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BRAKE PRO LTD.
 Income Statement in CAN\$ for the Period 2006-12
 (Printed 18 JUL 2007) - Format (IS1)
 Company = 01, Division = 1

	CURRENT MTD -----	CURRENT YTD -----	PRIOR-PD MTD -----	PRIOR-PD YT -----
Gross Sales				
Canadian Sales				
Block	<842,221.78>	<11,063,890.55>	<678,726.47>	<10,221,668.77>
Transit	<109,461.44>	<1,119,724.74>	<85,298.87>	<1,010,263.30>
Segments	<18,129.74>	<218,613.21>	<12,179.44>	<200,483.47>
Integra	<16,459.18>	<680,618.82>	<62,022.96>	<664,159.64>
New Lined Shoes	0.00	<135,353.40>	0.00	<135,353.40>
Relined Shoes	0.00	0.00	0.00	0.00
Relined Block	0.00	0.00	0.00	0.00
Disc Pads	<14,207.85>	<340,718.11>	<23,515.45>	<326,510.26>
Misc.	0.00	<9,816.00>	0.00	<9,816.00>
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	<1,000,479.99>	<13,568,734.83>	<861,743.19>	<12,568,254.84>
US Sales				
Block	<877,409.15>	<15,815,485.16>	<1,003,591.43>	<14,938,076.01>
Transit	<335,336.89>	<3,624,451.96>	<226,182.68>	<3,289,115.07>
Segments	<34,750.09>	<704,472.05>	<40,401.37>	<669,721.96>
Integra	<160,113.42>	<1,813,814.20>	<150,431.01>	<1,653,700.78>
New Lined Shoes	<36,041.71>	<485,348.93>	<68,130.08>	<449,307.22>
Relined Shoes	<64,468.98>	<1,056,999.28>	<46,816.71>	<992,530.30>
Relined Block	0.00	0.00	0.00	0.00
Disc Pads	<9,662.23>	<312,555.43>	<21,447.92>	<302,893.20>
Misc.	<2,073.97>	<62,624.57>	<5,248.49>	<60,550.60>
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	<1,519,856.44>	<23,875,751.58>	<1,562,249.69>	<22,355,895.14>
Export Sales				
Block	0.00	<60,676.12>	<2,733.90>	<60,676.12>
Transit	0.00	0.00	0.00	0.00
Segments	0.00	0.00	0.00	0.00
Integra	0.00	0.00	0.00	0.00
New Lined Shoes	0.00	<25,386.60>	<2,342.00>	<25,386.60>
Relined Shoes	0.00	0.00	0.00	0.00
Relined Block	0.00	0.00	0.00	0.00
Disc Pads	0.00	0.00	0.00	0.00
Misc.	0.00	0.00	0.00	0.00
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	0.00	<86,062.72>	<5,075.90>	<86,062.72>
Total Gross Sales				
	<2,520,336.43>	<37,530,549.13>	<2,429,068.78>	<35,010,212.70>
Cash Discounts				
	34,215.36	611,557.02	47,113.50	577,341.66
Sales Returns & Allowances				
	22,624.20	560,742.51	87,111.20	538,118.31
Sales Rebates				
	45,679.00	906,042.95	58,105.00	860,363.95
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Net Sales	<2,417,817.87>	<35,452,206.65>	<2,236,739.08>	<33,034,388.78>

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	CURRENT MTD -----	CURRENT YTD -----	PRIOR-PD MTD -----	PRIOR-PD YT -----
Standard Cost of Goods Sold				
Material	857,508.02	12,693,197.17	896,744.47	11,835,689.15
Labour	285,116.83	4,486,562.77	275,354.76	4,201,445.94
Overhead	552,621.42	8,716,909.02	543,323.37	8,164,287.60
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Total Standard COGS	1,695,246.27	25,896,668.96	1,715,422.60	24,201,422.69
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Standard Margin	<722,571.60>	<9,555,537.69>	<521,316.48>	<8,832,966.09
	-----	-----	-----	-----
Manufacturing Variances				
Material				
Purchase Price Variance	51,883.26	62,679.62	18,771.52	10,796.36
Invoice Price Variance	1,226.18	<23,998.61>	<3,062.59>	<25,224.79
IPV - Exchange Variance	0.00	<7,286.06>	687.80	<7,286.06
Applied Material Burden	0.00	0.00	0.00	0.00
Actual Material Burden	0.00	0.00	0.00	0.00
Discounts on Purchases	0.00	0.00	0.00	0.00
	-----	-----	-----	-----
P.P.V.	53,109.44	31,394.95	16,396.73	<21,714.49
Manufactured Block - PPV	11,239.51	734.88	10,092.92	<10,504.63
Material Usage				
Inventory Adjustments	52,018.23	790,751.75	73,081.87	738,733.52
Inventory Revaluation	<14,488.19>	3,860.09	4,968.22	18,348.28
Material Recycle	<4,390.10>	<114,590.74>	<10,074.80>	<110,200.64
Material Variances	0.00	0.00	0.00	0.00
Transfer Error	<3.44>	0.00	3.30	3.44
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Total Material Variances	97,485.45	712,150.93	94,468.24	614,665.48
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Direct Labour				
Actual Direct Labour Spent				
Mixing				
Direct Lab	13,797.87	269,774.24	17,214.56	255,976.37
Direct Lab - O/T	103.88	11,068.94	104.24	10,965.06
Direct Lab - Benfts	3,950.88	105,455.75	6,499.69	101,504.87
Preform				
Direct Lab	13,996.55	265,577.98	16,537.63	251,581.43
Direct Lab - O/T	0.00	8,265.76	0.00	8,265.76
Direct Lab - Benfts	3,593.89	90,824.56	5,503.07	87,230.67
Press				
Direct Lab	63,622.25	1,235,006.96	78,833.35	1,171,384.71
Direct Lab - O/T	0.00	34,554.99	31.44	34,554.99
Direct Lab - Benfts	18,756.16	472,145.35	29,629.46	453,389.19
Grinding				
Direct Lab	48,876.64	955,551.10	67,605.20	906,674.46
Direct Lab - O/T	164.34	28,136.19	59.76	27,971.85
Direct Lab - Benfts	12,847.25	343,529.71	23,227.03	330,682.46
Drilling				
Direct Lab	22,420.21	440,941.59	28,679.13	418,521.38

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	CURRENT MTD	CURRENT YTD	PRIOR-PD MTD	PRIOR-PD YT
Direct Lab - O/T	31.75	11,578.30	0.00	11,546.55
Direct Lab - Benfts	7,568.09	176,150.42	11,244.31	168,582.33
Packaging				
Direct Lab	23,207.69	381,682.31	25,210.32	358,474.62
Direct Lab - O/T	194.84	8,443.45	0.00	8,248.61
Direct Lab - Benfts	5,310.47	126,457.51	8,129.27	121,147.04
Riveting				
Direct Lab	2,655.88	30,805.40	2,523.20	28,149.52
Direct Lab - O/T	0.00	278.47	0.00	278.47
Direct Lab - Benfts	623.14	11,404.07	983.97	10,780.93
	241,721.78	5,007,633.05	322,015.63	4,765,911.27
Std Direct Labour Applied				
Mixing	<13,574.61>	<263,869.89>	<17,072.95>	<250,295.28
Preform	<16,560.84>	<325,570.99>	<20,344.70>	<309,010.15
Press	<79,885.42>	<1,669,180.81>	<107,428.36>	<1,589,295.39
Grinding	<45,586.73>	<895,123.79>	<61,292.90>	<849,537.06
Drilling	<23,535.74>	<450,957.83>	<32,668.63>	<427,422.09
Packaging	<22,807.15>	<409,242.43>	<27,439.69>	<386,435.28
Riveting	<711.29>	<9,758.76>	<907.57>	<9,047.47
	<202,661.78>	<4,023,704.50>	<267,154.80>	<3,821,042.72
Direct Labour Variance	39,060.00	983,928.55	54,860.83	944,868.55
Labour Var W/O	0.00	0.00	0.00	0.00
Total Direct Labour Variance	39,060.00	983,928.55	54,860.83	944,868.55
Manufacturing Overhead				
Actual Var. Overhead Spent				
Indirect Labour				
Leadhands				
HRLY-Ind	36,690.68	612,554.41	43,880.57	575,863.73
HRLY-Ind O/T	624.56	25,266.56	676.72	24,642.00
HRLY-Ind Benft	9,569.29	230,748.61	15,873.77	221,179.32
	46,884.53	868,569.58	60,431.06	821,685.05
Quality Assurance				
HRLY-Ind	8,610.21	199,878.58	12,491.26	191,268.37
HRLY-Ind O/T	118.73	15,057.11	35.18	14,938.38
HRLY-Ind Benft	2,354.02	78,166.45	4,504.99	75,812.43
	11,082.96	293,102.14	17,031.43	282,019.18
Maintenance				
HRLY-Ind	27,498.71	451,994.05	33,603.19	424,495.34
HRLY-Ind O/T	243.30	12,235.74	140.04	11,992.44
HRLY-Ind Benft	5,911.03	157,907.84	9,466.90	151,996.81
	33,653.04	622,137.63	43,210.13	588,484.59
Other				
Material Reclaim				
HRLY-Ind	3,892.96	81,660.20	7,290.77	77,767.24
HRLY-Ind O/T	0.00	1,828.96	7.47	1,828.96

