UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2004 or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ___________________ to ____________________

Commission File Number 0-22529

inTEST Corporation

(Exact Name of Registrant as Specified in its Charter)

Delaware	**22-2370659**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

7 Esterbrook Lane
Cherry Hill, New Jersey 08003
(Address of principal executive offices, including zip code)

(856) 424-6886
(Registrant's Telephone Number, including Area Code)

Indicate by check X 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 (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
YES _X_ NO ___

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).
YES ___ NO _X_

Number of shares of Common Stock, $.01 par value, outstanding as of April 30, 2004:

8,562,857

inTEST CORPORATION

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inTEST CORPORATION
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)
(Unaudited)

	Mar. 31, 2004	Dec. 31, 2003
ASSETS:		
Current assets:		
Cash and cash equivalents	$ 6,027	$ 5,116
Trade accounts receivable, net of allowance for doubtful accounts of $125 and $125, respectively	10,652	9,183
Inventories	8,549	7,332
Income taxes receivable	729	751
Other current assets	621	557
Total current assets	26,578	22,939
Property and equipment:		
Machinery and equipment	10,832	10,572
Leasehold improvements	2,541	2,527
	13,373	13,099
Less: accumulated depreciation	(9,090)	(8,560)
Net property and equipment	4,283	4,539
Other assets	692	680
Goodwill	1,404	1,384
Intangible assets, net	412	435
Total assets	$33,369	$29,977
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 5,250	$ 3,507
Accrued expenses	3,922	3,391
Income taxes payable	363	278
Capital lease obligations	93	93
Total current liabilities	9,628	7,269

Capital lease obligations, net of current portion	94	117
Total liabilities	9,722	7,386
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $0.01 par value; 5,000,000 shares authorized; no shares issued or outstanding	-	-
Common stock, $0.01 par value; 20,000,000 shares authorized; 8,738,505 and 8,737,505 shares issued, respectively	87	87
Additional paid-in capital	21,959	21,955
Retained earnings	3,391	2,393
Accumulated other comprehensive income	532	478
Treasury stock, at cost; 375,648 shares	(2,322)	(2,322)
Total stockholders' equity	23,647	22,591
Total liabilities and stockholders' equity	$33,369	$29,977

See accompanying Notes to Consolidated Financial Statements.

inTEST CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except share and per share data)

(Unaudited)

	Three Months Ended March 31, 2004	Three Months Ended March 31, 2003
Net revenues	$17,008	$ 9,189
Cost of revenues	9,797	6,200
Gross margin	7,211	2,989
Operating expenses:		
Selling expense	2,705	1,978
Engineering and product development expense	1,653	1,480
General and administrative expense	1,736	1,320
Total operating expenses	6,094	4,778
Operating income (loss)	1,117	(1,789)
Other income (expense):		
Interest income	24	20
Interest expense	(3)	(5)
Other	(15)	20
Total other income	6	35
Earnings (loss) before income taxes	1,123	(1,754)
Income tax expense (benefit)	125	(611)
Net earnings (loss)	$ 998	$(1,143)
Net earnings (loss) per common share - basic	$0.12	$(0.14)
Net earnings (loss) per common share - diluted	$0.11	$(0.14)
Weighted average common shares outstanding - basic	8,362,725	8,324,357
Weighted average common and common share equivalents outstanding - diluted	8,724,290	8,324,357

See accompanying Notes to Consolidated Financial Statements.

inTEST CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS (LOSS)
(In thousands)
(Unaudited)

	Three Months Ended March 31, 2004	Three Months Ended March 31, 2003
Net earnings (loss)	$ 998	$(1,143)
Foreign currency translation adjustments	54	(41)
Comprehensive earnings (loss)	$1,052	$(1,184)

See accompanying Notes to Consolidated Financial Statements.

inTEST CORPORATION
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(In thousands, except share data)
(Unaudited)

	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income	Treasury Stock	Total Stockholders' Equity
Balance, December 31, 2003	8,737,505	$ 87	$21,955	$ 2,393	$ 478	$(2,322)	$22,591
Net earnings	-	-	-	998	-	-	998
Other comprehensive income	-	-	-	-	54	-	54
Stock options exercised	1,000	-	4	-	-	-	4
Balance, March 31, 2004	8,738,505	$ 87	$21,959	$ 3,391	$ 532	$(2,322)	$23,647

See accompanying Notes to Consolidated Financial Statements.

inTEST CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Three Months Ended March 31, 2004	Three Months Ended March 31, 2003
CASH FLOWS FROM OPERATING ACTIVITIES		
Net earnings (loss)	$ 998	$(1,143)
Adjustments to reconcile net earnings (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	524	494
Deferred income taxes	-	(611)
Foreign exchange loss	27	12

Changes in assets and liabilities:		
Trade accounts receivable	(1,477)	146
Inventories	(1,200)	347
Income taxes receivable	22	-
Other current assets	(50)	93
Other assets	(3)	(2)
Accounts payable	1,720	189
Accrued expenses	528	(53)
Income taxes payable	82	3
Net cash provided by (used in) operating activities	1,171	(525)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(316)	(452)
Proceeds from sale of demonstration equipment, net of gain	70	-
Net cash used in investing activities	(246)	(452)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of capital lease obligations	(23)	(21)
Proceeds from stock options exercised	4	-
Net cash used in financing activities	(19)	(21)
Effects of exchange rates on cash	5	(15)
Net cash provided by (used in) all activities	911	(1,013)
Cash and cash equivalents at beginning of period	5,116	8,145
Cash and cash equivalents at end of period	$ 6,027	$ 7,132
SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Cash payments (refunds) for:		
Domestic and foreign income taxes	$ 16	$ -
Interest	3	5

See accompanying Notes to Consolidated Financial Statements.

inTEST CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Information as of March 31, 2004 and for the three months ended March 31, 2004 and 2003 is unaudited)
(In thousands, except for share and per share data)

(1) NATURE OF OPERATIONS

We are a leading independent designer, manufacturer and marketer of positioner and docking hardware products, temperature management systems and tester interface products that are used by semiconductor manufacturers in conjunction with automatic test equipment ("ATE") in the testing of integrated circuits ("ICs" or "semiconductors").

