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

FORM 10-Q

```
 X  QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)OF THE
- --- SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD
    ENDED June 30, 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 No. 0-1093

KAMAN CORPORATION

(Exact name of registrant as specified in its charter)

Connecticut	06-0613548
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1332 Blue Hills Avenue
Bloomfield, Connecticut 06002
(Address of principal executive offices)
(860) 243-7100
Registrant's telephone number, including area code

Indicate by check mark whether the registrant is an accelerated filer (as defined in Exchange Act Rule 12b-2)

Yes x No

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 (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 the number of shares outstanding of each of the issuer's classes of common stock as of July 31, 2004:

Class A Common	22,045,268
Class B Common	667,814

KAMAN CORPORATION AND SUBSIDIARIES

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements:

Condensed Consolidated Balance Sheets(In thousands)

Assets		June 30, 2004		December 31, 2003
~~Current assets:~~				
~~Cash and cash equivalents~~		~~$ 10,645~~		~~$ 7,130~~
~~Accounts receivable, net~~		~~216,438~~		~~193,243~~
~~Inventories:~~				
~~Contracts and other~~				
~~work in process~~	~~$ 58,631~~		~~60,125~~	
~~Finished goods~~	~~27,746~~		~~24,785~~	
~~Merchandise for resale~~	~~98,750~~	~~185,127~~	~~94,042~~	~~178,952~~
~~Income taxes receivable~~		~~2,595~~		~~1,043~~
~~Deferred income taxes~~		~~26,026~~		~~26,026~~
~~Other current assets~~		~~11,979~~		~~12,457~~
~~Total current assets~~		~~452,810~~		~~418,851~~
~~Property, plant & equip., at cost~~	~~157,102~~		~~154,031~~	
~~Less accumulated depreciation~~				
~~and amortization~~	~~106,817~~		~~102,982~~	
~~Net property, plant & equipment~~		~~50,285~~		~~51,049~~
~~Goodwill~~		~~38,719~~		~~38,638~~
~~Other intangible assets , net~~		~~14,656~~		~~14,709~~
~~Other assets, net~~		~~5,996~~		~~5,064~~
~~Total assets~~		~~$562,466~~		~~$528,311~~

KAMAN CORPORATION AND SUBSIDIARIES
PART I - FINANCIAL INFORMATION

Item 1. Financial Statements:

Condensed Consolidated Balance Sheets(In thousands) (continued)

Liabilities and Shareholders' Equity

	June 30, 2004	December 31, 2003
Current liabilities:		
Notes payable inc. current portion of long term debt	$ 7,241	$ 7,673
Accounts payable - trade	57,634	59,600
Accrued contract loss	28,434	23,611
Accrued restructuring costs	4,590	6,109
Other accrued liabilities	32,945	26,123
Advances on contracts	19,525	19,693
Other current liabilities	17,672	17,746
Total current liabilities	168,041	160,555
Long term debt, excl. current portion	66,765	36,624
Other long term liabilities	28,576	27,949
Shareholders' equity	299,084	303,183
Total liabilities and shareholders' equity	$562,466	$528,311
	=======	=======

See accompanying notes to condensed consolidated financial statements.

KAMAN CORPORATION AND SUBSIDIARIES
PART I - FINANCIAL INFORMATION, Continued

Item 1. Financial Statements, Continued:

Condensed Consolidated Statements of Operations
(In thousands except per share amounts)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2004	2003	2004	2003
Net sales	$247,171	$216,311	$492,849	$432,321
Costs and expenses:				
Cost of sales	191,894	158,161	374,917	316,031
Selling, general and administrative expense	58,047	52,161	117,474	103,384
Other operating (income)/expense, net	(435)	(341)	(753)	(614)

Interest expense, net	949	751	1,744	1,519
Net (gain) loss on sale of product line and other assets	(235)	23	(235)	(16,826)
Other (income)/expense, net	177	187	661	592
	250,397	210,942	493,808	404,086
Earnings (loss) before income taxes	(3,226)	5,369	(959)	28,235
Income taxes (benefit)	(1,390)	2,085	(415)	10,985
Net earnings (loss)	$ (1,836)	$ 3,284	$ (544)	$ 17,250
Net earnings (loss) per share:				
Basic	$ (.08)	$ .15	$ (.02)	$ .77
Diluted (1)	$ (.08)	$ .15	$ (.02)	$ .75
Average shares outstanding:				
Basic	22,686	22,551	22,667	22,523
Diluted (2)	22,686	23,484	22,667	23,482
Dividends declared per share	$ .11	$ .11	$ .22	$ .22

(1) The calculated diluted per share amounts for the three months ended and six months ended June 30, 2004 are anti dilutive, therefore, amounts shown are equal to the basic per share calculation.
(2) Additional potentially diluted average shares outstanding of 936 for the three months ended June 30, 2004 and 974 for the six months ended June 30, 2004 have been excluded from the average diluted shares outstanding due to the loss from operations in that time period.

See accompanying notes to condensed consolidated financial statements.

Item 1. Financial Statements, Continued:

Condensed Consolidated Statements of Cash Flows(In thousands)

	For the Six Months Ended June 30,	
	2004	2003
Cash flows from operating activities:		
Net earnings (loss)	$ (544)	$ 17,250
Depreciation and amortization	4,634	5,131
Net gain on sale of product line and other assets	(235)	(16,826)
Other, net	1,815	905
Changes in current assets and liabilities, excluding effects of divestiture:		
Accounts receivable	(23,171)	(15,664)
Inventory	(6,135)	(16,651)
Income taxes receivable	(1,552)	5,192
Accounts payable	(1,972)	3,757
Accrued contract loss	4,823	2,214
Accrued restructuring costs	(1,519)	(371)
Advances on contracts	(168)	740
Income taxes payable	6	1,015
Changes in other current assets and liabilities	7,214	2,375
Cash provided by (used in) operating activities	(16,804)	(10,933)
Cash flows from investing activities:		
Proceeds from sale of product line and other assets	348	28,025
Expenditures for property, plant & equipment	(3,834)	(4,175)
Acquisition of business, less cash acquired	(399)	-
Other, net	(1,129)	(574)
Cash provided by (used in) investing activities	(5,014)	23,276

Item 1. Financial Statements, Continued:

Notes to Condensed Consolidated Financial Statements
(In thousands)

	For the Six Months Ended June 30, 2004	For the Six Months Ended June 30, 2003
Cash flows from financing activities:		
Changes to notes payable	(451)	(819)
Additions/(reductions) to long term debt	30,141	(4,395)
Proceeds from exercise of employee stock plans	629	650
Purchases of treasury stock	(4)	(205)
Dividends paid	(4,982)	(4,948)
Cash provided by (used in) financing activities	25,333	(9,717)
Net increase (decrease) in cash and cash equivalents	3,515	2,626
Cash and cash equivalents at beginning of period	7,130	5,571
Cash and cash equivalents at end of period	$ 10,645	$ 8,197

See accompanying notes to condensed consolidated financial statements.

Basis of Presentation

The December 31, 2003 condensed consolidated balance sheet amounts have been derived from the previously audited consolidated balance sheet of Kaman Corporation and subsidiaries. In the opinion of management, the balance of the condensed financial information reflects all adjustments which are necessary for a fair presentation of the financial position, results of operations and cash flows for the interim periods presented and are of a normal recurring nature, unless otherwise disclosed in this report. Certain amounts in prior period condensed consolidated financial statements have been reclassified to conform to current year presentation.

Item 1. Financial Statements, Continued:
Notes to Condensed Consolidated Financial Statements
(In thousands)

The corporation reports results based on fiscal quarters that generally consist of two four week months and one five week month, with the fiscal year beginning on January 1 and ending on December 31.

The statements should be read in conjunction with the consolidated financial statements and notes included in the corporation's annual report on Form 10-K for the year ended December 31, 2003. The results of operations for the interim period presented are not necessarily indicative of trends or of results to be expected for the entire year.

(In thousands)

Cash Flow Items

Cash payments for interest were $1,756 and $1,643 for the six months ended June 30, 2004 and 2003, respectively. Cash payments for income taxes, net of refunds, for the comparable periods were $1,055 and $4,629, respectively.