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	CURRENT MTD	CURRENT YTD	PRIOR-PD MTD	PRIOR-PD YT
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HRLY-Ind Benft	1,046.90	29,277.33	2,567.48	28,230.43
Material Handling				
HRLY-Ind	21,266.39	269,672.05	21,933.55	248,405.66
HRLY-Ind O/T	831.20	9,158.82	561.99	8,327.62
HRLY-Ind Benft	5,918.95	99,993.67	8,232.17	94,074.72
Training				
HRLY-Ind	<48.51>	15,365.55	121.83	15,414.06
HRLY-Ind O/T	0.00	98.78	0.00	98.78
HRLY-Ind Benft	<32.10>	5,426.18	22.38	5,458.28
HRLY-Ind Cont	0.00	0.00	0.00	0.00
Paid Leave				
HRLY-Ind	62.88	21,607.24	2,992.26	21,544.36
HRLY-Ind O/T	0.00	92.65	0.00	92.65
HRLY-Ind Benft	5.82	6,054.84	812.60	6,049.02
HRLY-Ind Cont	0.00	0.00	0.00	0.00
Modified Duty				
HRLY-Ind	4,891.12	103,654.86	4,032.86	98,763.74
HRLY-Ind O/T	0.00	93.31	0.00	93.31
HRLY-Ind Benefit	885.84	28,823.90	1,102.24	27,938.06
Heat Brake				
HRLY-Ind	0.00	3,322.49	0.00	3,322.49
HRLY-Ind O/T	0.00	113.76	0.00	113.76
HRLY-Ind Benft	0.00	720.00	0.00	720.00
HRLY-Ind Cont	0.00	0.00	0.00	0.00
Cycle Count				
HRLY-Ind	15.72	11,400.61	10,259.18	11,384.89
HRLY-Ind O/T	0.00	436.78	428.55	436.78
HRLY-Ind Benft	1.46	2,281.90	1,963.08	2,280.44
HRLY-Ind Cont	0.00	0.00	0.00	0.00
Union Affairs				
HRLY-Ind	170.31	1,217.81	327.14	1,047.50
HRLY-Ind O/T	0.00	25.61	17.20	25.61
HRLY-Ind Benft	0.00	12.88	12.88	12.88
HRLY-Ind Cont	0.00	0.00	0.00	0.00
Union Affairs Recoverable				
HRLY-Ind	0.00	<6,956.66>	1,055.12	<6,956.66
HRLY-Ind O/T	0.00	0.00	0.00	0.00
HRLY-Ind Benft	15.75	<851.41>	265.32	<867.16
HRLY-Ind Cont	0.00	0.00	0.00	0.00
Team Meetings				
HRLY-Ind	50.97	3,652.23	156.09	3,601.26
HRLY-Ind O/T	24.66	200.76	2.06	176.10
HRLY-Ind Benft	7.00	862.67	29.05	855.67
HRLY-Ind Cont	0.00	0.00	0.00	0.00
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	39,007.32	689,247.77	64,193.27	650,240.45
Freight - In	6,959.48	221,658.82	20,245.86	214,699.34
D&B + Packaging	2,487.62	50,827.26	10,023.23	48,339.64
Equipment Repairs & Maint	36,853.64	351,509.55	31,247.42	314,655.91

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	CURRENT MTD	CURRENT YTD	PRIOR-PD MTD	PRIOR-PD YT
Building Rep & Maint	626.14	67,570.96	3,977.70	66,944.82
Factory Expenses				
Waste Removal	13,573.48	192,870.03	12,302.77	179,296.55
Fork Truck/ Propane	1,949.99	32,038.59	2,086.51	30,088.60
Leasing Equipment	14,096.89	96,840.47	8,902.92	82,743.58
Fork Truck R & M	984.72	49,373.53	2,032.01	48,388.81
Equipment Rental	0.00	0.00	0.00	0.00
Cleaning Uniform	6,871.95	103,239.04	7,636.80	96,367.09
Safety Supplies	12,311.95	217,931.11	18,255.64	205,619.16
Degreasing Charge	0.00	13,846.45	0.00	13,846.45
Other Factory Expenses	5,300.13	83,539.23	2,644.02	78,239.10
Manufacturing Supplies				
Drill Bit Replacement	10,638.50	181,635.04	12,857.50	170,996.54
Wearline Inserts	7,352.00	23,833.21	0.00	16,481.21
Mold Release	0.00	0.00	0.00	0.00
Grinding Stones	0.00	48,012.52	5,172.44	48,012.52
MTC. Supplies	0.00	0.00	0.00	0.00
Packaging Supplies	4,971.63	128,607.26	12,117.44	123,635.63
Supplies	5,935.74	169,885.94	20,184.61	163,950.20
Utilities				
Water	727.36	12,241.15	500.00	11,513.79
Gas	8,519.57	79,423.99	8,379.26	70,904.42
Hydro	<41,090.18>	457,706.67	41,391.70	498,796.85
Warranty Provision	2,445.07	39,623.84	3,585.46	37,178.77
Other				
QA - Supplies	511.00	4,169.08	0.00	3,658.08
QA - Testing Charges	2,449.50	25,144.51	828.97	22,695.01
QA - Material	0.00	0.00	0.00	0.00
QA - Other Expenses	<370.34>	7,270.02	482.97	7,640.36
QA - Invent. Adjustments	215.15	3,151.47	285.65	2,936.32
Medical	1,000.00	22,482.93	2,994.24	21,482.93
Total Actual Var. Overhead	235,948.84	5,157,489.79	413,001.01	4,921,540.95
Variable O/H Absorption				
Mixing	<39,292.17>	<763,706.09>	<49,413.50>	<724,413.92
Preform	<37,611.88>	<738,533.74>	<46,147.45>	<700,921.86
Press	<59,060.62>	<1,228,939.45>	<79,077.98>	<1,169,878.83
Grinding	<58,005.57>	<1,129,012.47>	<77,271.79>	<1,071,006.90
Drilling	<43,241.62>	<828,287.89>	<60,002.50>	<785,046.27
Packaging	<18,482.77>	<331,535.99>	<22,229.04>	<313,053.22
Riveting	<352.09>	<4,830.47>	<449.23>	<4,478.38
	<256,046.72>	<5,024,846.10>	<334,591.49>	<4,768,799.38
Variable O/H Variance	<20,097.88>	132,643.69	78,409.52	152,741.57
Variable O/H Var W/O	0.00	0.00	0.00	0.00

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Total Variable O/H Variance	<20,097.88>	132,643.69	78,409.52	152,741.57
Actual Fixed O/H Spent				
Salaries				
Production	52,449.92	706,478.10	52,579.36	654,028.18
Quality Assurance	9,259.72	120,489.13	9,259.72	111,229.41
Maint & Eng.-Salary	20,681.72	258,546.20	18,893.42	237,864.48
Maint & Eng.-Consulting	0.00	0.00	0.00	0.00
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	82,391.36	1,085,513.43	80,732.50	1,003,122.07
Benefits				
Production	4,691.67	111,398.30	5,635.98	106,706.63
Quality Assurance	787.83	20,508.97	937.11	19,721.14
Maintenance & Engineering	1,374.00	36,837.38	1,763.02	35,463.38
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	6,853.50	168,744.65	8,336.11	161,891.15
Cleaners				
HRLY-Ind & Cont	9,076.37	155,813.51	12,496.28	146,737.14
HRLY-Ind & Cont O/T	0.00	6,417.66	163.38	6,417.66
HRLY-Benft	1,174.84	51,952.75	4,044.50	50,777.91
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	10,251.21	214,183.92	16,704.16	203,932.71
Depreciation				
M&E / D&M	102,288.90	1,052,283.66	86,854.46	949,994.76
Material Handling	0.00	0.00	0.00	0.00
Quality Assurance	828.28	9,780.74	816.84	8,952.46
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	103,117.18	1,062,064.40	87,671.30	958,947.22
Rent Plant				
Rent 250 Doney Crec.	38,731.70	464,780.40	38,731.70	426,048.70
Rent Allocation	<13,720.00>	<164,640.00>	<13,720.00>	<150,920.00
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	25,011.70	300,140.40	25,011.70	275,128.70
Reality Tax	15,281.12	151,968.56	<12,700.34>	136,687.44
Business Tax	0.00	0.00	0.00	0.00
Insurance - Comm. & Prop.	19,435.21	251,913.40	19,435.21	232,478.19
Fixed Utilities				
Hydro	10,000.00	120,000.00	10,000.00	110,000.00
Gas	16,000.00	89,000.00	8,000.00	73,000.00
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	26,000.00	209,000.00	18,000.00	183,000.00
Fixed O/H Allocated	0.00	0.00	0.00	0.00
Rent Outside	0.00	0.00	0.00	0.00
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Actual Fixed O/H Spent	288,341.28	3,443,528.76	243,190.64	3,155,187.48
Std Fixed O/H Applied Fixed O/H Absorption	<186,092.50>	<3,719,908.85>	<242,622.99>	<3,533,816.35>
Fixed O/H Applied Total	<186,092.50>	<3,719,908.85>	<242,622.99>	<3,533,816.35>
Total Act. Fixed O/H Variance	102,248.78	<276,380.09>	567.65	<378,628.87>
Fixed O/H Variances W/O	0.00	0.00	0.00	0.00
Total Act. Fixed O/H Variance	102,248.78	<276,380.09>	567.65	<378,628.87>
Other Manufacturing Variances Std to Actual Adj - FIFO Other Inv Adj - Prod. Obsol.	18,934.15 0.00	<286,467.83> 0.00	19,694.59 0.00	<305,401.98> 0.00
	18,934.15	<286,467.83>	19,694.59	<305,401.98>
Total Manufacturing Variances	237,630.50	1,265,875.25	248,000.83	1,028,244.75
Gross Margin	<484,941.10>	<8,289,662.44>	<273,315.65>	<7,804,721.34>
Operating Expenses				
Warehouse & Delivery				
HRLY Lab - Ind	6,651.02	116,791.78	9,300.74	110,140.76
HRLY Lab - Ind O/T	675.96	7,223.93	756.53	6,547.97
HRLY Lab - Ind Benfts	1,870.85	44,584.13	3,566.10	42,713.28
HRLY Lab - Ind Contract	0.00	0.00	0.00	0.00
HRLY Lab - Ind Cont. O/T	0.00	0.00	0.00	0.00
Salaries	7,356.25	94,478.22	7,237.26	87,121.97
Salaries - Benft	1,013.27	16,218.89	825.28	15,205.62
Salaries - Temp	0.00	0.00	0.00	0.00
Supplies	6,430.62	109,697.71	5,520.40	103,267.09
Supplies - Dependable	0.00	0.00	0.00	0.00
Rent Allocation	10,173.00	122,076.00	10,173.00	111,903.00
Rent - Outside	6,174.00	45,548.00	13,160.00	39,374.00
Deprn - Truck	331.70	3,482.36	331.69	3,150.66
Duty Brokerage Out	1,398.81	23,426.97	1,972.88	22,028.16
Freight Out	105,406.68	1,921,585.56	222,649.55	1,816,178.88
Freight Out - Billed in A/R	0.00	0.00	0.00	0.00
Freight on Returned Goods	61.96	9,691.61	477.71	9,629.65
Freight Discount	0.00	0.00	0.00	0.00
Leasing Equipment	0.00	0.00	0.00	0.00
Equipment Rental	0.00	0.00	0.00	0.00
Allocated Fixed O/H	0.00	0.00	0.00	0.00
Depreciation Expenses	89.41	1,423.98	89.38	1,334.57

BRAKE PRO LTD.
 Income Statement in CAN\$ for the Period 2006-12
 (Printed 18 JUL 2007) - Format (IS1)
 Company = 01, Division = 1