The consolidated entity is comprised of inTEST Corporation (parent) and our wholly-owned subsidiaries. We manufacture our products in the U.S., the U.K., Germany and Singapore. Marketing and support activities are conducted worldwide from our facilities in the U.S., the U.K., Germany, Japan and Singapore.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited consolidated financial statements include our accounts and those of our wholly-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Certain of our accounts, including goodwill, inventory obsolescence write-downs, deferred income tax valuation allowances and warranty reserves, are particularly impacted by estimates.

In the opinion of management, the accompanying unaudited consolidated financial statements include all adjustments (consisting only of normal recurring adjustments) necessary to present fairly the financial position, results of operations, and changes in cash flows for the interim periods presented. Certain footnote information has been condensed or omitted from these consolidated financial statements. Therefore, these consolidated financial statements should be read in conjunction with the consolidated financial statements and accompanying footnotes included in our Annual Report on Form 10-K for the year ended December 31, 2003.

Concentration of Other Risks

The semiconductor industry in which we operate is characterized by rapid technological change, competitive pricing pressures and cyclical market patterns. This industry is subject to significant economic downturns at various times. Our financial results are affected by a wide variety of factors, including general economic conditions worldwide or in the markets in which we operate, economic conditions specific to the semiconductor industry, our ability to safeguard patents and intellectual property in a rapidly evolving market, downward pricing pressures from customers, and our reliance on a relatively few number of customers for a significant portion of our sales. In addition, we are exposed to the risk of obsolescence of our inventory depending on the mix of future business and technological changes within the industry. We are also exposed to the risk of significant product warranty expense related to product retrofits and other product replacements driven by the prototype nature of much of our business. As a result of these or other factors, we may experience significant period-to-period fluctuations in future operating results.

Income Taxes

Income tax expense was $125,000 for the quarter ended March 31, 2004 compared to an income tax benefit of $611,000 for the same period in 2003. Our effective tax rate for 2004 was 11% compared to 35% for 2003. During 2003, we recorded a 100% valuation allowance against our net deferred tax assets due to the uncertainty surrounding whether we would be able to generate sufficient taxable income to fully utilize these deferred tax assets before they expire. A significant portion of these deferred tax assets relate to net operating loss carryforwards for certain domestic and foreign subsidiaries. During the first quarter of 2004, certain of these subsidiaries generated taxable income. This resulted in tax expense for these entities, which was offset by recording a reduction in our net deferred tax assets and the related valuation allowance for the amount of the net operating loss carryforwards which we now expect to utilize. Therefore, the remaining income tax expense of $125,000 for the quarter en ded March 31, 2004 represented income tax expense on the earnings of certain of our foreign subsidiaries where there had not been a history of operating losses, and there were no net operating loss carryforwards to offset the related tax expense.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Earnings (Loss) Per Common Share

Net earnings (loss) per common share is computed in accordance with Statement of Financial Accounting Standards ("SFAS") No. 128, *Earnings Per Share*. Basic earnings (loss) per common share is computed by dividing net earnings (loss) by the weighted average number of common shares outstanding during each period. Diluted earnings (loss) per common share is computed by dividing net earnings (loss) by the weighted average number of common shares and common share equivalents outstanding during each period. Common share equivalents represent stock options and are calculated using the treasury stock method. Common share equivalents are excluded from the calculation if their effect is anti-dilutive.

Product Warranties

We generally provide product warranties and record estimated warranty expense at the time of sale based upon historical claims experience. In addition, from time to time we make adjustments to our warranty reserve for specifically identified warranty exposures. Warranty expense for the three months ended March 31, 2004 and 2003 was $392 and $276, respectively.

The following table sets forth the changes in the liability for product warranties for the three months ended March 31, 2004:

Balance as of December 31, 2003	$1,102
Payments made under product warranty	(409)
Accruals for product warranties issued	392
Balance as of March 31, 2004	$1,085

Stock-Based Compensation

At March 31, 2004, we have certain stock-based employee compensation plans. We account for these plans under the recognition and measurement principles of Accounting Principles Board Opinion ("APB") No. 25, *Accounting for Stock Issued to Employees*, and related Interpretations. No stock-based employee compensation cost is reflected in the statement of operations when options granted under these plans have an exercise price equal to the market value of the underlying common stock on the date of grant.

The following table illustrates the effect on our net earnings (loss) and net earnings (loss) per share if we had applied the fair value recognition provisions of SFAS No. 123, *Accounting for Stock-Based Compensation* ("SFAS No. 123"), to stock-based employee compensation.

	Three Months Ended March 31,	
	2004	*2003*
Net earnings (loss), as reported	$998	$(1,143)
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards, net of related tax effects	(91)	(445)
Pro forma net earnings (loss)	$907	$(1,588)

Net earnings (loss) per share:		
Basic - as reported	$0.12	$(0.14)
Basic - pro forma	$0.11	$(0.19)
Diluted - as reported	$0.11	$(0.14)
Diluted - pro forma	$0.10	$(0.19)

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Accounting Pronouncements

In December 2003, the Securities and Exchange Commission (the "SEC") issued Staff Accounting Bulletin ("SAB") No. 104, *Revenue Recognition* ("SAB No. 104"), effective December 17, 2003. SAB No. 104 updates portions of the interpretive guidance included in Topic 13 of the codification of SABs to make this interpretive guidance consistent with current authoritative accounting guidance and SEC rules and regulations related to revenue recognition. We believe our revenue recognition policies are in compliance with SAB No. 104.

(3) SEGMENT INFORMATION

We have three reportable segments: positioner/docking hardware products, temperature management systems and tester interface products. The positioner/docking hardware segment includes the operations of our Cherry Hill, New Jersey manufacturing facility as well as the operations of four of our foreign subsidiaries: inTEST Limited (U.K.), inTEST Kabushiki Kaisha (Japan), inTEST PTE, Limited (Singapore) and Intestlogic GmbH (Germany). Sales of this segment consist primarily of positioner and docking hardware products which we design, manufacture and market, as well as certain other related products which we design and market, but which are manufactured by third parties. The temperature management segment includes the operations of Temptronic Corporation in Sharon, Massachusetts as well as inTEST GmbH (Germany). Sales of this segment consist primarily of temperature management systems which we design, manufacture and market under our Temptronic product line. In addition, this segment provides after sale s ervice and support, which is paid for by its customers. The tester interface segment includes the operations of inTEST Sunnyvale Corp. in Sunnyvale, California. Sales of this segment consist primarily of tester interface products which we design, manufacture and market under our TestDesign product line.

