CURTISS WRIGHT CORP

FORM 10-Q
(Quarterly Report)

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Sector	Capital Goods
Fiscal Year	12/31

SECURITIES and EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the
Securities and Exchange Act of 1934

FOR THE QUARTER ENDED JUNE 30, 2000

Commission File Number 1-134

CURTISS-WRIGHT CORPORATION
(Exact name of Registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	13-0612970 (I.R.S. Employer Identification No.)
1200 Wall Street West Lyndhurst, New Jersey (Address of principal executive offices)	07071 (Zip Code)

(201) 896-8400
(Registrant's telephone number, including area code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock, par value $1.00 per share: 10,010,527 shares (as of July 31, 2000)

CURTISS-WRIGHT CORPORATION and SUBSIDIARIES

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Item 1 - Financial Statements

CURTISS-WRIGHT CORPORATION and SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands)

	(UNAUDITED) June 30, 2000	December 31, 1999
Assets		
Current Assets:		
Cash and cash equivalents	$ 8,945	$ 9,547
Short-term investments	37,166	25,560
Receivables, net	67,394	70,729
Deferred tax assets	7,556	8,688
Inventories, net	58,650	60,584
Other current assets	3,674	5,262
Total current assets	183,385	180,370
Property, plant and equipment, at cost	243,899	242,000
Accumulated depreciation	152,494	147,422
Property, plant and equipment, net	91,405	94,578
Prepaid pension costs	55,316	50,447
Goodwill	50,135	50,357
Other assets	10,013	11,374
Total Assets	$ 390,254	$387,126
Liabilities		
Current Liabilities:		
Current portion of long-term debt	$ 4,047	$ 4,047
Account payable and accrued expenses	32,520	32,767
Dividends payable	1,304	0
Income taxes payable	3,024	5,203
Other current liabilities	9,626	13,915
Total current liabilities	50,521	55,932
Long-term debt	27,565	34,171
Deferred income taxes	17,061	14,113
Accrued postretirement benefit costs	5,550	8,515
Other liabilities	15,593	16,040
Total Liabilities	116,290	128,771
Stockholders' Equity		
Common stock, $1 par value	15,000	15,000
Capital surplus	51,466	51,599
Retained earnings	393,270	376,006
Unearned portion of restricted stock	(30)	(24)
Accumulated other comprehensive income	(2,978)	(2,622)
	456,728	439,959
Less: cost of treasury stock	182,764	181,604
Total Stockholders' Equity	273,964	258,355
Total Liabilities and Stockholders' Equity	$ 390,254	$387,126

See notes to consolidated financial statements.

CURTISS-WRIGHT CORPORATION and SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
(UNAUDITED)

(In thousands except per share data)

	Three Months Ended June 30, 2000	Three Months Ended June 30, 1999 (1)	Six Months Ended June 30, 2000	Six Months Ended June 30, 1999 (1)
Net sales	$83,050	$70,195	$165,287	$140,545
Cost of sales	52,579	45,457	105,887	90,789
Gross profit	30,471	24,738	59,400	49,756
Research & development costs	1,486	592	2,874	1,740
Selling expenses	4,932	3,721	9,688	7,752
General and administrative expenses	11,923	9,937	22,502	19,070
Environmental (recoveries) exp., net	(1,899)	340	(1,782)	554
Operating income	14,029	10,148	26,118	20,640
Investment income, net	514	753	1,019	1,458
Rental income, net	890	1,476	2,050	2,302
Pension income, net	2,341	1,282	4,085	2,563
Other expenses, net	(75)	(252)	(107)	(337)
Interest expense	(396)	(327)	(772)	(630)
Earnings before income taxes	17,303	13,080	32,393	25,996
Provision for income taxes	6,659	4,801	12,520	9,735
Net earnings	$ 10,644	$ 8,279	$ 19,873	$ 16,261
Basic earnings per common share	$1.06	$0.82	$1.98	$1.60
Diluted earnings per common share	$1.05	$0.79	$1.96	$1.57
Dividends per common share	$0.13	$0.13	$0.13	$0.13
Weighted average shares outstanding:				
Basic	10,017	10,143	10,017	10,143
Diluted	10,114	10,326	10,114	10,326

See notes to consolidated financial statements.

(1) Certain prior year information restated to conform to current presentation.

CURTISS-WRIGHT CORPORATION and SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

(In thousands)

Six Months Ended

	June 30, 2000	June 30, 1999 (1)
Cash flows from operating activities:		
Net earnings	$ 19,873	$ 16,261
Adjustments to reconcile net earnings to net cash provided by operating activities (net of businesses acquired):		
Depreciation and amortization	7,114	5,744
Net gains on short-term investments	(66)	(81)
Non-cash pension income	(4,085)	(2,563)
Increase in deferred taxes	4,080	632
Changes in operating assets and liabilities:		
Proceeds from sales of trading securities	80,946	190,132
Purchases of trading securities	(92,543)	(174,188)
Decrease (increase) in receivables	3,596	12,257
Decrease (increase) in inventory	976	(476)
Increase (decrease) in progress payments	696	(13,086)
Decrease in accounts payable and accrued expenses	(247)	(2,979)
(Decrease) increase in income taxes payable	(2,179)	1,364
Decrease (increase) in other assets	1,113	(186)
Decrease in other liabilities	(7,701)	(2,532)
Other, net	(947)	(557)
Total adjustments	(9,247)	13,481
Net cash provided by operating activities	10,626	29,742
Cash flows from investing activities:		
Proceeds from sales of real estate and equipment	613	106
Additions to property, plant and equipment	(3,265)	(11,573)
Acquisition of new business	0	(5,953)
Net cash used in investing activities	(2,652)	(17,420)
Cash flows from financing activities:		
Debt repayments	(5,782)	0
Dividends Paid	(1,305)	(1,319)
Common stock repurchases	(1,489)	(3,433)
Net cash used in financing activities	(8,576)	(4,752)
Net (decrease) increase in cash and cash equivalents	(602)	7,570
Cash and cash equivalents at beginning of period	9,547	5,809
Cash and cash equivalents at end of period	$ 8,945	$ 13,379

See notes to consolidated financial statements.

