To Our Shareholders:

75 Years of Innovation

2004 marked our 75th anniversary on the New York Stock Exchange, a singular achievement that underscores the continued innovation and performance of our 5,600 employees worldwide. As a result of our employees' dedication and success, Curtiss-Wright has provided shareholders with another record year of outstanding growth and unlimited opportunity for our future.

Our strategy of providing advanced technologies for high-performance platforms consistently results in shareholder value by:

- Meeting challenges in diversified markets;
- Providing customers with innovative solutions and unsurpassed performance; and
- Delivering disciplined growth and superior profitability.

2004 Performance

Successful execution of this strategy was demonstrated in our 2004 results with our 9th straight year of growth in sales and a 28% increase in our stock price. Net sales in 2004 grew 28% to $955 million. Operating income growth of 24% to $111 million reflects our focus on cost

Martin R. Benante
Chairman and Chief Executive Officer

28%
increase in total sales

24%
increase in operating income

24%
increase in net income

High performance is the key to our success. From the products we create and the service we deliver to clients, to the results we achieve for our shareholders.

controls and efficient integration of acquisitions. Both our Flow Control and Motion Control segments enjoyed a record year for sales and profitability, and our Metal Treatment segment achieved 21% organic sales growth and a 48% increase in profitability.

In addition, we continued to generate strong cash flow growth and added flexibility to our capital structure by completing a new, 5-year $400 million credit facility. While we made new investments that expanded our portfolio of complementary markets and products, we remained focused on profitability and cash flow. Delivering strong performance enables us to provide our shareholders with a consistent dividend, while maintaining a solid balance sheet.

We had many highlights in 2004, including winning many production contracts on a variety of platforms as well as several key developmental contracts that will lay the groundwork for continued growth in the future. We received a $5 million contract for development work on the next generation of advanced marine propulsion technology for the U.S. Navy. In addition, we received a $30 million developmental contract for the U.S. Army's next-generation ElectroMagnetic gun, which should provide significant additional opportunities for this technology in the future.

On the commercial side, we received an $8 million contract to supply a replacement reactor vessel closure head and control rod drive mechanism assemblies to Texas Utility's Comanche Peak Steam Electric Station. Curtiss-Wright's unique technology introduces a one-piece design which will significantly enhance reliability for the customer because there are no welded connections. This contract award represents a significant milestone in the expansion and growth of our commercial power business. Our revolutionary Deltaguard® coke deheading system had a record year in both sales and new orders, and captured 100% of the new installations worldwide since the introduction of this product in 2001. Our revolutionary Laser Peening process continues to attract potential customers based upon our ability to improve the fatigue life and reliability of their products. We are currently working on approximately 50 potential applications for this highly technical and proprietary process. In addition to our four existing lasers, we will be introducing two additional lasers in early 2005, including a mobile laser, and we expect this business to grow significantly in the future.

In our embedded computing business, we have consolidated the six recent acquisitions under the Curtiss-Wright Controls Embedded Computing brand, creating a single sales channel and a centralized marketing and communications organization. We believe this structure will provide customers with a seamless transition for current business, as well as an attractive product portfolio of fully integrated, interoperable systems.

Achieving Growth

Developing cutting-edge technologies is key to competing successfully in our core markets and achieving organic growth. Through the ingenuity of our employees, we have made great strides on both future and current applications.

Defense Market

- Delivering flight critical components on the U.S. military's F/A-22, F-16 and F/A-18 fighters, and development work for the F-35 Joint Strike Fighter
- Developing software and integrated electronics to control Unmanned Aerial Vehicles like the Global Hawk and JUCAS X-45
- Providing electronic subsystems for the Mobile Gun System, a Stryker Light Armored Vehicle III variant
- Designing electronic upgrades for U.S. Army fighting vehicles, such as Bradley and Abrams, and U.S. Army helicopters for refurbishment and recalibrating capabilities
- Expanding product content on current U.S. Navy platforms like submarines and aircraft carriers
- Winning development competitions on next-generation, advanced technology programs such as the ElectroMagnetic gun and marine propulsion technology
- Winning ground defense contracts in Europe, Asia and the Middle East

Commercial Market

- Capturing 100% of the new installation market for oil refinery coke deheading valves with the most advanced technology available
- Creating new market applications for laser peening technology on turbine engines, aircraft structures, nuclear waste disposal, power generation and medical implants
- Penetrating markets with patented design for improved efficiency of tensioning operations in mining, oil drilling, power generation, and structural, heavy equipment
- Expanding aftermarket capabilities and winning new business globally

In addition, we made select acquisitions to strengthen our portfolio and expand market share in complementary high-performance defense and commercial markets. In 2004, Curtiss-Wright completed 11 acquisitions for an aggregate purchase price of approximately $260 million. These transactions provide Curtiss-Wright with additional technical capabilities, additions to our talented workforce and access to new markets.

In Flow Control, we acquired five businesses which provide balanced growth in military and commercial markets. Enhancing our U.S. Navy business, the acquisition of Government Marine Business Unit provides an opportunity to expand our content on naval surface platforms such as destroyers, amphibious ships, frigates, cruisers, mine warfare ships and foreign military programs. In the commercial markets, our acquisitions of Nova and Trentec provide sophisticated new products to offer through our strong commercial nuclear power distribution network. Our acquisition of Groquip provides a more competitive, local presence in the Gulf Coast region for our oil and gas product portfolio, and our acquisition of Imes expands our process safety management engineering services for oil and gas refineries.

In Motion Control, we completed four acquisitions – Dy 4, Primagraphics, Synergy and Dexter-Wilson. Today, Curtiss-Wright's Embedded Computing portfolio can support customers from board-level components to fully integrated, interoperable electronic systems. In addition, we made significant strides in the integration process of this business division, rebranding the complete portfolio under the Curtiss-Wright banner and streamlining global sales and marketing channels through two distinct yet complementary product groups, Subsystems and Modular Components.

In Metal Treatment, we strengthened our presence in the specialty coatings market with the acquisitions of Everlube and Evesham. These companies formulate and apply proprietary specialty coatings that enhance the operating performance and longevity of severe-service metal components. The acquisitions provide additional product capabilities for our significant customer base, as well as the opportunity to cross-market our complementary metal treatment services.

Commitment to Shareholders

Our primary goal remains a steadfast focus on profitability and cash flow, and we support this commitment to our shareholders with a conservative yet flexible capital structure and a steady dividend.

In addition, this year we provided shareholders with a proposal to collapse our dual-class share structure. Our dual-class structure resulted from the spin off of 44% of our stock, which was held at the time by the Unitrin Corporation, to the Unitrin shareholders in November 2001. While both classes trade on the NYSE, the segregation of the classes restricts the liquidity of both classes, but in particular the Class B shares. We believe that a recapitalization of the two classes into one will simplify our capital structure and enhance the trading liquidity and market valuation of Curtiss-Wright as a whole.

The Board of Directors has recommended the proposal to shareholders and it will be presented at the Annual Meeting scheduled for May 19, 2005.

2005 Outlook

Overall, I am pleased to report that our growth has continued its steady climb despite the difficult geopolitical environment and modest economic expansion in recent years. We have been cautious in our expectations and are particularly proud of our performance. We believe the modest but healthy expectations for improvements in the U.S. and global economy, as well as the current U.S. Administration's strong stance on defense, will continue to benefit the Company. Together, our diversified portfolio should experience improved markets across the board, which will result in another year of solid growth in 2005.

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