	CURRENT MTD	CURRENT YTD	PRIOR-PD MTD	PRIOR-PD YTD
	-----	-----	-----	-----
Amort. Leasehold Improve.	0.00	0.00	0.00	0.00
Other Expenses	0.00	0.00	0.00	0.00
Equipment R & M	0.00	310.35	0.00	310.35
	-----	-----	-----	-----
	147,633.53	2,516,539.49	276,060.52	2,368,905.96
California Warehouse				
Salaries	0.00	0.00	0.00	0.00
Salaries - Benft	0.00	0.00	0.00	0.00
Supplies	0.00	0.00	0.00	0.00
Water	0.00	0.00	0.00	0.00
Gas	0.00	0.00	0.00	0.00
Hydro	0.00	0.00	0.00	0.00
Rent - Monthly	0.00	0.00	0.00	0.00
Business Tax	0.00	0.00	0.00	0.00
Freight Out	0.00	0.00	0.00	0.00
Equipment Rental	0.00	0.00	0.00	0.00
Telephone & Fax	0.00	0.00	0.00	0.00
Postage	0.00	0.00	0.00	0.00
Other Expenses	0.00	0.00	0.00	0.00
	-----	-----	-----	-----
	0.00	0.00	0.00	0.00
Kennesaw Warehouse				
Salaries - US	3,179.12	37,027.77	3,278.96	33,848.65
Salaries - US - Benft	1,961.92	24,014.24	2,240.76	22,052.32
Salaries - US - Temp	0.00	0.00	0.00	0.00
Supplies	0.00	0.00	0.00	0.00
Waste Removal	73.05	935.87	144.81	862.82
Water	0.00	0.00	0.00	0.00
Gas	500.00	6,425.17	341.48	5,925.17
Hydro	400.00	4,333.27	304.23	3,933.27
Rent - Monthly	2,552.66	30,234.65	2,518.34	27,681.99
Building R & M	0.00	0.00	0.00	0.00
Business Tax	0.00	120.25	0.00	120.25
Realty Tax	0.00	0.00	0.00	0.00
Rent - Outside	0.00	0.00	0.00	0.00
Duty Brokerage Out	0.00	0.00	0.00	0.00
Freight Out	67.41	7,783.59	1,664.72	7,716.18
Freight on Returned Goods	0.00	0.00	0.00	0.00
Freight Discount	0.00	0.00	0.00	0.00
Leasing Equipment	0.00	0.00	0.00	0.00
Equipment Rental	0.00	0.00	0.00	0.00
Depreciation Expenses	0.00	0.00	0.00	0.00
Other Expenses	0.00	0.00	0.00	0.00
Equipment R & M	0.00	750.80	0.00	750.80
	-----	-----	-----	-----
	8,734.16	111,625.61	10,493.30	102,891.45
Selling Expenses				
Salaries - CDN Sales	17,285.18	222,036.34	17,285.18	204,751.16
Salaries - CDN Sales - Benft	1,381.38	35,375.40	1,645.49	33,994.02
Salaries - CDN Cust. Ser.	12,011.22	157,771.20	12,011.23	145,759.98
Salaries - CDN Cust. Ser. Benft	1,151.86	26,934.58	1,523.71	25,782.72
Salaries - CDN Cust. Ser.-Temp	0.00	0.00	0.00	0.00
Salaries - US Sales	72,482.48	875,726.19	71,508.42	803,243.71

BRAKE PRO LTD.
 Income Statement in CAN\$ for the Period 2006-12
 (Printed 18 JUL 2007) - Format (IS1)
 Company = 01, Division = 1

	CURRENT MTD	CURRENT YTD	PRIOR-PD MTD	PRIOR-PD YT
	-----	-----	-----	-----
Salaries - US Sales - Benft	21,130.59	286,151.91	23,582.07	265,021.32
Salaries - US Sales Support	7,731.74	91,457.00	7,627.82	83,725.26
Salaries - US Sales Sup. - Benft	2,322.56	29,170.72	2,594.89	26,848.16
Rent Allocation	156.00	1,872.00	156.00	1,716.00
Allocated Fixed O/H	0.00	0.00	0.00	0.00
Air Travel	7,484.39	96,874.12	6,122.46	89,389.73
Hotel	9,505.37	156,657.42	12,701.68	147,152.05
Car Rental	1,962.35	30,529.58	2,549.76	28,567.23
Car Parking	253.24	8,641.28	475.03	8,388.04
Car Milage	15,844.04	193,357.88	15,386.80	177,513.84
Golf Expenses	0.00	4,156.40	0.00	4,156.40
Entertainment	0.00	3,033.79	0.00	3,033.79
Meals - 50% - Incl GST	7,888.86	59,893.35	4,124.91	52,004.49
Meals - 50% - Excl GST	2,840.85	54,292.42	3,969.22	51,451.57
Telephone & Fax	4,115.28	38,648.70	3,493.78	34,533.42
Postage	828.37	18,622.93	1,842.32	17,794.56
Art Production	0.00	17.78	0.00	17.78
Booth Production	0.00	4,498.12	0.00	4,498.12
Sales Material	0.00	145.59	0.00	145.59
Customer Meetings	0.00	16,403.30	423.49	16,403.30
Pacakge Design	0.00	0.00	0.00	0.00
Spiff Program	0.00	0.00	0.00	0.00
Promotional Items	179.53	637.94	190.46	458.41
Presentaion Material	1,489.78	27,410.94	2,040.17	25,921.16
Promotional Material	0.00	54.10	0.00	54.10
Price Sheets	0.00	8,706.50	880.65	8,706.50
Samples	0.00	1,236.85	0.00	1,236.85
Seminars	0.00	1,163.00	0.00	1,163.00
Trade Advertising Media	0.00	8,700.41	3,387.90	8,700.41
Trade Media Production	0.00	0.00	0.00	0.00
Trade Shows	0.00	70,871.75	4,436.79	70,871.75
Association Memberships	526.55	15,296.52	1,195.98	14,769.97
Sales Meetings	0.00	17,279.09	0.00	17,279.09
Commission to Agents	0.00	0.00	0.00	0.00
Consulting Fees	9,334.95	117,572.28	9,209.44	108,237.33
Other Expenses	1,202.14	28,321.10	1,405.27	27,118.96
Legal Fees - Other	0.00	139.71	0.00	139.71
Professional Dues	0.00	197.63	197.63	197.63
Invent. Adj. Samples/ Retns	0.00	0.00	0.00	0.00
	-----	-----	-----	-----
Administration - Concord	199,108.71	2,710,189.93	210,968.55	2,511,081.22
Salaries - CDN	50,020.50	726,919.02	52,136.99	676,898.52
Salaries - CDN - Benft	4,084.85	115,922.98	5,171.89	111,838.13
Salaries - CDN - Temp	0.00	0.00	0.00	0.00
Supplies	1,685.55	20,510.95	2,507.76	18,825.40
Water	0.00	732.89	0.00	732.89
Gas	0.00	0.00	0.00	0.00
Hydro	0.00	0.00	0.00	0.00
Rent Allocation	2,504.00	30,048.00	2,504.00	27,544.00
Building R & M	1,575.00	19,355.00	1,575.00	17,780.00
Rent - Outside	0.00	0.00	0.00	0.00
Leasing Equipment	0.00	0.00	0.00	0.00

BRAKE PRO LTD.
 Income Statement in CAN\$ for the Period 2006-12
 (Printed 18 JUL 2007) - Format (IS1)
 Company = 01, Division = 1

	CURRENT MTD	CURRENT YTD	PRIOR-PD MTD	PRIOR-PD YT
	-----	-----	-----	-----
Equipment Rental	0.00	0.00	0.00	0.00
Outside Services	0.00	0.00	0.00	0.00
Air Travel	1,299.38	5,468.14	2,027.66	4,168.76
Hotel	738.35	3,657.77	401.82	2,919.42
Car Rental	188.73	983.05	234.90	794.32
Car Parking	37.44	740.05	84.00	702.61
Car Milage	90.36	497.76	20.99	407.40
Entertainment	0.00	0.00	0.00	0.00
Meals - 50% - Incl GST	612.27	6,526.34	783.94	5,914.07
Meals - 50% - Excl GST	534.89	5,617.32	770.79	5,082.43
Telephone & Fax	701.15	32,004.82	1,790.15	31,303.67
Postage	647.19	27,969.45	1,164.36	27,322.26
Donations	0.00	0.00	0.00	0.00
Training	178.34	2,129.86	0.00	1,951.52
Training Trust Fund Expenses	0.00	0.00	0.00	0.00
Deprn - Computer Systems	4,358.33	59,251.59	4,121.10	54,893.26
Deprn - Furn. & Fixt.	58.24	688.03	58.24	629.79
Amort. - Leased Eqiup.	0.00	0.00	0.00	0.00
Amort. - Leasedhold Improv.	1,670.17	23,999.39	1,670.15	22,329.22
Amort. - CFC Closing Cost	0.00	0.00	0.00	0.00
Amort. - Goodwill	0.00	0.00	0.00	0.00
Amort. - Patents & Trade Marks	0.00	8.33	0.00	8.33
Amortization of Refinancing Fees	0.00	46,799.83	4,254.53	46,799.83
Bank Charges	12,021.69	142,430.37	10,227.39	130,408.68
Bad Debt Expenses	0.00	1,500.00	0.00	1,500.00
EDC Insurance	0.00	0.00	0.00	0.00
Consulting Fees	<81,695.20>	0.00	0.00	81,695.20
Other Office Expenses	6,510.91	66,324.13	5,133.87	59,813.22
M.I.S. Expenses	6,560.66	70,078.99	5,442.14	63,518.33
Accounting Audit Fees	4,500.00	85,000.00	6,500.00	80,500.00
Legal Fees - Union	0.00	1,798.92	0.00	1,798.92
Legal Fees - Other	10,146.63	82,117.03	1,176.50	71,970.40
Security Charges	0.00	873.00	873.00	873.00
Professional Dues	0.00	1,291.98	0.00	1,291.98
ISO 9001 Expenditure	0.00	0.00	0.00	0.00
ISO 9001 Expense Recovery	0.00	0.00	0.00	0.00
US Franchise Tax	0.00	0.00	0.00	0.00
Capital Tax	0.00	0.00	0.00	0.00
Congress Audit Fees	6,250.55	47,250.55	0.00	41,000.00
Re-Location Expenses	0.00	0.00	0.00	0.00
	-----	-----	-----	-----
	35,279.98	1,628,495.54	110,631.17	1,593,215.56
Administration - Kennesaw				
Salaries - US	23,098.76	273,230.22	22,788.34	250,131.46
Salaries - US - Benft	5,254.68	66,589.85	5,801.73	61,335.17
Salaries - US - Temp	0.00	0.00	0.00	0.00
Supplies	204.09	1,663.25	0.00	1,459.16
Rent Allocation	0.00	0.00	0.00	0.00
Directors & Officers Insur.	3,761.00	49,691.45	3,761.00	45,930.45
Leasing Equipment	0.00	0.00	0.00	0.00
Equipment Rental	0.00	0.00	0.00	0.00
Outside Services	0.00	0.00	0.00	0.00
Air Travel	3,568.57	21,385.12	0.00	17,816.55

