SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 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 September 29, 1996.

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: 0-24020
GROUP TECHNOLOGIES CORPORATION
(Exact name of registrant as specified in its charter)

FLORIDA	59-2948116
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

10901 Malcolm McKinley Drive
Tampa, Florida 33612
(Address of principal executive offices, including zip code)

(813) 972-6000
(Registrant's telephone number, including area code)

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 / /.

As of November 8, 1996 there were 16,220,629 shares of the Registrant's Common Stock outstanding.

INDEX

Part I. Financial Information

Item 1. Financial Statements

GROUP TECHNOLOGIES CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except for per share data)

	Three Months Ended		Nine Months Ended	
	September 29, 1996	October 1, 1995	September 29, 1996	October 1, 1995
	(Unaudited)		(Unaudited)	
Revenue	$48,190	$71,554	$180,380	$208,521
Cost of operations	47,376	68,446	170,549	199,941
Gross profit	814	3,108	9,831	8,580
Selling, general and administrative expense	2,393	3,510	8,597	14,023
Research and development	2	585	296	2,508
Operating (loss) income	(1,581)	(987)	938	(7,951)
Interest expense	756	590	2,682	1,970
Other expense (income), net	93	(116)	166	298

Loss before income taxes	(2,430)	(1,461)	(1,910)	(10,219)
Income tax expense (benefit)	388	(682)	845	(3,955)
Net loss	$(2,818)	$ (779)	$ (2,755)	$ (6,264)
Net loss per share:				
Primary	$ (0.17)	$ (0.05)	$ (0.17)	$ (0.40)
Fully diluted	$ (0.17)	$ (0.05)	$ (0.17)	$ (0.40)
Shares used in computing per share amounts:				
Primary	16,221	15,690	16,135	15,680
Fully diluted	16,221	15,690	16,135	15,680

The accompanying notes are an integral part of the consolidated financial statements.

GROUP TECHNOLOGIES CORPORATION

CONSOLIDATED BALANCE SHEETS

(in thousands, except for share data)

	September 29, 1996 (Unaudited)	December 31, 1995
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,224	$ 2,143
Accounts receivable, net	21,192	31,167
Inventories, net	25,990	46,499
Other current assets	3,780	7,965
Total current assets	52,186	87,774
Property and equipment, net	22,256	24,090
Other assets	934	1,242
	$ 75,376	$113,106
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 17,146	$ 37,789
Accrued liabilities	15,153	17,892
Note payable	804	0
Current portion of long-term debt	14,813	8,171
Total current liabilities	47,916	63,852
Long-term debt	1,923	23,050
Other liabilities	310	364
Total liabilities	50,149	87,266
Shareholders' equity:		

Preferred Stock, $.01 par value, 1,000,000 shares authorized; no shares issued and outstanding	0	0
Common Stock, $.01 par value, 40,000,000 shares authorized; 16,220,629 and 15,828,707 shares issued and outstanding in 1996 and 1995, respectively	162	158
Additional paid-in capital	24,675	22,537
Retained earnings	390	3,145
Total shareholders' equity	25,227	25,840
	$ 75,376	$113,106

The accompanying notes are an integral part of the consolidated financial statements.

GROUP TECHNOLOGIES CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)

	Nine Months Ended	
	September 29, 1996	October 1, 1995
	(Unaudited)	
Cash flows from operating activities:		
Net loss	$ (2,755)	$ (6,264)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	3,887	3,425
Other	230	(262)
Changes in operating assets and liabilities, net of dispositions:		
Accounts receivable	7,097	(7,419)
Inventories	13,264	11,604
Other current and non-current assets	1,888	(3,091)
Accounts payable	(19,655)	(4,162)
Accrued and other liabilities	(998)	738
Net cash provided by (used in) operating activities	2,958	(5,431)
Cash flows from investing activities:		
Capital expenditures	(2,376)	(7,567)
Proceeds from disposal of assets	11,561	0
Net cash provided by (used in) investing activities	9,185	(7,567)
Cash flows from financing activities:		
Net (repayments) proceeds under revolving credit agreement	(8,511)	13,804
Repayments of notes payable and long-term debt	(5,551)	(988)
Net proceeds from issuance of common stock	1,000	75
Net cash (used in) provided by financing		

activities	(13,062)	12,891
Net decrease in cash and cash equivalents	(919)	(107)
Cash and cash equivalents at beginning of period	2,143	1,328
Cash and cash equivalents at end of period	$ 1,224	$ 1,221

