FIRAN TECHNOLOGY GROUP CORPORATION
Consolidated Balance Sheets
(in thousands of dollars)

ASSETS	25-Feb-05 (unaudited)	27-Feb-04 (unaudited)	30-Nov-04 (audited)
CURRENT			
Cash	$ 2,126	$ -	$ 2,870
Accounts receivable	8,440	7,390	6,867
Inventories	7,082	4,928	4,363
Promissory note	1,500	-	1,500
Prepaid expenses	196	222	396
	19,344	12,540	15,996
PLANT AND EQUIPMENT	9,821	11,653	9,923
FUTURE INCOME TAXES	3,684	3,515	3,684
PROMISSORY NOTE	-	1,500	-
GOODWILL	4,214	896	1,039
OTHER ASSETS	204	58	177
	$ 37,267	$ 30,162	$ 30,819
LIABILITIES			
CURRENT			
Bank indebtedness	$ 76	$ 424	$ -
Accounts payable and accrued liabilities	8,482	7,988	7,059
Accrued restructuring and severance (Note 6,7)	189	2,234	663
Current portion of long-term debt and capitalized leases (Note 4)	3,023	1,497	2,248
Income taxes payable	211	208	-
	11,981	12,351	9,970
LONG-TERM DEBT AND CAPITALIZED LEASES (Note 4)	5,406	1,632	2,756
	17,387	13,983	12,726
SHAREHOLDERS' EQUITY			
SHARE CAPITAL - COMMON SHARES (Note 5(a))	12,695	10,347	10,347
SHARE CAPITAL - PREFERRED SHARES (Note 5(b))	2,218	2,218	2,218
CONTRIBUTED SURPLUS (Note 5(c))	7,508	6,753	6,798
CUMULATIVE TRANSLATION ADJUSTMENT	(3)	-	-
DEFICIT	(2,538)	(3,139)	(1,270)
	19,880	16,179	18,093
	$ 37,267	$ 30,162	$ 30,819

FIRAN TECHNOLOGY GROUP CORPORATION
Consolidated Statements of Deficit
(in thousands of dollars)

	25-Feb-05 (unaudited)	27-Feb-04 (unaudited)	30-Nov-04 (audited)
Deficit, beginning of period	(1,270)	(1,079)	(1,079)
Net loss for the period	(981)	(2,060)	(191)
Change in accouting policy (Note 2)	(287)	-	-
Deficit, end of period	$ (2,538)	$ (3,139)	$ (1,270)

FIRAN TECHNOLOGY GROUP CORPORATION
Consolidated Statements of Operations
(in thousands of dollars except per share amounts)

	Three Months Ended	
	25-Feb-05	27-Feb-04
	(unaudited)	(unaudited)
SALES	$ 12,031	$ 9,478
COST OF SALES	9,948	8,075
	2,083	1,403
EXPENSES		
Selling, general and administrative	1,715	1,322
Amortization of plant and equipment	905	888
Interest expense on long-term debt	118	53
	2,738	2,263
OPERATING LOSS BEFORE UNDERNOTED	(655)	(860)
SEVERANCE COSTS (Note7)	276	1,200
OPERATING LOSS BEFORE TAX	(931)	(2,060)
INCOME TAX PROVISION	50	-
NET LOSS	(981)	(2,060)
LOSS PER SHARE		
Basic and diluted	$ (0.06)	$ (0.13)

FIRAN TECHNOLOGY GROUP CORPORATION
Consolidated Statements of Cash Flows
(in thousands of dollars)

	Three Months Ended 25-Feb-05 (unaudited)	Three Months Ended 27-Feb-04 (unaudited)
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES		
OPERATING		
Net loss	$ (981)	$ (2,060)
Items not affecting cash		
Stock based compensation expense	48	-
Amortization of other assets	9	12
Amortization of plant and equipment	905	888
	(19)	(1,160)
Changes in non-cash operating working capital	(324)	1,406
	(343)	246
INVESTING		
Acquisition of Young Electronics (Note 3)	(6,202)	-
Additions to plant and equipment	(359)	(299)
	(6,561)	(299)
FINANCING		
Issuance of share capital (Note 3)	2,723	-
New term loan financing	3,526	-
Bank borrowings	76	424
Increase in deferred financing cost	(35)	-
Repayment of long-term debt and capitalized leases	(124)	(410)
	6,166	14
Effects of exchange rate changes on cash	(6)	-
DECREASE IN CASH	(744)	(39)
CASH , BEGINNING OF PERIOD	2,870	39
CASH, END OF PERIOD	$ 2,126	$ -
DISCLOSURE OF CASH PAYMENTS		
Payment of interest	$ 98	$ 53
Payment of income tax	-	-

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

1. Accounting Policies

The accompanying unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles on a basis consistent with those followed in the 2004 audited financial statements of Firan Technology Group Corporation. These unaudited interim consolidated financial statements do not include all the information and note disclosures required by Canadian generally accepted accounting principles for annual financial statements and therefore should be read in conjunction with the said audited financial statements and the notes below.