Comprehensive Income/(Loss)

Comprehensive income (loss) was $(263) and $17,948 for the six months ended June 30, 2004 and 2003, respectively. Comprehensive income (loss) was $(2,367) and $3,925 for the three months ended June 30, 2004 and 2003, respectively. The changes to net earnings (loss) used to determine comprehensive income (loss) are foreign currency translation adjustments.

Contracts

During the second quarter of 2004, the corporation recorded a $7,086 non-cash adjustment for the Boeing Harbour Pointe contract in the Aerospace segment. The adjustment consisted of an estimated accrued contract loss of $4,280 and a valuation adjustment of $2,806 associated with portions of the program inventory.

Contingencies

Since 2001, the company's Electro-Optics Development Center ("EODC") has been working under a $12.8 million fixed-price contract with the University of Arizona. EODC has experienced

significant cost growth in its portion of the program as a result of changes in the scope of the project and management believes that there is a valid basis to recover these amounts. As a result, in April 2004, the company submitted a claim in the amount of $6.3 million to the University to recover these additional costs. The parties disagree about the claim and are currently engaged in discussions about the process for its resolution.

Net Gain on Sale of Product Line

On January 15, 2003, the corporation sold its electric motor and drive business to DRS Technologies, Inc. The results for the six months of 2003 include an after-tax gain of $10,100 as a result of this transaction.

Accounts Receivable

Accounts receivable consist of the following:

	June 30, 2004	December 31, 2003
Trade receivables, net of allowance for doubtful accounts of $3,629 in 2004, $3,340 in 2003	$ 83,995	$ 74,816
U.S. Government contracts:		

Billed	17,803	9,355
Recoverable costs and accrued profit not billed	8,583	10,014
Commercial and other government contracts:		
Billed	24,706	19,711
Recoverable costs and accrued profit - not billed	81,351	79,347
Total	$216,438	$193,243

Item 1. Financial Statements, Continued:

Notes to Condensed Consolidated Financial Statements
(In thousands)

Shareholders' Equity

Changes in shareholders' equity were as follows:

Balance, January 1, 2004	$303,183
Net earnings (loss)	(544)
Foreign currency translation adjustment	281
Comprehensive income (loss)	(263)
Dividends declared	(4,990)
Purchase of treasury stock	(4)
Employee stock plans	1,158
Balance, June 30, 2004	$299,084

Restructuring Costs

The following table displays the activity and balances of these pre-tax charges as of and for the six months ended June 30, 2004:

		Deductions		
	Balance at December 31, 2003	Cash Payments	Non Cash Charges	Balance at June 30, 2004
Restructuring costs				
Employee termination benefits	$ 1,109	$ 688	$	$ 421
Facility closings	5,000	831		4,169
Total restructuring costs	$ 6,109	$ 1,519	$	$ 4,590

Item 1. Financial Statements, Continued:
Notes to Condensed Consolidated Financial Statements
(In thousands)

Pension Cost

Components of net pension cost are as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2004	2003	2004	2003
Service cost for benefits earned	$ 2,558	$ 2,500	$ 5,116	$ 5,000
Interest cost on projected benefit obligation	6,163	6,087	12,326	12,174
Expected return on plan assets	(7,169)	(7,861)	(14,338)	(15,723)
Net amortization and deferral	2	2	4	4
Net pension cost	$ 1,554	$ 728	$ 3,108	$ 1,455

The corporation does not expect to make a pension contribution for the 2004 plan year.

Business Segments

Summarized financial information by business segment is as follows:

	June 30, 2004	December 31, 2003
Identifiable assets:		
Aerospace	$308,287	$294,345
Industrial Distribution	160,870	150,115
Music	69,892	65,704
Corporate	23,417	18,147
	$562,466	$528,311

Item 1. Financial Statements, Continued:
Notes to Condensed Consolidated Financial Statements
(In thousands)

Business Segments (continued)

	For the Three Months Ended June 30,		For the Six Months Ended June 30	
	2004	2003	2004	2003
Net sales:				
Aerospace	$ 66,801	$ 62,912	$126,531	$124,636
Industrial Distribution	145,283	121,862	290,890	242,128
Music	35,087	31,537	75,428	65,557
	$247,171	$216,311	$492,849	$432,321
Operating profit (loss):				
Aerospace	$ (3,953)	$ 6,515	$ (400)	$ 13,725
Industrial Distribution	5,793	3,365	10,823	6,162
Music	1,363	1,391	3,344	3,238

	3,203	11,271	13,767	23,125
Corporate and other expense, net	(5,715)	(5,128)	(13,217)	(10,197)
Interest expense, net	(949)	(751)	(1,744)	(1,519)
Net gain (loss) on sale of product line and other assets	235	(23)	235	16,826
Earnings (loss) before income taxes	$ (3,226)	$ 5,369	$ (959)	$ 28,235

Item 1. Financial Statements, Continued:

Notes to Condensed Consolidated Financial Statements
(In thousands except per share amounts)

Stock Option Accounting

The following table reflects pro forma net earnings (loss) and earnings (loss) per share had the corporation elected to record employee stock option expense based on the fair value methodology:

	For the Three Months Ended June 30,		For the Six Months Ended June 30	
	2004	2003	2004	2003
Net earnings (loss):				
As reported	$(1,836)	$ 3,284	$ (544)	$ 17,250
Less stock option expense, net of tax effect	(172)	(193)	(342)	(386)
Pro forma net earnings (loss)	$(2,008)	$ 3,091	$ (886)	$ 16,864
Earnings (loss) per share - basic:				
As reported	(0.08)	0.15	(0.02)	0.77
Pro forma after option expense	(0.09)	0.14	(0.04)	0.75
Earnings (loss) per share - diluted:				
As reported	(0.08)*	0.15	(0.02)*	0.75
Pro forma after option expense	(0.09)*	0.14	(0.04)*	0.74

These pro forma amounts may not be representative of future disclosures since the estimated fair value of stock options is amortized to expense over the vesting period, and additional options may be granted in future years. The pro forma amounts assume that the corporation had been following the fair value approach since the beginning.

* The calculated diluted per share amounts for the three months ended and six months ended June 30, 2004 are anti-dilutive, therefore, amounts shown are equal to the basic per share calculation.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations

Overview

Kaman Corporation is composed of three business segments: Aerospace, Industrial Distribution, and Music.

The Aerospace segment's programs are conducted through three principal businesses, consisting of Aircraft Structures and Components, Advanced Technology Products, and Helicopter Programs. The Aircraft Structures and Components business involves aerostructure and helicopter subcontract work as well as manufacture of components such as self lubricating bearings and driveline couplings for aircraft applications. For the second quarter of 2004, this business constituted about 47 percent of Aerospace segment sales, compared to about 52 percent for the same period of 2003. The aerostructure subcontract element of this business continues to be an area of strategic emphasis for the corporation. The Advanced Technology Products business manufactures products involving systems, devices and assemblies for a variety of military and commercial applications, including safe, arm and fuzing devices for several missile and bomb programs; precision non contact measuring systems for industrial and scientific use; electro optical target detection and designation systems; and high reliability memory systems for airborne, shipboard, and ground based programs. For the second quarter of 2004, this business constituted about 28 percent of segment sales compared to about 18 percent for the same period of 2003. The Advanced Technology Products business is also an area of strategic emphasis for the corporation. Helicopter Programs include prime helicopter production along with spare parts and support. The helicopters produced by this business are the SH 2G multi mission maritime helicopter and the K MAX medium-to-heavy external lift helicopter. For the second quarter of 2004, this business constituted about 25 percent of segment sales, compared to about 30 percent in the same period of 2003.

The Industrial Distribution segment is the third largest U.S. industrial distributor servicing the bearing, electrical/mechanical power transmission, fluid power, motion control and materials handling markets in the United States.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (continued)

This segment offers more than 1.5 million items, as well as value added services to a base of more than 50,000 customers spanning nearly every sector of U.S. industry from about 200 branches and regional distribution centers in the U.S., Canada, and Mexico. The Music segment is America's largest independent distributor of music instruments and accessories, and is involved in a combination of designing, manufacturing, marketing and distributing more than 15,000 products from five facilities located in the United States and Canada, to retailers of all sizes for musicians at all skill levels.