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BRAKE PRO LTD.
Income Statement in CAN\$ for the Period 2006-12
(Printed 18 JUL 2007) - Format (IS1)
Company = 01, Division = 1

	CURRENT MTD	CURRENT YTD	PRIOR-PD MTD	PRIOR-PD YT
Hotel	1,265.47	6,906.70	0.00	5,641.23
Corporate Condo Rent	0.00	0.00	0.00	0.00
Car Rental	662.64	5,808.42	0.00	5,145.78
Car Parking	239.02	1,320.09	0.00	1,081.07
Car Milage	765.93	1,441.46	2.37	675.53
Entertainment	0.00	148.95	0.00	148.95
Meals - 50% - Incl GST	1,137.13	4,844.63	32.89	3,707.50
Meals - 50% - Excl GST	1,137.12	4,844.71	32.89	3,707.59
Telephone & Fax	1,054.81	14,034.55	634.10	12,979.74
Postage	1,144.69	3,553.31	0.00	2,408.62
Donations	0.00	552.25	0.00	552.25
Training	0.00	0.00	0.00	0.00
Amort. - Leasedhold Improv.	0.00	0.00	0.00	0.00
Consulting Fees	0.00	1,000.00	0.00	1,000.00
Other Expenses	590.64	14,872.71	1,998.90	14,282.07
M.I.S. Expenses	0.00	0.00	0.00	0.00
Legal Fees - Other	0.00	0.00	0.00	0.00
Security Charges	0.00	252.59	0.00	252.59
Professional Dues	0.00	0.00	0.00	0.00
	-----	-----	-----	-----
	43,884.55	472,140.26	35,052.22	428,255.71
Product Development Exp.				
HRLY Lab - Ind	1,027.91	16,952.11	1,497.40	15,924.20
HRLY Lab - Ind O/T	0.00	193.68	0.00	193.68
HRLY Lab - Ind Benfts	95.09	5,482.34	275.03	5,387.25
HRLY Lab - Ind Contract	0.00	0.00	0.00	0.00
HRLY Lab - Ind Cont. O/T	0.00	0.00	0.00	0.00
Salaries - CDN	16,382.20	279,702.17	16,382.20	263,319.97
Salaries - CDN - Benft	1,158.13	39,980.98	1,383.01	38,822.85
Salaries - CDN - Temp	0.00	0.00	0.00	0.00
Supplies	0.00	145.32	0.00	145.32
Rent Allocation	887.00	10,644.00	887.00	9,757.00
Building R & M	0.00	0.00	0.00	0.00
Leasing Equipment	0.00	0.00	0.00	0.00
Equipment Rental	0.00	0.00	0.00	0.00
Outside Services	0.00	0.00	0.00	0.00
Air Travel	0.00	3,678.96	3,678.96	3,678.96
Hotel	0.00	574.72	0.00	574.72
Car Rental	230.42	6,248.66	979.37	6,018.24
Car Parking	0.00	113.69	113.69	113.69
Car Milage	0.00	367.68	34.56	367.68
Entertainment	0.00	0.00	0.00	0.00
Meals - 50% - Incl GST	0.00	0.00	0.00	0.00
Meals - 50% - Excl GST	0.00	0.00	0.00	0.00
Telephone & Fax	0.00	98.07	98.07	98.07
Postage	218.03	5,581.44	499.56	5,363.41
Material R & D	0.00	0.00	0.00	0.00
Training	0.00	0.00	0.00	0.00
Deprn - Expenses	3,911.64	46,804.91	3,911.64	42,893.27
Amort. - Leasedhold Improv.	0.00	0.00	0.00	0.00
Consulting Fees	3,166.66	18,999.96	3,166.66	15,833.30
Other Expenses	0.00	3,512.82	0.00	3,512.82
Legal Fees - Other	0.00	0.00	0.00	0.00

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BRAKE PRO LTD.
Income Statement in CAN\$ for the Period 2006-12
(Printed 18 JUL 2007) - Format (IS1)
Company = 01, Division = 1

	CURRENT MTD	CURRENT YTD	PRIOR-PD MTD	PRIOR-PD YT
	-----	-----	-----	-----
Testing Charges	19,043.35	176,295.48	<327.10>	157,252.13
Re-Location Expenses	0.00	57,429.62	0.00	57,429.62
Invent. Adj. - R&D Testing	0.00	4,794.70	62.77	4,794.70
	-----	-----	-----	-----
	46,120.43	677,601.31	32,642.82	631,480.88
	-----	-----	-----	-----
Total Operating Expenses	480,761.36	8,116,592.14	675,848.58	7,635,830.78
	-----	-----	-----	-----
Total Operating (Income) / Loss	<4,179.74>	<173,070.30>	402,532.93	<168,890.56
Misc. (Income) / Expenses				
Overdue Interest charged	0.00	0.00	0.00	0.00
Thrift Plan	0.00	0.00	0.00	0.00
Other Misc (Income) / Expenses	<353.22>	<34,877.97>	<18,039.85>	<34,524.75
	-----	-----	-----	-----
	<353.22>	<34,877.97>	<18,039.85>	<34,524.75
	-----	-----	-----	-----
E.B.I.T. Before Foreign Exch. G/L	<4,532.96>	207,948.27	<384,493.08>	203,415.31
F/E Loss on Long Term Debt	0.00	0.00	0.00	0.00
Foreign Exch. (Gain) / Loss	<21,047.56>	<148,156.46>	<7,709.05>	<127,108.90
	-----	-----	-----	-----
EBIT After Foreign Exch. (Gain)/Loss	<25,580.52>	<356,104.73>	376,784.03	<330,524.21
Interest Expenses				
Interest Exp - Other	0.00	0.00	0.00	0.00
Interest Exp - CFC	71,252.82	704,793.83	74,856.70	633,541.01
Interest Exp - Lease	487.02	7,116.34	506.89	6,629.32
Interest on Tranche A Note	26,020.80	316,423.37	24,784.78	290,402.57
Interest on Incentive Note	10,408.32	126,594.77	9,913.91	116,186.45
	-----	-----	-----	-----
	108,168.96	1,154,928.31	110,062.28	1,046,759.35
Interest Income	<1,726.39>	<19,629.09>	<4,228.65>	<17,902.70
	-----	-----	-----	-----
Pre - Tax (Earnings) / Loss	80,862.05	779,194.49	482,617.66	698,332.44
Gain on Forgiveness of Debt	0.00	0.00	0.00	0.00
Restructuring Charges	176,548.57	176,548.57	0.00	0.00
Writedown of Loans to Affiliate	0.00	0.00	0.00	0.00
BPS Holding Expenses	35,000.00	62,045.90	11,124.29	27,045.90
Withholding Tax - BPI	0.00	0.00	0.00	0.00
	-----	-----	-----	-----
	35,000.00	62,045.90	11,124.29	27,045.90
Taxes				
Federal Income Tax	0.00	<966,859.92>	<966,859.92>	<966,859.92

BRAKE PRO LTD.
Income Statement in CAN\$ for the Period 2006-12
(Printed 18 JUL 2007) - Format (IS1)
Company = 01, Division = 1

	CURRENT MTD	CURRENT YTD	PRIOR-PD MTD	PRIOR-PD YT
Provincial Income Tax	0.00	0.00	0.00	0.00
Future Income Tax Expense	0.00	0.00	0.00	0.00
Federal Corp. Tax L.C.T.	0.00	0.00	0.00	0.00
US Income Tax	0.00	851.25	0.00	851.25
	-----	-----	-----	-----
	0.00	<966,008.67>	<966,859.92>	<966,008.67
	-----	-----	-----	-----
Net (Income) / Loss	292,410.62	51,780.29	<473,117.97>	<240,630.33
	=====	=====	=====	=====

BRAKE PRO LTD.
 Comparative Balance Sheet in CANS
 Period 2007-06
 (Printed 17 JUL 2007) Fcmat (BS1)

	Current Month Actual	Prior Month Actual	Prior Year YTD
Current Assets			
Cash & Equivalent	439,275.79	404,993.73	68,538.58
Accounts Receivable			
Trade accounts Receivable	4,572,093.48	4,424,012.03	5,592,811.38
Allowance for Doubtful Accounts	<19,288.74>	<19,288.74>	<61,934.50>
Inter Company A/R	214,512.48	205,758.31	165,951.21
Net Accounts Receivable	4,767,317.22	4,610,481.60	5,696,828.09
Inventory			
Raw Material	665,670.30	622,973.18	489,693.53
W.I.P.	591.36	598.98	581.42
Finished / Semi Finished	5,662,850.57	5,910,605.66	6,615,202.53
Total Gross Inventory	6,329,112.23	6,534,177.82	7,105,477.48
Reserves	330,767.54	407,429.45	<336,533.38>
Net Inventory	6,659,879.77	6,941,607.27	6,768,944.10
Prepaid Expenses	281,838.76	274,260.04	318,303.83
Total Current Assets	12,148,311.54	12,231,342.64	12,852,614.60
Fixed Assets			
Gross PP&E	20,249,669.15	20,243,055.15	20,130,034.62
Acc Dep'n PP&E	<15,303,285.81>	<15,204,146.78>	<14,101,596.69>
Net PP&E	4,946,383.34	5,038,908.37	6,028,437.93
Other Fixed Assets	3,719.53	3,719.53	3,719.53
Amortization of other Fixed Assets	<3,719.53>	<3,719.53>	<3,719.03>
Net Other Fixed Assets	0.00	0.00	0.50
Goodwill	7,395,647.00	7,395,647.00	7,395,647.00
Amortization of Goodwill	<1,486,497.40>	<1,486,497.40>	<1,486,497.40>
Net Remaining Goodwill	5,909,149.60	5,909,149.60	5,909,149.60
Deffered Foreign Exchange	0.00	0.00	0.00
Total Assets	23,003,844.48	23,179,400.61	24,790,202.63

BRAKE PRO LTD.
 Comparative Balance Sheet in CANS
 Period 2007-06
 (Printed 17 JUL 2007) Fomat (BS1)

