SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

[X] Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended March 31, 2000

[ ] Transition report pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934

For the transition period from _________ to __________

Commission File Number: 0-23081

FARO TECHNOLOGIES, INC.
(Exact name of Registrant as specified in its charter)

FLORIDA	59-3157093
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
125 TECHNOLOGY PARK DRIVE, LAKE MARY, FLORIDA	32746
(Address of Principal Executive Offices)	(Zip Code)

Registrant's Telephone Number, including area code: 407-333-9911

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES [X] NO [ ]

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date:

Class: Voting Common Stock, $.001 Par Value
Outstanding at May 12, 2000: 11,354,014

FARO Technologies, Inc.
Index to Form 10-Q

PART II. OTHER INFORMATION

PART I. FINANCIAL INFORMATION
Item 1. Financial Statements

FARO TECHNOLOGIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS

	MARCH 31, 2000	DECEMBER 31, 1999
	(UNAUDITED)	
CURRENT ASSETS:		
Cash and cash equivalents (Note C)	$ 6,916,314	$ 6,637,184
Short-term investments (Note C)	6,467,808	6,494,262
Accounts receivable - net of allowance	10,549,110	9,812,838
Income taxes refundable	151,592	234,470
Inventories	6,939,098	6,199,414
Prepaid expenses and other assets	468,302	447,894
Deferred income taxes	572,669	494,088
Total current assets	32,064,893	30,320,150
PROPERTY AND EQUIPMENT - at cost:		
Machinery and equipment	2,953,191	2,895,706
Furniture and fixtures	1,167,230	1,094,927
Leasehold improvements	74,686	34,086
Total	4,195,107	4,024,719
Less accumulated depreciation	(2,585,568)	(2,356,572)
Property and equipment, net	1,609,539	1,668,147
INTANGIBLE ASSETS - net	5,285,370	5,979,072
INVESTMENTS (Note C)	2,497,684	3,747,694
NOTES RECEIVABLE	121,681	130,936
DEFERRED INCOME TAXES	262,210	257,913
TOTAL ASSETS	$41,841,377	$42,103,912

LIABILITIES AND SHAREHOLDERS' EQUITY

	MARCH 31, 2000	DECEMBER 31, 1999
CURRENT LIABILITIES:		
Accounts payable	$ 2,845,854	$ 2,200,408
Accrued and other current liabilities	2,657,342	2,847,076
Current portion of unearned service revenues	608,145	317,918
Customer deposits	102,805	84,904
Total current liabilities	6,214,146	5,450,306
LONG-TERM LIABILITIES	67,867	54,260
TOTAL LIABILITIES	6,282,013	5,504,566
SHAREHOLDERS' EQUITY:		
Class A preferred stock - par value $.001, 10,000,000 shares authorized, no shares issued and outstanding		
Common stock - par value $.001, 50,000,000 shares authorized, 11,394,014 and 11,392,842 issued; 11,020,682 and 11,019,510 outstanding, respectively	11,061	11,060
Additional paid-in capital	47,549,065	47,544,844
Unearned compensation	(91,733)	(123,404)
Accumulated deficit	(9,725,221)	(9,307,651)
Accumulated other comprehensive income:		
Cumulative translation adjustments, net of tax	(2,033,183)	(1,374,878)
Treasury stock	(150,625)	(150,625)
Total shareholders' equity	35,559,364	36,599,346
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$41,841,377	$42,103,912

See accompanying notes to condensed consolidated financial statements.