For the quarter and six month periods ended June 30, 2004, sales and earnings results improved substantially for the Industrial Distribution segment in an improving U.S. economic environment and results for the Music segment were good. Certain portions of the Aerospace segment also had good results for the second quarter and six month periods ended June 30, 2004, including the Kamatics bearing business, which continues to experience strong military sales while also participating in what appears to be an improving market for commercial aviation products, and the Kaman Dayron fuzing operation, which is beginning to move forward with initial production of the newly qualified joint programmable fuze ("JPF"). Second quarter and first half of 2004 results for the corporation as a whole, however, were adversely affected by the Kaman Aerospace company, which operated at a loss for both periods. Specifically, Aerospace segment results reflect a loss attributable to the company's second quarter $7.1 million non-cash adjustment to its "Harbour Pointe" contract for Boeing as well as competitive conditions in the market for detail parts manufacturing and assembly work at the segment's expanded facility in Jacksonville, Fla. (the facility to which most of the work formerly conducted at the Moosup, Conn. facility was moved in 2003), the stop work mode of the MD Helicopters, Inc. ("MDHI") subcontract program, the delay experienced in final qualification of the Joint Programmable Fuze program, and cost and operational issues associated with the Jacksonville facility.

For discussion of the activities of, and factors affecting, each of these business segments, please refer to the specific discussions below.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (continued)

TABULAR PRESENTATION OF FINANCIAL RESULTS

The following table summarizes certain financial results of the corporation and its business segments for the second quarter and six month period of 2004 compared to the same periods of 2003:

Segment Information
(In millions)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2004	2003	2004	2003
Net sales:				
Aerospace	$ 66.8	$ 62.9	$ 126.5	$ 124.6
Industrial Distribution	145.3	121.8	290.9	242.1
Music	35.1	31.6	75.4	65.6
	247.2	216.3	492.8	432.3
Operating profit (loss):				
Aerospace	(4.0)	6.5	(.4)	13.7
Industrial Distribution	5.8	3.4	10.8	6.2
Music	1.4	1.3	3.4	3.2
	3.2	11.2	13.8	23.1
Corporate and other expense, net	(5.7)	(5.2)	(13.2)	(10.2)
Interest expense, net	(.9)	(.7)	(1.7)	(1.5)
Net gain (loss) on sale of product line and other assets	.2	-	.2	16.8
Earnings (loss) before income taxes	(3.2)	5.3	(.9)	28.2

Income taxes (benefit)	(1.4)	2.0	(.4)	10.9
Net earnings (loss)	$ (1.8)	$ 3.3	$ (.5)	$ 17.3

DISCUSSION AND ANALYSIS OF NET SALES BY BUSINESS SEGMENT

AEROSPACE SEGMENT

Aerospace segment net sales increased 6.2% for the second quarter of 2004 compared to the same period of 2003 and were essentially flat for the six months ended June 30, 2004 compared to the same period of 2003. The second quarter increase was due primarily to the JPF program at the Kaman Dayron fuzing operation and the Kamatics bearing business. However, performance for the quarter and six month periods was adversely affected by several factors at the Kaman Aerospace subsidiary. Detailed information follows.

Aircraft Structures and Components

Second quarter 2004 sales for Aircraft Structures and Components were $31.2 million compared to $32.9 million in the 2003 period. Sales for the six months ended June 30, 2004 were $64.6 million compared to $65.1 million in the same period of 2003. This business involves commercial and military aircraft programs, including production of aircraft subassemblies and other parts for Boeing commercial airliners and the C-17 military transport, as well as helicopter subcontract work. This is a core business area for the corporation and a focal point for future growth.

There are signs that an improving commercial airline market is starting to benefit certain elements of this business, including specifically the Kamatics bearing business. However, the Jacksonville operation has continued to find the market for available subcontract detail parts manufacturing and assembly work very competitive. In this environment, new business awards have been difficult to achieve, making it more difficult for the Jacksonville facility to develop a sufficient business base. In this environment, military work, including the C-17, which is one of the operation's largest programs, continues to be an important contributor.

Helicopter subcontract work involves commercial and military helicopter programs. Commercial programs include multi-year contracts for production of fuselages for the MDHI 500 and 600 series helicopters and composite rotor blades for the MD Explorer

helicopter. Total orders from MDHI have run at significantly lower rates than originally anticipated due to lower than expected demand. The corporation's investment in these contracts consists principally of $4.2 million in billed receivables and $16.2 million in recoverable costs - not billed (including start-up costs and other program expenditures) as of June 30, 2004. To date in 2004, the corporation has received only nominal payments.

The recoverability of unbilled costs will depend to a significant extent upon MDHI's future requirements through 2013, the year to which both contracts extend. The corporation stopped production on these contracts in the second quarter of 2003, but continues to work closely with the customer to resolve overall payment issues and establish conditions under which production could be resumed, including the timing thereof. Management believes that some progress is being made in this regard. Based upon MDHI's projected future requirements and inventory on hand at both MDHI and the corporation, a resumption of production would not be expected to occur until late in 2004 at the earliest. Although the outcome is not certain, the corporation understands from MDHI management that it is close to executing its strategy to improve current financial and operational circumstances.

The segment's Kamatics operation manufactures proprietary self-lubricating bearings used in commercial airliners operated by the major and regional airlines, and increasingly in military programs. This business had increased sales in the second quarter and six months ended June 30, 2004, bolstered by increased commercial aircraft manufacturing activity at Boeing and Airbus. Sales for military and commercial aftermarket applications were also good.

Advanced Technology Products

Second quarter 2004 sales for Advanced Technology Products were $18.8 million compared to $11.3 million in the 2003 period. Sales for the six months ended June 30, 2004 were $30.1 million compared to $23.2 million in the same period of 2003. This business manufactures products for military and commercial markets, including safe, arm and fuzing devices for a number of major missile and bomb programs as well as precision measuring systems, mass memory systems and electro optic systems. In May 2004, the Kaman Dayron company successfully completed qualification testing and was given authority to begin production deliveries of the advanced FMU 152A/B JPF to the U.S. Air Force. The JPF contract has a value of $13.6 million covering low rate initial production

and lot no. 1 which extends through 2005. The contract includes options for eight additional years of production, which, if fully exercised, would bring the total potential value of the contract to $169.0 million. Production unit sales had been delayed during 2003 and the first quarter of 2004 due to issues with earlier final qualification testing results.

Since 2001, the company's Electro Optics Development Center ("EODC") has been teamed with the University of Arizona to build a 6.5 meter aperture collimator that will be used for testing large optical systems in a vacuum environment. EODC has been working under a $12.8 million fixed price contract to design and fabricate the structural, electrical, mechanical and software control systems for the collimator. EODC has experienced significant cost growth in its portion of the program as a result of changes in the scope of the project and management believes that there is a valid basis to recover these amounts. As a result, in April 2004, the company submitted a claim in the amount of $6.3 million to the University to recover these additional costs. The parties disagree about the claim and are currently engaged in discussions about the process for its resolution.

Helicopter Programs

Second quarter 2004 sales for Helicopter Programs were $16.8 million compared to $18.7 million in the 2003 period. Sales for the six months ended June 30, 2004 were $31.8 million compared to $36.3 million in the same period of 2003. The segment's helicopter products include the SH-2G multi-mission maritime helicopter and the K-MAX medium to heavy external lift helicopter, along with spare parts and sales support. SH-2G related sales were the predominant source of sales in both periods of 2004. The

SH-2G helicopter program generally consists of retrofit of the corporation's SH-2F helicopters to the SH-2G configuration or refurbishment of existing SH-2G helicopters. The SH-2, including its F and G configurations, was originally manufactured for the U.S. Navy. The SH-2G aircraft is currently in service with the Egyptian Air Force and the New Zealand and Polish navies.

Work continues on the SH-2G(A) program for Australia which involves eleven helicopters with support, including a support services facility, for the Royal Australian Navy ("RAN"). The total contract has a current anticipated value of about $735

million. The helicopter production portion of the program is valued at approximately $599 million, of which about 99% has been recorded as sales through June 30, 2004. As previously reported, this contract is now in a loss position due to increases in anticipated costs to complete the program. The in-service support center contract has a current anticipated value of about $136 million of which about 27% has been recorded as sales through June 30, 2004.