(1) Certain prior year information restated to conform to current presentation.

CURTISS-WRIGHT CORPORATION and SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(UNAUDITED)

(In thousands)

	Common Stock	Capital Surplus	Retained Earnings	Unearned Portion of Restricted Stock	Accumulated Other Comprehensive Income	Treasury Stock
December 31, 1998	$15,000	$51,669	$342,218	($40)	($2,800)	$176,454
Net earnings			39,045			
Common dividends			(5,257)			
Common stock repurchased						5,440
Stock options exercised, net		(70)				(290)
Amortization of earned portion of restricted stock				16		
Translation adjustments, net					178	
December 31, 1999	15,000	51,599	376,006	(24)	(2,622)	181,604
Net earnings			19,873			
Common dividends			(2,609)			
Common stock issued				(15)		
Common stock repurchased						1,489
Stock options exercised, net		(133)				(329)
Amortization of earned portion of restricted stock				9		
Translation adjustments, net					(356)	
June 30, 2000	$ 15,000	$ 51,466	$393,270	($30)	($2,978)	$182,764

See notes to consolidated financial statements.

CURTISS-WRIGHT CORPORATION and SUBSIDIARIES

NOTES to CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. BASIS of PRESENTATION

Curtiss-Wright Corporation and its subsidiaries (the "Corporation") is a diversified multi-national manufacturing and service concern that designs, manufactures and repairs precision components and systems and provides highly engineered services to the aerospace and ground defense, automotive, shipbuilding, oil, petrochemical, agricultural equipment, railroad, power generation, metalworking and fire and rescue industries. Operations are conducted through six manufacturing facilities, thirty-seven metal treatment service facilities and three component repairs locations.

The information furnished in this report has been prepared in conformity with generally accepted accounting principles and as such reflects all adjustments, consisting primarily of normal recurring accruals, which are, in the opinion of management, necessary for a fair statement of the results for the interim periods presented. The unaudited consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Corporation's 1999 Annual Report on Form 10-K. The results of operations for these interim periods are not necessarily indicative of the operating results for a full year. Certain reclassifications of prior year amounts have been made in order to conform to the current presentation.

2. RECEIVABLES

Receivables, at June 30, 2000 and December 31, 1999, include amounts billed to customers and unbilled charges on long-term contracts consisting of amounts recognized as sales but not billed as of the dates presented. Substantially all amounts of unbilled receivables are expected to be billed and collected within a year. The composition of receivables for these periods is as follows:

	(In thousands) June 30, 2000	December 31, 1999
Accounts receivable, billed	$58,526	$66,652
Less: progress payments applied	1,498	1,922
	57,028	64,730
Unbilled charges on long-term contracts	20,371	16,473
Less: progress payments applied	7,406	7,244
	12,965	9,229
Allowance for doubtful accounts	(2,599)	(3,230)
Receivables, net	$67,394	$70,729

3. INVENTORIES

Inventories are valued at the lower of cost (principally average cost) or market. The composition of inventories at June 30, 2000 and December 31, 1999 is as follows:

	(In thousands) June 30, 2000	(In thousands) December 31, 1999
Raw materials	$12,818	$12,952
Work-in-process	19,299	23,207
Finished goods	38,710	36,276
Total inventories	70,827	72,435
Less: progress payments applied	2,298	1,340
	68,529	71,095
Less: reserves	9,879	10,511
Inventories, net	$58,650	$60,584

4. ENVIRONMENTAL MATTERS

The Corporation establishes a reserve for a potential environmental responsibility when it concludes that a determination of legal liability is probable, based upon the advice of counsel. Such amounts, if quantified, reflect the Corporation's estimate of the amount of that liability. If only a range of potential liability can be estimated, a reserve will be established at the low end of that range. Such reserves represent today's values of anticipated remediation not reduced by any potential recovery from insurance carriers or through contested third-party legal actions, and are not discounted for the time value of money.

The Corporation is joined with many other corporations and municipalities as potentially responsible parties (PRPs) in a number of environmental cleanup sites, which include but are not limited to the Sharkey landfill superfund site, Parsippany, New Jersey; Caldwell Trucking Company superfund site, Fairfield, New Jersey; Pfohl Brothers landfill site, Cheektowaga, New York; Chemsol, Inc. superfund site, Piscataway, New Jersey; and PJP Landfill, Jersey City, New Jersey.

The Corporation believes that the outcome of any of these matters would not have a material adverse effect on the Corporation's results of operations or financial condition.

5. SEGMENT INFORMATION

The Corporation conducts its business operations through three segments: Motion Control (formerly Actuation and Control Products & Services); Metal Treatment (formerly Precision Manufacturing Products & Services); and Flow Control (formerly Flow Control Products & Services).

(In thousands)
Three Months Ended June 30, 2000

	Motion Control	Metal Treatment	Flow Control	Segment Total	Corporate & Other (1)	Consolidated Total
Revenue from external customers	$32,306	$26,477	$24,267	$83,050	$ 0	$83,050
Intersegment revenues	0	143	0	143	0	143
Segment oper. income (1)	5,109	5,391	1,900	12,400	1,629	14,029

(1) Operating income for corporate and other includes environmental recoveries of $1.9 million, net of expenses.

(In thousands)
Three Months Ended June 30, 1999

	Motion Control	Metal Treatment	Flow Control	Segment Total	Corporate & Other	Consolidated Total
Revenue from external customers	$30,529	$26,016	$13,650	$70,195	$ 0	$70,195
Intersegment revenues	0	53	0	53	0	53
Segment oper. Income (2)	1,796	5,990	1,318	9,104	1,044	10,148

(2) Motion Control includes consolidation costs for the relocation of operations in the amount of $1.3 Million.