We operate our business worldwide, and all three segments sell their products both domestically and internationally. All three segments sell to semiconductor manufacturers and ATE manufacturers.

Intercompany pricing between segments is either a multiple of cost for component parts or a percentage discount from list price for finished goods.

	Three Months Ended March 31,	
	2004	*2003*
Net revenues from unaffiliated customers		
Positioner/Docking Hardware	$ 9,961	$4,566
Temperature Management	5,146	3,451
Tester Interface	3,095	2,190
Intersegment sales	(1,194)	(1,018)
	$17,008	$ 9,189
Intersegment sales:		
Positioner/Docking Hardware	$ 15	$ 1
Temperature Management	319	323
Tester Interface	860	694
	$1,194	$1,018
Earnings (loss) before income taxes:		
Positioner/Docking Hardware	$ 443	$(1,309)
Temperature Management	183	(494)

Tester Interface	497	49
	$1,123	$(1,754)
Net earnings (loss):		
Positioner/Docking Hardware	$ 371	$ (837)
Temperature Management	130	(337)
Tester Interface	497	31
	$ 998	$(1,143)

(3) SEGMENT INFORMATION (Continued)

	Mar. 31, 2004	*Dec. 31, 2003*
Identifiable assets:		
Positioner/Docking Hardware	$19,127	$16,568
Temperature Management	9,952	9,056
Tester Interface	4,290	4,353
	$33,369	$29,977

The following table provides information about our geographic areas of operation. Net revenues from unaffiliated customers are based on the location of the selling entity.

	Three Months Ended March 31,	
	2004	*2003*
Net revenues from unaffiliated customers:		
U.S.	$13,206	$6,548
Europe	2,108	816
Asia-Pacific	1,694	1,825
	$17,008	$9,189

	Mar. 31, 2004	*Dec. 31, 2003*
Long-lived assets:		
U.S.	$3,661	$3,914
Europe	535	523
Asia-Pacific	87	102
	$4,283	$4,539

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Overview

As discussed more fully in our Annual Report on Form 10-K for the year ended December 31, 2003 (our "2003 Form 10-K"), our business and results of operations are substantially dependent upon the demand for ATE by semiconductor manufacturers and companies that specialize in the testing of ICs. Demand for ATE is driven by semiconductor manufacturers that are opening new, or expanding existing, semiconductor fabrication facilities or upgrading existing equipment, which in turn is dependent upon the current and anticipated market demand for semiconductors and products incorporating semiconductors. The semiconductor industry has been highly cyclical with recurring periods of oversupply, which often have a severe impact on the semiconductor industry's demand for ATE, including the products we manufacture. This cyclicality has been clearly demonstrated during the past eight years, with downward cycles in 1996, 1998 and 2001-2002 and up cycles in 1997, 1999-2000 and 2003-2004.

Net Revenues and Bookings

The most recent downturn, which began during the fourth quarter of 2000 and reversed in 2003, was the most severe and prolonged downturn the ATE industry has ever experienced. Our consolidated quarterly net revenues declined from a peak of $24.5 million for the quarter ended September 30, 2000 to $7.0 million for the quarter ended March 31, 2002, a decline of approximately 72%. The decrease we experienced in net revenues during this period was comparable to the peak to trough differences experienced by most of the companies in our industry.

During this downturn, the trend in both our bookings and net revenues was erratic. Our bookings and revenues began declining during the fourth quarter of 2000 and continued declining until the first quarter of 2002, when our bookings increased sequentially for three quarters (in the case of net revenues, this increase began in the second quarter of 2002 and lasted two quarters), followed by a decline again in bookings and net revenues in the fourth quarter of 2002 that continued until the second quarter of 2003, when both bookings and net revenues began to increase sequentially again.

The current industry consensus is that an up cycle began in 2003 and should continue for 18 to 24 months. This view is supported by the increases we have experienced in our quarterly bookings since the beginning of 2003, which increased from $7.7 million in the first quarter of 2003 to $17.3 million in the first quarter of 2004. This improvement is also shown in our quarterly net revenues, which increased from $9.2 million in the first quarter of 2003 to $17.0 million in the first quarter of 2004. While we cannot be sure what the rate of increase of this up cycle will be or how long it will last, we currently expect the trend of growth in both bookings and net revenues to continue throughout the balance of 2004, although the rate of quarter-over-quarter increases may decline. We currently anticipate that our sales for the second quarter of 2004 will increase from the level of the first quarter and be in the range of $17.5 million to $19.0 million.

Cost Containment Initiatives

Throughout the most recent industry downturn, we implemented significant cost containment initiatives which included reductions in personnel, temporary reductions in compensation for all employees and the elimination of matching contributions to retirement plans for all domestic employees. In addition, we made significant reductions in spending on corporate travel, advertising, professional services and supplies.

As of March 31, 2004, all personnel worldwide remained on a salary freeze and matching contributions to retirement plans for all domestic employees were still temporarily eliminated. However, given the continued improvements in our bookings and net revenues in the first quarter of 2004, and in light of the industry consensus that an up cycle has begun and should continue through 2004 and into 2005, we reinstated the matching contributions for all domestic employees effective April 1, 2004, and we expect to resume salary reviews and raises during the second quarter of 2004 as well. We continue to closely monitor our costs and, should the current upward trend reverse itself, or if our bookings and net revenues do not increase as currently projected, we are prepared to take appropriate actions necessary to preserve cash.

Inventory Obsolescence Charges

We review our inventories and record inventory obsolescence charges based upon our established obsolescence criteria, that identifies material that has not been used in a work order during the prior 12 months and the excess quantity of material on hand that is greater than the average annual usage of that material over the prior three years. In addition, in certain cases, additional inventory obsolescence charges are recorded based upon facts which would not give rise to an obsolescence charge under the normal obsolescence criteria or, if in management's opinion, additional amounts are felt to be necessary based upon the current industry conditions. See also "Critical Accounting Policies".