Production of the eleven SH-2G(A) aircraft for the program is essentially complete. As previously reported, the aircraft lack the full Integrated Tactical Avionics System ("ITAS") software and progress is continuing on this element of the program. The RAN has provisionally accepted five of the aircraft, including one during the second quarter, and the process continues. The corporation expects to be able to deliver the full capability of the ITAS weapons system software in late 2004 with final acceptance anticipated in 2005. While management believes that the corporation's reserves are sufficient to cover estimated costs to complete the program, final development of the software by subcontractors and its integration, which is the corporation's responsibility, are underway, and these are complex tasks.

The corporation maintains a consignment of the U.S. Navy's inventory of SH-2 spare parts under a multi-year agreement that provides the corporation the ability to utilize certain inventory for support of its SH-2G programs.

During the quarter and six-month period ended June 30, 2004, the company continued marketing its existing K-MAX helicopter inventory (which was written down to estimated fair market value in 2002) utilizing both a sale and short-term lease program. Three new leases were entered into during the second quarter. With the sale of one additional aircraft in July 2004, the corporation has now sold or leased all of its remaining available K-MAX helicopters.

Kaman Aerospace Subsidiary Reorganization

Work continues on this company's reorganization which was undertaken earlier this year in order to address differences between its various businesses and their specific requirements. Three divisions are being created to replace portions of the existing structure: Kaman Aerostructures, having production

facilities in Jacksonville and Wichita (the Wichita facility being the Plastic Fabricating Company operation), will be responsible for aerostructure subcontract programs; Kaman Fuzing, having production facilities in Middletown, Conn. and Orlando, Fla. (the Orlando facility being the Kaman Dayron operation), will be responsible for fuze operations; and Kaman Helicopters, having production facilities in Bloomfield, Conn., will be responsible for helicopter programs. By placing purchasing, operations, finance, contracts and human resources personnel within each division, management expects that each will be better able to effectively manage expenses for the services and/or functions they require, and achieve optimal customer service. It is expected that the reorganization will be completed by the end of 2004 and in the meantime, financial results will be reported in the manner described in this report. The Kamatics operation will remain a separate business within the Aerospace segment.

INDUSTRIAL DISTRIBUTION SEGMENT

Industrial Distribution segment net sales increased about 19% in the second quarter of 2004 and about 20% for the first half of 2004 compared to the same periods of 2003. Sales included $7.2 million for the second quarter and $14.4 million for the first half of 2004 from the former Industrial Supplies, Inc. which was acquired in the fourth quarter of 2003. Results for the quarter and six months ended June 30, 2004 reflect an improving U.S. economic environment and to some extent in the six month period, the inclusion of four extra sales days in the first quarter of 2004 compared to the same period of 2003. With industrial production and capacity utilization indices both indicating long awaited vitality in the national economy, the segment's customer base is benefiting and sales increased to both MRO and OEM customer groups. Management believes that pent up demand from those customers who have delayed purchases because of economic conditions has been a factor in the segment's increased sales.

Penetrating the national account market has also been a significant focus for the business and during the second quarter, the segment was awarded national account agreements with Tyco International (US) Inc. and Cadbury Schweppes U.S. affiliates (Mott's LLP, Dr. Pepper/Seven Up, Inc., Snapple Beverage Corporation., and Cadbury Adams LLC). In addition, during the quarter, the segment was also named a national distributor for the full line of IMI Norgren, Inc.'s fluid power products, providing

the company with a major line to sell through its entire U.S. branch network. This addition to the catalogue broadens Kaman's product offerings in this important market sector.

This segment is the third largest U.S. industrial distributor servicing the bearing, electrical/mechanical power transmission, fluid power, motion control and materials handling markets in the United States. The segment offers more than 1.5 million items, as well as value added services, to a base of more than 50,000 customers spanning nearly every sector of U.S. industry.

Because the segment's customers include a broad spectrum of U.S. industry, this business is directly affected by national macroeconomic variables such as the percentage of plant capacity utilization within the U.S. industrial base, and the business tends to track the U.S. Industrial Production Index with a short lag. Success in the segment's markets requires a combination of competitive pricing and value added services that save the customer money while helping it become more efficient and productive. Over the past several years, large companies have increasingly centralized their purchasing, focusing on suppliers that can service all of their plant locations across a wide geographic area. To meet these requirements, the segment has expanded its geographic presence through the selective opening of new branches and acquisitions in key markets of the upper Midwest, the South, and Mexico. The segment's footprint of nearly 200 branches and regional distribution centers now covers 70 of the top 100 industrial markets in the United States. Management's goal is to grow the Industrial Distribution segment by expanding into additional areas that enhance its ability to compete for

~~large regional and national customer accounts.~~

~~MUSIC SEGMENT~~

~~Music segment net sales increased 11.3% and about 15% for the second quarter and first half of 2004, respectively, compared to the same periods of 2003. Results reflect improvement in U.S. economic conditions along with the competitive positioning of the segment's brand name products. Sales increased to both independent retailers and large chain store accounts, however sales to the large chain store accounts were particularly strong.~~

~~The segment is America's largest independent distributor of music instruments and accessories and is involved in a combination of designing, manufacturing, marketing and distributing more than 15,000 products from five facilities in the U.S. and Canada to retailers of all sizes for musicians of all skill levels. The segment's array of instruments includes premier and proprietary products, such as the Ovation (registered trademark) and Hamer (registered trademark) guitars, and Takamine (registered trademark) guitars under an exclusive distribution agreement. The segment has also significantly extended its line of percussion products and accessories over the past few years, augmenting its CB, Toca (registered trademark) and Gibraltar (registered trademark) lines to include an exclusive distribution agreement with Gretsch (registered trademark) drums and acquiring Latin Percussion (a leading distributor of hand percussion instruments) and Genz Benz (an amplification equipment manufacturer). The segment continues to seek opportunities to add exclusive premier brand product lines that would build upon the segment's market position.~~

~~DISCUSSION AND ANALYSIS OF OPERATING PROFITS - CONSOLIDATED~~

~~As would be expected with any commercial business, operating profits is a key indicator utilized by management in its evaluation of the performance of its business segments. The net operating profits of the corporation's segments, in total, decreased 71.6% and 40.5% for the second quarter and first half of 2004, respectively, compared to the same periods of 2003. Despite substantial increases in operating profits for the Industrial Distribution segment in both the second quarter and the six months ended June 30, 2004 (72.2% and 75.6% respectively) and a slight decrease of 2.0% in operating profits for the Music segment in the second quarter and an increase of 3.3% for the six month period of 2004 compared to the prior year periods, the Aerospace segment operated at a loss for the second quarter and the six month period of 2004 and that more than offset the increases in the corporation's other business segments.~~

~~Another key performance indicator for management is each business segment's return on investment. Management defines "return on investment" as operating profits divided by average investment for each segment. Average investment is computed by combining equity,~~

~~inter-company borrowings plus letters of credit and, for foreign subsidiaries, outside debt financings. The corporation's goals for return on investment are expressed as a range, with 15% at the~~

lower end of the range. Management reviews both the year to date annualized rate of return on investment for each segment and each segment's projection of its annual return on investment based upon its latest budget update. For the first half of 2004, the Industrial Distribution segment performed above the minimum percentage, the Music segment performed slightly below the minimum, and the Aerospace segment incurred a loss. Each segment's projection of its 2004 return on investment derived from the June 30 budget update suggests that management of each of the Industrial Distribution and Music segments believes that the segment will perform above the minimum percentage, while the Aerospace segment will perform substantially below the minimum.

DISCUSSION AND ANALYSIS OF OPERATING PROFITS BY BUSINESS SEGMENT

AEROSPACE SEGMENT

The Aerospace segment had a second quarter operating loss of $4.0 million compared to operating profits of $6.5 million a year ago. The loss is primarily attributable to a $7.1 million non cash adjustment to its Boeing Harbour Pointe contract, and to some extent the continuing insufficient business base at the corporation's Bloomfield, Conn. and Jacksonville, Fla. aircraft manufacturing facilities and $1.6 million growth in workers' compensation claims. The second quarter of 2004 included $0.8 million in underutilized facility costs primarily associated with the absence of new helicopter orders at the Bloomfield facility. Costs associated with ongoing maintenance of the Moosup facility, which was closed last year, were previously reserved as part of the charge taken in 2002.