	Current Month Actual	Prior Month Actual	Prior Year YTD
Current Liabilities			
Accounts Payable	5,170,065.58	4,870,929.18	4,052,204.96
Accrued Liabilities	2,563,708.59	2,385,296.34	2,478,971.42
Interest Payable	377,477.02	352,439.24	76,983.97
Future Income Taxes	351,000.00	351,000.00	351,000.00
Accrued Taxes	227,123.19	216,475.86	1,193,702.76
Total Current Liabilities	8,689,374.38	8,176,140.62	8,152,863.11
Long-term Debt			
CF Line of Credit	5,280,313.57	5,748,029.38	5,954,322.67
Leases Payable	41,133.59	43,417.73	67,200.16
Int. Payable Inc. Note	526,631.32	514,863.86	424,333.74
CF Term Loan	2,399,999.94	2,466,666.61	3,199,999.98
Tranche A Note	2,796,724.03	2,783,669.14	2,930,014.51
Incentive Note	1,118,687.49	1,113,466.90	1,172,005.80
Total Long-term Debt	12,163,489.94	12,670,113.62	13,747,876.86
Total Liabilities	20,852,864.32	20,846,254.24	21,900,739.97
Shareholder's Equity:			
Share Capital	1.00	1.00	1.00
Contributed Surplus	5,624,877.24	5,624,877.24	5,624,877.24
Cummulative Translation Adjustment			
Retained Earnings - Opening	<2,980,589.45>	<2,980,589.45>	<2,870,309.16>
Retained Earnings - Current	<493,308.63>	<311,142.42>	134,893.58
Total Shareholder's Equity	2,150,980.16	2,333,146.37	2,889,462.66
Total Liabilities & Shareholders Equity	23,003,844.48	23,179,400.61	24,790,202.63

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BRAKE PRO LTD.
 Income Statement in CANS for the Period 2007-06
 (Printed 17 JUL 2007) - Format (IS1)
 Company = 01, Division = 1

	CURRENT MTD -----	CURRENT YTD -----	PRIOR-PD MTD -----	PRIOR-PD YT -----
Gross Sales				
Canadian Sales				
Block	<997,826.13>	<5,185,329.91>	<891,366.84>	<4,187,503.78
Transit	<237,295.87>	<761,928.55>	<136,293.42>	<524,632.68
Segments	<35,652.29>	<104,730.04>	<26,254.20>	<69,077.75
Integra	<26,496.73>	<179,521.07>	<9,903.11>	<153,024.34
New Lined Shoes	<23,742.00>	<272,493.64>	<7,893.00>	<248,751.64
Relined Shoes	0.00	0.00	0.00	0.00
Relined Block	0.00	0.00	0.00	0.00
Disc Pads	<42,252.94>	<190,690.02>	<22,167.06>	<148,437.08
Misc.	0.00	<1,950.00>	<975.00>	<1,950.00
	-----	-----	-----	-----
	<1,363,265.96>	<6,696,643.23>	<1,094,852.63>	<5,333,377.27
US Sales				
Block	<791,640.36>	<6,391,109.60>	<707,272.25>	<5,599,469.24
Transit	<329,399.62>	<1,997,943.65>	<293,012.25>	<1,668,544.03
Segments	<30,878.77>	<285,494.76>	<25,991.14>	<254,615.99
Integra	<131,631.25>	<970,444.78>	<212,528.00>	<838,813.53
New Lined Shoes	<51,732.74>	<382,499.93>	<49,693.37>	<330,767.19
Relined Shoes	<57,363.73>	<434,909.83>	<47,463.46>	<377,546.10
Relined Block	0.00	0.00	0.00	0.00
Disc Pads	<23,136.86>	<165,302.82>	<10,102.33>	<142,165.96
Misc.	<7,154.07>	<24,722.57>	<1,016.60>	<17,568.50
	-----	-----	-----	-----
	<1,422,937.40>	<10,652,427.94>	<1,347,079.40>	<9,229,490.54
Export Sales				
Block	0.00	<19,981.08>	<7,386.34>	<19,981.08
Transit	0.00	0.00	0.00	0.00
Segments	0.00	0.00	0.00	0.00
Integra	0.00	0.00	0.00	0.00
New Lined Shoes	0.00	<5,620.80>	0.00	<5,620.80
Relined Shoes	0.00	0.00	0.00	0.00
Relined Block	0.00	0.00	0.00	0.00
Disc Pads	0.00	0.00	0.00	0.00
Misc.	0.00	0.00	0.00	0.00
	-----	-----	-----	-----
	0.00	<25,601.88>	<7,386.34>	<25,601.88
	-----	-----	-----	-----
Total Gross Sales	<2,786,203.36>	<17,374,673.05>	<2,449,318.37>	<14,588,469.69
Cash Discounts	50,038.60	299,440.64	48,634.87	249,402.04
Sales Returns & Allowances	36,443.37	279,232.97	23,591.57	242,789.60
Sales Rebates	81,510.00	389,186.48	70,944.00	307,676.48
	-----	-----	-----	-----
Net Sales	<2,618,211.39>	<16,406,812.96>	<2,306,147.93>	<13,788,601.57
	-----	-----	-----	-----

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BRAKE PRO LTD.
Income Statement in CAN\$ for the Period 2007-06
(Printed 17 JUL 2007) - Format (IS1)
Company = 01, Division = 1

	CURRENT MTD -----	CURRENT YTD -----	PRIOR-PD MTD -----	PRIOR-PD YT -----
Standard Cost of Goods Sold				
Material	977,781.38	6,043,250.43	856,591.62	5,065,469.05
Labour	283,796.02	1,740,845.64	240,354.51	1,457,049.62
Overhead	576,243.94	3,585,601.30	496,380.61	3,009,357.36
	-----	-----	-----	-----
Total Standard COGS	1,837,821.34	11,369,697.37	1,593,326.74	9,531,876.03
	-----	-----	-----	-----
Standard Margin	<780,390.05>	<5,037,115.59>	<712,821.19>	<4,256,725.54
	-----	-----	-----	-----
Manufacturing Variances				
Material				
Purchase Price Variance	<40,197.11>	16,709.67	<14,557.11>	56,906.78
Invoice Price Variance	4,901.93	43,197.27	1,721.32	38,295.34
IPV - Exchange Variance	0.01	0.11	<0.01>	0.10
Applied Material Burden	0.00	0.00	0.00	0.00
Actual Material Burden	0.00	0.00	0.00	0.00
Discounts on Purchases	0.00	0.00	0.00	0.00
	-----	-----	-----	-----
P.P.V.	<35,295.17>	59,907.05	<12,835.80>	95,202.22
Manufactured Block - PPV	<4,043.32>	<2,123.09>	<2,624.82>	1,920.23
Material Usage				
Inventory Adjustments	58,307.79	334,776.29	51,754.70	276,468.50
Inventory Revaluation	<878.45>	<6,840.84>	<15.07>	<5,962.39
Material Recycle	<5,419.85>	<26,357.97>	<2,009.98>	<20,938.12
Material Variances	0.00	0.00	0.00	0.00
Transfer Error	0.08	<41.40>	0.03	<41.48
	-----	-----	-----	-----
Total Material Variances	12,671.08	359,320.04	34,269.06	346,648.96
	-----	-----	-----	-----
Direct Labour				
Actual Direct Labour Spent				
Mixing				
Direct Lab	17,048.44	121,899.90	16,952.08	104,851.46
Direct Lab - O/T	117.90	874.10	117.90	756.20
Direct Lab - Benfts	6,556.11	46,228.84	7,012.21	39,672.73
Preform				
Direct Lab	16,503.96	121,304.91	15,943.28	104,800.95
Direct Lab - O/T	35.34	95.14	11.79	59.80
Direct Lab - Benfts	5,911.94	41,542.74	5,964.30	35,630.80
Press				
Direct Lab	76,741.45	526,987.46	68,546.78	450,246.01
Direct Lab - O/T	23.97	39.04	0.00	15.07
Direct Lab - Benfts	30,413.40	212,893.47	30,033.76	182,480.07
Grinding				
Direct Lab	69,333.73	432,442.59	58,034.50	363,108.86
Direct Lab - O/T	16.81	74.43	0.00	57.62
Direct Lab - Benfts	25,087.33	160,512.31	23,293.30	135,424.98
Drilling				
Direct Lab	27,311.82	185,864.83	27,392.54	158,553.01

BRAKE PRO LTD.
 Income Statement in CANS for the Period 2007-06
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 Company = 01, Division = 1

	CURRENT MTD	CURRENT YTD	PRIOR-PD MTD	PRIOR-PD YTD
Direct Lab - O/T	26.16	61.42	0.00	35.26
Direct Lab - Benfts	11,853.21	79,911.85	13,039.12	68,058.64
Packaging				
Direct Lab	24,998.08	167,584.96	26,294.38	142,586.88
Direct Lab - O/T	0.00	37.00	0.00	37.00
Direct Lab - Benfts	8,562.79	56,037.26	9,306.36	47,474.47
Riveting				
Direct Lab	6,264.30	27,718.54	2,001.54	21,454.24
Direct Lab - O/T	59.76	59.76	0.00	0.00
Direct Lab - Benfts	1,861.28	9,314.77	791.34	7,453.49
	-----	-----	-----	-----
Std Direct Labour Applied	328,727.78	2,191,485.32	304,735.18	1,862,757.54
Mixing	<15,066.70>	<107,053.25>	<14,467.97>	<91,986.55
Preform	<19,212.27>	<138,119.17>	<18,433.06>	<118,906.90
Press	<94,504.50>	<663,747.77>	<87,498.91>	<569,243.27
Grinding	<43,264.66>	<304,174.95>	<40,947.39>	<260,910.29
Drilling	<23,862.37>	<177,659.16>	<26,615.42>	<153,796.79
Packaging	<23,908.74>	<179,551.25>	<28,697.28>	<155,642.51
Riveting	<2,648.94>	<10,908.09>	<627.15>	<8,259.15
	-----	-----	-----	-----
	<222,468.18>	<1,581,213.64>	<217,287.18>	<1,358,745.46
Direct Labour Variance	106,259.60	610,271.68	87,448.00	504,012.08
Labour Var W/O	0.00	0.00	0.00	0.00
	-----	-----	-----	-----
Total Direct Labour Variance	106,259.60	610,271.68	87,448.00	504,012.08
	-----	-----	-----	-----
Manufacturing Overhead				
Actual Var. Overhead Spent				
Indirect Labour				
Leadhands				
HRLY-Ind	45,620.65	271,674.23	41,613.93	226,053.58
HRLY-Ind O/T	771.87	4,456.67	662.08	3,684.80
HRLY-Ind Benft	18,042.77	116,053.65	17,976.31	98,010.88
	-----	-----	-----	-----
	64,435.29	392,184.55	60,252.32	327,749.26
Quality Assurance				
HRLY-Ind	12,194.61	78,154.49	12,472.75	65,959.88
HRLY-Ind O/T	8.80	83.94	0.00	75.14
HRLY-Ind Benft	4,813.48	32,698.27	5,479.64	27,884.79
	-----	-----	-----	-----
	17,016.89	110,936.70	17,952.39	93,919.81
Maintenance				
HRLY-Ind	31,381.18	200,357.86	27,129.11	168,976.68
HRLY-Ind O/T	58.45	592.53	303.57	534.08
HRLY-Ind Benft	11,400.28	76,790.46	11,619.10	65,390.18
	-----	-----	-----	-----
	42,839.91	277,740.85	39,051.78	234,900.94
Other				
Material Reclaim				
HRLY-Ind	2,960.95	25,766.28	3,640.50	22,805.33
HRLY-Ind O/T	0.00	1.87	0.00	1.87