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS. (Continued)

The most recent downturn significantly reduced demand for a number of products we design and manufacture. As a result, inventory obsolescence charges have historically increased during downturns and through the beginning of subsequent upturns. For the quarters ended March 31, 2004 and 2003, our inventory obsolescence charges were $128,000 and $80,000, respectively. We cannot determine if this trend will continue or if these charges will increase or decrease throughout the balance of 2004 due to potential technological obsolescence of our current inventories.

Product Warranty Charges

We accrue product warranty charges on a quarterly basis based upon our historical product warranty expense. In addition, we accrue additional amounts based upon known product warranty issues, such as product retrofits. During the quarters ended March 31, 2004 and 2003 our product warranty charges were $392,000 and $276,000, or 2.3% and 3.0% of net revenues, respectively. The level of our product warranty charges both in absolute dollars and as a percentage of net revenues is affected by a number of factors including the volatility of net revenues in the ATE industry, the prototype nature of much of our business, the introduction in prior years of products offering power assisted features in our positioner/docking hardware segment and providing warranty repairs, or replacements, to customers after the warranty has expired in certain situations, in order to promote strong customer relations.

During the first quarter of 2004, we accrued $105,000 in our positioner/docking hardware segment related to product retrofits and other costs associated with one product we sell to an ATE manufacturer. This amount is in addition to a total of approximately $700,000 of product warranty expense that was accrued in prior periods for retrofits and other costs associated with the same product, a positioner developed and first sold during 2001. This power-assisted positioner, whose prototype design was significantly different from the positioner products we have historically sold, had approximately 200 units in the field that required several different modifications and enhancements. We believe we have accrued adequate warranty charges as of March 31, 2004 for the product retrofit planned for this product. We cannot determine at this time if we will have any further material warranty costs related to additional product modifications or enhancements for this or any of our other current products. See also "Critical Accounting Policies."

Product/Customer Mix

Our three product segments each have multiple products that we design, manufacture and sell to our customers. The gross margin on each product we offer is impacted by a number of factors, including the amount of intellectual property (such as patents) utilized in the product, the number of units ordered by the customer at one time, or the amount of inTEST designed and fabricated material included in our product compared with the amount of third-party designed and fabricated material included in our product. The weight of each of these factors, as well as the current market conditions, determines the ultimate sales price we can obtain for our products and the resulting gross margin.

The mix of products we sell in any period is ultimately determined by our customers' needs. Therefore, the mix of products sold in any given period can change significantly from the prior period. As a result, our consolidated gross margin can be significantly impacted in any given period by a change in the mix of products sold in that period.

We sell our products to both semiconductor manufacturers (end user sales) and to ATE manufacturers (OEM sales) who ultimately resell our equipment with theirs to semiconductor manufacturers. The mix of customers during any given period will affect our gross margin due to differing sales discounts and commissions. Prior to 2000, the majority of our positioner, docking hardware and tester interface product sales were made directly to semiconductor manufacturers, with sales to these end users typically in the range of 65% to 75% of our net revenues. However, since the beginning of 2000, many semiconductor manufacturers have shown a preference for purchasing from a single source the various components of the ATE (excluding temperature management systems) that they need. Typically, this source is the tester manufacturer, who manufactures the largest and most expensive components of the ATE system. Our OEM sales as a percentage of net revenues for the years ended December 31, 2003, 2002 and 2001 were 41%, 44% and 45%, respectively. For the quarters ended March 31, 2004 and 2003, our OEM sales as a percentage of net revenues were 42% and 37%, respectively. We anticipate that OEM sales as a percentage of net revenues will generally range from 35% to 55% in future periods.

The impact of an increase in OEM sales as a percentage of net revenues is generally a reduction in our gross margin, as OEM sales historically have had a more significant discount than end user sales. Our current net operating margins on most OEM sales for these product segments, however, are only slightly less than margins on end user sales because of the payment of

third party sales commissions on most end user sales. We also expect to continue to experience demands from our OEM customers' supply line management groups to reduce our sales prices to them. This continued price pressure may have the ultimate effect of reducing our gross and operating margins if we cannot further reduce our manufacturing and operating costs.

We believe that purchases of most of our products are typically made from semiconductor manufacturers' capital expenditure budgets. Certain portions of our business, however, are generally less dependent upon the capital expenditure budgets of the end users. For example, purchases of certain related ATE interface products, such as sockets and interface boards, which must be replaced periodically, are typically made from the end users' operating budgets. In addition, purchases of certain of our products, such as docking hardware, for the purpose of upgrading or to improve the utilization, performance and efficiency of existing ATE, tend to be counter cyclical to sales of new ATE. Moreover, we believe a portion of our sales of temperature management systems results from the increasing need for temperature testing of circuit boards and specialized components that do not have the design or quantity to be tested in an electronic device handler. We believe that this business usually is less cyclical than new ATE s ales. However, during the recent downward cycle, we saw our customers' orders for these types of products decline as much as, or in some cases more than, the other products we offer as compared with prior periods of reduced capital spending for ATE. We attribute this in part to reductions in our customers' operating budgets combined with significant excess capacity that existed throughout the industry, which significantly reduced our customers' equipment utilization rates. We believe that much of this excess capacity was the result of capital equipment purchases made during the 1999-2000 up-cycle, and that this newer equipment did not need to be upgraded or improved. We also believe that many of our customers' equipment utilization rates have been steadily increasing throughout 2003 due to increased IC unit production and are approaching, or have already exceeded, the levels where additional ATE equipment purchases will be necessary to meet increased IC production demands.

Please refer to the section entitled "Risks That Could Affect Future Results" below for a discussion of other important factors that could cause our results to differ materially from our prior results or those expressed or implied by our forward-looking statements.

Results of Operations

All of our products are used by semiconductor manufacturers in conjunction with ATE in the testing of ICs. Consequently, the results of operations for each product segment are generally affected by the same factors. Separate discussions and analyses for each product segment would be repetitive and obscure any unique factors that affected the results of operations of our different product segments. The discussion and analysis that follows, therefore, is presented on a consolidated basis for inTEST as a whole and includes discussion of factors unique to each product segment where significant to an understanding of each such business.

The following table sets forth for the periods indicated the principal items included in the Consolidated Statements of Operations as a percentage of total net revenues.