For the first half of 2004, the segment had an operating loss of $0.4 million as a result of the issues discussed above, compared to operating profits of $13.7 million the previous year. Underutilized facility costs for the period were $1.6 million.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (continued)

Kamatics was an important contributor to overall results for the second quarter and first half of 2004. Kamatics is continuing to experience strong military sales while participating in what appears to be an improving market for commercial aviation products.

The Kaman Aerospace company's Boeing Harbour Pointe parts and subassemblies contract has generated a lower than expected order flow and an unprofitable mix of work. During the second quarter, it became clear that future demand for these parts, many of which are associated with programs that Boeing is either cutting back or eliminating, would be lower than previously anticipated. As a consequence, in the second quarter, the company recorded a $7.1 million non cash adjustment to the program, consisting of an estimated accrued contract loss of $4.3 million and a valuation adjustment of $2.8 million associated with portions of the program inventory.

The expanded Jacksonville facility's capabilities are taking some time to develop and manufacturing performance continues to be an area of focus. The company is working to improve performance at the plant and reestablish levels of product quality and customer quality rankings and management believes that progress is being made. At the same time as the Jacksonville facility works through these issues, operating costs have also increased due to manpower and third party processing costs incurred to expedite required deliveries, and due to the standard FAA and customer requirements to requalify manufacturing and quality processes made necessary by the move from Connecticut to Florida. The lower sales level at Jacksonville in particular has resulted in overhead and general and administrative expenditures being absorbed at higher rates by the company's active programs, and generally lower profitability or losses for these programs. Management continues to believe that operating conditions at the Jacksonville facility will improve and that the move from Moosup to Jacksonville will ultimately provide a lower cost structure from which to compete.

Results for the second quarter and the six-month period of 2004 also reflect competitive conditions in the market for detail parts manufacturing and assembly work, the stop work mode of the MDHI subcontract program, and the delay experienced in final qualification of the JPF program.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (continued)

Aerospace subsidiary management continues to evaluate ways to grow in a competitive global business environment, including reassessment of "make or buy" strategies and the shift of production to other locations expected to provide lower cost structures.

Despite current circumstances, management has elected to continue its focus on positioning itself for longer term competitiveness in the commercial aircraft market and to maintain its prime helicopter program capabilities. In this regard, management is in discussions with the U.S. Naval Air Systems Command (NAVAIR) regarding the potential purchase of a facility located on its Bloomfield campus that the Aerospace subsidiary currently leases from NAVAIR and has operated for several decades, for the principal purpose of performing U.S. government contracts. Pursuant to the federal government's policy of disposing of such government-owned, contractor-operated facilities and the terms of the current lease, the Aerospace company must submit a formal request to enter into negotiations for purchase of the facility by September 30, 2004, which will be followed by determination of the price and other terms of the sale. Management believes that the facility, which is currently utilized for flight and ground test operations and limited parts manufacturing, is important to its ongoing operations. As part of its decision-making process, the company is discussing with NAVAIR and the U.S. General Services Administration the method that would be used to calculate the purchase price of the facility, which could possibly include the corporation undertaking some level of the environmental remediation that may be legally required in the event of a sale of the property. In applying the guidance of Statement of Financial Accounting Standards No. 5 "Accounting for Contingencies", the corporation's management has concluded that, while not probable, it is reasonably possible that the corporation may agree to undertake some level of environmental remediation, should the facility be sold to the corporation. At this stage of preliminary discussions, however, it is not possible to determine the magnitude, if any, of such a potential undertaking. Therefore, no liability for environmental remediation at the facility has been recorded to date.

Finally, with respect to the $11.0 million charge taken in 2002 for the cost of phasing out the corporation's Moosup facility, $3.3 million represents severance costs at the Moosup and

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (continued)

Bloomfield locations, which is expected to involve the separation from service of approximately 400 employees. A total of about $2.9 million had been paid for 339 such separations as of June 30, 2004.

INDUSTRIAL DISTRIBUTION SEGMENT

This segment's operating profits increased 72.2% and 75.6% for the quarter and six month period ended June 30, 2004, respectively, compared to the same periods of 2003. For the most part, these results reflect increased sales to both MRO and OEM customer groups in an improving U.S. economy. The operating profits increase also reflects the impact of the company's 'lean-thinking' practices and maintenance of cost controls that were implemented by the segment during the difficult economic times of the past few years. In addition, vendor incentives in the form of rebates (i.e., vendors provide inventory purchase rebates to distributors at specified volume purchasing levels) continue to be an important contributor to operating profits.

Management is also monitoring the effects of rising energy and steel prices, which could impact its customer base and by extension, this segment's operations. Management believes that, to date, it has been successful in working with customers and suppliers to minimize the impact of these items on its margins.

MUSIC SEGMENT

This segment's operating profits decreased 2.0% for the quarter ended June 30, 2004 while increasing 3.3% for the first half of the year, compared to the same periods of 2003. These results are attributable to an overall improvement in the national economy and the competitive positioning of the segment's brand name products, however business in the second quarter favored a somewhat lower margin mix of products and customers.

NET EARNINGS (LOSS) AND CERTAIN EXPENSE ITEMS

For the quarter ended June 30, 2004, the corporation experienced a net loss of $1.8 million, or $0.08 loss per share diluted, compared to net earnings of $3.3 million, or $0.15 earnings per share diluted the previous year. For the six month period of

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (continued)

2004, the corporation experienced a net loss of $0.5 million, or $0.02 loss per share diluted compared to net earnings of $17.3 million, or $0.75 earnings per share diluted in the same period of 2003. The 2003 six month results include an after tax gain of $10.1 million, or $0.45 per share, from the sale of the corporation's Electromagnetics Development Center. The corporation has continued to pay dividends at the rate of $0.11 per share in each of the first two quarters of 2004.

Selling, general and administrative expenses for the first half of 2004 were 13.6% higher than last year for several reasons, including increased sales, the ISI acquisition in the Industrial Distribution segment, increases in Aerospace segment general and administrative expenses and increases in corporate expenses, principally attributable to pension expense.

For the six months ended June 30, 2004, interest expense increased 13.5% due to higher average borrowings.

The consolidated effective income tax rate for the six month period ended June 30, 2004 was 43.3% compared to 38.9% for the same period in 2003.

For a discussion of Financial Accounting Standards Board Statements applicable to the corporation, please refer to the corporation's annual report on Form 10-K for the year ended December 31, 2003.

CRITICAL ACCOUNTING ESTIMATES

There have been no significant changes in the corporation's critical accounting estimates in the quarter ended June 30, 2004. Please see the corporation's annual report on Form 10-K for the year ended December 31, 2003 for discussion of the most significant areas currently involving management judgments and estimates.

LIQUIDITY AND CAPITAL RESOURCES

Discussion and Analysis of Cash Flows

Management assesses the corporation's liquidity in terms of its ability to generate cash to fund operating, investing and financing activities. Cash flow generation is another key

performance indicator reviewed by management in evaluating business segment performance. Significant factors affecting the management of liquidity include earnings, cash flows generated from or used by operating activities, capital expenditures, investments in the business segments and their programs, acquisitions, dividends, adequacy of available bank lines of credit, and factors which might otherwise affect the corporation's business and operations generally, as described below under the heading "Forward-Looking Statements". Management believes that the corporation's annual cash flow from operations and available unused bank lines of credit under its revolving credit agreement will be sufficient to finance its working capital and other recurring capital requirements for the next twelve month period. The corporation as a whole has operated at a loss for the first half of 2004 due to the performance of the Aerospace company which has been adversely affected by competitive conditions in the commercial aerospace market and certain operational issues discussed above. Aerospace management is working to address these issues through its sales efforts as well as ongoing evaluation of its current cost structure with the goal of improving operating profits and cash flow generation.