FARO TECHNOLOGIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

	THREE MONTHS ENDED MARCH 31, 2000	THREE MONTHS ENDED MARCH 31, 1999
Sales	$ 9,849,767	$ 6,904,496
Cost of sales	3,940,360	2,738,729
Gross profit	5,909,407	4,165,767
Operating expenses:		
Selling	3,630,141	2,544,114
General and administrative	1,295,134	1,307,334
Depreciation and amortization	638,099	864,469
Research and development	1,001,447	774,266
Employee stock options	31,671	42,246
Total operating expenses	6,596,492	5,532,429
Loss from operations	(687,085)	(1,366,662)
Interest income	197,249	94,469
Other income	72,266	79,927
Loss before income taxes	(417,570)	(1,192,266)
Income tax benefit	-	51,475
Net loss	$ (417,570)	$(1,140,791)
NET LOSS PER COMMON SHARE - BASIC	$ (0.04)	$ (0.10)
NET LOSS PER COMMON SHARE - DILUTED	$ (0.04)	$ (0.10)

See accompanying notes to condensed consolidated financial statements.

FARO TECHNOLOGIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	Common Stock Shares	Common Stock Amounts	Additonal Paid-in Capital	Unearned Compensation	Accumulated Deficit
BALANCE, JANUARY 1, 1998	9,919,000	$ 9,919	$ 36,502,004	$ (464,480)	$ 3,018,265
Net loss					(4,931,094)
Currency translation adjustment, net of tax					
Comprehensive loss					
Issuance of common stock	1,129,137	1,129	10,323,564		
Income tax benefit resulting from the exercise of stock options			695,164		
Amortization of unearned compensation				172,164	
Acquisition of treasury stock					
BALANCE, DECEMBER 31, 1998	11,048,137	11,048	47,520,732	(292,316)	(1,912,829)
Net loss					(7,394,822)
Currency translation adjustment, net of tax					
Comprehensive loss					
Issuance of common stock	11,373	12	24,112		
Amortization of unearned compensation				168,912	
BALANCE, DECEMBER 31, 1999	11,059,510	11,060	47,544,844	(123,404)	(9,307,651)
Net loss					(417,570)
Currency translation adjustment, net of tax					
Comprehensive loss					
Issuance of common stock	1,172	1	4,221		
Amortization of unearned compensation				31,671	
BALANCE, MARCH 31, 2000 (Unaudited)	11,060,682	$ 11,061	$ 47,549,065	$ (91,733)	(9,725,221)

	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total
BALANCE, JANUARY 1, 1998	$ (126,297)		$ 38,939,411
Net loss			(4,931,094)
Currency translation adjustment, net of tax	325,678		325,678
Comprehensive loss			(4,605,416)
Issuance of common stock			10,324,693
Income tax benefit resulting from the exercise of stock options			695,164
Amortization of unearned compensation			172,164
Acquisition of treasury stock		(150,625)	(150,625)
BALANCE, DECEMBER 31, 1998	199,381	(150,625)	45,375,391
Net loss			(7,394,822)
Currency translation adjustment, net of tax	(1,574,259)		(1,574,259)
Comprehensive loss			(8,969,081)

Issuance of common stock			24,124
Amortization of unearned compensation			168,912
BALANCE, DECEMBER 31, 1999	(1,374,878)	(150,625)	36,599,346
Net loss			(417,570)
Currency translation adjustment, net of tax	(658,305)		(658,305)
Comprehensive loss			(1,075,875)
Issuance of common stock			4,222
Amortization of unearned compensation			31,671
BALANCE, MARCH 31, 2000 (Unaudited)	$(2,033,183)	$ (150,625)	$ 35,559,364

See accompanying notes to condensed consolidated financial statements.