2. Change in Accounting Policy

Effective December 1, 2004, the Company adopted the amended recommendations in CICA Handbook Section 3870 ("Section 3870"), "Stock Based Compensation and Other Stock-Based Payments" which require fair value accounting for employee awards granted on or after February 1, 2002. As a result, the Company has recorded stock-based compensation of $48,000 in the consolidated results of operations for the three-month period ending February 25, 2005 in selling, general and administrative costs.

Based on the transitional provisions of Section 3870, the Company restated the opening deficit for employee awards that was previously included in the Canadian GAAP pro forma note disclosures for 2004, 2003 and 2002 amounting to $287,000.

3. Acquisition Of Young Electronics ("FTG Circuits - Chatsworth" and "Chatsworth")

On December 10, 2004, the Company acquired from Ambitech International Inc. all of the shares of SnS Enterprises Inc. (operating as Young Electronics), a U.S. printed circuit board manufacturer based in Los Angeles, California. FTG financed the cash purchase price of US$5,000,000 by a combination of a private placement of units of FTG consisting of common shares and warrants, and secured bank debt.

To facilitate the financing of the transaction, the Company completed a private placement and obtained new secured bank debt. The private placement offering consisting of 2,142,600 units for gross proceeds of approximately C$3,000,000 (C$1.40 per unit). Each unit is comprised of one common share in the capital of FTG and one-half common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of C$1.75 until December 10, 2006.

The secured bank debt consists of a US$3,000,000 term facility and a US$1,000,000 revolving operating facility made available to SnS Enterprises on normal commercial terms and guaranteed by FTG (See Note 4).

The preliminary allocation of the purchase price is as follows:

Fair value of identifiable net assets:

Accounts receivable	$ 2,116,000
Inventory	1,975,000
Plant and equipment	440,000
Prepaids	89,000
Accounts payable	(1,571,000)
Capital lease	(22,000)
Goodwill	3,175,000
Purchase price	$6,202,000

4. Long-Term Debt

	25-Feb-05	30-Nov-04
	(000's)	
Promissory notes, interest free, repayable at $100,000 annually to acquire certain assets	$ 100	$ 200
Term loan secured by a first charge on certain property, with interest at bank prime plus 2.00%, payable in monthly payments of interest only at $ 7,200 to July 30, 2005	1,500	1,500
Term loan in U.S. dollars secured by a first charge on certain property, with interest at bank prime plus 2.35%, payable in monthly payments of interest and principal payments of U.S. $50,000 due November 30, 2006.	3,553	
Capital leases in U.S. dollars for certain manufacturing equipment, with interest at 6.0%, payable in blended monthly interest and principal payments of U.S. $58,712 to July 19, 2006.	3,276	3,304
	8,429	5,004
Less amounts due within one year	3,023	2,248
	$ 5,406	$ 2,756

Machinery and equipment includes assets under capital lease with a cost of $8,292,000 and accumulated amortization of $5,260,000 at February 25, 2005.

The Company entered into a new U.S credit facility to help facilitate the acquisition and support the ongoing operations of Chatsworth. The US$4,000,000 facility is made up of both operating and term facilities. The term loan is in the amount US$3,000,000 and is for a term of two years, expiring November 30, 2006, with a five-year loan amortization at bank rate plus 2.35%. The US$1,000,000 operating line is for a term of one year, expiring November 30, 2005 and is at bank rate plus 0.5%. Chatsworth was drawn CDN$76,000 at February 25, 2005. All current and future borrowings are secured by a first charge on all assets of the Company.

Principal payments required on long-term debt in each of the next two years are as follows:

(thousands of dollars)	
2005	$ 3,023
2006	5,406
	$ 8,429

5. Share Capital

(a) Common Shares

	2005	
	Number of Shares	Stated Capital (000's)
Balance, beginning of year	15,657,627	$ 10,347
Issuance of new shares	2,142,600	2,348
Balance, as at February 25, 200	17,800,227	$ 12,695

In connection with the purchase of Chatsworth (see Note 3), the Company completed a private placement offering consisting of 2,142,600 units for gross and net proceeds of $3,000,000 ($1.40 per unit) and $2,723,000 respectively. Each unit is comprised of one common share in the capital of FTG and one-half common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of $1.75 until December 10, 2006. The fair value of the warrants issued was estimated at the date of the grant using the Black-Scholes valuation model with the following assumptions: risk-free rate of 5%; expected life of two years; volatility of 55% and a dividend yield of nil. The fair value of the warrants was determined to be $0.35 per warrant resulting in a fair value of $375,000. This amount was recorded to contributed surplus and a reduction of share capital.