The accompanying notes are an integral part of the consolidated financial statements.

GROUP TECHNOLOGIES CORPORATION

Notes to Interim Consolidated Financial Statements

(1) Organizational Structure

Group Technologies Corporation (the "Company") is a leading provider of advanced manufacturing, engineering and testing services to original equipment manufacturers (OEMs) of electronic products. The Company custom manufactures complex circuit card assemblies, subsystems and end-user products for use in a wide variety of markets, including avionics, gaming, network products, personal computer, photography, space, telecommunications, utility, workstation and government systems.

The consolidated financial statements include the accounts of the Company and its majority owned subsidiaries (hereinafter collectively referred to as the "Company"). The Company's operating subsidiaries are Group Technologies, S.A. de C.V. ("GTC Mexico") and Group Technologies Suprimentos de Informatica Industria e Comercio Ltda. ("GTC Brazil"). Substantially all of the assets of Metrum, Inc. ("Metrum"), which remains a wholly owned subsidiary of the Company, were sold on February 9, 1996 (see Note 6); however, certain non-operating assets and liabilities were retained.

(2) Basis of Presentation

The unaudited consolidated financial statements and related notes have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission and on substantially the same basis as the annual consolidated financial statements. The consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany transactions and accounts have been eliminated.

In the opinion of management, the consolidated financial statements reflect all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the financial position, operating results, and cash flows for those periods presented. Operating results for the three and nine month periods ended September 29, 1996 are not necessarily indicative of the results that may be expected for the year ended December 31, 1996. These consolidated financial statements should be read in conjunction with the consolidated financial statements, and notes thereto, for the year ended December 31, 1995 as presented in the Company's annual report on Form 10-K.

(3) Net Loss Per Share

Net loss per share is computed using the weighted average number of common shares outstanding during the applicable period.

(4) Inventories

Inventories consist of the following:

	September 29, 1996 (Unaudited)	December 31, 1995
Raw materials	$ 17,767	$ 34,469
Work in process	4,320	6,840
Finished goods	409	330
Costs relating to long-term contracts and programs, net of amounts attributed to revenue recognized to date	19,402	25,766
Progress payments related to long-term contracts and programs	(8,438)	(12,300)
Reserve for inactive, obsolete and unsalable inventories	(7,470)	(8,606)
	$ 25,990	$ 46,499

The amounts detailed above include inventories valued under the last-in, first-out ("LIFO") method totaling $5,318,000 at December 31, 1995, which approximates replacement cost at that date. No inventories were valued under LIFO at September 29, 1996.

(5) Note Payable and Long-Term Debt

On March 29, 1996, the Company entered into a financing agreement (the "1996 Credit Agreement") with its bank to replace the revolving credit agreement entered into on November 24, 1994. The 1996 Credit Agreement provides the Company with a two-year revolving line of credit facility (the "Revolver"), a $3,300,000 two-year facility (the "Term Note") and an additional $5,000,000 facility (the "1996 Note") for the period through December 31, 1996. Borrowings under the 1996 Credit Agreement are secured by substantially all of the assets of the Company. Under the terms of the 1996 Credit Agreement, the Company will pay interest monthly on outstanding borrowings at the prime rate (8.25% at September 29, 1996) plus a spread (between 1.0% and 2.0%). The Company will be provided credit availability on the Revolver equal to the lesser of $27,500,000 or the applicable amount of its eligible accounts receivable and inventories through December 31, 1996. Effective January 1, 1997 through the maturity date of March 1998, the Company's credit availability on the Revolver will equal the lesser of $22,500,000 or the applicable amount of its eligible accounts receivable and inventories. Principal payments on the Term Loan are due monthly commencing in the fourth quarter of 1996. The balance on the 1996 Note at September 29, 1996 was $804,000, which was fully paid as of October 3, 1996.