	Percentage of Net Revenues	
	Quarters Ended March 31,	
	2004	*2003*
Net revenues	100.0%	100.0%
Cost of revenues	57.6	67.5
Gross margin	42.4	32.5
Selling expense	15.9	21.5
Engineering and product development expense	9.7	16.1
General and administrative expense	10.2	14.4
Operating income (loss)	6.6	(19.5)
Other income	0.0	0.4
Earnings (loss) before income taxes	6.6	(19.1)
Income tax expense (benefit)	0.7	(6.6)
Net earnings (loss)	5.9%	(12.4)%

Quarter Ended March 31, 2004 Compared to Quarter Ended March 31, 2003

Net Revenues. Net revenues were $17.0 million for the quarter ended March 31, 2004 compared to $9.2 million for the same period in 2003, an increase of $7.8 million or 85%. In the first quarter of 2004, net revenues increased over the prior comparable period for each of our product segments. We believe these increases reflect the aforementioned upturn in demand in our industry which began in mid-2003 and is expected to continue at least throughout the balance of 2004.

Gross Margin. Gross margin was 42% for the quarter ended March 31, 2004 as compared to 33% for the same period in 2003. The increase in gross margin in 2004 is primarily the result of our fixed operating costs being more fully absorbed over the significantly higher net revenue levels in 2004. While the absolute dollar amount of our fixed operating costs increased $273,000 for the first quarter of 2004 as compared to the first quarter of 2003, the percentage of net revenues which these costs represent decreased to 16%. In comparison, our fixed operating costs represented 27% of net revenues for the first quarter of 2003. This improvement in gross margin was slightly offset by an increase in component material costs as a percentage of net revenues for the quarter ended March 31, 2004 as compared to the same period in 2003. We attribute this increase in component material costs primarily to the mix of products sold.

Selling Expense. Selling expense was $2.7 million for the quarter ended March 31, 2004 compared to $2.0 million for the same period in 2003, an increase of $727,000 or 37%. We attribute the increase primarily to increased commission expense as well as the aforementioned increase in product warranty costs in our positioner/docking hardware segment. The increase in commission expense of $264,000 was primarily due to the significantly higher net revenue levels. To a lesser extent, there were increases in travel expenses, freight costs, advertising and demonstration equipment, all of which were driven by the increased level of business activity as demand continued to improve in the first quarter of 2004.

Engineering and Product Development Expense. Engineering and product development expense was $1.7 million for the quarter ended March 31, 2004 compared to $1.5 million for the same period in 2003, an increase of $173,000 or 12%. We attribute the increase primarily to an increase of $165,000 in salary and benefits expense due primarily to hiring additional staff. Also contributing to the increase, but to a lesser extent, were higher levels of spending on travel and third-party consultant costs in our positioner/docking hardware segment. The increases in staffing, travel and third-party consultant costs were due to increased product development efforts. These increases were partially offset by reductions in spending on product development materials in our positioner/docking hardware segment and on third-party consultants in our temperature management segment in the first quarter of 2004 as compared to the same period in 2003.

General and Administrative Expense. General and administrative expense was $1.7 million for the quarter ended March 31, 2004 compared to $1.3 million for the same period in 2003, an increase of $416,000 or 32%. We attribute the increase primarily to increased legal fees, and, to a lesser extent, higher levels of accruals for bonuses and an increase in expenditures for travel. The increase in legal fees of $192,000 is primarily the result of having received a settlement of patent infringement litigation during the first quarter of 2003 that was recorded as a reduction of legal expense in that quarter. The increase in bonus accruals is primarily a result of accruing profit-based bonuses on our earnings for the first quarter of 2004. The increase in travel reflects additional travel by administrative personnel related to general business matters as well as other matters such as the implementation of our new company-wide ERP system and compliance with new securities regulations.

Other Income. Other income was $6,000 for the quarter ended March 31, 2004 compared to $35,000 for the same period in 2003, a decrease of $29,000 or 83%. The decrease in other income was primarily due to a higher level of foreign exchange transaction losses in the first quarter of 2004 as compared to the same period in 2003.

Income Tax Expense (Benefit). Income tax expense was $125,000 for the quarter ended March 31, 2004 compared to an income tax benefit of $611,000 for the same period in 2003. Our effective tax rate for 2004 was 11% compared to 35% for 2003. During 2003, we recorded a 100% valuation allowance against our net deferred tax assets due to the uncertainty surrounding whether we would be able to generate sufficient taxable income to fully utilize these deferred tax assets before they expire. A significant portion of these deferred tax assets relate to net operating loss carryforwards for certain domestic and foreign subsidiaries. During the first quarter of 2004, certain of these subsidiaries generated taxable income. This resulted in tax expense for these entities, which was offset by recording a reduction in our net deferred tax assets and the related valuation allowance for the amount of the net operating loss carryforwards which we now expect to utilize. Therefore, the remaining income tax expense o f $125,000 for the quarter ended March 31, 2004 represented income tax expense on the earnings of certain of our foreign subsidiaries where there had not been a history of operating losses, and there were no net operating loss carryforwards to offset the related tax expense.

Liquidity and Capital Resources

Net cash provided by operations for the quarter ended March 31, 2004 was $1.4 million compared to net cash used in operations of $525,000 for the same period in 2003. The swing to cash provided by operations in 2004 from cash used in operations in 2003 was primarily the result of our operating income in the first quarter of 2004. Increases in accounts receivable and inventories during the first quarter of 2004 were largely offset by increases in accounts payable and accrued expenses during this same period. Accounts receivable increased $1.3 million from December 31, 2003 to March 31, 2004 due to higher net revenue levels in the first quarter of 2004, and inventories increased $1.2 million during this same period, primarily due to the purchasing of materials to fulfill current and future orders. Accounts payable increased $1.7 million from December 31, 2003 to March 31, 2004 due to increased purchases to support higher production levels during the first quarter of 2004. Accrued expenses increased $528,000 du ring this same period primarily as a result of an increase in accrued wages due to the timing of payroll dates. In addition, during the first quarter of 2004 we received $152,000 from our landlord in Cherry Hill, New Jersey as a settlement of certain claims related to repairs needed to the floor of this facility. We recorded this amount as a reserve for these repairs since any unused portion of these funds must be returned to the property owner at the termination of our lease. Domestic and foreign income taxes payable increased $82,000 from December 31, 2003 to March 31, 2004 primarily as a result of the accrual of taxes on the earnings of certain of our foreign subsidiaries.

