

**FORM 5**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

| OMB APPROVAL                                 |           |
|----------------------------------------------|-----------|
| OMB Number:                                  | 3235-0362 |
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- Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).
- Form 3 Holdings Reported.
- Form 4 Transactions Reported.

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

|                                                                 |         |          |                                                                                      |  |  |                                                                                                                                                                                       |  |  |
|-----------------------------------------------------------------|---------|----------|--------------------------------------------------------------------------------------|--|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|
| 1. Name and Address of Reporting Person*<br><b>COLE STEPHEN</b> |         |          | 2. Issuer Name and Ticker or Trading Symbol<br><b>FARO TECHNOLOGIES INC [ FARO ]</b> |  |  | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable)<br><input checked="" type="checkbox"/> Director 10% Owner<br>Officer (give title below) Other (specify below) |  |  |
| (Last)                                                          | (First) | (Middle) | 3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)<br><b>05/18/2005</b>    |  |  | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br>Form filed by More than One Reporting Person |  |  |
| 125 TECHNOLOGY PARK                                             |         |          | 4. If Amendment, Date of Original Filed (Month/Day/Year)                             |  |  |                                                                                                                                                                                       |  |  |
| (Street)<br><b>LAKE MARY FL 32746</b>                           |         |          |                                                                                      |  |  |                                                                                                                                                                                       |  |  |
| (City) (State) (Zip)                                            |         |          |                                                                                      |  |  |                                                                                                                                                                                       |  |  |

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) |            |       | 5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|------------|-------|--------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------|
|                                 |                                      |                                                    |                                | Amount                                                            | (A) or (D) | Price |                                                                                            |                                                          |                                                       |
| Common Stock                    | 05/18/2005                           |                                                    | M4                             | 960                                                               | A          | (1)   | 5,092                                                                                      | D                                                        |                                                       |
| Common Stock                    |                                      |                                                    |                                |                                                                   |            |       | 490                                                                                        | I                                                        | Held by Wife <sup>(2)</sup>                           |

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) |     | 6. Date Exercisable and Expiration Date (Month/Day/Year) |                 | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |       |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|----------------------------------------------------------------------------------------|-----|----------------------------------------------------------|-----------------|-----------------------------------------------------------------------------------|--------------------------------------------|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------|--------------------------------------------------------|-------|
|                                            |                                                        |                                      |                                                    |                                | (A)                                                                                    | (D) | Date Exercisable                                         | Expiration Date |                                                                                   |                                            |                                                                                                    |                                                           |                                                        | Title |
| Deferred Stock Units                       | (3)                                                    | 05/18/2005                           |                                                    | 4M                             |                                                                                        | 960 | (4)                                                      | (4)             | Common Stock                                                                      | 960                                        | (1)                                                                                                | 0                                                         | D                                                      |       |
| Common Stock                               | (5)                                                    | 05/18/2005                           |                                                    | 4A                             | 2,000                                                                                  |     | (5)                                                      | (5)             | Common Stock                                                                      | 2,000                                      | \$0                                                                                                | 2,000                                                     | D                                                      |       |

**Explanation of Responses:**

- Acquired on January 17 & 18, 2003 pursuant to the Company's 1997 Non-employee Directors' Fee Plan at \$2.50 per share.
- Shares registered in the name of Shanklin Investments and held in trust for Stephen Cole who holds them in trust for Snow Powder Ridge Limited a company owned by Stephen's wife Wendy Cole.
- 1 for 1
- Shares of phantom stock units become payable to the director pursuant to the terms and conditions of the Amended and Restated 1997 Non-employee Directors' Fee Plan or upon the earliest date of the date selected by the director on his/her Deferred Election form; death; disability; or subsequent termination of the plan. The plan was terminated on May 18, 2005.
- Restricted stock was granted pursuant to the Company's 2004 Equity Incentive Plan and vests in three annual installments beginning one year from date of grant.

/s/ Martin A. Traber as  
Attorney-in-Fact for Stephen Cole      08/10/2006

\*\* Signature of Reporting Person      Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.