

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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 2, 2004

GRAHAM CORPORATION
(exact name of registrant as specified in Charter)

Delaware	1-8462	16-1194720
- - - - -	- - - - -	- - - - -
(State or other jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification Number)

20 Florence Avenue, Batavia, New York 14020

(Address of principal executive offices)

Registrant's telephone number, including area code: (585) 343-2216

N/A

(Former name or former address, if changed since last report)

Item 7. Exhibits

99.1 Press Release issued February 2, 2004 announcing earnings of Graham Corporation for the fiscal quarter and nine months ended December 31, 2003.

Item 12. Results of Operations and Financial Condition

On February 2, 2004, Graham Corporation issued a press release announcing results of operations for the fiscal quarter and nine months ended December 31, 2003. A copy is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information in this Current Report on Form 8-K and the exhibit attached hereto shall not be deemed to be filed for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Exchange Act or Securities Act of 1933, as amended, except as expressly set forth by specific reference in such filing.

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.

GRAHAM CORPORATION
(Registrant)

Date: February 3, 2004

By /s/ J. Ronald Hansen

J. Ronald Hansen
Vice President - Finance
& Administration and
Chief Financial Officer

Exhibit Index

Exhibit Number	Document Description
99.1	Press Release dated February 2, 2004

February 2, 2004
Businesswire
1185 Avenue of the Americas, 3rd Floor
New York, NY 10036

FROM: William A. Smith, Jr. ACCOUNT: Graham Corporation
Smith Law Office, P.C. 20 Florence Avenue
7 State Street Batavia, NY 14020
Pittsford, NY 14534 ATT: Carole M. Anderson

Please distribute the following press release on your National wire.

Please send us by fax (585-343-1177) copies of Dow Jones, Reuters, and any other wire service reports of this release when you receive them.

QUOTE

FOR GRAHAM CORPORATION

Company Contact: J. Ronald Hansen
Batavia, New York 14020 - Phone (585) 343-2216

PRESS RELEASE
FOR IMMEDIATE RELEASE:
February 2, 2004

GRAHAM CORPORATION ANNOUNCES RESULTS
FOR THIRD QUARTER OF FISCAL YEAR ENDING MARCH 2004

Batavia, N.Y. (February 2, 2004) -- Graham Corporation (GHM:ASE) announced today results for the third quarter (October - December 2003) of its current fiscal year. Sales for the quarter ended December 31, 2003 were \$10,027,000 producing a net loss of \$787,000, or diluted loss per share of \$.48. This compares to sales for the quarter ending December 31, 2002 of \$13,703,000, which produced a net loss of \$178,000 or \$.11 per diluted share.

Sales for the nine months of the fiscal year (April - December 2003) were \$30,919,000 compared to sales of \$35,308,000 for the first nine months of the previous fiscal year; net loss was \$1,289,000 versus \$987,000 net loss for the first nine months of the previous fiscal year; and the diluted loss per share was \$.78 versus \$.59 loss per diluted share for the same period the previous year.

Orders for the third quarter ended December 31, 2003 were \$9,965,000 compared to \$8,790,000 for the quarter ended December 31, 2002.

Consolidated backlog on December 31, 2003 was \$22,222,000 compared to a backlog at March 31, 2003 of \$23,497,000.

Al Cadena, Graham's President and CEO, commented, "Although Graham's markets are showing encouraging early signs of recovery, as seen in the quality of inquiries and in the number of capital projects scheduled to begin, our third quarter was affected by depressed margins generally and by slow sales in the company's standard products. We expect improved results for the fourth quarter."

"Orders for numerous pending projects have been delayed as project owners wait for clearer signs of improvement in the U.S. and worldwide economies. Consequently, the outlook for the first half of the next fiscal year, which will start in April 2004, is for continuing slow sales for much of the first half, followed by improvement in the second half as our markets recover. The strength of international currencies against the U.S. dollar is expected to contribute to that recovery, since a significant percentage of Graham's large products are sold for export."

Graham designs and builds vacuum and heat transfer equipment for process industries throughout the world. It is a worldwide leader in vacuum technology. The principal markets for Graham's equipment are the chemical, petrochemical, petroleum refining and electric power generating industries, including cogeneration and geothermal plants. Other markets served include metal refining, pulp and paper, shipbuilding, water heating, refrigeration, desalination, food processing, drugs, heating, ventilating and air conditioning. Graham's ejectors, liquid ring and dry vacuum pumps, condensers, heat exchangers and other products, sold either as components or as complete systems, are used by its customers to produce synthetic fibers, chemicals, petroleum products (including gasoline), electric power, processed food (including canned, frozen and dairy products), pharmaceutical products, paper, steel, fertilizers and numerous other products used everyday by people throughout the world.

This press release contains forward-looking statements within the

meaning of the Private Securities Litigation Reform Act of 1995. All forward-looking statements are subject to certain risks, uncertainties and assumptions. These risks and uncertainties, which are more fully described in Graham's Annual and Quarterly Reports filed with the Securities and Exchange Commission, include changes in market conditions in the industries in which the Company operates. Should one or more of these risks or uncertainties materialize, or should the assumptions prove incorrect, actual results may vary in material aspects from those currently anticipated.

GRAHAM CORPORATION

SUMMARY OF CONSOLIDATED SALES AND EARNINGS (UNAUDITED)

	Three Months Ended		Nine Months Ended	
	Dec. 31, 2003	Dec. 31, 2002	Dec. 31, 2003	Dec. 31, 2002
<S>	<C>	<C>	<C>	<C>
Net Sales	\$10,027,000	\$13,703,000	\$30,919,000	\$35,308,000
Costs and Expenses	11,153,000	13,980,000	33,270,000	36,798,000
Other Income			(522,000)	
Loss Before Income Taxes	(1,126,000)	(277,000)	(1,829,000)	(1,490,000)
Benefit for Income Taxes	(339,000)	(99,000)	(540,000)	(503,000)
Net Loss	\$ (787,000)	\$ (178,000)	\$ (1,289,000)	\$ (987,000)
Per Share Data				
Net Loss	Basic			
		(\$.48)	(\$0.11)	(\$.78)
		====	====	====
	Diluted	(\$.48)	(\$0.11)	(\$.78)
		====	====	====

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CONDENSED CONSOLIDATED BALANCE SHEETS

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<CAPTION>

	(Unaudited)	
	Dec. 31, 2003	March 31, 2003
	-----	-----
<S>	<C>	<C>
ASSETS		
Cash and cash equivalents	\$ 202,000	\$ 217,000
Investments	3,502,000	6,446,000
Accounts Receivable	7,619,000	7,295,000
Inventories	8,314,000	10,341,000
Prepaid Expenses and Other Current Assets	3,169,000	2,472,000
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Total Current Assets	22,806,000	26,771,000
Property, Plant & Equipment - Net	9,352,000	9,808,000
Other Assets	1,583,000	1,701,000
	-----	-----
Total	\$33,741,000	\$38,280,000
	=====	=====
LIABILITIES & SHAREHOLDERS' EQUITY		
Short Term Debt & Current Portion of Long-Term Debt	\$ 1,488,000	\$ 1,604,000
Accounts Payable	2,378,000	4,629,000
Other Current Liabilities	7,700,000	7,759,000
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Total Current Liabilities	11,566,000	13,992,000
Long-Term Debt	106,000	127,000
Deferred Liabilities	4,341,000	5,368,000
Shareholders' Equity	17,728,000	18,793,000
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Total	\$33,741,000	\$38,280,000
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UNQUOTE