FARO TECHNOLOGIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

	THREE MONTHS ENDED MARCH 31,	
	2000	1999
OPERATING ACTIVITIES:		
Net loss	$ (417,570)	$(1,140,791)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	638,099	864,469
Bad debt expense, net of charge offs	30,000	-
Inventory reserve	(234,561)	-
Deferred income taxes	(82,878)	(130,197)
Employee stock options	31,671	-
Change in operating assets and liabilities:		
Decrease (increase) in:		
Accounts receivable	(991,065)	131,568
Income taxes refundable	82,878	23,653
Inventories	(520,079)	(1,175,160)
Notes receivable	-	46,335
Prepaid expenses and other assets	(32,596)	(181,773)
Increase (decrease) in:		
Accounts payable and accrued liabilities	568,395	57,030
Unearned service revenues	311,348	189,787
Customer deposits	21,337	1,800
Net cash used in operating activities	(595,021)	(1,313,279)
INVESTING ACTIVITIES:		
Cash received from investments	1,276,464	1,423,251
Purchases of property and equipment	(225,556)	(169,481)
Payments of patent costs	-	(34,390)
Payments of product design costs	-	(109,459)
Payments for other intangibles	(5,612)	(20,848)
Net cash provided by investing activities	1,045,296	1,089,073
FINANCING ACTIVITIES:		
Payments on debt	(6,094)	(83,776)
Proceeds from issuance of common stock, net	4,220	54,114
Net cash used in financing activities	(1,874)	(29,662)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	(169,271)	118,767
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	279,130	(135,101)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	6,637,184	1,183,656
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 6,916,314	$ 1,048,555

See accompanying notes to condensed consolidated financial statements.

FARO TECHNOLOGIES, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2000 AND 1999

(UNAUDITED)

NOTE A - DESCRIPTION OF ORGANIZATION AND BUSINESS

FARO Technologies, Inc. and Subsidiaries (the "Company") develops, manufactures, markets and supports Computer Aided Design (CAD)-based quality assurance products and CAD-based inspection and statistical process control software.

On May 15, 1998, the Company acquired CATS GmbH for total consideration of $16,069,000 consisting of $5 million in cash, 916,668 shares of common stock and the assumption of certain outstanding liabilities of CATS. The purchase price includes direct costs of the acquisition in the amount of $674,000. In addition, 333,332 shares of common stock were placed in escrow, to be issued provided CATS met certain sales performance goals within an eighteen-month period following the acquisition. These sales goals were not met by November 15, 1999. The 90-day period for registering disputes expired on February 13, 2000 with no claims. The 333,332 shares held by the escrow agent will be returned to the Company once the required documentation requirements have been met. The acquisition was treated as a purchase for accounting purposes and, accordingly, the operating results of CATS have been included in the Company's consolidated financial statements since May 15, 1998.

The Company has three wholly-owned subsidiaries, FARO Worldwide, Inc., Faro Europe GmbH and Co. KG, a German company, and Antares LDA, a Portuguese company. In connection with a restructuring of legal entities in Europe, effective January 1, 1999, CATS was consolidated under the name of Faro Europe GmbH and Co. KG.

NOTE B - BASIS OF PRESENTATION

The accompanying condensed consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and do not include all the information and footnote disclosure required by generally accepted accounting principles for complete consolidated financial statements. In the opinion of management, all adjustments (consisting only of normal recurring accruals) necessary for a fair presentation of the consolidated financial position and operating results for the interim periods have been included. The consolidated results of operations for the three months ended March 31, 2000 are not necessarily indicative of results that may be expected for the year ending December 31, 2000. These condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements of the Company as of December 31, 1999 and 1998, and for each of the three years in the period ended December 31, 1999 included in the Company's Annual Report to Stockholders included by reference within the Company's Annual Report on Form 10-K.

Certain prior year amounts have been reclassified to conform to current year presentation.

NOTE C - CASH AND INVESTMENTS

CASH AND EQUIVALENTS - The Company considers cash on hand and amounts on deposit with financial institutions which have original maturities of three months or less to be cash and cash equivalents. All short-term investments in debt securities which have maturities of three months or less are included in cash and equivalents and classified as trading securities, which are carried at their fair value based upon the quoted market prices of those investments.

INVESTMENTS - Short-term investments ordinarily consist of short-term debt securities acquired with cash not immediately needed in operations. Such amounts have maturities of less than one year. Investments ordinarily consist of debt securities acquired with cash not immediately needed in operations. Such amounts have maturities of at least one year (none have maturities exceeding eighteen months).