Reconciliation:

	(In thousands) Three months ended June 30, 2000	June 30, 1999
Total operating income	$14,029	$10,148
Investment income, net	514	753
Rental income, net	890	1,476
Pension income, net	2,341	1,282
Other expense, net	(75)	(252)
Interest expense	(396)	(327)
Earnings before income taxes	$17,303	$13,080

(In thousands)

Six Months Ended June 30, 2000

	Motion Control	Metal Treatment	Flow Control	Segment Total	Corporate & Other (1)	Consolidated Total
Revenue from external customers	$59,650	$54,701	$50,936	$165,287	$ 0	$165,287
Intersegment revenues	0	301	0	301	0	301
Segment operating income(1)	6,518	12,223	4,445	23,186	2,932	26,118
Segment assets	109,703	82,544	84,107	276,354	113,900	390,254

(1) Operating income includes a $2.8 million gain for the curtailment of postretirement benefits associated with the closing of the Fairfield, NJ facility partially offset by accrued postemployment costs of $.7 million.

(In thousands)
Six Months Ended June 30, 1999

	Motion Control	Metal Treatment	Flow Control	Segment Total	Corporate & Other	Consolidated Total
Revenue from external customers	$60,838	$52,018	$27,689	$140,545	$ 0	$140,545
Intersegment revenues	0	172	0	172	0	172
Segment oper. Income (2)	3,832	12,191	3,235	19,258	1,382	20,640
Segment assets	116,104	80,773	42,596	239,473	122,109	361,582

(2) Motion Control includes consolidation costs for the relocation of operations in the amount of $1.8 Million.

Reconciliation:

	(In thousands) Six months ended June 30, 2000	June 30, 1999
Total operating income	$26,118	$20,640
Investment income, net	1,019	1,458
Rental income, net	2,050	2,302
Pension income, net	4,085	2,563
Other expense, net	(107)	(337)
Interest expense	(772)	(630)
Earnings before income taxes	$32,393	$25,996

6. COMPREHENSIVE INCOME

Total comprehensive income for the three months and six months ended June 30, 2000 and 1999 are as follows:

(In thousands)

	Three Months Ended		Six Months Ended	
	June 30, 2000	June 30, 1999	June 30, 2000	June 30, 1999
Net earnings	$10,644	$8,279	$19,873	$16,261
Foreign currency translations	(479)	861	(356)	(285)
Total comprehensive income	$10,165	$9,140	$19,517	$15,976

7. EARNINGS PER SHARE

The Corporation accounts for its earnings per share (EPS) in accordance with Statement of Financial Accounting Standards No. 128, "Earnings per Share" (SFAS No. 128). Diluted earnings per share were computed based on the weighted average number of shares outstanding plus all potentially dilutive common shares issuable for the periods. Dilutive common shares for the three and six months ended June 30, 2000 were 97,000, and for the three and six months ended June 30, 1999 were 183,000.

8. RECENTLY ISSUED ACCOUNTING STANDARDS

In June 1999, the Financial Accounting Standards Board issued Statement No. 137 deferring the effective date of Statement of Financial Accounting Standards No. 133, "Accounting for Derivatives and Hedging Activities" (SFAS No. 133). SFAS No. 133 is now effective for fiscal years beginning after June 15, 2000 (January 1, 2001 for the Corporation). SFAS No. 133 requires that all derivative instruments be recorded on the balance sheet at their fair value. Changes in the fair value of derivatives are recorded each period in current earnings or other comprehensive income, depending on whether a derivative is designated as part of a hedge transaction and, if it is, the type of hedge transaction. Management of the Corporation anticipates that, due to its limited use of derivative instruments, the adoption of SFAS No. 133 will not have a significant effect on its results of operations or its financial position.

PART I - ITEM 2
CURTISS-WRIGHT CORPORATION and SUBSIDIARIES

MANAGEMENT'S DISCUSSION and ANALYSIS of FINANCIAL CONDITION and RESULTS of OPERATIONS

RESULTS of OPERATIONS

Sales for the current quarter increased 18% from the prior year to $83.1 million and operating income of $14.0 million was 38% over that for the same period in 1999. New orders in the second quarter of 2000 also increased to $92.2 million, 51% above the second quarter of 1999, and backlog was 11% higher, at $210.4 million. Net earnings for the Corporation rose 29% in the second quarter of 2000, to $10.6 million, or $1.05 per diluted share, from $8.3 million, or $0.79 per diluted share for the second quarter of 1999.

During the second quarter of 2000, the Corporation achieved final settlements in its environmental recovery suit against insurance carriers with all but one of the remaining defendants. The settlements, net of associated litigation expenses and amounts recognized for additional related environment costs, added $1.2 million, or $0.12 per diluted share, to net earnings. Excluding the effects of these items, normalized earnings amounted to $9.5 million, or $0.94 per diluted share, for the second quarter of 2000. These results compared to normalized earnings from the first quarter of this year of $8.0 million, or $0.79 per diluted share, generated a 19% increase on a sales increase of 1%.

Sales for the first half of 2000 rose 18% to $165.3 million, from $140.5 million a year ago. Operating income was 27% higher at $26.1 million and new orders totaled $162.8 million, 24% above the same six-month period of last year. Net earnings for the first six months of 2000 increased 22% to $19.9 million, or $1.96 per diluted share, from $16.3 million, or $1.57 per share, for the first six months of 1999.

Operating results for the first six months of 2000 also benefited from the net effect of non-recurring items recorded in the first quarter of this year. Those items, discussed in the "Other Revenue and Costs" section later in this report, along with the items recorded in the second quarter of 2000 mentioned above, favorably impacted pre-tax earnings by $3.9 million and after-tax earnings by $2.4 million. Excluding the non-recurring items, net earnings for the first half of 2000 would have been $17.5 million, or $1.72 per diluted share.