BRAKE PRO LTD.
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	CURRENT MTD	CURRENT YTD	PRIOR-PD MTD	PRIOR-PD YT
HRLY-Ind Benft	1,492.94	11,081.37	1,859.69	9,588.43
Material Handling				
HRLY-Ind	12,434.43	126,164.26	17,785.07	113,729.83
HRLY-Ind O/T	345.84	2,934.62	341.91	2,588.78
HRLY-Ind Benft	4,822.22	48,002.69	7,185.09	43,180.47
Training				
HRLY-Ind	4,481.05	10,121.14	647.32	5,640.09
HRLY-Ind O/T	17.48	17.48	0.00	0.00
HRLY-Ind Benft	1,003.55	2,365.25	20.33	1,361.70
HRLY-Ind Cont	0.00	0.00	0.00	0.00
Paid Leave				
HRLY-Ind	2,699.10	25,220.51	354.58	22,521.41
HRLY-Ind O/T	0.00	0.00	0.00	0.00
HRLY-Ind Benft	623.98	7,559.68	0.00	6,935.70
HRLY-Ind Cont	0.00	0.00	0.00	0.00
Modified Duty				
HRLY-Ind	10,808.97	51,848.54	7,813.35	41,039.57
HRLY-Ind O/T	0.00	0.00	0.00	0.00
HRLY-Ind Benefit	3,175.66	14,900.35	2,382.68	11,724.69
Heat Brake				
HRLY-Ind	1,341.02	1,642.94	301.92	301.92
HRLY-Ind O/T	0.00	3.93	3.93	3.93
HRLY-Ind Benft	276.68	346.29	69.61	69.61
HRLY-Ind Cont	0.00	0.00	0.00	0.00
Cycle Count				
HRLY-Ind	0.00	0.00	0.00	0.00
HRLY-Ind O/T	0.00	0.00	0.00	0.00
HRLY-Ind Benft	0.00	0.00	0.00	0.00
HRLY-Ind Cont	0.00	0.00	0.00	0.00
Union Affairs				
HRLY-Ind	227.20	1,047.67	14.94	820.47
HRLY-Ind O/T	7.47	72.22	0.00	64.75
HRLY-Ind Benft	0.00	0.00	0.00	0.00
HRLY-Ind Cont	0.00	0.00	0.00	0.00
Union Affairs Recoverable				
HRLY-Ind	658.98	504.14	2,511.36	<154.84
HRLY-Ind O/T	0.00	0.00	0.00	0.00
HRLY-Ind Benft	46.88	1,052.61	794.11	1,005.73
HRLY-Ind Cont	0.00	0.00	0.00	0.00
Team Meetings				
HRLY-Ind	325.96	436.25	0.00	110.29
HRLY-Ind O/T	8.24	8.24	0.00	0.00
HRLY-Ind Benft	68.95	93.18	0.00	24.23
HRLY-Ind Cont	0.00	0.00	0.00	0.00
	-----	-----	-----	-----
	47,827.55	331,191.51	45,726.39	283,363.96
Freight - In	19,464.39	125,208.16	14,979.88	105,743.77
D&B + Packaging	4,560.35	27,414.07	<1,925.37>	22,853.72
Equipment Repairs & Maint	4,805.17	128,029.64	20,017.70	123,224.47

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BRAKE PRO LTD.
Income Statement in CAN\$ for the Period 2007-06
(Printed 17 JUL 2007) - Format (IS1)
Company = 01, Division = 1

	CURRENT MTD	CURRENT YTD	PRIOR-PD MTD	PRIOR-PD YT
	-----	-----	-----	-----
Building Rep & Maint	14,716.25	43,964.12	1,789.21	29,247.87
Factory Expenses				
Waste Removal	10,289.34	61,581.86	13,984.49	51,292.52
Fork Truck/ Propane	3,345.60	18,338.20	1,644.47	14,992.60
Leasing Equipment	7,537.37	44,744.22	7,492.92	37,206.85
Fork Truck R & M	8,398.54	27,435.61	6,071.62	19,037.07
Equipment Rental	0.00	886.17	0.00	886.17
Cleaning Uniform	6,440.98	43,527.47	6,497.98	37,086.49
Safety Supplies	10,392.79	94,124.34	16,466.20	83,731.55
Degreasing Charge	2,399.00	8,861.00	2,040.00	6,462.00
Other Factory Expenses	7,072.59	22,290.72	3,473.11	15,218.13
Manufacturing Supplies				
Drill Bit Replacement	5,171.90	61,109.31	9,415.75	55,937.41
Wearline Inserts	0.00	11,333.97	0.00	11,333.97
Mold Release	3,686.11	11,852.10	0.00	8,165.99
Grinding Stones	6,084.20	27,391.09	6,775.15	21,306.89
MTC. Supplies	669.00	9,717.26	5,447.70	9,048.26
Packaging Supplies	6,994.61	59,997.15	3,183.64	53,002.54
Supplies	7,724.98	24,309.72	1,412.50	16,584.74
Utilities				
Water	400.00	5,882.58	1,467.40	5,482.58
Gas	879.96	61,120.26	11,947.63	60,240.30
Hydro	32,550.95	203,520.63	22,715.06	170,969.68
Warranty Provision	3,215.19	16,291.85	812.35	13,076.66
Other				
QA - Supplies	111.45	1,957.35	0.00	1,845.90
QA - Testing Charges	3,046.00	10,764.85	0.00	7,718.85
QA - Material	0.00	0.00	0.00	0.00
QA - Other Expenses	150.00	8,497.28	2,743.74	8,347.28
QA - Invent. Adjustments	424.03	3,280.06	235.01	2,856.03
Medical	1,698.51	12,015.75	1,795.40	10,317.24
Total Actual Var. Overhead	----- 344,348.90	----- 2,287,500.40	----- 323,466.42	----- 1,943,151.50
Variable O/H Absorption				
Mixing	<44,011.77>	<312,716.59>	<42,262.79>	<268,704.82
Preform	<44,637.36>	<320,902.53>	<42,826.92>	<276,265.17
Press	<77,805.64>	<546,464.87>	<72,038.11>	<468,659.23
Grinding	<61,405.52>	<431,716.05>	<58,116.70>	<370,310.53
Drilling	<44,066.76>	<328,083.22>	<49,150.61>	<284,016.46
Packaging	<20,458.69>	<153,641.95>	<24,556.23>	<133,183.26
Riveting	<1,817.42>	<7,484.10>	<430.27>	<5,666.68
	----- <294,203.16>	----- <2,101,009.31>	----- <289,381.63>	----- <1,806,806.15
Variable O/H Variance	50,145.74	186,491.09	34,084.79	136,345.35
Variable O/H Var W/O	0.00	0.00	0.00	0.00

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	CURRENT MTD	CURRENT YTD	PRIOR-PD MTD	PRIOR-PD YT
	-----	-----	-----	-----
Total Variable O/H Variance	50,145.74	186,491.09	34,084.79	136,345.35
Actual Fixed O/H Spent				
Salaries				
Production	52,622.97	343,550.42	52,667.87	290,927.45
Quality Assurance	9,352.72	61,431.18	9,259.72	52,078.46
Maint & Eng.-Salary	19,831.34	132,219.30	18,893.43	112,387.96
Maint & Eng.-Consulting	0.00	0.00	0.00	0.00
	-----	-----	-----	-----
	81,807.03	537,200.90	80,821.02	455,393.87
Benefits				
Production	10,205.65	59,222.87	10,490.33	49,017.22
Quality Assurance	1,890.68	12,341.22	1,896.63	10,450.54
Maintenance & Engineering	3,268.37	22,388.04	3,342.81	19,119.67
	-----	-----	-----	-----
	15,364.70	93,952.13	15,729.77	78,587.43
Cleaners				
HRLY-Ind & Cont	8,494.21	61,387.06	10,530.88	52,892.85
HRLY-Ind & Cont O/T	109.50	148.97	0.00	39.47
HRLY-Benft	2,883.94	20,914.24	3,695.62	18,030.30
	-----	-----	-----	-----
	11,487.65	82,450.27	14,226.50	70,962.62
Depreciation				
M&E / D&M	88,130.88	528,785.16	88,130.87	440,654.28
Material Handling	0.00	0.00	0.00	0.00
Quality Assurance	818.74	4,913.00	818.75	4,094.26
	-----	-----	-----	-----
	88,949.62	533,698.16	88,949.62	444,748.54
Rent Plant				
Rent 250 Doney Crec.	38,731.70	232,390.20	38,731.70	193,658.50
Rent Allocation	<13,720.00>	<82,320.00>	<13,720.00>	<68,600.00
	-----	-----	-----	-----
	25,011.70	150,070.20	25,011.70	125,058.50
Reality Tax	15,281.12	91,686.72	15,281.12	76,405.60
Business Tax	0.00	0.00	0.00	0.00
Insurance - Comm. & Prop.	16,558.78	96,714.39	16,558.78	80,155.61
Fixed Utilities				
Hydro	10,000.00	60,000.00	10,000.00	50,000.00
Gas	0.00	73,000.00	0.00	73,000.00
	-----	-----	-----	-----
	10,000.00	133,000.00	10,000.00	123,000.00
Fixed O/H Allocated	0.00	0.00	0.00	0.00
Rent Outside	0.00	0.00	0.00	0.00
	-----	-----	-----	-----

BRAKE PRO LTD.
 Income Statement in CANS for the Period 2007-06
 (Printed 17 JUL 2007) - Format (IS1)
 Company = 01, Division = 1