The Company, in conjunction with the 1996 Credit Agreement, paid a $250,000 fee and issued warrants to purchase 1,200,000 shares of common stock at $0.01 per share to the lender in consideration for execution of the financing agreement. At September 29, 1996, 200,000 of the warrants were exercisable and the balance of the warrants become exercisable in quarterly increments of 250,000 beginning March 1997. The warrants will expire 5 years following the issue date. The lender will forfeit any unvested warrants in the event the Company repays all debt outstanding under the 1996 Credit Agreement prior to any warrant vesting date. The Company recorded an original issue discount for the 1996 Credit Agreement equal to the fair market value of the exercisable options and is amortizing this discount over the 12 month period beginning April 1996.

Long-term debt consists of the following:

	September 29, 1996 (Unaudited)	December 31, 1995
Revolver	$ 8,321	$ 25,583
Term Note	3,300	0
Other	5,355	5,638
Total long-term debt	16,976	31,221
Unamortized original issue discount related to issuance of warrants exercisable on date of issuance	(240)	0
Current portion of long-term debt	(14,813)	(8,171)
	$ 1,923	$ 23,050

Available borrowings on the Revolver at September 29, 1996 were approximately $4,643,000. The interest rate on all debt outstanding under the 1996 Credit Agreement at September 29, 1996 was 10.25%. As a result of the Company's early repayment of the 1996 Note on October 3, 1996, the interest rate was reduced to 9.5%.

The 1996 Credit Agreement requires maintenance of certain financial ratios and contains other restrictive covenants, including prohibiting the Company from paying dividends. At September 29, 1996 the Company was not in compliance with certain covenants, including minimum earnings before interest, income taxes, depreciation and amortization ("EBITDA"). The bank has waived its rights with regard to such items of non-compliance through November 30, 1996. Management believes the Company may be in non-compliance with similar covenants within twelve months and has, therefore, classified the debt as current.

(6) Dispositions

On February 9, 1996, the assets of the instrumentation products business unit of Metrum were sold to Bell Technologies, Inc. ("Bell"), formerly F.W. Bell, Inc., for $10,104,000 cash and an earn-out provision which provides for additional payments to the Company, up to $3,000,000 in the event annual earnings before interest and taxes exceeds defined amounts through December 31, 2001. The Company and Bell are both majority owned subsidiaries of Group Financial Partners, Inc. (the "Parent"). Due to the common ownership interest of the Parent in the Company and Bell, the Company requested and obtained an independent opinion, which indicated that the consideration received by the Company for the sale of the instrumentation products business was fair, from a financial point of view, to the unaffiliated shareholders of the Company. In addition, due to the common ownership, the amount by which the sales price exceeds the net book value of assets and liabilities transferred has been recorded by the Company as a contribution to its capital of $613,000.

On March 22, 1996, the Company sold substantially all of the assets related to its Badger name brand product business unit for its carrying value of $1,457,000.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations

The following tables set forth certain data, expressed as a percentage of revenue, from the Company's Consolidated Statement of Operations for the three and nine month periods ended September 29, 1996 and October 1, 1995.