The improvement in financial results year-to-year largely reflects the acquisitions made by the Corporation in 1999 of Farris Engineering, Sprague Products and Metallurgical Processing Inc. Sales from these companies, in the aggregate, accounted for increases of $11.9 million and $24.9 million when comparing the second quarter and first six months of 2000 to those same respective periods of the prior year.

Operating Performance

Motion Control

Sales for the Corporation's Motion Control segment improved to $32.3 million in the second quarter of 2000, from $30.5 million in the second quarter of 1999. Sales improvements for the quarter were largely a result of improved Drive Technology business in Europe which showed continued growth in the ground defense aiming and stabilization markets as compared to the prior year quarter. Sales of aerospace repair and overhaul services for the second quarter 2000 improved over both the second quarter 1999 and the first quarter 2000. Sales of commercial actuation products to Boeing improved slightly in the second quarter but were offset by lower OEM military sales as compared to the same period last year. Sales of Motion Control products for the first half of 2000 remain slightly below 1999 levels.

Operating income for the Motion Control segment showed improvements from both the second quarter and first half of last year as well as the first quarter of 2000. Prior year periods reflected the consolidation costs of the Fairfield, NJ operation into Motion Control's low-cost, state-of-the-art facility in North Carolina. Expenses related to the consolidation activities totaled approximately$1.3 million during the second quarter and $1.8 million for the first six months of 1999. The Corporation is realizing the cost savings from its investment in the consolidation.

Metal Treatment

Sales for the Corporation's Metal Treatment segment totaled $26.5 million and $54.7 million for the second quarter and first six months of 2000, improving slightly when compared with sales of $26.0 million and $52.0 million for those same respective periods of 1999. Sales improvements over the prior year largely reflect an acquisition which occurred in mid-1999. Sales of shot-peening services declined slightly due to a softness in domestic aerospace markets and the negative effect of the strong dollar on currency translation when comparing 2000 results to 1999.

Operating income for the Metal Treatment segment showed a slight decline when comparing the second quarter of 2000 with the same prior year period but remained on par when comparing results for the six month period of 2000 with that of 1999. For the six months ended June 30, 2000, improvements in heat-treating operations were largely offset by lower income at both European and North American shot-peening operations. As with sales, income from our European shot-peening operations were adversely effected by currency translation.

Flow Control

The Corporation's Flow Control segment posted sales of $24.3 million for the second quarter and $50.9 million for the first half of 2000, compared with sales of $13.7 million and $27.7 million reported in those same respective periods of 1999. Operating income for the second quarter and first six-month periods of 2000 were also significantly higher than 1999. The significant improvements in both sales and operating income were largely the result of the acquisition of the Farris and Sprague product lines, which occurred in August of last year.

In the second quarter of 2000, sales and earnings from the traditional product lines in the Flow Control segment exceeded the levels achieved in the second quarter of 1999. Sales of marine product lines to the U.S. Navy continued to perform well, as did sales from retrofit and service programs for domestic nuclear utilities, and the sale of valves for new off-shore nuclear power plant construction. Industrial valve sales continued to perform well notwithstanding general softness in two primary markets-petrochemical and chemical process industries.

Other Revenue and Costs

During the second quarter of 2000 the Corporation settled litigation to recover environmental remediation costs against all but one remaining insurance carrier. These settlements, net of associated litigation expenses and amounts recognized for additional related environmental costs, provided additional earnings for the period, as previously detailed. The settled litigation had been pending for a number of years. By virtue of these settlements, in addition to amounts received in 1999 and 1998, the Corporation has recouped a significant portion of its historical remediation costs.

Results for the first half of 2000 reflect the recognition of a $2.8 million reduction to general and administrative expenses from the curtailment of postretirement benefits associated with the closing of the Fairfield, New Jersey facility. This benefit was partially offset by non-recurring postemployment expenses. Results for the first half of 1999 had included a $1.0 million expense reduction for the curtailment of postretirement benefits associated with the closing of the Corporation's Buffalo, New York facility.

For the second quarter of 2000, the Corporation recorded other non-operating revenue netting to $3.7 million, compared with $3.3 million for the second quarter of 1999. The increase primarily reflects higher pension income, due to reflecting the higher overfunded status of the Corporation's pension plan. Net rental income declined due to expenses relating to the Fairfield property, which is available for sale. For the first half of 2000, other non-operating net revenue totaling $7.0 million compared with $6.0 million for the 1999 period as higher pension income was partially offset by lower net rental and investment income.

CHANGES IN FINANCIAL CONDITION:

Liquidity and Capital Resources:

The Corporation's working capital was $132.9 million at June 30, 2000, 7% above working capital at December 31, 1999 of $124.4 million. The ratio of current assets to current liabilities was 3.63 to 1 at June 30, 2000, compared with a current ratio of 3.22 to 1 at December 31, 1999.

Cash, cash equivalents and short-term investments totaled $46.1 million in aggregate at June 30, 2000, a 31% increase from $35.1 million at the prior year-end. Also contributing to the working capital increase at June 30, 2000, from December 31, 1999, was a substantial decrease in other current liabilities caused by the reimbursement to tenants of a portion of a real estate tax appeal and payment of other accrued liabilities.

Cash flow for the Corporation benefited from declines in receivables and inventories as the Corporation has made concentrated efforts in reducing its days sales outstanding and improve its inventory turnover. Days sales outstanding at June 30, 2000 has been reduced to 60 days from 77 at December 31, 1999 and inventory turnover improved to 3.60 from 3.20 at the prior year-end.