	CURRENT MTD	CURRENT YTD	PRIOR-PD MTD	PRIOR-PD YT
	-----	-----	-----	-----
Actual Fixed O/H Spent	264,460.60	1,718,772.77	266,578.51	1,454,312.17
Std Fixed O/H Applied				
Fixed O/H Absorption	<211,129.84>	<1,573,077.08>	<210,381.70>	<1,361,947.24>
	-----	-----	-----	-----
Fixed O/H Applied Total	<211,129.84>	<1,573,077.08>	<210,381.70>	<1,361,947.24>
	-----	-----	-----	-----
Total Act. Fixed O/H Variance	53,330.76	145,695.69	56,196.81	92,364.93
Fixed O/H Variances W/O	0.00	0.00	0.00	0.00
	-----	-----	-----	-----
Total Act. Fixed O/H Variance	53,330.76	145,695.69	56,196.81	92,364.93
	-----	-----	-----	-----
Other Manufacturing Variances				
Std to Actual Adj - FIFO	76,661.91	<357,627.44>	<121,551.58>	<434,289.35>
Other Inv Adj - Prod. Obsol.	0.00	0.00	0.00	0.00
	-----	-----	-----	-----
	76,661.91	<357,627.44>	<121,551.58>	<434,289.35>
	-----	-----	-----	-----
Total Manufacturing Variances	299,069.09	944,151.06	90,447.08	645,081.97
	-----	-----	-----	-----
Gross Margin	<481,320.96>	<4,092,964.53>	<622,374.11>	<3,611,643.57>
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Operating Expenses				
Warehouse & Delivery				
HRLY Lab - Ind	11,420.75	64,915.31	9,419.11	53,494.56
HRLY Lab - Ind O/T	565.92	3,985.03	727.05	3,419.11
HRLY Lab - Ind Benfts	4,646.69	28,161.54	4,375.12	23,514.85
HRLY Lab - Ind Contract	0.00	0.00	0.00	0.00
HRLY Lab - Ind Cont. O/T	0.00	0.00	0.00	0.00
Salaries	8,367.26	48,172.19	7,237.26	39,804.93
Salaries - Benft	1,509.32	9,435.15	1,514.63	7,925.83
Salaries - Temp	0.00	0.00	0.00	0.00
Supplies	5,147.91	45,014.14	6,161.16	39,866.23
Supplies - Dependable	0.00	0.00	0.00	0.00
Rent Allocation	10,173.00	61,038.00	10,173.00	50,865.00
Rent - Outside	4,305.00	28,875.00	4,529.00	24,570.00
Deprn - Truck	444.03	2,605.51	444.02	2,161.48
Duty Brokerage Out	2,376.84	16,761.17	2,702.61	14,384.33
Freight Out	152,081.78	954,779.08	148,142.75	802,697.30
Freight Out - Billed in A/R	0.00	0.00	0.00	0.00
Freight on Returned Goods	0.00	484.36	0.00	484.36
Freight Discount	0.00	0.00	0.00	0.00
Leasing Equipment	0.00	0.00	0.00	0.00
Equipment Rental	0.00	0.00	0.00	0.00
Allocated Fixed O/H	0.00	0.00	0.00	0.00
Depreciation Expenses	89.40	536.37	89.38	446.97

BRAKE PRO LTD.
 Income Statement in CANS for the Period 2007-06
 (Printed 17 JUL 2007) - Format (IS1)
 Company = 01, Division = 1

	CURRENT MTD	CURRENT YTD	PRIOR-PD MTD	PRIOR-PD YT
Amort. Leasehold Improve.	0.00	0.00	0.00	0.00
Other Expenses	0.00	917.14	0.00	917.14
Equipment R & M	0.00	0.00	0.00	0.00
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	201,127.90	1,265,679.99	195,515.09	1,064,552.09
California Warehouse				
Salaries	0.00	0.00	0.00	0.00
Salaries - Benft	0.00	0.00	0.00	0.00
Supplies	0.00	0.00	0.00	0.00
Water	0.00	0.00	0.00	0.00
Gas	0.00	0.00	0.00	0.00
Hydro	0.00	0.00	0.00	0.00
Rent - Monthly	0.00	0.00	0.00	0.00
Business Tax	0.00	0.00	0.00	0.00
Freight Out	0.00	0.00	0.00	0.00
Equipment Rental	0.00	0.00	0.00	0.00
Telephone & Fax	0.00	0.00	0.00	0.00
Postage	0.00	0.00	0.00	0.00
Other Expenses	0.00	0.00	0.00	0.00
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	0.00	0.00	0.00	0.00
Kennesaw Warehouse				
Salaries - US	3,079.03	18,703.91	3,074.26	15,624.88
Salaries - US - Benft	1,181.27	7,581.31	1,221.44	6,400.04
Salaries - US - Temp	0.00	0.00	0.00	0.00
Supplies	0.00	0.00	0.00	0.00
Waste Removal	76.56	414.43	79.92	337.87
Water	0.00	0.00	0.00	0.00
Gas	0.00	3,328.81	458.60	3,328.81
Hydro	364.82	1,936.91	362.01	1,572.09
Rent - Monthly	2,364.79	15,264.02	2,468.45	12,899.23
Building R & M	0.00	0.00	0.00	0.00
Business Tax	0.00	127.26	0.00	127.26
Realty Tax	0.00	0.00	0.00	0.00
Rent - Outside	0.00	0.00	0.00	0.00
Duty Brokerage Out	0.00	0.00	0.00	0.00
Freight Out	85.73	1,747.23	117.57	1,661.50
Freight on Returned Goods	0.00	85.08	85.08	85.08
Freight Discount	0.00	0.00	0.00	0.00
Leasing Equipment	0.00	0.00	0.00	0.00
Equipment Rental	0.00	0.00	0.00	0.00
Depreciation Expenses	0.00	0.00	0.00	0.00
Other Expenses	0.00	0.00	0.00	0.00
Equipment R & M	774.89	774.89	0.00	0.00
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	7,927.09	49,963.85	7,867.33	42,036.76
Selling Expenses				
Salaries - CDN Sales	19,262.84	121,769.23	17,306.84	102,506.39
Salaries - CDN Sales - Benft	2,767.12	20,767.49	2,774.40	18,000.37
Salaries - CDN Cust. Ser.	11,824.56	78,782.14	11,859.56	66,957.58
Salaries - CDN Cust. Ser. Benft	2,317.31	15,247.85	2,324.75	12,930.54
Salaries - CDN Cust. Ser.-Temp	0.00	0.00	0.00	0.00
Salaries - US Sales	67,435.14	445,856.26	70,091.54	378,421.12

BRAKE PRO LTD.
 Income Statement in CAN\$ for the Period 2007-06
 (Printed 17 JUL 2007) - Format (IS1)
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	CURRENT MTD	CURRENT YTD	PRIOR-PD MTD	PRIOR-PD YT
Salaries - US Sales - Benft	21,562.41	140,601.79	22,604.04	119,039.38
Salaries - US Sales Support	7,162.72	46,232.98	7,476.68	39,070.26
Salaries - US Sales Sup. - Benft	2,475.72	15,905.03	2,581.54	13,429.31
Rent Allocation	156.00	936.00	156.00	780.00
Allocated Fixed O/H	0.00	0.00	0.00	0.00
Air Travel	4,753.85	30,879.67	8,255.15	26,125.82
Hotel	15,199.19	84,319.12	14,986.07	69,119.93
Car Rental	1,877.27	15,527.30	3,761.64	13,650.03
Car Parking	339.91	4,406.52	2,054.86	4,066.61
Car Milage	14,875.68	95,589.85	16,779.94	80,714.17
Golf Expenses	333.76	2,964.09	2,630.33	2,630.33
Entertainment	268.66	3,694.65	299.83	3,425.99
Meals - 50% - Incl GST	4,355.41	25,329.41	5,892.81	20,974.00
Meals - 50% - Excl GST	4,351.16	30,397.10	5,913.61	26,045.94
Telephone & Fax	2,859.41	20,079.17	3,136.73	17,219.76
Postage	823.54	6,571.53	937.31	5,747.99
Art Production	0.00	4.80	0.00	4.80
Booth Production	761.34	2,936.20	407.70	2,174.86
Sales Material	0.00	0.00	0.00	0.00
Customer Meetings	0.00	2,090.73	475.00	2,090.73
Pacakge Design	0.00	0.00	0.00	0.00
Spiff Program	0.00	0.00	0.00	0.00
Promotional Items	0.00	308.45	308.45	308.45
Presentaion Material	1,683.56	10,577.73	1,749.05	8,894.17
Promotional Material	0.00	0.00	0.00	0.00
Price Sheets	758.98	4,105.59	758.98	3,346.61
Samples	464.56	1,893.68	0.00	1,429.12
Seminars	0.00	7,990.00	0.00	7,990.00
Trade Advertising Media	0.00	1,053.09	0.00	1,053.09
Trade Media Production	0.00	0.00	0.00	0.00
Trade Shows	848.35	43,422.53	17,983.77	42,574.18
Association Memberships	2,327.21	11,181.77	736.54	8,854.56
Sales Meetings	0.00	0.00	0.00	0.00
Commission to Agents	0.00	0.00	0.00	0.00
Consulting Fees	8,647.93	55,819.79	9,027.01	47,171.86
Other Expenses	898.77	13,351.06	2,484.25	12,452.29
Legal Fees - Other	3.79	3.79	0.00	0.00
Professional Dues	0.00	0.00	0.00	0.00
Invent. Adj. Samples/ Retns	0.00	413.12	0.00	413.12
	201,396.15	1,361,009.51	235,754.38	1,159,613.36
Administration - Concord				
Salaries - CDN	53,625.84	356,958.02	53,767.84	303,332.18
Salaries - CDN - Benft	8,585.87	65,195.10	8,812.69	56,609.23
Salaries - CDN - Temp	0.00	0.00	0.00	0.00
Supplies	2,171.70	7,784.07	437.27	5,612.37
Water	0.00	0.00	0.00	0.00
Gas	0.00	0.00	0.00	0.00
Hydro	0.00	0.00	0.00	0.00
Rent Allocation	2,504.00	15,024.00	2,504.00	12,520.00
Building R & M	1,575.00	9,450.00	1,575.00	7,875.00
Rent - Outside	0.00	0.00	0.00	0.00
Leasing Equipment	0.00	0.00	0.00	0.00

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BRAKE PRO LTD.
Income Statement in CANS for the Period 2007-06
(Printed 17 JUL 2007) - Format (IS1)
Company = 01, Division = 1