	Three Months Ended		Nine Months Ended	
	September 29, 1996	October 1, 1995	September 29, 1996	October 1, 1995
	(Unaudited)		(Unaudited)	
Revenue	100.0%	100.0%	100.0%	100.0%
Cost of operations	98.3	95.7	94.5	95.9
Gross profit	1.7	4.3	5.5	4.1
Selling, general and administrative expense	5.0	4.9	4.8	6.7
Research and development	0.0	0.8	0.2	1.2
Operating (loss) income	(3.3)	(1.4)	0.5	(3.8)
Interest expense	1.5	0.8	1.5	1.0
Other expense (income), net	0.2	(0.2)	0.1	0.1
Loss before income taxes	(5.0)	(2.0)	(1.1)	(4.9)
Income tax expense (benefit)	0.9	(0.9)	0.4	(1.9)
Net loss	(5.9)%	(1.1)%	(1.5)%	(3.0)%

Revenue for the third quarter of 1996 was $48.2 million, a decrease of $23.4 million or 32.7% from $71.6 million for the third quarter of 1995. Revenue for the first nine months of 1996 was $180.4 million, a decrease of $28.1 million or 13.5% from $208.5 million for the first nine months of 1995. The overall decrease in revenue reflects several changes in the Company's business which occurred during 1995 and in the first nine months of 1996. The composition of revenue for the comparable year-to-year periods varied primarily as a result of the Company's expansion into Latin America and its reduced domestic operations, including the disposition of its name brand products business units during 1995 and in the first quarter of 1996. The net decrease of $28.1 million for the nine month period is comprised of an increase in foreign operations of $23.7 million offset by a reduction in Tampa based operations of $26.5 million, and a $25.3 million decrease in revenue associated with the disposition of substantially all of the assets of Metrum, Inc. and the Badger business unit.

The increase in revenue from the Company's foreign operations in the first nine months of 1996 was generated by the growth in the Company's Mexican and Brazilian manufacturing services operations of $16.8 million and $6.9 million, respectively. The principal increase in revenue from the Mexican operation was provided by a turnkey contract which began in the second half of 1995 and which was completed during the third quarter of 1996. The increase in Brazilian revenues was principally due to the fact that the Company initially commenced operations in Brazil during the third quarter of 1995 whereas it operated in Brazil for a full nine months during 1996. The Company also commenced operations

at a facility located in Campinas, Brazil, in August, 1996.

Revenue for the Company's domestic manufacturing and engineering services businesses decreased by $24.0 million and $2.5 million, respectively, over the first nine months of the prior year. The majority of the domestic manufacturing services revenue decrease was related to a reduction in customer demand and to periodic cancellations of non-profitable contracts during the first nine months of 1995.

The Company significantly reduced the fixed costs of its Tampa facility during 1995, thus lowering the break-even point of its manufacturing services operation. While the Company continued to strategically lower both fixed and variable costs during the first nine months of 1996, the revenue base for the Tampa facility was not sufficient to enable it to report an operating profit in the third quarter. Additionally, the completion of a contract has created additional under-utilized production capacity at the Company's Tampa manufacturing facility. While a near term replacement of this business is not foreseen, the Company is actively pursuing new business opportunities with both its existing customer base and new customers.

To enhance the Company's prospects for achieving an adequate revenue load in future periods, management has structured the marketing and sales function to optimize the Company's capabilities toward the achievement of new business generation. The Company's marketing efforts for its domestic manufacturing services operations are focused to identify high product mix and advanced packaging demands, and are designed to attract and win profitable contracts which will utilize the Company's value added engineering capability. Management has also consolidated certain manufacturing support and materials functions to improve the Company's performance on its existing programs. If the Company is unable to attract new business which will generate profitable revenue for its Tampa facility during the remainder of 1996 and in 1997, its financial performance during these periods may be adversely affected. Management will closely monitor the progress of these activities and will take additional actions to minimize the impact of any potential revenue shortfall.

Revenue for the name brand products business units was $6.1 million for the first nine months of 1996, which includes $4.1 million of revenue derived from a favorable contract claim settlement. The instrumentation products business unit of Metrum and the Company's Badger business unit were sold during the first quarter of 1996. The aggregate decrease in revenue for the year-to-year comparable periods related to the disposition of name brand products businesses was $25.3 million. The sale of these business units completed the disposition of the Company's entire line of name brand products which also included two sale transactions in the second quarter of 1995.

