

CIRCUIT WORLD CORPORATION
Statements of Earnings and Retained
Earnings

(in thousands of dollars except per share amounts)
(UNAUDITED)

	Three Months Ended		Year to Date	
	29-Jun-03	29-Jun-02	29-Jun-03	29-Jun-02
SALES	\$ 5,561	\$ 6,728	\$ 11,577	\$ 11,889
COST OF SALES	4,755	5,005	9,599	9,237
GROSS MARGIN	806	1,723	1,978	2,652
EXPENSES				
Selling, general and administrative	1,166	801	2,385	1,623
Amortization of plant and equipment	765	799	1,530	1,549
Interest on long-term debt	86	77	155	145
Research and development	26	12	40	39
	2,043	1,689	4,110	3,356
NET EARNINGS/(LOSS)	(1,237)	34	(2,132)	(704)
(DEFICIT) / RETAINED EARNINGS, BEGINNING OF PERIOD	(2,264)	(148)	(1,369)	590
(DEFICIT) / RETAINED EARNINGS, END OF PERIOD	\$ (3,501)	\$ (114)	\$ (3,501)	\$ (114)
EARNINGS/(LOSS) PER SHARE				
Basic and diluted	\$ (0.17)	\$ -	\$ (0.30)	\$ (0.10)

CIRCUIT WORLD CORPORATION

Balance Sheets

(in thousands of dollars)

(UNAUDITED)

	<u>29-Jun-03</u>	<u>31-Dec-02</u>
ASSETS		
CURRENT		
Cash	\$ -	\$ 1,612
Accounts receivable	3,984	4,397
Inventories	2,177	2,325
Prepaid expenses	283	95
	6,444	8,428
PLANT AND EQUIPMENT	10,524	11,849
OTHER ASSETS	108	124
	\$ 17,076	\$ 20,401
LIABILITIES		
CURRENT		
Bank Indebtedness	\$ 1,150	\$ -
Accounts payable and accrued liabilities	3,162	3,820
Current portion of long-term debt and vendor Financing	1,403	1,542
Current portion of Convertible Subordinated Debenture		790
	5,715	6,152
LONG-TERM DEBT AND VENDOR FINANCING	2,346	3,092
	8,061	9,244
SHAREHOLDERS' EQUITY		
SHARE CAPITAL	7,329	7,329
EQUITY COMPONENT OF CONVERTIBLE UNSECURED SUBORDINATED DEBENTURE	3,761	3,771
CONTRIBUTED SURPLUS	1,426	1,426
(DEFICIT)/RETAINED EARNINGS	(3,501)	(1,369)
	9,015	11,157
	\$ 17,076	\$ 20,401

CIRCUIT WORLD CORPORATION

Statements of Cash Flows

(in thousands of dollars)

(UNAUDITED)

	Three Months Ended		Year to Date	
	29-Jun-03	29-Jun-02	29-Jun-03	29-Jun-02
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES				
OPERATING				
Net earnings/(loss)	\$ (1,237)	\$ 34	\$ (2,132)	\$ (704)
Items not affecting cash				
Amortization of deferred financing costs	-	-	16	-
(Gain)Loss on disposal of plant and equipment	-	(41)	-	(54)
Amortization of plant and equipment	765	799	1,530	1,549
	(472)	792	(586)	2,547
Changes in non-cash operating working capital	116	(1,299)	(286)	(1,925)
	(356)	(507)	(872)	(1,134)
INVESTING				
Additions to plant and equipment	(34)	(488)	(205)	(965)
Proceeds on disposal of plant and equipment	-	76	-	89
	(34)	(412)	(205)	(876)
FINANCING				
Other assets	-	(50)	-	(64)
Repayment of convertible debenture	(800)	-	(800)	-
Repayment of long-term debt	(432)	(627)	(885)	(1,125)
	(1,232)	(627)	(1,685)	(1,189)
DECREASE IN CASH	(1,622)	(1,596)	(2,762)	(3,199)
CASH (BANK INDEBTEDNESS), BEGINNING OF PERIOD	472	3,135	1,612	4,738
CASH, END OF PERIOD	\$ (1,150)	\$ 1,539	\$ (1,150)	\$ 1,539
DISCLOSURE OF CASH PAYMENTS				
Interest	\$ 93	\$ 80	\$ 155	\$ 145