Operating activities used cash in the amount of $16.8 million in the first six months of 2004. Cash usage was attributable principally to increases in accounts receivable in the Aerospace and Industrial Distribution segments, inventories in the Aerospace and Music segments and a reduction in accounts payable. These items were offset by an increase in accrued contract losses due to the adjustment in the Harbour Pointe contract and changes in other current assets and liabilities.

Investing activities used cash in the amount of $5.0 million in the first half of 2004, principally due to capital expenditures for property, plant and equipment. Cash provided by financing activities for the first half of 2004 consisted largely of an increase in borrowings (most of which occurred during the first quarter), offset somewhat by the payment of dividends to shareholders.

Contractual Obligations

Overall, there has been no substantial change in the corporation's contractual obligations as of June 30, 2004, except that there were increased borrowings during the first six months (most of

which occurred during the first quarter). Please see the corporation's annual report on Form 10-K for the year ended December 31, 2003 for a discussion of its contractual obligations.

Off Balance Sheet Arrangements

There has been no substantial change in the corporation's off-balance sheet arrangements as of June 30, 2004. Please see the corporation's annual report on Form 10-K for the year ended December 31, 2003 for a discussion of such arrangements.

Other Sources/Uses of Capital

At June 30, 2004, the corporation had $19.9 million of its 6% convertible subordinated debentures outstanding. The debentures are convertible into shares of Class A common stock at any time on or before March 15, 2012 at a conversion price of $23.36 per share, generally at the option of the holder. Pursuant to a sinking fund requirement that began March 15, 1997, the corporation redeems approximately $1.7 million of the outstanding principal of the debentures each year.

In November 2000, the corporation's board of directors approved a replenishment of the corporation's stock repurchase program, providing for repurchase of an aggregate of 1.4 million Class A common shares for use in administration of the corporation's stock plans and for general corporate purposes. As of June 30, 2004, a total of 269,152 shares had been repurchased since inception of this replenishment program. For a discussion of share repurchase activity during the first half of 2004, please refer to Part II, Item 2, of this report.

Financing Arrangements

Total average bank borrowings for the six month period ended June 30, 2004 were $49.8 million compared to $42.6 million for same period last year.

The corporation maintains a revolving credit agreement (the "Revolving Credit Agreement") with several banks that provides a $150 million five year commitment scheduled to expire in November 2005 with interest at current market rates. Facility fees are charged on the basis of the corporation's credit rating from Standard & Poor's, which is a BBB investment grade rating. Management believes that this is a favorable rating for a

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (continued)

corporation of its size and the rating was reaffirmed by Standard & Poor's in April 2004. The rating is accompanied by the negative outlook" which was assigned to the corporation and several other aerospace companies in the wake of the events of September 11, 2001 and the subsequent weakness in aerospace markets. Under the terms of the current Revolving Credit Agreement, if this rating should decrease, the effect would be to increase interest rates charged and facility fees.

The most restrictive of the covenants contained in the Revolving Credit Agreement requires the corporation to have EBITDA, as defined, at least equal to 300% of net interest expense, on the basis of a rolling four quarters and a ratio of consolidated total indebtedness to total capitalization of not more than 55%.

In connection with the acquisition of RWG Frankenjura-Industrie Flugwerklager GmbH in 2002, the corporation established a 9.5 million Euro term loan and revolving credit facility (the "Euro Credit Agreement") with Wachovia Bank, National Association ("Wachovia"), one of its Revolving Credit Agreement lenders having offices in London. In general, the Euro Credit Agreement contains the same financial covenants as the Revolving Credit Agreement described previously and the term of the Euro Credit Agreement expires at the same time as the Revolving Credit Agreement.

Letters of credit are generally considered borrowings for purposes of the Revolving Credit Agreement. A total of $29.2 million in letters of credit were outstanding at June 30, 2004, a significant portion of which is related to the Australia SH-2G(A) program.

~~The letter of credit for the production portion of the Australia program has a balance of $20 million, which is expected to remain in place until final acceptance of the aircraft by the RAN.~~

~~FORWARD-LOOKING STATEMENTS~~

~~This report contains forward-looking information relating to the corporation's business and prospects, including aerostructures and helicopter subcontract programs and components, advanced technology products, the SH-2G and K-MAX helicopter programs, the industrial distribution and music businesses, operating cash flow, and other matters that involve a number of uncertainties that may cause actual results to differ materially from expectations. Those uncertainties include, but are not limited to: 1) the successful conclusion of competitions and thereafter contract~~

~~Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (continued)~~

~~negotiations with government authorities, including foreign governments; 2) political developments in countries where the corporation intends to do business; 3) standard government contract provisions permitting renegotiation of terms and termination for the convenience of the government; 4) economic and competitive conditions in markets served by the corporation, particularly industrial production and commercial aviation, and global economic conditions; 5) satisfactory completion of the Australian SH-2G(A)program, including successful completion and integration of the full ITAS software; 6) recovery of the corporation's investment in the MDHI contracts; 7) achievement of and actual costs for recertifying products and processes in connection with the expanded Jacksonville facility; 8) receipt and successful execution of production orders for the JPF program; 9) satisfactory resolution of the EODC Collimator matter; 10) achievement of enhanced business base in the Aerospace segment in order to better absorb overhead and general and administrative expenses; 11) satisfactory results of negotiations with NAVAIR concerning the corporation's leased facility in Bloomfield, Conn.; 12) profitable integration of acquired businesses into the corporation's operations; 13) changes in supplier sales or vendor incentive policies; 14) the effect of price increases or decreases; 15) pension plan assumptions and future contributions; and 16) currency exchange rates, taxes, changes in laws and regulations, interest rates, inflation rates, general business conditions and other factors. Any forward-looking information should be considered with these factors in mind.~~

~~Item 3. Quantitative and Qualitative Disclosures About Market Risk~~

~~There has been no significant change in the corporation's exposure to market risk during the quarter ended June 30, 2004. Please see~~

the corporation's annual report on Form 10-K for the year ended December 31, 2003 for discussion of the corporation's exposure to market risk.

Item 4. Controls and Procedures

(a) Disclosure Controls and Procedures

The corporation's management, with the participation of the corporation's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the corporation's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this report. Based on such evaluation, the corporation's Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of such period, the corporation's disclosure controls and procedures were effective.

We note, however, that even the most well designed and executed control systems are subject to inherent limitations and as a result, the control system can provide reasonable but not absolute assurance that its objectives will be met under all potential future conditions. The corporation's Chief Executive Officer and Chief Financial Officer have concluded that the corporation's disclosure controls and procedures are effective at a reasonable assurance level.

(b) Internal Control Over Financial Reporting

There have not been any changes in the corporation's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15 (f) under the Exchange Act) during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, the corporation's internal control over financial reporting.

Item 2. Changes in Securities, Use of Proceeds and Issuer Purchases of Equity Securities

(e)Purchases of Equity Securities

In November 2000, the corporation's board of directors approved a replenishment of the corporation's stock repurchase program providing for repurchase of an aggregate of 1.4 million Class A common shares for use in administration of the corporation's stock plans and for general corporate purposes.

The following table provides information about purchases by the corporation during the three months ended June 30, 2004 of equity securities that are registered by the corporation pursuant to Section 12 of the Exchange Act:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plan	Maximum Number of Shares That May Yet Be Purchased Under the Plan
04/01/04-04/30/04	2	$15.15	269,152	1,130,848

05/01/04 - 05/31/04	269,152	1,130,848
06/01/04 - 06/30/04	269,152	1,130,848

KAMAN CORPORATION AND SUBSIDIARIES

PART II - OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits to Form 10-Q:

10(a) Second Amendment to Kaman Corporation Amended and Restated Deferred Compensation Plan

10(b) Third Amendment to Kaman Corporation Cash Bonus Plan (Amended and Restated as of January 1, 2002)

11 Earnings (Loss) Per Share Computation

31.1 Certification of Chief Executive Officer Pursuant to Rule 13a-14 under the Securities and Exchange Act of 1934

31.2 Certification of Chief Financial Officer Pursuant to Rule 13a-14 under the Securities and Exchange Act of 1934

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

(b) Reports on Form 8-K:

(1) A report on Form 8-K was filed on April 21, 2004 reporting the corporation's financial results for the quarter ended March 31, 2004 and describing actions taken at the shareholders' meeting on April 20, 2004.

