July 30, 2004

Encision Reports First Fiscal Quarter Results

BOULDER, Colo. July 30, 2004 -- /PRNewswire-FirstCall/ -- Encision Inc. (Amex: ECI) a medical device company with patented surgical technology emerging as a standard of care in minimally-invasive surgery, announced financial results for its first fiscal quarter ended June 30, 2004.

For its first fiscal quarter ended June 30, 2004, Encision's revenues increased by 4% to $1,763,000 compared to $1,702,000 for last year's first fiscal quarter. Net loss for the first fiscal quarter was $(291,000), or $(0.05) per share, compared to net income of $35,000, or $0.01 per share, for last year's first fiscal quarter. Gross margin as a percentage of sales increased to 57.6 percent in the first quarter ended June 30, 2004 from 57.0 percent in the first quarter ended June 30, 2003. The net loss for this fiscal quarter included a one-time expense of approximately $201,000 (including attorney and arbitrator fees) for resolution of an arbitration dispute with one of Encision's distributors.

"We are disappointed with our results for the first quarter," said Jack Serino, President and CEO of Encision. "However, we remain confident in our ability to increase revenue for our full fiscal year that ends March 31, 2005. During the first quarter ended June 30, 2004, we converted seven new hospitals to our AEM surgical instruments."

Mr. Serino continued, "To initiate the start of my tenure and our second quarter, I met with Encision's sales force to share information and recommit to achieving our annual revenue goal. The feeling I obtained from our meetings was one of positive enthusiasm."

Encision Inc. designs and manufactures innovative surgical devices that allow the surgeon to optimize technique and patient safety during a broad range of surgical procedures. Based in Boulder, Colorado, the Company pioneered the development of patented AEM® Laparoscopic Instruments to improve electrosurgery and reduce the chance for patient injury in minimally invasive surgery.

In accordance with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, the Company notes that statements in this press release and elsewhere that look forward in time, which include everything other than historical information, involve risks and uncertainties that may cause actual results to differ materially from those indicated by the forward-looking statements. Factors that could cause the Company's actual results to differ materially include, among others, its ability to increase revenues through the Company's distribution channels, insufficient quantity of new account conversions, insufficient cash to fund operations, scale up production to meet delivery obligations, delay in developing new products and receiving FDA approval for such new products and other factors discussed in the Company's filings with the Securities and Exchange Commission.

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