Gross profit for the third quarter of 1996 decreased to $0.8 million or 1.7% of revenue from $3.1 million or 4.3% of revenue in the third quarter of 1995. Gross profit for the first nine months of 1996 increased to $9.8 million or 5.5% of revenue from $8.6 million or 4.1% of revenue in the first nine months of 1995. The decrease in gross profit in the third quarter of 1996 is primarily attributable to the disposition of the Company's name brand products business units and the under-utilized capacity of its Tampa based operations. The net increase in gross profit during the first nine months of 1996 is principally related to a $7.7 million increase in gross profit from the Company's core manufacturing and engineering services businesses, partially offset by a $6.5 million decrease in gross profit from the name brand products business. The $7.7 million increase in gross profit is associated with a reduced level of inventory reserves and adjustments, contract estimate changes and severance costs as compared to the same period in 1995. Additionally, the gross margin amount for the first nine months of 1996 also includes a favorable name brand products business claim settlement of $4.1 million.

Selling, general and administrative expense for the third quarter of 1996 decreased to $2.4 million or 5.0% of revenue from $3.5 million or 4.9% of revenue in the third quarter of 1995. Selling, general and administrative expense for the first nine months of 1996 decreased to $8.6 million or 4.8% of revenue from $14.0 million or 6.7% of revenue for the same period in 1995. The decrease in the first nine months of 1996 reflects the disposition of the name brand products business units and the result of ongoing cost reduction activities.

Research and development expense for the third quarter and first nine months of 1996 decreased $0.6 million and $2.2 million, respectively, from the comparable prior year periods. The Company's research and development efforts have historically been concentrated on the name brand products business units. The Company's manufacturing and engineering services businesses are expected to continue to require comparatively lower levels of research and development in the future.

Interest expense for the third quarter and first nine months of 1996 increased $0.2 million and $0.7 million, respectively, from the comparable prior year periods. Although the Company's average debt outstanding during the first nine months of 1996 was lower than the comparable prior year period, the weighted average interest rate on borrowings increased during 1996. Additionally, $0.6 million of the increase for the first nine months of 1996 resulted from the Company's expansion into Latin America.

Income tax expense for the three and nine month periods ended June 30, 1996, consists primarily of income taxes on earnings in foreign countries.

Liquidity and Capital Resources

Net cash provided by operating activities was $3.0 million for the first nine months of 1996. Inventories and accounts receivable decreased by $13.3 million and $7.1 million, respectively, attributable to the completion or curtailment of certain commercial contracts during 1996.

The Company's accounts payable decreased by $20.0 million during the first nine months of 1996. The decrease is attributable to utilization of a portion of the proceeds from the sales of businesses and a reduction in inventory requirements. While the Company has maintained extended payment terms with its suppliers, the Company has long-term relationships with a majority of its suppliers and has been successful in maintaining reasonable credit terms with its supplier base.

Net cash provided by investing activities was $9.2 million for the first nine months of 1996. Capital expenditures were $2.4 million and the divestiture of Metrum's instrumentation products business and the Company's Badger business unit generated net proceeds of $10.1 million and $1.5 million, respectively. The majority of the proceeds from the sale transactions were used to reduce the Company's debt outstanding and to reduce accounts payable.

Net cash used in financing activities was $13.1 million for the first nine months of 1996. On March 29, 1996, the Company entered into a credit agreement with its bank which provided the Company with a revolving credit facility and two term facilities. The revolving credit facility is for a term of two years and provides credit availability up to $27.5 million through December 1996 and $22.5 million through March 1998, subject to a borrowing base consisting of eligible accounts receivable and inventories. At September 29, 1996, availability on the Company's revolving credit facility was approximately $4.6 million. The term facilities include a $3.3 million term note payable in installments over two years and a $5.0 million term note payable in installments through December 1996. Of the $5.0

million term note payable, approximately $4.2
million was paid down during the first nine months of 1996.