(2) A report on Form 8-K was filed on May 7, 2004 regarding approval received by the U.S. Air Force to begin production on the Kaman Dayron unit's Joint Programmable Fuze.

(3) A report on Form 8-K was filed on August 3, 2004 reporting the corporation's financial results for the quarter ended June 30, 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.

KAMAN CORPORATION
Registrant

Date: August 3, 2004 By: /s/ Paul R. Kuhn

Paul R. Kuhn
Chairman, President and
Chief Executive Officer
(Duly Authorized Officer)

Date: August 3, 2004 By: /s/ Robert M. Garneau

Robert M. Garneau
Executive Vice President and
Chief Financial Officer

KAMAN CORPORATION AND SUBSIDIARIES

Index to Exhibits

Exhibit 10(a)	Second Amendment to Kaman Corporation Amended and Restated Deferred Compensation Plan	Attached
Exhibit 10(b)	Third Amendment to Kaman Corporation Cash Bonus Plan (Amended and Restated as of January 1, 2002)	Attached
Exhibit 11	Earnings (Loss) Per Share Computation	Attached
Exhibit 31.1	Certification of Chief Executive Officer Pursuant to Rule 13a-14 under the Securities and Exchange Act of 1934	Attached
Exhibit 31.2	Certification of Chief Financial Officer Pursuant to Rule 13a-14 under the Securities and Exchange Act of 1934	Attached
Exhibit 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 Attached

Exhibit 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 Attached

Exhibit 10(a)

SECOND AMENDMENT
TO
KAMAN CORPORATION AMENDED AND RESTATED
DEFERRED COMPENSATION PLAN

THIS AMENDMENT made by Kaman Corporation for the purpose of amending its Amended and Restated Deferred Compensation Plan,

WITNESSETH:

WHEREAS, by Written Plan Instrument dated November 12, 2002, Kaman Corporation (hereinafter referred to as the "Corporation") adopted an Amended and Restated Deferred Compensation Plan; and

WHEREAS, the Corporation reserved the right, in Section 8.2 thereof, to amend the Plan; and

WHEREAS, the Plan was previously amended by a First Amendment thereto; and

WHEREAS, the Corporation now wishes to amend the Plan in the particulars set forth below;

NOW, THEREFORE, the Corporation hereby amends the Plan as follows:

1. Sections 11.1(a) and 11.1(b) are amended by the

~~deletion of the term "Kaman Corporation Deferred Compensation Plan Trust Agreement" wherever the same shall appear therein and the substitution of the term "Kaman Corporation Deferred Compensation Plan Trust Agreement Number 2" in lieu thereof.~~

~~2. Except as hereinabove modified and amended, the Amended and Restated Deferred Compensation Plan, as amended, shall remain in full force and effect.~~

~~IN WITNESS WHEREOF, the Corporation has caused this Second Amendment to be executed on this 29th day of June, 2004.~~

~~WITNESS~~ ~~KAMAN CORPORATION~~

~~/s/ C. A. Clark~~ ~~By: /s/ Robert M. Garneau~~

~~Robert M. Garneau~~
~~Executive Vice President and~~
~~Chief Financial Officer~~

Exhibit 10(b)

THIRD AMENDMENT

KAMAN CORPORATION
CASH BONUS PLAN

(Amended and Restated as of January 1, 2002)

WHEREAS, Kaman Corporation (the "Corporation") has previously adopted a Cash Bonus Plan (Amended and Restated as of January 1, 2002), a First Amendment thereto dated February 12, 2002 and a Second Amendment thereto dated March 21, 2003 (collectively, the "Plan"); and

WHEREAS, the Board of Directors of the Corporation approved a further amendment to the Plan on April 20, 2004 to provide that the Plan formula applicable to corporate management utilize additional criteria including performance against budget and a greater emphasis on individual performance;

NOW THEREFORE, the Plan is amended as follows:

1. Section 7 of the Plan is hereby deleted and replaced in its entirety by the following:

7. Performance Objectives for Corporate Participants.

a. Applicability. The provisions of this Section 7 shall

~~apply to Corporate Participants, i.e. Participants who are employed by Kaman Corporation at its headquarters location. Furthermore, the provisions of Section 6 hereof shall not apply to Corporate Participants.~~

~~b. In General. The Modified Target Bonus Opportunity for Corporate Participants shall be calculated solely based upon the consolidated financial performance of the Company and individual Participant performance using (i) growth in earnings per share ("EPS Growth"), (ii) return on total capital ("ROI"), (iii) pre-tax profits measured against budget ("Budget Performance") and individual Participant performance against stated goals ("Individual Performance") as the performance goals. EPS Growth and ROI performance are determined by comparing the EPS Growth and ROI performance of the Company for the applicable Award Year with comparable numbers for the Russell 2000 index averaged over the prior 5 year period. For example, for Award Year 2004, the numbers for the Company for EPS Growth and ROI will be compared index averaged for 1999 - 2003. Budget Performance is determined~~

~~by comparing the Company's pre tax profits for the applicable Award Year with the Company's budgeted pre tax profits for such Award Year utilizing the Company's original budget for such Award Year as approved by the Board, without regard to any modifications of such budget following initial Board approval (the "Original Budget"). Individual Performance is to be determined in relation to goals for the applicable Award Year as may be determined by the Personnel and Compensation Committee. This Section 7 describes the approach to be followed in determining the Modified Target Bonus Opportunity for Corporate Participants. Without limiting the authority provided by Section 10(b), the Plan Administrators are authorized to prescribe reasonable rules of operation and to resolve any ambiguities or matters of interpretation, provided such rules and interpretations are consistent with the approach provided herein. Furthermore, the Personnel and Compensation Committee is authorized to include or exclude special items in determining the Company's EPS Growth, ROI performance, Budget Performance and/or Individual Performance, provided that the approach taken is followed consistently from year to year.~~

~~c. EPS Growth. The EPS Growth for the Company for the Award Year will be calculated. Calculations of average EPS Growth for the Russell 2000 for the prior five (5) years shall also be made, and percentile rankings shall be developed. The Personnel and Compensation Committee shall establish percentages of initial target bonus opportunity earned for EPS Growth corresponding to the various percentile rankings. The percent of the Initial Target Bonus Opportunity earned for EPS Growth for an Award Year shall be determined by the Plan Administrators based upon the percentile ranking of the Company.~~

~~d. Return on Total Capital. The ROI for the Company for the Award Year will be calculated. Calculations of average ROI for the Russell 2000 for the prior five (5) years shall also be made, and percentile rankings shall be developed. The Personnel and Compensation Committee shall establish percentages of initial target bonus opportunity earned for ROI corresponding to the various percentile rankings. The percent of the Initial Target Bonus Opportunity earned for ROI for an Award Year shall be determined by the Plan Administrators based upon the percentile ranking of the Company.~~

~~e. Budget Performance. The consolidated pre tax profits of the Company for the Award Year shall be compared with the Original Budget. The Personnel and Compensation Committee shall established percentages of Initial Target Bonus Opportunity earned for achieving 100% or more or less of consolidated pre tax~~

~~profits in the Original Budget. The percent of the Initial Target Bonus Opportunity earned for Budget Performance for an Award Year shall be determined by the Plan Administrators.~~

~~f. Individual Performance. The Personnel and Compensation Committee shall establish individual performance goals for the applicable Award Year for all Corporate Participants and~~

~~establish percentages of Initial Target Bonus Opportunity earned for achieving such individual goals. The Plan Administrators shall determine the percent of Initial Target Bonus Opportunity earned for Individual Performance for the Award Year with respect to each Corporate Participant.~~