The Corporation has two credit agreements, a Revolving Credit Agreement and a Short-Term Credit Agreement, in effect aggregating $100.0 million with a group of five banks. The credit agreements allow for borrowings to take place in U. S. or certain foreign currencies. The Revolving Credit Agreement commits a maximum of $60.0 million to the Corporation for cash borrowings and letters of credit. The unused credit available under this facility at June 30, 2000 was $25.4 million. The commitments made under the Revolving Credit Agreement expire December 17, 2004, but may be extended annually for successive one-year periods with the consent of the bank group. The Corporation also has in effect a Short-Term Credit Agreement, which allows for cash borrowings of $40.0 million, all of which was available at June 30, 2000. The Short-Term Credit Agreement expires on December 17, 2000. The Short-Term Credit Agreement may be extended, with the consent of the bank group, for an additional period not to exceed 364 days. Cash borrowings (excluding letters of credit) under the two credit agreements at June 30, 2000 were at a US Dollar equivalent of $12.6 million, compared with cash borrowing of $21.9 million at June 30, 1999.

On May 30, 2000, the Corporation repaid 10.0 million Swiss francs of the initial 31.0 million Swiss franc borrowings used to finance the Drive Technology acquisition in December 1998. The debt repayment equated to US $5.8 million. The loans had variable interest rates averaging 3.20% for the first six months of 2000 and variable interest rates averaging 2.03% for the first six months of 1999.

During the first half of 2000, internally available funds were adequate to meet capital expenditures of $3.3 million. Expenditures incurred during the first half were generally for new and replacement machinery and equipment needed for operations. Expenditures amounted to $1.6 million, $0.8 million and $0.7 million for the Metal Treatment, Motion Control and Flow Control segments, respectively. During the first half of 2000, the Corporation also repurchased 41,270 shares of its common stock at a total cost of approximately $1.5 million.
The Corporation is expected to make capital expenditures of an additional $9.5 million during the balance of the year, primarily for machinery and equipment for the business segments. Funds from internal sources are expected to be adequate to meet planned capital expenditures, environmental and other obligations for the remainder of the year.

RECENTLY ISSUED ACCOUNTING STANDARDS

As discussed in Note 8 to the Consolidated Financial Statements, the Corporation has reviewed Statement of Financial Accounting Standards No. 133, "Accounting for Derivatives and Hedging Activities." Due to the limited use of derivative instruments by the Corporation, this statement will not have a material effect on the Corporation's results of operations or financial condition. The statement is effective for the Corporation beginning January 1, 2001.

FORWARD-LOOKING INFORMATION

Except for historical information contained herein, this Quarterly Report on Form 10-Q does contain "forward looking" information within the meaning of
Section 27A of the Securities Act of 1933 and 21E of the Securities Exchange Act of 1934. Examples of forward looking information include, but are not limited to, (a) projections of or statements regarding return on investment, future earnings, interest income, other income, earnings or loss per share, investment mix and quality, growth prospects, capital structure and other financial terms,
(b) statements of plans and objectives of management, (c) statements of future economic performance, and (d) statements of assumptions, such as economic conditions underlying other statements. Such forward looking information can be identified by the use of forward looking terminology such as "believes," "expects," "may," "will," "should," "anticipates," or the negative of any of the foregoing or other variations thereon or comparable terminology, or by discussion of strategy. No assurance can be given that the future results described by the forward looking information will be achieved. Such statements are subject to risks, uncertainties, and other factors which are outside our control that could cause actual results to differ materially from future results expressed or implied by such forward looking information. Readers are cautioned not to put undue reliance on such forward-looking information. Such statements in this Report include, without limitation, those

contained in Part I, Item 2, Management's Discussion and Analysis of Financial Condition and Results of Operations and the Notes to the Consolidated Financial Statements including, without limitation, the Environmental Matters Note. Important factors that could cause the actual results to differ materially from those in these forward-looking statements include, among other items, (i) a reduction in anticipated orders; (ii) an economic downturn; (iii) unanticipated environmental remediation expenses or claims; (iv) changes in the need for additional machinery and equipment and/or in the cost for the expansion of the Corporation's operations; (v) changes in the competitive marketplace and/or customer requirements; (vi) an inability to perform customer contracts at anticipated cost levels and (vii) other factors that generally affect the business of companies operating in the Corporation's Segments.

PART I - ITEM 3

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in the Corporation's market risk during the six months ended June 30, 2000. Information regarding market risk and market risk management policies is more fully described in item 7A. "Quantitative and Qualitative Disclosures about Market Risk" of the Corporation's Annual Report on Form 10-K for the year ended December 31, 1999.

PART II - OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

The information required herein is incorporated by reference to the information appearing under the caption "Other Revenue and Costs" in Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Item 6. EXHIBITS and REPORTS on FORM 8-K

(a) Exhibits

Exhibit 10 - Standard Supplemental Retirement Agreement dated April 27, 1999 between the Registrant and Officers of the Registrant.

(Page 21)

Exhibit 27 - Financial Data Schedules (Page 29)

(b) Reports on Form 8-K

The Registrant did not file any report on Form 8-K during the quarter ended June 30, 2000.

SIGNATURES

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 thereunto duly authorized.

CURTISS-WRIGHT CORPORATION
(Registrant)

By:/s/ Robert A. Bosi

Robert A. Bosi
Vice President - Finance
(Chief Financial Officer)

By:/s/ Glenn E. Tynan

Glenn E. Tynan
Corporate Controller
(Chief Accounting Officer)

Dated: August 14, 2000

SUPPLEMENTAL RETIREMENT BENEFIT AGREEMENT

AGREEMENT made as of the __ day of ____, by and between Curtiss-Wright Corporation (together with its subsidiaries and affiliates, "the Company") and _________ ("the Executive").

Whereas, the Company has employed the Executive in positions of substantial responsibility for many years; and

Whereas, the Executive has made material contributions to the success of the Company; and

Whereas, the Company wishes to reward the Executive for his contributions to its success, to provide an incentive for the Executive to remain in employment with the Company, by providing special supplemental retirement benefits for the Executive under the terms and conditions set forth herein, and to secure the covenant of the Executive not to compete with the Company following his retirement from the employment of the Company; and

Whereas, the Executive wishes to receive the benefits provided pursuant to this Agreement and expressly recognizes that such benefits constitute adequate consideration for the covenants herein made; and

Whereas, the Board of Directors of the Company, having been fully advised, has approved the benefits to be provided pursuant to this Agreement, upon the conditions specified herein,

Now, therefore, in consideration of the premises and the mutual covenants set forth herein, the Company and the Executive hereby agree as follows:

1. Term of Agreement:

(a) The term of this Agreement shall be ______ year(s), which term shall commence as of the date first set forth above.

