
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 Earliest Event Reported
February 20, 2008

Environmental Tectonics Corporation

(Exact name of registrant as specified in its charter)

Pennsylvania
(State or other jurisdiction of incorporation of organization)

1-10655
(Commission File Number)

23-1714256
(IRS Employer Identification Number)

County Line Industrial Park
Southampton, Pennsylvania
(Address of principal executive offices)

18966
(Zip Code)

Registrant's telephone number, including area code (215) 355-9100

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01. Other Events.

On February 20, 2008, Environmental Tectonics Corporation (the "Company") received a proposal from an affiliate of H. F. Lenfest ("Lenfest") to purchase all of the publicly traded shares of the common stock of the Company not owned by Lenfest at the time the acquisition is consummated. H. F. Lenfest is a member of the Board of Directors of the Company and beneficially owns 48.7% of the common stock outstanding. In connection with the proposal, H. F. Lenfest filed Amendment No. 6 to Schedule 13D with the Securities and Exchange Commission.

The Board of Directors of the Company has formed a committee comprised of independent directors to evaluate the proposal. The transaction committee is in the process of engaging a financial advisor to assist the transaction committee in evaluating the proposal. The transaction committee will evaluate the proposal and make a recommendation with respect to the proposal to the Company's Board of Directors.

A copy of the press release announcing receipt of the proposal is attached hereto as Exhibit 99.1 and a copy of the proposal letter is attached hereto as Exhibit 99.2, each of which is incorporated by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The following exhibits are furnished or filed in accordance with Item 601 of Regulation S-K:

99.1 Press Release dated February 22, 2008.

99.2 Proposal letter dated February 20, 2008.

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.

ENVIRONMENTAL TECTONICS CORPORATION
Registrant

Date: February 22, 2008

By /s/ Duane D. Deaner
Duane D. Deaner
Chief Financial Officer

ENVIRONMENTAL TECTONICS CORPORATION
Reports Receipt of Acquisition Proposal from H. F. Lenfest

Southampton, PA, February 22, 2008 – Environmental Tectonics Corporation (AMEX: ETC) (the “Company”) today reported that on February 20, 2008 it received a proposal from an affiliate of H. F. Lenfest (“Lenfest”) to purchase all of the publicly traded shares of the common stock of the Company not owned by Lenfest at the time the acquisition is consummated. H. F. Lenfest is a member of the Board of Directors of the Company and beneficially owns 48.7% of the common stock outstanding.

The Board of Directors of the Company has formed a committee comprised of independent directors to evaluate the proposal. The transaction committee is in the process of engaging a financial advisor to assist the transaction committee in evaluating the proposal. The transaction committee will evaluate the proposal and make a recommendation with respect to the proposal to the Company’s Board of Directors.

ETC designs, develops, installs and maintains aircrew training systems (aeromedical, tactical combat and general), disaster management training systems and services, entertainment products, sterilizers (steam and gas), environmental testing products, hyperbaric chambers and related products for domestic and international customers.

This press release may include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 as amended, and Section 21E of the Securities Exchange Act of 1934. We have based these forward-looking statements on our current expectations and projections about future events. These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions about the Company that may cause our actual results, levels of activity, performance or achievements to be materially different from any other future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements include statements with respect to ETC’s vision, mission, strategies, goals, beliefs, plans, objectives, expectations, anticipations, estimates, intentions, financial condition, results of operations, future performance and business of ETC, including but not limited to, (i) the proposed acquisition by Lenfest, (ii) projections of revenue, costs of raw materials, income or loss, earnings or loss per share, capital expenditures, growth prospects, dividends, capital structure, other financial items and the effects of currency fluctuations, (iii) statements of plans and objectives of ETC or its management or Board of Directors, including the introduction of new products, or estimates or predictions of actions of customers, suppliers, competitors or regulatory authorities, (iv) statements of future economic performance, (v) statements of assumptions and other statements about ETC or its business, (vi) statements made about the possible outcomes of litigation involving ETC, and (vii) statements preceded by, followed by or that include the words “may”, “could”, “should”, “looking forward”, “would”, “believe”, “expect”, “anticipate”, “estimate”, “intend”, “plan”, or the negative of such terms or similar expressions. These forward-looking statements involve risks and uncertainties which are subject to change based on various important factors. Some of these risks and uncertainties, in whole or in part, are beyond ETC’s control. Factors that might cause or contribute to such a material difference include, but are not limited to, those discussed in our Securities and Exchange Commission filings and other public documents, including, without limitation, our Annual Report on Form 10-K for the fiscal year ended February 23, 2007. Shareholders are urged to review these risks carefully prior to making an investment in the ETC’s common stock.