Purchases of property and equipment were $316,000 for the quarter ended March 31, 2004, which consisted of $90,000 primarily for computer hardware and software for our Cherry Hill facility, $81,000 primarily for quality assurance and inspection equipment for our Sunnyvale facility and $69,000 primarily for demonstration equipment and computer hardware and software for our Temptronic facility. The balance of purchases was for equipment for our foreign subsidiaries.

Net cash used in financing activities for the quarter ended March 31, 2004 was $19,000, which consisted of $23,000 in payments made under capital lease obligations offset by $4,000 in proceeds received from the exercise of employee stock options.

We have a secured credit facility that provides for maximum borrowings of $200,000. We have not utilized this facility to borrow any funds. Our only usage consists of the issuance of a letter of credit in the face amount of $200,000. We pay a quarterly commitment fee of 0.425% per annum on the unused portion of the facility; however, based upon current projected usage, we do not expect to pay a fee in 2004. The terms of the loan agreement require that we maintain a minimum level of $200,000 of domestic cash. This credit facility expires on September 30, 2004. We currently plan to renew this facility at its current size to support the issuance of the letter of credit. We do not currently foresee any reason that we will not be able to renew or replace this credit facility upon its expiration.

We believe that our existing cash balances plus the anticipated cash provided from operations will be sufficient to satisfy our cash requirements for the foreseeable future. As previously discussed, the current industry consensus is that an upturn has begun, and that the industry will sustain moderate quarter-over-quarter growth in bookings and net revenues throughout 2004 and into 2005. However, if the upturn were to be more rapid than we expect, or if the upturn should falter and the industry should enter another downturn, we may require additional debt or equity financing to meet working capital or capital expenditure needs. We cannot be certain that, if needed, we would be able to raise such additional financing or upon what terms such financing would be available.

New Accounting Pronouncements

In December 2003, the Securities and Exchange Commission (the "SEC") issued Staff Accounting Bulletin ("SAB") No. 104, *Revenue Recognition* ("SAB No. 104"), effective December 17, 2003. SAB No. 104 updates portions of the interpretive guidance included in Topic 13 of the codification of SABs to make this interpretive guidance consistent with current authoritative accounting guidance and SEC rules and regulations related to revenue recognition. We believe our revenue recognition policies are in compliance with SAB No. 104.

Critical Accounting Policies

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. On an on-going basis, we evaluate our estimates, including those related to inventories, identifiable intangibles, long-lived assets and related goodwill, deferred income tax valuation allowances and warranty reserves. We base our estimates on historical experience and on appropriate and customary

assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Some of these accounting estimates and assumptions are particularly sensitive because of their significance to our consolidated financial statements and because of the possibility that future events affecting them may differ markedly from what had been assumed when the financial statements were prepared. As of March 31, 2004, there have been no significant changes to the accounting policies that we have deemed critical. Our critical accounting policies are more fully described in our 2003 Form 10-K.

International Operations

Net revenues generated by our foreign subsidiaries were 25% and 29% of consolidated net revenues for the quarters ended March 31, 2004 and 2003, respectively. We anticipate that net revenues generated by our foreign subsidiaries will continue to account for a significant portion of consolidated net revenues in the foreseeable future. The net revenues generated by our foreign subsidiaries will continue to be subject to certain risks, including political and economic instability of foreign countries, the imposition of financial and operational controls or regulatory restrictions by foreign governments, the need to comply with a variety of U.S. and foreign export and import laws, trade restrictions, changes in tariffs and taxes, longer payment cycles, fluctuations in foreign currency exchange rates, and the greater difficulty of administering business abroad. We cannot predict whether quotas, duties, taxes or other charges or restrictions will be implemented by the U.S. or any other country upon the imp ortation or exportation of our products in the future. Any of these factors or the adoption of restrictive policies could have a material adverse effect on our business, financial condition or results of operations.

Net revenues denominated in foreign currencies were 11% and 9% of consolidated net revenues for the quarters ended March 31, 2004 and 2003, respectively. Although we seek to operate our business such that a significant portion of our product costs are denominated in the same currency as the associated sales, we may be adversely affected in the future due to our exposure to foreign operations. Moreover, net revenues denominated in currencies other than U.S. dollars expose us to currency fluctuations, which can adversely affect our results of operations.

Net revenues derived from sales to the Asia-Pacific region were 10% and 20% of consolidated net revenues for the quarters ended March 31, 2004 and 2003, respectively. Countries in the Asia-Pacific region, including Japan, have experienced economic instability resulting in weaknesses in their currency, banking and equity markets. Continued economic instability could have a material adverse effect on demand for our products and our consolidated results of operations.

Risks That Could Affect Future Results

A number of the matters and subject areas discussed in this Item 2 "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this report that are not historical or current facts deal with potential future circumstances and developments. These forward-looking statements typically can be identified by the use of terminology such as "believes," expects," "may," "should" or "anticipates" or the negative thereof or other variations thereon or comparable terminology, or by discussions of strategy that involve risks and uncertainties. Investors and prospective investors are cautioned that such statements are only projections and that actual events or results may differ materially from those expressed in any such forward-looking statements. In addition to other factors described elsewhere in this report, our actual consolidated quarterly or annual operating results have been affected in the past, or could be affected in the future, by factors, including, without limitat ion: the highly cyclical nature of the semiconductor industry; dependence upon capital expenditures of semiconductor manufacturers; developments and trends in the semiconductor and ATE industries; changes in general economic, business and financial market conditions; future acquisitions and our ability to successfully integrate the businesses, technologies or products that we may acquire; costs and capital requirements associated with future acquisitions and integration of operations; the impairment of goodwill related to prior or future acquisitions; increased competition and potential loss of market share due to the expiration of patent rights; the loss of, or reduction in orders from, one or more major customers; cancellation or delays in shipment of orders in our backlog; competition from other manufacturers of docking hardware, positioners, tester interfaces and temperature management products; progress of product development programs; technological obsolescence of our inventory; unanticipated exchange rate fluctuations; the availability of qualified personnel; the ability to effectively control operating costs; competitive pricing pressures; the mix of products sold; the mix of customers and geographic regions where products are sold; the development of new products and technologies by our competitors; our ability to obtain patent protection and to enforce patent rights for existing and developing proprietary technologies; the utilization of resources, including both management time and the expenses of various professionals retained to assist us, in connection with compliance with new securities regulations; and the sufficiency of cash balances, lines of credit and net cash from operations. Additional information regarding these risks and uncertainties may be found elsewhere in this report or in our other periodic reports filed with the SEC, including our 2003 Form 10-K.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Exchange Rate Risk Management