(b) The Company and the Executive may, by mutual agreement in writing, extend the term of this Agreement from year to year. Failure to extend this Agreement shall have no effect on the rights and obligations of the parties that arose during the initial term of this Agreement or during any earlier extension. For all purposes hereunder, the phrase "term of this Agreement" shall include any extension of the initial term that is agreed to pursuant to this paragraph.

2. Amount of Supplemental Retirement Benefits:

(a) Upon his retirement from the employment of the Company, and subject to the provisions of Sections 6 through 9, inclusive, the Executive shall receive a monthly supplemental retirement benefit equal to the product of:
(i) $_____ and (ii) the number of full years of his employment with the Company during the term of this Agreement. Such supplemental retirement benefits shall be payable for the period described in Section 2(b). For purposes of this Section 2(a), the term "full year of employment during the term of this Agreement" shall mean each period of 12 consecutive calendar months beginning on the date first set forth above (and each anniversary thereof) and ending on the next anniversary of such date, during which the Executive was continuously employed by the Company.

(b) The monthly supplemental retirement benefits described in Section 2(a) shall commence in the month following the month of the Executive's retirement and shall continue to be paid each month, for a period of fifteen (15) years, provided, however, that no benefits will be paid for any period subsequent to the Executive's death, unless he has made an election pursuant to Section 3(b) or unless benefits are payable in accordance with Section 4 on account of his death while in the active employment of the Company.

(c) The supplemental retirement benefits described in Section 2(a) shall be payable in addition to any benefit payable to the Executive from any other qualified or nonqualified retirement plan or deferred compensation arrangement maintained by the Company, including, without limitation, the Curtiss-Wright Corporation Retirement Plan ("the Retirement Plan"), the Curtiss-Wright Corporation Savings and Investment Plan, the Curtiss-Wright Corporation Retirement Benefits Restoration Plan, the Curtiss-Wright Corporation 1995 Long-Term Incentive Plan, and the Curtiss-Wright Corporation Executive Deferred Compensation Plan.

3. Optional Forms of Payment of Supplemental Retirement Benefits:

(a) In lieu of the monthly payments described in Sections 2(a) and 2(b), the Executive may elect to receive his supplemental retirement benefits in a lump sum. The lump sum payable pursuant to this paragraph shall be the actuarial equivalent of the monthly payments described in Sections 2(a) and
2(b), determined on the basis of the 1983 Group Annuity Mortality Table using a fixed blend of 50% of the male and 50% of the female mortality rates ("the Applicable Mortality Table"), and the interest rate in effect for the first month in which monthly benefits would be payable under Sections 2(a) and 2(b), for the purpose of determining lump sum payments under the Retirement Plan, in accordance with Section 417(e) of the Internal Revenue Code ("the Applicable Interest Rate"). In the event that the Executive elects to receive his supplemental retirement benefits in a lump sum, no further payments shall be made pursuant to this Agreement, but the Executive shall remain subject to the provisions of Sections 7 and 8 of this Agreement.

(b) In lieu of the monthly payments described in Sections 2(a) and 2(b), the Executive may elect to receive his supplemental retirement benefits under a 100% joint and survivor option. The Executive shall be permitted to designate the Beneficiary who would receive benefits under said joint and survivor option in the event of the Executive's death. If the Executive elects to receive his supplemental retirement benefits under the joint and survivor option, and the Beneficiary whom he designated at the time of his retirement from the employment of the Company survives at the time of his death, monthly supplemental retirement benefit payments, in the same amount as had been paid to the Executive during his life, will continue to be made to his Beneficiary, provided, however, that no payments will be made for any period subsequent to the death of his Beneficiary and, in any case, payments will cease on the fifteenth (15th) anniversary of the first payment made to the Executive pursuant to this Agreement. The amount of the monthly supplemental retirement benefits payable under the joint and survivor option will be the actuarial equivalent of the monthly payments described in Sections 2(a) and 2(b), determined on the basis of the Applicable Mortality Table, but with the age of the Executive set forward by two (2) years, and the age of his Beneficiary set back by one (1) year, and an interest rate of 7%. The amount so determined will not be adjusted in the event that the Beneficiary of the Executive predeceases him.

(c) In the event that the Beneficiary of the Executive becomes entitled to supplemental retirement benefits in accordance with Section 4, the Beneficiary may elect to receive his or her supplemental retirement benefits in a lump sum. The lump sum payable in accordance with this paragraph shall be the actuarial equivalent as described in Section 3(a) of the amount otherwise payable to such Beneficiary, determined on the basis of the Applicable Mortality Table and the Applicable Interest Rate.

(d) At the request of the Executive, the Company shall make available a calculation of the amount payable under the optional forms of supplemental retirement benefits described in Sections 3(a) and 3(b), as of any proposed retirement date. In the event that any benefits are payable to the Beneficiary of the Executive in accordance with Section 4, the Company shall make available a calculation of the amount payable under the optional form described in Section 3(c).

(e) An election by the Executive to receive his supplemental retirement benefits under the optional form described in Section 3(a) or 3(b) shall be made in writing prior to or coincident with his retirement date and shall become irrevocable on the date that he retires from the employment of the Company. An election by the Beneficiary of the Executive to receive any benefits otherwise payable to him or her in the optional form described in
Section 3(c) shall be made in writing after the death of the Executive within sixty (60) days of the giving of notice in writing by the Company to the Beneficiary of his or her right to make such election and shall be irrevocable.