In connection with the new credit agreement, the majority shareholder of the Company invested $1.0 million in the Company in exchange for shares of Common Stock. As a condition of the consummation of the restructured credit agreement, the Company also issued warrants to purchase 1.2 million shares of Common Stock to the bank, 0.2 million of which were vested on date of closing and the remaining 1.0 million become vested quarterly in 25% increments beginning March 1997. The bank will forfeit any unvested warrants in the event the Company repays all debt outstanding prior to any warrant vesting date. The Company is investigating alternative sources of financing which, if obtained, will enable the Company to repay the debt to the bank prior to March 29, 1997. At September 29, 1996, the Company was not in compliance with certain financial covenants contained in the credit agreement. The bank waived such items of non-compliance through November 30, 1996.

The Company's principal sources of liquidity currently consist of funds available under its revolving credit facility and its ability to manage asset turnover. The Company's ability to manage its working capital position and to generate profitable revenue for its Tampa facility during the remainder of 1996 will impact the Company's accounts receivable and inventories collateral base and, therefore, the availability of borrowings under the revolving credit facility. The maximum available borrowings under the revolving credit facility of $27.5 million through December 1996 and $22.5 million thereafter should provide the Company with sufficient resources to meet its cash requirements through the next twelve months. However, if the Company is unable to maintain the collateral base required to utilize this borrowing capacity, its liquidity may be adversely affected. Should it become evident that a potential deficiency in short-term liquidity exists, management will undertake proactive measures, including seeking alternative sources of working capital and capital equipment financing, the sale of certain assets and actions to maximize the amounts of accounts receivable and inventories eligible as collateral. Cash requirements for periods beyond the next twelve months depend on the Company's profitability, its ability to manage working capital requirements and its rate of growth.

Inflation did not have a material effect on the Company's operations in the first nine months of either 1996 or 1995.

Part II Other Information

Item 3. Defaults Upon Senior Securities

As of September 29, 1996, the Company was not in compliance with certain covenants regarding financial ratios which are specified in the Amended and Restated Credit and Security Agreement with First Union Commercial Corporation dated March 29, 1996. There is further discussion of these items of non-compliance in Note 5 of the Notes to Interim Consolidated Financial Statements on page 8 hereof and in the "Liquidity and Capital Resources" section of Management's Discussion and Analysis of Financial Condition and Results of Operations included in Part I of this Form 10-Q on page 12 hereof.

Item 5. Other Information

On October 10, 1996, the Company announced that it is considering entering into a proposed merger with the Company's parent company, Group Financial Partners, Inc. The Board of Directors of the Company has appointed a special committee, consisting of its independent directors, to review and analyze the proposed merger in order to ensure that the transaction is fair to the unaffiliated shareholders of the Company. The special committee of the Board of Directors has retained an investment banking firm to assist it with the review and analysis of the proposed merger. The special committee is expected to deliver a report to the full Board of Directors on the fairness of the proposed merger in December 1996.

On November 4, 1996, the Company also announced that, effective October 31, 1996, Carl P. McCormick resigned from his position as a director and as the

President and Chief Executive Officer of the Company and that the Board of Directors of the Company appointed Robert E. Gill to serve as the Company's President and Chief Executive Officer. Mr. McCormick will remain an employee of the Company until December 31, 1996, at which time he plans to retire from the Company. Mr. Gill also serves as the chairman of Group Financial Partners, Inc. He has been a director of the Company since 1989 and he served as chairman of the Company's Board of Directors from 1989 to 1992. The remaining members of the Board of Directors of the Company have not yet elected a director to fill the vacancy created by Mr. McCormick's resignation from the Board.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

The exhibits listed on the Exhibit Index on page 15 of this Form 10-Q are filed as a part of this report.

(b) Reports on Form 8-K

There were no reports on Form 8-K filed for the three months ended September 29, 1996.