We are exposed to currency exchange rate risk in the normal course of our business, primarily in our foreign operations. Our exposure results from the fact that some or all of the product sales at these operations are in one currency and inventory purchases are in another currency. In our UK operation, approximately 60% of our sales are in U.S. dollars or Euros and the corresponding inventory purchases to support these sales are in British pounds. In our Singapore operation, 100% of our sales are in U.S. dollars but some of our manufacturing costs are in British pounds and Singapore dollars. In our Japanese operation, 100% of our sales are in Japanese yen and inventory purchases are in U.S. dollars. In one of our German operations, our sales are in Euros while inventory purchases are in U.S. dollars. In our other German operation, a portion of our sales are occasionally in U.S. dollars but all of our manufacturing costs are in Euros. From time to time we employ risk management strategies, including the use o f forward exchange rate contracts, to manage our exposure to exchange rate risks involving the yen, and may, in the future, use forward exchange rate contracts to manage our exposure to exchange rate risks involving the British pound, the Singapore dollar or the Euro.

Our objective in managing currency exchange risk is to minimize the impact of significant currency exchange rate fluctuations. We use forward exchange rate contracts to establish a fixed conversion rate between the Japanese yen and the U.S. dollar so that the level of our gross margin from sales in Japan is not negatively affected by significant movements in the Japanese yen to U.S. dollar exchange rate. We purchase forward exchange rate contracts on a monthly basis in the amounts management deems appropriate in light of the amount of the U.S. dollar denominated obligations of our Japanese subsidiary that are due within the month. We do not purchase forward contracts with settlement dates beyond 30 days. As of March 31, 2004, there were no forward exchange rate contracts outstanding.

It is our policy to enter into forward exchange rate contracts only to the extent necessary to achieve the desired objectives of management in limiting our exposure to significant fluctuations in currency exchange rates. We do not hedge all of our currency exchange rate risk exposures in a manner that would completely eliminate the impact of changes in currency exchange rates on our net earnings. We do not expect that the results of our operations or our liquidity will be materially affected by these risk management activities.

Interest Rate Risk Management

As of March 31, 2004, we had cash and cash equivalents of $6.0 million. We generally place our investments in U.S. Treasury obligations or money market funds backed by such investments. We have not held and do not hold any derivatives related to our interest rate exposure. Due to the average maturity and conservative nature of our investment portfolio, a sudden change in interest rates would not have a material effect on the value of the portfolio. Management estimates that had the average yield of our investments decreased by 100 basis points, our interest income for quarter ended March 31, 2004 would have decreased by less than $14,000. This estimate assumes that the decrease occurred on the first day of the quarter and reduced the yield of each investment by 100 basis points. The impact on our future interest income of future changes in investment yields will depend largely on the gross amount of our cash, cash equivalents and short-term investments. See "Liquidity and Capital Resources" as part of Manage ment's Discussion and Analysis of Financial Condition and Results of Operations.

Item 4. CONTROLS AND PROCEDURES

CEO and CFO Certifications. Included with this Quarterly Report as Exhibits 31.1 and 31.2 are two certifications, one by each of our Chief Executive Officer and our Chief Financial Officer (the "Section 302 Certifications"). This Item 4 of our Quarterly Report contains information concerning the evaluations of our disclosure controls and procedures and internal control over financial reporting that are referred to in the Section 302 Certifications. This information should be read in conjunction with the Section 302 Certifications for a more complete understanding of the topics presented.

Evaluation of Our Disclosure Controls and Procedures. The Securities and Exchange Commission (the "SEC") requires that as of the end of the quarter covered by this Quarterly Report, our CEO and CFO must evaluate the effectiveness of the design and operation of our disclosure controls and procedures and report on the effectiveness of the design and operation of our disclosure controls and procedures.

"Disclosure controls and procedures" mean the controls and other procedures that are designed with the objective of ensuring that information required to be disclosed in our reports filed under the Securities Exchange Act of 1934 (the "Exchange Act"), such as this Quarterly Report, is recorded, processed, summarized and reported within the time periods specified in the rules

Item 4. CONTROLS AND PROCEDURES (Continued)

and forms promulgated by the SEC. Disclosure controls and procedures are also designed with the objective of ensuring that such information is accumulated and communicated to our management, including the CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

Evaluation of Our Internal Control Over Financial Reporting. The SEC also requires that our CEO and CFO certify certain matters regarding our internal control over financial reporting.

"Internal control over financial reporting" means the process designed by, or under the supervision of, our CEO and CFO, and effected by our board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that: (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the issuer; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the issuer are being made only in accordance with authorizations of management and directors of the issuer; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the issuer's assets that could have a material effect on the financial statements.

Among the matters our CEO and CFO must certify in the Section 302 Certifications are whether all "significant deficiencies" or "material weaknesses" in the design or operation of our internal control over financial reporting that are likely to adversely affect our ability to record, process, summarize and report financial information have been disclosed to our auditors and the Audit Committee of our Board of Directors. "Significant deficiencies" has the same meaning as the term "reportable conditions" in auditing literature. Both terms represent deficiencies in the design or operation of internal control over financial reporting that could adversely affect a company's ability to record, process, summarize and report financial data consistent with the assertions of management in a company's financial statements. A "material weakness" is defined in the auditing literature as a particularly serious reportable condition where the design or operation of one or more internal control over financial reporting compon ents does not reduce to a relatively low level the risk that misstatements caused by error or fraud may occur in amounts that would be material in relation to the financial statements and not be detected within a timely period by employees in the normal course of performing their assigned functions. A "material weakness" constitutes a greater deficiency than a "significant deficiency", but an aggregation of significant deficiencies may constitute a material weakness in a company's internal control over financial reporting.

