



SCANNER TECHNOLOGIES ANNOUNCES NEAR RECORD FIRST QUARTER RESULTS

MINNEAPOLIS--(BUSINESS WIRE)--May 18, 2004--Scanner Technologies Corporation (OTCBB:SCNI - News):

Revenues rise 909% to \$1,249,784

Net Income of \$340,272 or \$.03 per share

Scanner Technologies Corporation (OTCBB:SCNI - News) with headquarters in Minneapolis, MN today announced near record first quarter results. Revenues rose 909% to \$1,249,784 in the first quarter ended March 31, 2004 from \$123,908 in the year ago period. Net income rose to \$340,272 from a loss in the year ago period of (\$447,110). Earnings per share rose to \$0.03 per share from negative EPS of (\$0.04) in the year ago period.

Butch Beaty, President and CEO of Scanner Technologies commented on the results, "We are very pleased to report the near record results for the first quarter. The momentum which started in the 4th quarter of 2003 continued in the first quarter as revenues rose slightly, but the real story was on the net income side. While revenues were up \$16,300 consecutively from the 4th quarter 2003, net income rose \$335,000. We are pleased with the way the year has started and expect this momentum to continue in the foreseeable future as the electronics industry continues its strong recovery."

Our statement that we expect this momentum to continue for the foreseeable future is a forward-looking statement subject to risks and uncertainties that could cause actual results to differ materially from those expected. Such risks and uncertainties include, but are not limited to, adverse domestic or global economic conditions, slowing growth in the demand for semiconductor devices, the volatility and cyclicity of the microelectronics industry, changes in the rates of capital expenditures by semiconductor manufacturers, progress of product development programs, working capital limitations, and other risk factors set forth in the company's SEC filings, including its Form 10-K for the year ended Dec. 31, 2003.

About Scanner Technologies Corporation:

Scanner is a New Mexico corporation that invents, develops and markets vision inspection products that are used in the semiconductor industry for the inspection of integrated circuits. Scanner's headquarters are located in Minneapolis, Minnesota. The company has a manufacturing facility in Tempe, Arizona, and sells its products through direct sales offices in San Jose, California, Singapore and Geneva, Switzerland and, in key geographical markets, through sales representatives and distributors throughout the world. Scanner's stock is traded on the Over-The-Counter Bulletin Board under the symbol "SCNI." For more information please visit www.scannertech.com.

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SCANNER

TECHNOLOGIES CORPORATION

SCANNER TECHNOLOGIES CORPORATION AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	Three Months Ended March 31,	
	2004	2003
REVENUES	\$1,249,784	\$123,908
COST OF GOODS SOLD	352,600	62,207
GROSS PROFIT	897,184	61,701
GROSS PROFIT PERCENT	71.8%	49.8%
OPERATING EXPENSES		
Selling, general and administrative	564,172	322,168
Research and development	93,290	137,206
Legal fees	68,503	33,332
	725,965	492,706
INCOME (LOSS) FROM OPERATIONS	171,219	(431,005)
OTHER INCOME (EXPENSE)		
Other income	322,432	2
Interest expense	(151,579)	(13,567)
INCOME (LOSS) BEFORE INCOME TAXES	342,072	(444,570)
INCOME TAXES	1,800	2,540
NET INCOME (LOSS)	\$340,272	(\$447,100)
NET INCOME (LOSS) PER SHARE - BASIC AND DILUTED	\$0.03	\$(0.04)
WEIGHTED AVERAGE SHARES OUTSTANDING - BASIC	10,426,724	10,022,973
WEIGHTED AVERAGE SHARES OUTSTANDING - DILUTED	10,976,340	10,022,973

SCANNER

TECHNOLOGIES CORPORATION

SCANNER TECHNOLOGIES CORPORATION AND SUBSIDIARY
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2004 (unaudited)	December 31, 2003 (audited)
ASSETS		
CURRENT ASSETS		
Cash	\$217,463	\$170,082
Accounts receivable, less allowance of \$40,000	963,648	984,338
Inventory, less allowance of \$20,000 and \$34,700	1,086,701	911,382
Prepaid expenses	51,418	37,418
TOTAL CURRENT ASSETS	2,319,230	2,103,220
PROPERTY AND EQUIPMENT, net	40,228	41,294
PATENT RIGHTS, net	267,587	283,025
OTHER	20,224	17,873
	\$2,647,269	\$2,445,412
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Bank line of credit	\$590,000	\$701,000
Notes payable	113,340	113,340
Accounts payable	579,983	804,128
Accrued expenses	242,497	157,709
Customer deposits	-	20,940
TOTAL CURRENT LIABILITIES	1,525,820	1,797,117
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Preferred stock, no par value, 50,000,000 shares authorized no shares issued and outstanding	-	-
Common stock, no par value, 50,000,000 shares authorized 10,426,459 and 10,426,724 shares issued and outstanding	4,128,793	4,128,528
Warrants	411,561	411,561
Deferred financing costs, net	(44,205)	(176,822)
Notes receivable for common stock	(275,000)	(275,000)
Accumulated deficit	(3,099,700)	(3,439,972)
STOCKHOLDERS' EQUITY	1,121,449	648,295
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$2,647,269	\$2,445,412