At March 31, 2000 and December 31, 1999, cash and investments consisted of the following:

	March 31, 2000	December 31, 1999
Cash and cash equivalents	$ 6,916,314	$ 6,637,184
Short-term investments	6,467,808	6,494,262
Investments	2,497,684	3,747,694
Total cash and investments	$15,881,806	$16,879,140

NOTE D - INVENTORIES

At March 31, 2000 and December 31, 1999, inventories consist of the following:

	March 31, 2000	December 31, 1999
Raw materials	$2,405,931	$1,914,543
Finished goods	1,459,689	1,191,977
Sales demonstration	3,073,478	3,092,894
Total inventories	$6,939,098	$6,199,414

NOTE E - EARNINGS PER SHARE

A reconciliation of the number of common shares used in the calculation of basic and diluted earnings per share ("EPS") is presented below:

	Three months ended March 31,			
	2000		1999	
	Shares	Per-Share Amount	Shares	Per-Share Amount
Basic EPS	11,019,836	$ (.04)	11,009,247	$ (.10)
Effect of dilutive securities	--		--	
Diluted EPS	11,019,836	$ (.04)	11,009,247	$ (.10)

NOTE F - SEGMENT GEOGRAPHIC DATA

The Company develops, manufactures, markets and supports Computer Aided Design (CAD)-based quality assurance products and CAD-based inspection and statistical process control software. This one line of business represents more than 99% of consolidated sales. The Company operates through sales teams established by geographic area. Each team is equipped to deliver the entire line of Company products to customers within its geographic area. The Company has aggregated the sales teams into a single operating segment as a result of the similarities in the nature of products sold, the type of customers and the methods used to distribute the Company's products. The following table presents information about the Company by geographic area:

	Three months ended March 31, 2000	Three months ended March 31, 1999
SALES:		
United States	$4,657,383	$3,619,540
Germany	2,065,952	1,323,046
United Kingdom	951,842	580,653
France	748,196	151,892
Other foreign	1,426,394	1,229,365
Total	$9,849,767	$6,904,496

	March 31, 2000	December 31, 1999
LONG-LIVED ASSETS (NET):		
United States	$2,459,263	$2,522,654
Germany	4,397,400	5,083,420
Other foreign	38,246	41,145
Total	$6,894,909	$7,647,219

PART I. FINANCIAL INFORMATION

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

THE FOLLOWING INFORMATION SHOULD BE READ IN CONJUNCTION WITH THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY, INCLUDING THE NOTES THERETO, INCLUDED ELSEWHERE IN THIS FORM 10-Q, AND THE MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS INCLUDED IN THE COMPANY'S ANNUAL REPORT ON FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 1999.

RESULTS OF OPERATIONS

THREE MONTHS ENDED MARCH 31, 2000 COMPARED TO THREE MONTHS ENDED MARCH 31, 1999

SALES. Sales increased $2.9 million, or 42.0%, from $6.9 million for the three months ended March 31, 1999 to $9.8 million for three months ended March 31, 2000. The increase primarily resulted from increases in product sales in the United States (an increase of $1.1 million, or 30.6%, from $3.6 million to $4.7 million), the three European countries where the Company has sales offices (an increase of $1.7 million, or 81.0%, from $2.1 million to $3.8 million), and export sales to the remainder of the world (an increase of $0.1 million, or 8.3%, from $1.2 million to $1.3 million).

GROSS PROFIT. Gross profit increased $1.7 million, or 40.5%, from $4.2 million for the three months ended March 31, 1999 to $5.9 million for the three months ended March 31, 2000. Gross margin decreased slightly, to 60.0% for the three months ended March 31, 2000 from 60.3% for the three months ended March 31, 1999. The decrease in gross margin was primarily a result of a slightly different mix of products.

SELLING EXPENSES. Selling expenses increased $1.1 million, or 44.0%, from $2.5 million for the three months ended March 31, 1999 to $3.6 million for the three months ended March 31, 2000. This increase was primarily a result of higher selling expenses in the United States ($0.7 million), principally composed of higher compensation (including sales commissions) and marketing costs and in Europe ($0.4 million), where sales commissions and marketing costs also increased.