The Company cautions that the foregoing list of important factors is not exclusive. ETC does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by or on behalf of ETC.

Contact: Duane D. Deaner, CFO Tel: 215-355-9100 (ext. 1203) Fax: 215-357-4000
ETC – Internet Home Page: <http://www.etcusa.com>

HFLen Acquisition Company, LLC
Five Tower Bridge, Suite 460
300 Barr Harbor Drive
West Conshohocken, PA 19428

February 20, 2008

Mr. Howard W. Kelley
Chairman, Transaction Committee of the Board of Directors
Environmental Tectonics Corporation
County Line Industrial Park
Southampton, Pennsylvania 18966

Re: Environmental Tectonics Corporation (the "Company")

Dear Howard:

As we have briefly discussed, HFLen Acquisition Company, LLC ("HFLen"), which is currently wholly owned by H. F. Lenfest, is pleased to express our preliminary interest in pursuing the acquisition of all of the outstanding shares of the Company's common stock, \$0.05 par value per share, that at the time the acquisition is consummated are not owned by HFLen (the "Public Shares"). Based on a preliminary review, we are prepared to offer a purchase price of \$1.80 per Public Share, which represents a 20% premium to the market price for the Public Shares as of today's market close. The structure of such a transaction would need to be determined, but it would likely involve a merger between an affiliate of HFLen and the Company.

This is an indication of interest only, as we have not yet had the opportunity to complete a full review of the Company. Of course, we would expect to complete a review of the Company's business, assets and liabilities before committing HFLen to the transaction.

We expect that from the date of the Company's execution of this letter through the earlier of (i) the execution of a definitive agreement and (ii) the expiration of thirty (30) days, neither the Company nor any of its affiliates nor any of its or their respective officers, employees, directors, agents or other representatives will (a) solicit, initiate, encourage or accept any other inquiries, proposals or offers from any Person (as defined below) relating to any acquisition, merger or purchase of all or any portion of the Company (any such transaction being referred to herein as a "Business Combination") or (b) participate in any discussions, conversations, negotiations or other communications with any other Person regarding, or furnish to any other Person any information with respect to, or otherwise cooperate in any way, assist or participate in, facilitate or encourage any effort or attempt by any other Person to effect a Business Combination. Finally, the Company immediately shall cease and cause to be terminated all existing discussions, conversations, negotiations and other communications with any Persons conducted heretofore with respect to any Business Combination. As used in herein, "Person" means

Environmental Tectonics Corporation

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any individual, partnership, firm, corporation, limited liability company, association, trust, unincorporated organization or other entity, as well as any syndicate or group that would be deemed to be a person under Section 13(d)(3) of the Securities Exchange Act of 1934, as amended.

This preliminary indication of interest does not, nor is it intended to, constitute an agreement in principle or a legally binding contract, except that the provisions in the third and fourth paragraphs of this letter shall be binding on the parties hereto.

We thank you for your consideration of this letter. If you feel that this preliminary indication of interest forms the basis for further discussion and if you agree to the exclusivity provisions set forth above, please indicate by signing below and returning a copy to me. We look forward to hearing from you in a timely manner.

Sincerely,

HFLen Acquisition Company, LLC

/s/ Joy H. Tartar

Joy H. Tartar

Vice President

Acknowledged and Agreed:

ENVIRONMENTAL TECTONICS CORPORATION

By: /s/ Howard W. Kelley

Howard W. Kelley

Chairman, Transaction Committee of the Board of Directors

Date: February 21, 2008