~~g. Percentile Calculations. The percentile ranking of the Company must be at least 25th for EPS Growth in order to generate a percentage of Initial Target Bonus Opportunity earned for EPS Growth. The percentile ranking of the Company must be at least 25th for ROI in order to generate a percentage of Initial Target Bonus Opportunity earned for ROI. If the Company is in at least the 75th percentile for either category (EPS Growth or ROI), it will generate the maximum award with respect to that category. In making calculations hereunder for Budget Performance, no percentage of Initial Target Bonus Opportunity shall be awarded if pre-tax profits for the Award Year are less than 70% of the Original Budget. The Personnel and Compensation Committee may, but shall not be required to, extend the maximum award earned for EPS Growth, ROI, or Budget Performance from 100% to a larger percentage. In making calculations and determinations hereunder for Budget Performance, in no event will the 25th percentile for EPS Growth or ROI for the Russell 2000 5-year average be considered to be less than zero.~~

~~h. Computation of Modified Target Bonus Opportunity. The percentages of Initial Target Bonus Opportunity earned for EPS Growth, ROI, Budget Performance and Individual Performance determined in accordance with the foregoing, shall be added together. This combined percentage may be greater than 100%. This combined percentage, when multiplied by a Corporate Participant's Initial Target Bonus Opportunity, shall equal the Corporate Participant's Modified Target Bonus Opportunity.~~

~~i. Factor Weightings. Attachment B sets forth the factor weightings established by the Personnel and Compensation Committee for the 2004, 2005, 2006 and subsequent Award Years. As set forth in Attachment B, the factor weightings for EPS Growth, ROI and Budget Performance shall aggregate 100% and the factor weighting for Individual Performance shall be an additional 10%. Otherwise, Attachment B is subject to~~

~~modification from time to time by the Personal and Compensation Committee as the Committee carries out the provisions of this Section 7.~~

~~2. Effective Date. This Amendment shall take effect beginning with the 2004 Award Year.~~

~~3. Capitalized Terms. Capitalized terms not defined herein shall have the meaning ascribed to them in the Plan.~~

~~4. Full Force and Effect. Except as modified and amended by this document, the Plan remains in full force and effect.~~

~~IN WITNESS WHEREOF, Kaman Corporation has caused this Third Amendment to be executed this 3rd day of August, 2004.~~

~~ATTEST:~~ ~~KAMAN CORPORATION~~

~~/s/ Candace A. Clark~~ ~~By: /s/ Robert M. Garneau~~

~~Its: Executive Vice President and~~
~~Chief Financial Officer~~

ATTACHMENT B

CASH BONUS PLAN - CORPORATE PARTICIPANTS

FACTOR WEIGHTINGS

				Minimum		Target		Maximum	
	Factor	Measurement	Weighting	Performance	% of Target Award	Performance	% of Target Award	Performance	% of Target Award
2004	Performance Vs. Budget	Performance on a % of Budget	70%	70% Perf. Vs. Budget	0	95-100% Perf. Vs. Budget	70	135% Perf. Vs. Budget	140
	Growth in EPS	Actual Vs. Russell 2000 5-year average	15%	25th Percentile	0	50th Percentile	15	75th Percentile	30
	Return on Capital	Actual Vs. Russell 2000 5-year average	15%	25th Percentile	0	50th Percentile	15	75th Percentile	30
	Other Objectives	Developed Annually	10%		0		10		10
2005	Performance Vs. Budget	Performance on a % of Budget	50%	70% Perf. Vs. Budget	0	95-100% Perf. Vs. Budget	50	135% Perf. Vs. Budget	100
	Growth in EPS	Actual Vs. Russell 2000 5-year average	25%	25th Percentile	0	50th Percentile	25	75th Percentile	50

	Minimum		Target		Maximum	
Factor	Measurement	Weighting	Performance	% of Target Award	Performance	% of Target Award	Performance	% of Target Award

Factor	Measurement	Weighting	Minimum Performance	Minimum % of Target Award	Target Performance	Target % of Target Award	Maximum Performance	Maximum % of Target Award
Return on Capital	Actual Vs. Russell 2000	25%	25th Percentile	0	50th Percentile	25	75th Percentile	50

		5 year average							
	Other Objectives	Developed Annually	10%		0		10		10
2006	Performance Vs. Budget	Performance on a % of Budget	34%	70% Perf. Vs. Budget	0	95-100% Perf. Vs. Budget	34	135% Perf. Vs. Budget	68
	Growth in EPS	Actual Vs. Russell 2000 5 year average	33%	25th Percentile	0	50th Percentile	33	75th Percentile	66
	Return on Capital	Actual Vs. Russell 2000 5 year average	33%	25th Percentile	0	50th Percentile	33	75th Percentile	66
	Other Objectives	Developed Annually	10%		0		10		10

KAMAN CORPORATION AND SUBSIDIARIES

EXHIBIT 11 EARNINGS (LOSS) PER SHARE COMPUTATION

(IN THOUSANDS EXCEPT PER SHARE AMOUNT)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2004	2003	2004	2003
Basic:				
Net earnings (loss)	$ (1,836)	$ 3,284	$ (544)	$ 17,250
Weighted average number of shares outstanding	22,686	22,551	22,667	22,523
Net earnings (loss) per share - basic	$ (.08)	$ .15	$ (.02)	$ .77
Diluted:				
Net earnings (loss)	$ (1,836)	$ 3,284	$ (544)	$ 17,250
Elimination of interest expense on 6% subordinated convertible debentures (net after taxes)	-	198	-	411
Net earnings (loss)(as adjusted)	$ (1,836)	$ 3,482	$ (544)	$ 17,661

Weighted average number of shares outstanding	22,686	22,551	22,667	22,523
Weighted average shares issuable on conversion of 6% subordinated convertible debentures	-	923	-	952
Weighted average shares issuable on exercise of diluted stock options	-	10	-	7
Total (2)	22,686	23,484	22,667	23,482
Net earnings (loss) per share - diluted (1)(3)	$ (.08)	$ .15	$ (.02)	$ .75

(1)The calculated diluted per share amounts for the three months ended and six months ended June 30, 2004 are anti dilutive, therefore, amounts shown are equal to the basic per share calculation.

(2)Additional potentially diluted average shares outstanding of 936 for the three months ended June 30, 2004 and 974 for the six months ended June 30, 2004 have been excluded from the average diluted shares outstanding due to the loss from operations in that time period.

(3)For 2003, excluded from the net earnings (loss) per share - diluted calculation are options granted to employees that are anti dilutive based on the average stock price for the year.

~~Exhibit 31.1~~

~~Certification Pursuant to Rule~~
~~13a-14 under the Securities and~~
~~Exchange Act of 1934~~

~~I, Paul R. Kuhn, certify that:~~

~~1. I have reviewed this quarterly report on Form 10-Q of Kaman 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 period presented in this report;~~

~~4. The registrant's other certifying officers 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) Intentionally omitted pursuant to the guidance contained in SEC Release 33-8238.~~

~~(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 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 officers 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 (or persons performing the equivalent functions):~~

~~(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: August 3, 2004~~ ~~By: /s/ Paul R. Kuhn~~

~~Paul R. Kuhn~~
~~Chairman, President and~~
~~Chief Executive Officer~~

Exhibit 31.2

Certification Pursuant to Rule
13a-14 under the Securities and
Exchange Act of 1934

I, Robert M. Garneau, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kaman 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 period presented in this report;

4. The registrant's other certifying officers 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) Intentionally omitted pursuant to the guidance contained in SEC Release 33-8238.

(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 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 officers 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 (or persons performing the equivalent functions):

(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: August 3, 2004 By: /s/ Robert M. Garneau

Robert M. Garneau
Executive Vice President and
Chief Financial Officer

~~Exhibit 32.1~~

~~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 Kaman Corporation (the "Corporation") on Form 10-Q for the fiscal quarter ended June 30, 2004, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Paul R. Kuhn, Chairman, President and Chief Executive Officer of the Corporation, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:~~

~~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 results of operations of the Corporation.~~

~~By: /s/ Paul R. Kuhn~~

~~Paul R. Kuhn~~
~~Chairman, President and~~
~~Chief Executive Officer~~
~~August 3, 2004~~

~~Exhibit 32.2~~

~~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 Kaman Corporation (the "Corporation") on Form 10-Q for the fiscal quarter ended June 30, 2004, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert M. Garneau, Executive Vice President and Chief Financial Officer of the Corporation, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:~~

~~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 results of operations of the Corporation.~~

~~By: /s/ Robert M. Garneau~~

~~Robert M. Garneau~~
~~Executive Vice President and~~
~~Chief Financial Officer~~
~~August 3, 2004~~