GENERAL AND ADMINISTRATIVE EXPENSES. General and administrative expenses were virtually unchanged, at $1.3 million for the three months ended March 31, 1999 and 2000. Expenses in the United States increased $0.1 million, primarily due to increased recruiting costs, while European expenses decreased by $0.1 million, primarily due to foreign exchange rates.

DEPRECIATION AND AMORTIZATION EXPENSES. Depreciation and amortization expenses decreased $226,000, or 26.2%, from $864,000 for the three months ended March 31, 1999 to $638,000 for the three months ended March 31, 2000. This decrease was almost entirely due to the $3,073,000 impairment loss on acquired intangibles, which reduced the amount of remaining acquired intangibles to be amortized, and the write-off of $1.2 million of patents and capitalized research and development costs at the end of 1999.

RESEARCH AND DEVELOPMENT EXPENSES. Research and development expenses increased $0.2 million, or 25.0%, from $0.8 million for the three months ended March 31, 1999 to $1.0 million for the three months ended March 31, 2000. The increase was primarily due to increases in the United States ($0.2 million), largely in salaries and software translation costs.

INTEREST INCOME. Interest income increased $0.1 million, or 100%, from $0.1 million for the three months ended March 31, 1999, to $0.2 million for the three months ended March 31, 2000. The increase primarily was attributable to an increase in the average yields of interest-earning cash, cash equivalents, and investments held through the first quarter of 2000.

INCOME TAX BENEFIT. Income tax benefit decreased from $0.1 million for the three months ended March 31, 1999, to zero for the three months ended March 31, 2000. The Company's loss resulted from its European operations, which have a valuation allowance offsetting its tax benefits.

NET LOSS. Net loss decreased $0.7 million, or 63.6%, from $1.1 million for the three months ended March 31, 1999 to $0.4 million for the three months ended March 31, 2000, due to the factors stated above.

LIQUIDITY AND CAPITAL RESOURCES

For the three months ended March 31, 2000, net cash used for operating activities was $0.6 million, compared to cash used for operating activities of $1.3 million for the three months ended March 31, 1999. The decrease was primarily due to a $0.7 million lower loss in the three months ended March 31, 2000. Cash used in operating activities is primarily composed of an increase in accounts receivable of $1.0 million, an increase in inventory of $0.5 million and the net loss of $0.4 million, partially offset by non-cash depreciation and amortization of $0.6 million and an increase in accounts payable and accrued liabilities of $0.6 million. Net cash provided by investing activities was $1.0 million for the three months ended March 31, 2000, virtually unchanged from the net cash provided by investing activities of $1.1 million for the three months ended March 31, 1999. Net cash used in financing activities for the three months ended March 31, 2000 was $2,000, compared to net cash used of $30,000 for the three months ended March 31, 1999.

In April 1997, the Company obtained a one-year unsecured $1.0 million line of credit, which bears interest at the 30-day commercial paper rate plus 2.65% per annum. There were no outstanding borrowings under this loan agreement, which has been renewed annually, at March 31, 2000.

The Company's principal commitments at March 31, 2000 were leases on its headquarters and regional offices and a loan commitment to the two former shareholders of CATS (see Part II, Item 5, Other Information). There were no material commitments for capital expenditures at March 31, 2000. The Company believes that its cash, investments, cash flows from operations and funds available from its credit facilities will be sufficient to satisfy its working capital, loan commitment and capital expenditure needs at least through 2000.

FOREIGN EXCHANGE EXPOSURE

Sales outside the United States represent a significant portion of the Company's total revenues. Fluctuations in exchange rates between the U.S. dollar and the currencies where the Company conducts such business may have a material adverse effect on the Company's business, results of operation and financial condition, particularly its operating margins, and could also result in exchange losses. The impact of future exchange rate fluctuations on the results of the Company's operations cannot be accurately predicted. To the extent that the percentage of the Company's non-U.S. dollar revenues derived from international sales increases in the future, the risks associated with fluctuations in foreign exchange rates will increase. Historically, the Company has not managed the risks associated with fluctuations in exchange rates but may undertake transactions to manage such risks in the future using forward foreign exchange contracts, foreign currency options or other instruments to hedge these risks.