4. Benefits in the Event of Death Prior to Retirement:

In the event that the Executive dies while in the active employment of the Company, prior to retirement, then supplemental retirement benefits shall be paid to his Beneficiary in the same amount and for the same period as if the Executive had retired on the day prior to his death and had made an election in accordance with Section 3(b) in favor of his designated Beneficiary. The Executive shall be permitted to designate his Beneficiary for purposes of benefits payable under this Section 4 and shall be permitted to change such designation at any time prior to his retirement from the employment of the Company. Each such designation shall be in writing and shall be delivered to the Company.

5. Benefits in the Event of Disability:

In the event that the Executive becomes disabled during the term of this Agreement, while in the active employment of the Company, then, for all purposes hereunder, he shall be deemed to remain in active employment until the expiration of the term of this Agreement, provided, however, that no extension of the term of this Agreement pursuant to the provisions of Section 1(b) shall commence during any period in which the Executive is disabled. For purposes of this Section, the Executive shall be deemed disabled, if he qualifies for benefits under any short-term or long-term disability benefit program maintained by the Company.

6. Effect of Termination by the Company:

(a) Notwithstanding any provision hereof, in the event that the employment of the Executive with the Company is terminated by the Company, other than for cause, the benefits payable hereunder shall be determined as if the Executive had remained in the employment of the Company until the last day of the term of this Agreement.

(b)Notwithstanding any provision hereof, no benefits will be payable hereunder in the event that the employment of the Executive with the Company is terminated by the Company for cause. For purposes of this
Section 6, termination for cause shall include, but shall not be limited to: (1) Executive acting fraudulently in his relations with the Company or on behalf of the Company, (2) Executive misappropriating or doing material, intentional damage to the property of the Company, (3) Executive being convicted of a felony, (4) Executive's acts or omissions amounting to willful misconduct or recklessness by Executive in the performance of his duties under this Agreement or the habitual neglect of such duties which acts, omissions or neglect continued for a period of thirty (30) days after a written demand for correction of such situation was delivered to Executive, specifying the acts, omissions or neglect and the circumstances involved, (5) Executive failing to follow any material instruction or policy formally adopted by the Company and communicated to Executive if Executive adheres to such failure to follow such instruction or policy for a period of thirty (30) days after delivery of written notice specifying the acts or omissions constituting such failure, or (6) any material breach by Executive of any of the terms of this Agreement.

7. Covenant Not to Compete:

Executive agrees that, for a period commencing on the date hereof and ending fifteen (15) years after his retirement or the termination of this Agreement for any reason, the Executive shall not, without the Company's prior written consent, anywhere in North America, or anywhere that the Company's Metal Improvement Company, Inc. subsidiary has done business under the supervision and control of the Executive, directly or indirectly:

(a) engage, directly or indirectly, as an employee, director, shareholder, officer, partner, consultant, independent contractor or otherwise in any activity for or on behalf of any person or entity in a competitive line of business to that carried on by the Company, or engage in any manner in the design, development, manufacturing, assembling, installing, and/or marketing of any technology competitive with the business carried on by the Company during the Executive's employment with the Company, so long as the Company is still carrying on said business;

(b) solicit or attempt to solicit business of any customers of the Company (including prospective customers solicited by the Company) for products or services the same as or similar to those offered, sold, produced or under development by the Company during the Executive's employment with the Company, so long as the Company is still carrying on said business;

(c) otherwise divert or attempt to divert from the Company any business whatsoever, so long as the Company is still carrying on said business;

(d) solicit or attempt to solicit for any business endeavor any employee of the Company;

(e) interfere with any employment relationship or other business relationship between the Company and any other individual, person, or other entity;

(f) have any interest as a stockholder, partner, lender or otherwise in, any person which is engaged in activities which, if performed by the Executive would violate this
Section 7(a) other than an interest in a publicly traded corporation not exceeding one percent of such corporation's issued and outstanding voting stock; or

(g) disparage the Company, or its officers, directors, employees, affiliates, or advisors.

(h) engage in any other activity of a professional or consultative nature which (i) could reasonably be expected to be detrimental to the business prospects of the Company or (ii) which is or may be directly or indirectly competitive with the Company.

In the event that any provisions of this Section 7 should be deemed to exceed the time and geographical limitations permitted by applicable law, then such provisions shall be reformed to the maximum time and geographic limitations permitted by applicable law.

8. Covenant to Maintain Confidentiality:

(a) In express consideration of the benefits provided under this Agreement, Executive understands and acknowledges that as a result of Executive's employment with the Company, and involvement with the business of the Company, he is or shall necessarily become informed of, and have access to, confidential information of the Company including, without limitation, inventions, patents, patent applications, trade secrets, technical information, know-how, plans, specifications, marketing plans and information, pricing information, identity of customers and prospective customers and identity of suppliers, and that such information, even though it may have been or may be developed or otherwise acquired by Executive, is the exclusive property of the Company to be held by Executive in trust and solely for the Company's benefit. Executive shall not at any time, either during or subsequent to his employment hereunder, reveal, report, publish, transfer or otherwise disclose to any person, corporation or other entity, or use, any of the Company's confidential information, without the prior written consent of the Company's Chief Executive Officer, except for use on behalf of the Company in connection with the Company's business, and except for such information which legally and legitimately is or becomes of general public knowledge from authorized sources other than Executive.

(b) Upon the termination of his employment with the Company for any reason, Executive shall promptly deliver to the Company all drawings, manuals, letters, notes, notebooks, reports and copies thereof and all other materials, including, without limitation, those of a secret or confidential nature, relating to the Company's business which are in Executive's possession or control. The Company shall reimburse Executive for any packing, shipping or moving costs reasonably incurred by Executive in connection with the foregoing delivery.