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.

GROUP TECHNOLOGIES CORPORATION
(Registrant)

Date: November 12, 1996 By: /s/ Robert E. Gill
(Robert E. Gill)
President & Chief Executive Officer

Date: November 12, 1996 By: /s/ David D. Johnson
(David D. Johnson)
Vice President & Chief Financial Officer

Exhibit Index

Exhibit Number	Description
10.4.1	First Amendment to Amended and Restated Credit and Security Agreement, dated May 13, 1996.
10.4.2	Second Amendment to Amended and Restated Credit and Security Agreement, dated September 5, 1996.
10.4.3	Letter Agreement dated November 7, 1996 Pertaining to Amended and Restated Credit and Security Agreement.
10.32.2	Group Technologies Corporation Independent Directors' Stock Option Plan restated effective October 29, 1996, dated October 27, 1994.
10.33.2	Group Technologies Corporation 1994 Stock Option Plan for Key

	Employees restated effective October 29, 1996, dated October 27, 1994.
11	Statement re: computation of per share earnings.
27	Financial data schedule (for SEC use only).

FIRST AMENDMENT TO AMENDED AND RESTATED CREDIT AND SECURITY AGREEMENT

This First Amendment to Amended and Restated Credit and Security Agreement ("Amendment"), dated May 13, 1996, by and between GROUP TECHNOLGIES CORPORATION, a Florida corporation (the "Borrower"), and FIRST UNION COMMERCIAL CORPORATION, a North Carolina corporation (the "Lender"), amends the Amended and Restated Credit and Security Agreement, dated March 29, 1996, by and between the Borrower and the Lender, as so amended, and as amended, modified, extended, restated, enlarged or supplemented from time to time, the "Agreement").

RECITAL

The Borrower has requested that the Lender amend the Agreement, and the Lender is willing to make such amendment, all upon the terms and subject to the conditions set forth herein.

AGREEMENT

In consideration of the foregoing and of the mutual covenants and agreements hereinafter set forth, the parties hereto agree as follows:

1. CAPITALIZED TERMS. Capitalized terms used in this Amendment and not otherwise defined herein, shall have the meanings ascribed to them in the Agreement.

2. NEGATIVE COVENANTS. Effective as of March 31, 1996, Section 8.15 of the Agreement is deleted in its entirety and replaced with the following:

Permit Book Net Worth, on an unconsolidated basis, at anytime to be less than the amounts shown below for the applicable period listed below:

PERIOD	AMOUNTS
Closing Date until, but not including, fiscal year end 1996	$18,000,000 plus the amount of any gain recorded by Borrower as a result of any settlement of the Boeing Claim
Fiscal year end 1996 and thereafter	$21,000,000

3. SECTION 16.16 of the Agreement is deleted in its entirety and replaced with the following:

LIMITED DEFAULT WAIVER. Inasmuch as the financial covenants contained within this Agreement exclude the effects of accounting for the Warrant and the twelve month amortization of up to $250,000.00 of loan costs associated with this Agreement, the Lender shall, after it has received and had a reasonable opportunity to review schedules from the Borrower specifying the aforesaid effects, grant to Borrower a waiver of any Event of Default which the Lender reasonably deems to have occurred solely as a result of the effects which such accounting has had on such financial covenants.

4. REAFFIRMATION AND MODIFICATION OF GUARANTY AND PLEDGE.

(a) The form, terms and conditions of each of the following documents, as modified in accordance with the terms of paragraph (b) of this section of this

Amendment, are hereby ratified, and reaffirmed in all respects:

(i) Security and Pledge (Guarantor), dated August 10, 1994, executed by the Borrower in favor of the Lender;

(ii) Security and Pledge (Pledgor), dated August 10, 1994, executed by GT Mexico Holding Company in favor of the Lender;

(iii) Guaranty and Security Agreement (the "Metrum Guaranty"), dated November 22, 1994, executed by Metrum in favor of the Lender;

