

CIRCUIT WORLD CORPORATION**Consolidated Statements of Operations and Retained Earnings**
(in thousands of dollars except per share amounts)

	Three Months Ended	
	27-Feb-04	28-Feb-03
	(unaudited)	(unaudited)
SALES	\$ 9,478	\$ 6,072
COST OF SALES	8,075	4,294
GROSS MARGIN	1,403	1,778
EXPENSES		
Selling, general and administrative	1,322	1,057
Amortization of plant and equipment	888	383
Interest expense on long-term debt	53	-
	2,263	1,440
OPERATING EARNINGS/(LOSS)	(860)	338
RESTRUCTURING COSTS	1,200	-
(LOSS) / EARNINGS BEFORE TAX	(2,060)	338
INCOME TAX PROVISION	-	127
NET (LOSS) / EARNINGS	(2,060)	211
(DEFICIT) /RETAINED EARNINGS, BEGINNING OF PERIOD	(1,079)	948
(DEFICIT)/RETAINED EARNINGS, END OF PERIOD	\$ (3,139)	\$ 1,159
EARNINGS/(LOSS) PER SHARE	\$ (0.13)	\$ 0.02

CIRCUIT WORLD CORPORATION**Consolidated Balance Sheets****(in thousands of dollars)**

	27-Feb-04	28-Feb-03	30-Nov-03
	(unaudited)	(unaudited)	(audited)
ASSETS			
CURRENT			
Cash	\$ -	\$ 410	39
Accounts receivable	7,390	4,534	7,470
Inventories	4,928	3,076	4,824
Prepaid expenses	222	156	275
Future Income Taxes	-	110	-
	12,540	8,286	12,608
PLANT AND EQUIPMENT	11,653	6,599	12,242
FUTURE INCOME TAXES	3,515	405	3,515
PROMISSORY NOTE	1,500	-	1,500
GOODWILL	896	-	896
OTHER ASSETS	58	-	70
	\$ 30,162	\$ 15,290	\$ 30,831
LIABILITIES			
CURRENT			
Bank indebtedness	\$ 424	\$ -	
Accounts payable and accrued liabilities	7,988	3,741	7,135
Accrued restructuring	2,234	-	1,710
Current portion of long-term debt	1,497	100	1,473
Income taxes payable	208	20	208
Due to parent	-	8,605	-
	12,351	12,466	10,526
LONG-TERM DEBT	1,632	200	2,066
	13,983	12,666	12,592
SHAREHOLDERS' EQUITY			
SHARE CAPITAL - PREFERRED SHARES	10,347	1,465	10,347
SHARE CAPITAL - COMMON SHARES	2,218		2,218
CONTRIBUTED SURPLUS	6,753	-	6,753
(DEFICIT)/RETAINED EARNINGS	(3,139)	1,159	(1,079)
	16,179	2,624	18,239
	\$ 30,162	\$ 15,290	\$ 30,831

CIRCUIT WORLD CORPORATION**Consolidated Statements of Cash Flows****(in thousands of dollars)**

	Three Months Ended	
	<u>27-Feb-04</u>	<u>28-Feb-03</u>
	(unaudited)	(unaudited)
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES		
OPERATING		
Net earnings/(loss)	\$ (2,060)	\$ 211
Items not affecting cash		
Restructuring charges	1,132	-
Deferred financing	12	-
Amortization of plant and equipment	888	383
	(28)	594
Changes in non-cash operating working capital	274	484
	246	1,078
INVESTING		
Additions to plant and equipment	(299)	(874)
	(299)	(874)
FINANCING		
Bank Borrowing	424	-
Repayment of advances to parent	-	306
Repayment of long-term debt	(410)	(100)
	14	206
INCREASE IN CASH	(39)	410
CASH , BEGINNING OF PERIOD	39	-
(BANK INDEBTEDNESS) CASH, END OF PERIOD	\$ 0	\$ 410