Limitations on the Effectiveness of Controls. Our management, including the CEO and CFO, does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, as opposed to absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within an entity have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individua l acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, a system of controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

CEO/CFO Conclusions about the Effectiveness of the Disclosure Controls and Procedures. As required by Rule 13a-15(b), inTEST management, including our CEO and CFO, conducted an evaluation as of the end of the period covered by this report, of the effectiveness of the our disclosure controls and procedures. Based on that evaluation, the CEO and CFO concluded that, subject to the limitations noted above, our disclosure controls and procedures are effective to provide reasonable assurance that the disclosure controls and procedures will meet their objectives.

Changes in Internal Control Over Financial Reporting. As required by Rule 13a-15(d), inTEST management, including the CEO and CFO, conducted an evaluation of our internal control over financial reporting to determine whether any changes occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. That evaluation did not identify any such change during the quarter covered by this report. As discussed elsewhere in this Quarterly Report, on October 1, 2003, we implemented the first phase of a new

Item 4. CONTROLS AND PROCEDURES (Continued)

order-entry and accounting information system that will be implemented at each of our subsidiaries over the next 18 to 24 months. The implementation of the new ERP system necessarily involves changes to our procedures for internal control over financial reporting. The CEO and CFO believe, however, that our existing procedures provide, and our new procedures will continue to provide, appropriate internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

From time to time we may be a party to legal proceedings occurring in the ordinary course of business. We are not currently involved in any material legal proceedings.

Item 2. Changes in Securities and Use of Proceeds

None

Item 3. Defaults Upon Senior Securities

None

Item 4. Submission of Matters to a Vote of Securities Holders

None

Item 5. Other Information

As reported in our Form 8-K, filed on April 2, 2004, we currently intend to hold our 2004 annual meeting of stockholders on July 28, 2004. Any stockholder proposal sought to be included in our proxy materials for the 2004 annual meeting must be received by Hugh T. Regan, Jr., Secretary at 7 Esterbrook Lane, Cherry Hill, New Jersey 08003, not later than April 30, 2004. Such proposals must relate to matters appropriate for stockholder action and be consistent with regulations of the Securities and Exchange Commission relating to stockholders' proposals, in order to be considered for inclusion in our proxy statement relating to that meeting. Any stockholder who intends to present a proposal at our 2004 annual meeting and not intending to have such proposal included in our proxy materials must send such proposal to Hugh T. Regan, Jr., Secretary (at the address given above) not later than May 15, 2004. If notification of such stockholder proposal is not received by that date, management's proxies may vote, in their discretion, any and all of the proxies received by them for or against such matter.

Item 6. Exhibits and Reports on Form 8-K

(a) *Exhibits:*

3.1* Articles of Incorporation: Previously filed by the Company as an Exhibit to the Company's Registration Statement on Form S-1, File No. 333-26457, and incorporated herein by reference.

3.2* By-Laws: Previously filed by the Company as an Exhibit to the Company's Registration Statement on Form S-1, File No. 333-26457, and incorporated herein by reference.

Item 6. Exhibits and Reports on Form 8-K (Continued)

31.1 Certification of Chief Executive Officer pursuant to Rule 13a-14(a).

31.2 Certification of Chief Financial Officer pursuant to Rule 13a-14(a).

32.1 Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

32.2 Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Indicates document previously filed

(b) *Reports on Form 8-K*

On March 5, 2004, we filed a Current Report on Form 8-K furnishing information responsive to the requirements of Items 7 and 12 of that form regarding our financial results and conference call for the year ended December 31, 2003.

On April 2, 2004, we filed a Current Report on Form 8-K providing information responsive to the requirements of Item 5 of that form regarding our 2004 annual meeting of stockholders to be held on July 28, 2004.

On May 3, 2004, we filed a Current Report on Form 8-K furnishing information responsive to the requirements of Items 5 and 7 of that form announcing changes to our Board of Directors and the adoption of new corporate governance guidelines as well as furnishing information responsive to the requirements of Items 7 and 12 regarding our financial results and conference call for the quarter ended March 31, 2004.

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.

inTEST Corporation

Date:	May 14, 2004	/s/ Robert E. Matthiessen Robert E. Matthiessen *President and Chief Executive Officer*
Date:	May 14, 2004	/s/ Hugh T. Regan, Jr. Hugh T. Regan, Jr. *Treasurer and Chief Financial Officer*

Index to Exhibits

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3.2* By-Laws: Previously filed by the Company as an Exhibit to the Company's Registration Statement on Form S-1, File No. 333-26457, and incorporated herein by reference.

31.1 Certification of Chief Executive Officer pursuant to Rule 13a-14(a).

31.2 Certification of Chief Financial Officer pursuant to Rule 13a-14(a).

32.1 Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

32.2 Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Indicates document previously filed

EXHIBIT 31.1

CERTIFICATION

I, Robert E. Matthiessen, certify that:

1. I have reviewed this quarterly report on Form 10-Q of inTEST Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) [Paragraph omitted pursuant to SEC Release Nos. 33-8238 and 34-47986];

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 14, 2004

/s/ Robert E. Matthiessen
Robert E. Matthiessen
President and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, Hugh T. Regan, Jr., certify that:

1. I have reviewed this quarterly report on Form 10-Q of inTEST Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) [Paragraph omitted pursuant to SEC Release Nos. 33-8238 and 34-47986];

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 14, 2004

/s/ Hugh T. Regan, Jr.
Hugh T. Regan, Jr.
Treasurer and Chief Financial Officer

EXHIBIT 32.1

inTEST CORPORATION

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of inTEST Corporation (the "Company") on Form 10-Q for the period ending March 31, 2004 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert E. Matthiessen, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: May 14, 2004

/s/ Robert E. Matthiessen
Robert E. Matthiessen
President and Chief Executive Officer

EXHIBIT 32.2

inTEST CORPORATION

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of inTEST Corporation (the "Company") on Form 10-Q for the period ending March 31, 2004 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Hugh T. Regan, Jr., Secretary, Treasurer and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: May 14, 2004

/s/ Hugh T. Regan, Jr.
Hugh T. Regan, Jr.
Secretary, Treasurer and Chief Financial Officer