YEAR 2000

During fiscal 1999, the Company continued its company-wide program to prepare the Company's computer systems for year 2000 compliance. The year 2000 issue relates to computer systems that use the last two digits rather than all four to define a year and whether such systems would properly and accurately process information when the year changed to 2000.

At the date of this report, the Company had not yet experienced any material problems related to the year 2000. A few issues were discovered in 1999, but the problems were resolved with no major disruption to the Company's business operations. The Company has not become aware of any significant year 2000 issues affecting the Company's major customers or suppliers. The Company also has not received any material complaints regarding any year 2000 issues related to its products.

Year 2000 related costs through March 31, 2000 were limited to employees' time and were expensed as incurred. The remaining estimated cost to address any additional year 2000 problems is deemed immaterial. No significant information system projects were deferred to accommodate the year 2000 issues.

EFFECTS OF INFLATION

Inflation generally affects the Company by increasing the cost of labor, equipment and raw materials. The Company does not believe that inflation has had any material effect on the Company's business over the last three years.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The information required by this item is incorporated by reference herein from the section of this report in Part I, Item 2, under the caption "Foreign Exchange Exposure."

PART II. OTHER INFORMATION

ITEM 5. OTHER INFORMATION

On May 15, 1998, the Company acquired CATS Computer Aided Technologies, GmbH ("CATS"), a company based in Germany that develops, markets, and supports 3-D measurement retrofit and statistical process control software. The CATS acquisition agreement provided that the Company would provide a loan to the two former shareholders of CATS to fund their tax liability in connection with the shares of FARO common stock that they received in the acquisition. The former CATS shareholders remain key employees of the Company.

Pursuant to a Loan Agreement dated August 2, 1999 with each of the former CATS shareholders, the Company has agreed to loan to the former CATS shareholders an amount equal to their tax obligation to the German tax authorities in connection with the acquisition of CATS. The aggregate amount of the loans is estimated to be approximately $2 million. The Company is not obligated to provide the loans until the German tax authorities request payment for the tax from the former CATS shareholders, which has not yet occurred. Moreover, the loan commitment will cease if the Company's share price rises to $11.34 per share (the price establishing the tax liability) for several consecutive days.

If the loans are made, they will be for a term of three years, at an interest rate of approximately 4.3%, with an option for the borrower to extend the term for an additional three years. As collateral for the loans, the former CATS shareholders will pledge to the Company the number of shares of Company common stock equal to the amount of the loan divided by $6.375. If the amount of the loans is $2 million, the loans will be secured by 313,725 shares. The loans will be a non-recourse obligation of the former CATS shareholders.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

a.) Exhibits

Exhibit No.	Description
27.7	Financial Data Schedule (FOR SEC USE ONLY)

99.1	Loan Agreement dated August 2, 1999 between FARO Technologies, Inc. and Wendelin Karl Johannes Scharbach (Filed as Exhibit 99.1 to Registrant's Quarterly Report on Form 10-Q for the three months ended September 30, 1999, and incorporated herein by reference).
99.2	Loan Agreement dated August 2, 1999 between FARO Technologies, Inc. and Siegfried Kurt Buss (Filed as Exhibit 99.2 to Registrant's Quarterly Report on Form 10-Q for the three months ended September 30, 1999, and incorporated herein by reference).

b.) Reports on Form 8-K

None

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: May 12, 2000

FARO TECHNOLOGIES, INC.
(Registrant)

By: /s/ Stuart W. Jones

Stuart W. Jones
Vice President and Chief Financial Officer
(Duly Authorized Officer and Principal
Financial Officer)

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