Other liabilities	20,439	20,556
Long-term debt	513	490
Liabilities from discontinued operations (1)	9,395	8,115
Shareholders' equity	291,088	275,389
	$400,783	$393,381

(1) Relates to the MicroSep businesses which are classified as "discontinued operations."

- more -

Add XXX

ESCO TECHNOLOGIES INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Dollars in thousands)

	Six Months Ended March 31, 2004	Six Months Ended March 31, 2003
Cash flows from operating activities:		
Net earnings	$ 11,516	$12,183
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Loss from discontinued operations, net of tax	2,637	3,629
Depreciation and amortization	5,904	5,796
Changes in operating working capital	2,309	(8,455)
Effect of deferred taxes	186	2,912
Other	1,768	3,025
Net cash provided by operating activities-continuing operations	24,320	19,090
Net cash used by discontinued operations (1)	(2,246)	(3,315)
Net cash provided by operating activities	22,074	15,775
Cash flows from investing activities:		
Acquisition of businesses-continuing operations	-	(4,000)
Acquisition of businesses-discontinued operations	-	(1,364)
Proceeds from note receivable	2,120	-
Capital expenditures-continuing operations	(4,803)	(4,121)
Capital expenditures-discontinued operations	(1,379)	(1,897)
Net cash used by investing activities	(4,062)	(11,382)
Cash flows from financing activities:		
Proceeds from long-term debt	378	0
Net decrease in short-term borrowings	(9,635)	(54)
Principal payments on long-term debt-continuing operations	(76)	(626)
Other	708	1,014
Net cash used provided by financing activities	(8,625)	334
Net increase in cash and cash equivalents	9,387	4,727
Cash and cash equivalents, beginning of period	31,285	24,930
Cash and cash equivalents, end of period	$ 40,672	29,657

(1) Relates to the MicroSep businesses which are classified as "discontinued operations."

- more -

Add XXX

ESCO Technologies Inc. and Subsidiaries
Free Cash Flow - YTD FY 2004 - March 31, 2004
(Unaudited)
(Dollars in thousands)

	Continuing Operations	Discontinued Operations	Total
Net cash provided by operating activities	$ 24,320	(2,246)	22,074
Less: Capital Expenditures	(4,803)	(1,379)	(6,182)
Free cash flow	$ 19,517	(3,625)	15,892

- more -

Add XXX

ESCO TECHNOLOGIES INC. AND SUBSIDIARIES
Other Selected Financial Data
(Unaudited)
(Dollars in thousands)

Backlog And Entered Orders-Q2 FY 2004 (1)	Filtration	Comm.	Test	Total
Beginning Backlog- 12/31/03	$ 93,016	125,563	46,311	264,890
Entered Orders	39,588	30,920 *	26,267	96,775
Sales	(42,219)	(30,359)*	(29,593)	(102,171)
Ending Backlog- 3/31/04	$ 90,385	126,124	42,985	259,494

Backlog And Entered Orders-YTD FY 2004 (1)	Filtration	Comm.	Test	Total
Beginning Backlog- 9/30/03	$ 86,194	130,434	46,342	262,970
Entered Orders	86,318	57,463 *	51,310	195,091
Sales	(82,127)	(61,773)*	(54,667)	(198,567)
Ending Backlog- 3/31/04	$ 90,385	126,124	42,985	259,494

(1) Excludes the MicroSep businesses for the period presented.

*Communications Recap:	Q2 FY 2004 Entered Orders	Q2 FY 2004 Sales	YTD FY 2004 Entered Orders	YTD FY 2004 Sales
AMR Products (DCSI)	$30,488	29,927	56,578	60,888
SecurVision Video Security (Comtrak)	432	432	885	885
Total	30,920	30,359	57,463	61,773
Orders/Sales to PPL	-	(7,430)	-	(19,913)
Excluding PPL	$30,920	22,929	57,463	41,860

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