	CURRENT MTD	CURRENT YTD	PRIOR-PD MTD	PRIOR-PD YTD
Equipment Rental	0.00	0.00	0.00	0.00
Outside Services	0.00	0.00	0.00	0.00
Air Travel	0.00	659.88	659.88	659.88
Hotel	0.00	0.00	0.00	0.00
Car Rental	180.04	412.52	32.72	232.48
Car Parking	7.57	56.29	7.58	48.72
Car Milage	186.24	648.68	212.04	462.44
Entertainment	0.00	15.84	0.00	15.84
Meals - 50% - Incl GST	258.86	2,421.37	169.10	2,162.51
Meals - 50% - Excl GST	230.72	2,277.88	163.47	2,047.16
Telephone & Fax	2,062.64	16,373.43	3,237.04	14,310.79
Postage	3,760.82	16,729.91	2,468.11	12,969.09
Donations	0.00	0.00	0.00	0.00
Training	404.94	2,656.46	356.00	2,251.52
Training Trust Fund Expenses	0.00	0.00	0.00	0.00
Deprn - Computer Systems	4,015.93	24,095.54	4,015.92	20,079.61
Deprn - Furn. & Fixt.	58.23	424.72	58.24	366.49
Amort. - Leased Equip.	0.00	0.00	0.00	0.00
Amort. - Leasedhold Improv.	1,670.17	10,020.93	1,670.14	8,350.76
Amort. - CFC Closing Cost	0.00	0.00	0.00	0.00
Amort. - Goodwill	0.00	0.00	0.00	0.00
Amort. - Patents & Trade Marks	0.00	0.00	0.00	0.00
Amortization of Refinancing Fees	0.00	0.00	0.00	0.00
Bank Charges	12,120.06	66,133.92	10,008.33	54,013.86
Bad Debt Expenses	0.00	7,000.00	2,000.00	7,000.00
EDC Insurance	0.00	0.00	0.00	0.00
Consulting Fees	0.00	0.00	0.00	0.00
Other Office Expenses	4,046.57	25,603.23	2,817.58	21,556.66
M.I.S. Expenses	5,504.58	22,539.09	4,449.52	17,034.51
Accounting Audit Fees	4,500.00	27,000.00	4,500.00	22,500.00
Legal Fees - Union	0.00	9,148.51	0.00	9,148.51
Legal Fees - Other	2,276.24	27,502.88	3,211.12	25,226.64
Security Charges	378.00	378.00	0.00	0.00
Professional Dues	689.22	833.33	0.00	144.11
ISO 9001 Expenditure	0.00	0.00	0.00	0.00
ISO 9001 Expense Recovery	0.00	0.00	0.00	0.00
US Franchise Tax	0.00	1,880.58	0.00	1,880.58
Capital Tax	0.00	0.00	0.00	0.00
Congress Audit Fees	0.00	16,000.00	2,000.00	16,000.00
Re-Location Expenses	0.00	0.00	0.00	0.00
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	110,813.24	735,224.18	109,133.59	624,410.94
Administration - Kennesaw				
Salaries - US	22,225.82	140,679.32	22,336.82	118,453.50
Salaries - US - Benft	4,108.14	26,361.99	4,281.38	22,253.85
Salaries - US - Temp	0.00	0.00	0.00	0.00
Supplies	0.00	768.65	564.02	768.65
Rent Allocation	0.00	0.00	0.00	0.00
Directors & Officers Insur.	3,761.00	22,566.00	3,761.00	18,805.00
Leasing Equipment	0.00	0.00	0.00	0.00
Equipment Rental	0.00	0.00	0.00	0.00
Outside Services	0.00	0.00	0.00	0.00
Air Travel	2,700.53	10,778.90	2,267.10	8,078.37

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BRAKE PRO LTD.
 Income Statement in CAN\$ for the Period 2007-06
 (Printed 17 JUL 2007) - Format (IS1)
 Company = 01, Division = 1

	CURRENT MTD	CURRENT YTD	PRIOR-PD MTD	PRIOR-PD YT
Hotel	1,076.11	9,073.47	1,318.56	7,997.36
Corporate Condo Rent	0.00	0.00	0.00	0.00
Car Rental	819.11	3,883.91	228.19	3,064.80
Car Parking	154.38	1,009.93	169.91	855.55
Car Milage	103.92	678.31	158.29	574.39
Entertainment	0.00	1,083.88	30.44	1,083.88
Meals - 50% - Incl GST	546.73	3,172.13	619.38	2,625.40
Meals - 50% - Excl GST	546.74	3,150.30	597.55	2,603.56
Telephone & Fax	1,114.14	6,043.27	1,051.36	4,929.13
Postage	530.22	1,343.09	0.00	812.87
Donations	0.00	0.00	0.00	0.00
Training	0.00	0.00	0.00	0.00
Amort. - Leasedhold Improv.	0.00	0.00	0.00	0.00
Consulting Fees	0.00	0.00	0.00	0.00
Other Expenses	342.34	9,566.93	1,805.50	9,224.59
M.I.S. Expenses	0.00	0.00	0.00	0.00
Legal Fees - Other	0.00	0.00	0.00	0.00
Security Charges	79.53	255.09	0.00	175.56
Professional Dues	0.00	0.00	0.00	0.00
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	38,108.71	240,415.17	39,189.50	202,306.46
Product Development Exp.				
HRLY Lab - Ind	1,277.81	8,106.87	660.24	6,829.06
HRLY Lab - Ind O/T	0.00	0.00	0.00	0.00
HRLY Lab - Ind Benfts	263.64	2,234.86	316.40	1,971.22
HRLY Lab - Ind Contract	0.00	0.00	0.00	0.00
HRLY Lab - Ind Cont. O/T	0.00	0.00	0.00	0.00
Salaries - CDN	16,347.20	108,179.30	16,382.20	91,832.10
Salaries - CDN - Benft	2,343.83	17,838.87	2,354.60	15,495.04
Salaries - CDN - Temp	0.00	0.00	0.00	0.00
Supplies	0.00	0.00	0.00	0.00
Rent Allocation	887.00	5,322.00	887.00	4,435.00
Building R & M	0.00	0.00	0.00	0.00
Leasing Equipment	0.00	0.00	0.00	0.00
Equipment Rental	0.00	0.00	0.00	0.00
Outside Services	0.00	0.00	0.00	0.00
Air Travel	0.00	347.52	0.00	347.52
Hotel	604.95	942.39	0.00	337.44
Car Rental	147.66	680.06	99.75	532.40
Car Parking	0.00	86.18	0.00	86.18
Car Milage	735.48	770.04	0.00	34.56
Entertainment	0.00	0.00	0.00	0.00
Meals - 50% - Incl GST	0.00	0.00	0.00	0.00
Meals - 50% - Excl GST	0.00	0.00	0.00	0.00
Telephone & Fax	0.00	26.02	0.00	26.02
Postage	843.83	4,511.72	941.48	3,667.89
Material R & D	0.00	0.00	0.00	0.00
Training	0.00	0.00	0.00	0.00
Deprn - Expenses	3,911.65	23,469.84	3,911.65	19,558.19
Amort. - Leasedhold Improv.	0.00	0.00	0.00	0.00
Consulting Fees	3,166.66	18,999.96	3,166.66	15,833.30
Other Expenses	6.74	6.74	0.00	0.00
Legal Fees - Other	0.00	0.00	0.00	0.00

BRAKE PRO LTD.
 Income Statement in CAN\$ for the Period 2007-06
 (Printed 17 JUL 2007) - Format (IS1)
 Company = 01, Division = 1

	CURRENT MTD	CURRENT YTD	PRIOR-PD MTD	PRIOR-PD YT
Testing Charges	11,663.07	74,101.34	10,608.69	62,438.27
Re-Location Expenses	0.00	0.00	0.00	0.00
Invent. Adj. - R&D Testing	0.00	4,654.25	265.77	4,654.25
	42,199.52	270,277.96	39,594.44	228,078.44
Total Operating Expenses	601,572.61	3,922,570.66	627,054.33	3,320,998.05
Total Operating (Income) / Loss	120,251.65	<170,393.87>	4,680.22	<290,645.52
Misc. (Income) / Expenses				
Overdue Interest charged	0.00	0.00	0.00	0.00
Thrift Plan	0.00	0.00	0.00	0.00
Other Misc (Income) / Expenses	<75.00>	<527.39>	<60.88>	<452.39
	<75.00>	<527.39>	<60.88>	<452.39
E.B.I.T. Before Foreign Exch. G/L	120,176.65	170,921.26	<4,619.34>	291,097.91
F/E Loss on Long Term Debt	0.00	0.00	0.00	0.00
Foreign Exch. (Gain) / Loss	<8,067.66>	187,564.98	99,897.02	195,632.64
EBIT After Foreign Exch. (Gain)/Loss	112,108.99	16,643.72	104,516.36	<95,465.27
Interest Expenses				
Interest Exp - Other	0.00	0.00	0.00	0.00
Interest Exp - CFC	58,569.05	390,696.09	64,436.36	332,127.04
Interest Exp - Lease	363.86	2,494.36	384.86	2,130.50
Interest on Tranche A Note	23,274.57	162,035.18	24,294.80	138,760.61
Interest on Incentive Note	9,309.83	64,814.08	9,717.92	55,504.25
	91,517.31	620,039.71	98,833.94	528,522.40
Interest Income	<1,460.09>	<14,775.45>	<1,932.61>	<13,315.36
Pre - Tax (Earnings) / Loss	202,166.21	621,907.98	201,417.69	419,741.77
Gain on Forgiveness of Debt	0.00	0.00	0.00	0.00
Restructuring Charges	0.00	4,121.99	4,121.99	4,121.99
Writedown of Loans to Affiliate	0.00	0.00	0.00	0.00
BPS Holding Expenses	0.00	11,278.66	0.00	11,278.66
Withholding Tax - BPI	0.00	0.00	0.00	0.00
	0.00	11,278.66	0.00	11,278.66
Taxes				
Federal Income Tax	<20,000.00>	<144,000.00>	<62,000.00>	<124,000.00

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BRAKE PRO LTD.
Income Statement in CAN\$ for the Period 2007-06
(Printed 17 JUL 2007) - Format (IS1)
Company = 01, Division = 1

	CURRENT MTD	CURRENT YTD	PRIOR-PD MTD	PRIOR-PD YTD
Provincial Income Tax	0.00	0.00	0.00	0.00
Future Income Tax Expense	0.00	0.00	0.00	0.00
Federal Corp. Tax L.C.T.	0.00	0.00	0.00	0.00
US Income Tax	0.00	0.00	0.00	0.00
	<20,000.00>	<144,000.00>	<62,000.00>	<124,000.00>
Net (Income) / Loss	182,166.21	493,308.63	143,539.68	311,142.42