9. Remedies and Survival:

(a) Because the Company does not have an adequate remedy at law to protect its interest in its trade secrets, privileged, proprietary or confidential information and similar commercial assets, or its employees from solicitation by Executive, the Company shall be entitled to injunctive relief, in addition to such other remedies and relief that would, in the event of a breach or a threatened breach of the provisions of Sections 7 or 8 be available to the Company. The Company shall not be required to plead or prove the inadequacy of damages. The provisions of Sections 7 and 8 and this Section 9 shall survive any termination of Executive's employment with the Company for any reason whatsoever.

(b) In the event that the Executive breaches the covenants set forth in Sections 7 and 8, no further payments will be made pursuant to this Agreement and the Company shall be entitled to recover all payments made pursuant to this Agreement prior to such breach. The right of recovery pursuant to this paragraph shall be in addition to and not in limitation of the right of the Company to relief under Section 9(a) and to any other remedy for the conduct of the Executive that constituted the breach of the covenants set forth in Sections 7 and 8.

10. Relationship to Other Agreements between the Executive and the Company:

The covenants and obligations hereby undertaken by the Executive and the Company are in addition to and shall not limit the effect of any other agreement entered into by the Executive and the Company that addresses the terms and conditions of the Executive's employment, and the benefits payable hereunder are in addition to, and not in limitation of, any benefits or compensation to which the Executive may otherwise be entitled to by virtue of his employment with the Company. Nothing contained in this Agreement shall confer upon the Executive any right to be continued in the employ of the Company nor require the Executive to continue in such employ.

11. Governing Law:

This Agreement is made in and shall be governed by the laws of the State of New Jersey, without regard to conflict of laws principles.

12. Severability:

If any provision of this Agreement is held to be invalid or unenforceable by any court or tribunal of competent jurisdiction, the remainder of this Agreement shall not be affected by such judgment, and such provision shall be carried out as nearly as possible according to its original terms and intent to eliminate such invalidity or unenforceability.

13. Entire Agreement:

This Agreement sets forth the entire understanding of the parties hereto with respect to its subject matter, merges and supersedes any prior or contemporaneous agreements or understandings with respect to its subject matter, and shall not be modified or terminated except by another agreement in writing executed by the Company and Executive. Failure of a party to enforce one or more of the provisions of this Agreement or to require at any time performance of any of the obligations hereof shall not be construed to be a waiver of such provisions by such party or to affect the validity of this Agreement or such party's right thereafter to enforce any provision of this Agreement, or to preclude such party from taking any other action at any time which it would legally be entitled to take.

14. Arbitration:

(a) In the event a dispute, claim or controversy shall arise between the Executive and the Company with respect to any provision of this Agreement or the interpretation or performance thereof, and such is declared by written notice from one party to the other, the Executive and the Company agree to negotiate in good faith toward resolution of the dispute. If such dispute cannot be resolved within a period of sixty (60) days after such notice is given, either party may submit the dispute to arbitration. Such dispute, including any dispute concerning arbital jurisdiction or arbitability, shall then be settled by arbitration in accordance with the applicable Arbitration Rules of the American Arbitration Association ("AAA"). The arbitration shall be held in New Jersey. The arbitration will be decided by a single arbitrator, mutually acceptable to both parties, who will preside and decide the controversy or claim unless the parties hereto agree in writing to the contrary. Should the parties fail to agree on a mutually acceptable arbitrator, then the parties agree to accept an arbitrator appointed by the AAA.

(b) The award rendered by the arbitrator shall be in writing and shall be the final disposition on the merits. Judgment upon the award rendered may be in any court having jurisdiction, or application may be made to any such court for a judicial acceptance of the award and an order of enforcement as the case may be.

15. Successors and Assigns:

Neither party shall have the right to assign this personal Agreement, or any rights or obligations hereunder, without the consent of the other party; provided, however, that upon the sale or transfer of all or substantially all of the assets and business of the Company to another party, or upon the merger or consolidation of the Company with, or acquisition of the Company by, another corporation or entity, this Agreement shall inure to the benefit of, and be binding upon, both Executive and the party purchasing such assets and business, or surviving such merger or consolidation or acquiring the Company, as the case may be, in the same manner and to the same extent as though such other party were the Company. Subject to the foregoing, this Agreement shall inure to the benefit of, and bind, the parties hereto and their legal representatives, heirs, successors and assigns.

16. Notices

All notices or other communications which any party desires or is required to give shall be given in writing and shall be deemed to have been given if hand-delivered, sent by overnight courier service or telecopier, or mailed by depositing in the United States mail, prepaid to the party at the address noted below or such other address as a party may designate in writing from time to time:

For Curtiss-Wright Corporation:

Office of General Counsel

Curtiss-Wright Corporation 1200 Wall Street West
Suite 501
Lyndhurst, NJ 07071

For the Executive:

In witness whereof, the parties hereto have executed this Supplemental Retirement Benefits Agreement, as of the year and date first set forth above:

Curtiss-Wright Corporation

By:________________________________

Executive:_________________________

ARTICLE 5

MULTIPLIER: 1000

PERIOD TYPE	6 MOS
FISCAL YEAR END	DEC 31 2000
PERIOD END	JUN 30 2000
CASH	8,945
SECURITIES	37,166
RECEIVABLES	69,993
ALLOWANCES	2,599
INVENTORY	58,650
CURRENT ASSETS	183,385
PP&E	243,899
DEPRECIATION	152,494
TOTAL ASSETS	390,254
CURRENT LIABILITIES	50,521
BONDS	27,565
PREFERRED MANDATORY	0
PREFERRED	0
COMMON	15,000
OTHER SE	258,964
TOTAL LIABILITY AND EQUITY	390,254
SALES	165,287
TOTAL REVENUES	172,441
CGS	105,887
TOTAL COSTS	139,169
OTHER EXPENSES	107
LOSS PROVISION	0
INTEREST EXPENSE	772
INCOME PRETAX	32,393
INCOME TAX	12,520
INCOME CONTINUING	19,873
DISCONTINUED	0
EXTRAORDINARY	0
CHANGES	0
NET INCOME	19,873
EPS BASIC	1.98
EPS DILUTED	1.96

End of Filing