(b) Convertible Preferred Shares

The Company has 1,775,000 voting convertible preferred shares outstanding. The voting convertible preferred shares have the same voting rights as common shares, will pay no dividends and are convertible into common shares of the Company on a one for one basis for no additional proceeds.

(c) Contributed Surplus

(in thousands of dollars)

	2005
Balance, beginning of year	6,798
Change in accounting policy (Note 2)	287
Stock option expense - current period	48
Issuance of warrants	375
Balance, as at February 25, 2005	7,508

6. Restructuring

The Company recorded a $2,567,000 restructuring charge in the third quarter of 2003 related to the integration of Firan Technology Group Corporation Inc. with Circuit World Corporation. The restructuring costs are comprised of workforce reduction costs of $1,205,000 related to employee severances and benefits; charges of $884,000 related to redundant assets; $250,000 for relocation costs and $228,000 for data migration.

A continuity of the restructuring accrual is as follows:

(000's)	**Severance and benefits**	**Redundant assets**	**Relocation costs**	**Data migration**	**Total**
Initial Charge August 2003	**$1,205**	**$884**	**$250**	**$228**	**$2,567**
Payments or draw down during the period	(85)	(884)	(53)	(77)	**($1,099)**
November 30, 2003	**1,120**	-	**197**	**151**	**$1,468**
Payments or draw down during the first quarter of 2004	(249)		(30)	(159)	**(438)**
Revision to previous estimates	-	(313)	(45)	45	**(313)**
Payments or draw down the last nine months of 2004	(568)	313	(102)	(37)	**(394)**
November 30, 2004	**$303**	-	**$20**	-	**$323**
Payments or draw down during the period	**(130)**	-	**(5)**	-	**(135)**
February 25, 2005	173	-	15	-	188

7. Severance Costs

During the first quarter of 2004 Firan Technology Group Corporation terminated the employment of several individuals. It is estimated the cost of these terminations will total $1,200,000 with $898,000 paid out in the 2004 and the remaining $302,000 to be paid in 2005. These costs relate to the merger occurring in 2003. In addition, $38,000 of severance liabilities unrelated to the merger remains outstanding at year-end. The total severance obligation outstanding at February 25, 2005 is $1,000 ($1,103,000 in 2004).

The Company incurred additional severance costs of $276,000 during the quarter. This amount was included in accrued liabilities.

8. Segmented Information

The Company reports segmented information based on the two operating segments within the Corporation.

Three Months Ended (in thousands of dollars)	Operating Segments 25-Feb-05			27-Feb-04		
	Circuits	Aerospace	Total	Circuits	Aerospace	Total
Sales	$ 9,974	$ 2,057	$12,031	$ 7,794	$ 1,684	$9,478
Amortization of plant and equipment	825	80	905	800	88	888
Interest expense on long-term debt	118	-	118	54	(1)	53
Income tax provision/(recovery)	100	(50)	50	-	-	0
Net (loss)/earnings	(1,055)	74	(981)	(2,149)	89	(2,060)
Segment assets	31,015	6,252	37,267	23,701	6,461	30,162
Goodwill	4,214	-	4,214	896	-	896
Additions to plant and equipment	221	138	359	289	10	299

Geographic Location *Three Months Ended* (in thousands of dollars)	**February 25, 2005** Canada	United States	Total
Sales	8,676	3,355	12,031
Goodwill	1,039	3,175	4,214
Segment Assets	28,889	8,378	37,267

Three Months Ended (in thousands of dollars)	**February 27, 2004** Canada	United States	Total
Sales	9,478	-	9,478
Goodwill	896	-	896
Segment Assets	30,162	-	30,162

9. Stock Based Compensation

For the first quarter of 2005, the Company recognized a compensation expense in the consolidated statement of operations of approximately $48,000 for stock options awarded. Of this amount, $16,500 relates to 30,000 options granted during the first quarter of 2005. The remainder of the amount relates to amortization of compensation expense for options granted in 2004 and 2003. This amount was expensed in the current period and credited to contributed surplus. The fair value of options granted was estimated at the date of the grant using the Black-Scholes valuation model with the following assumptions: risk-free rate of 5%; expected life of three years; volatility of 55% and a dividend yield of nil. During the first quarter of 2005, 30,000 options were granted with a fair value of $0.55 per option.

10. Foreign Currency Risk

As at February 25, 2005 the Company had entered into U.S. dollar forward sales contracts maturing in 2005 of U.S.$3,000,000 at rates between 1.19 and 1.23. The fair value and unrealized loss of the contracts was $93,000 and was recorded in the consolidated statement of operations as an increase in selling, general and administration costs.

11. Comparative Figures

Certain comparative figures have been reclassified to conform to the current period's presentation.