(iv) Guaranty and Security Agreement (the "GT Mexico Holding Company Guaranty:"), dated November 22, 1994, executed by GT Mexico Holding Company in favor of the Lender;

(v) Guaranty (the "GT Mexico Guaranty"), dated November 22, 1994, executed by GT Mexico in favor of the Lender;

(vi) Pledge Agreement, dated November 22, 1994, executed by the Borrower in favor of the Lender, regarding the pledge of Metrum stock;

(vii) Pledge Agreement, dated November 22, 1994, executed by the Borrower in favor of the Lender, regarding the pledge of GT Mexico Holding Company stock; and

(viii) Guaranty (the "GT Brazil Guaranty"), dated March 29, 1996, executed by GT Brazil in favor of the Lender.

Each of the Borrower, Metrum, GT Mexico Holding Company, GT Mexico, and GT Brazil acknowledges and agrees that it is and shall remain liable for the payment of all obligations to the full extent provided in the Metrum Guaranty, the GT Mexico Holding Company Guaranty, the GT Mexico Guaranty and the GT Brazil Guaranty, respectively, all as amended by this section 4.

(b) SECTION 2.10 in the GT Brazil Guaranty is deleted in its entirety and replaced with the following:

2.10 JOINT AND SEVERAL LIABILITY; CONTRIBUTION. The obligations of the Guarantor hereunder shall be joint and several with all Other Guarantors (as hereinafter defined), each one being liable for the payment and performance of all the Obligations, and it shall not be necessary or required that the Lender commence proceedings against, or enforce any of the provisions of the Loan Documents against, the Guarantor and one of more of the Other Guarantors in order to charge the Guarantor with liability hereunder. To the extent that any Other Guarantor (a "Paying Guarantor") makes a payment of a portion of the Obligations which exceeds the greater of (i) the amount of economic benefit actually received by the Paying Guarantor from the Loans and the Letters of Credit and (ii) the amount which the Paying Guarantor would otherwise have paid if the Paying Guarantor had paid the aggregate amount of the Obligations in the same proportion as the Paying Guarantor's net worth at the date of enforcement of the Obligations against the Paying Guarantor is sought bears to the aggregate net worth of the Guarantor and all the Other Guarantors (including the Paying Guarantor) at such date, then the Guarantor shall reimburse the Paying Guarantor for the amount of such excess, pro rata based on the respective net worths of the Guarantor and all Other Guarantors (including the Paying Guarantor). As used herein, the term "Other Guarantors" shall mean all other guarantors of the Obligations whose guarantees contain a provision in substance the same as this section.

5. NO OTHER MODIFICATIONS. Except as expressly amended or modified by the terms hereof, the Agreement shall remain in full force and effect. This Agreement shall not affect, modify or diminish the obligations of Borrower which have accrued prior to the effectiveness of the provisions hereof.

6. REPRESENTATIONS AND WARRANTIES TRUE AND CORRECT. The Borrower hereby certifies that the representations and warranties contained in the Agreement continue to be true and correct and that no Default or Event of Default has occurred.

7. CHOICE OF LAW. THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS (AND NOT THE LAW OF CONFLICTS) OF THE STATE OF FLORIDA.

8. JURY TRIAL WAIVER. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY SUIT OR PROCEEDING ARISING OUT OF OR RELATED TO THIS AMENDMENT.

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to Amended and Restated Credit Agreement to be duly executed, sealed and delivered the day and year first above written.

BORROWER:

GROUP TECHNOLOGIES CORPORATION,
a Florida corporation
/s/ David D. Johnson
Chief Financial Officer

LENDER:

FIRST UNION COMMERCIAL CORPORATION,
a North Carolina corporation
/s/ Roanne Disalvatore
Vice President

Each of the Guarantors whose name is set forth below acknowledges that it has reviewed, confirmed and consented to the terms of this Amendment and each of the documents and transactions contemplated hereby, including, but not limited to, the terms of Section 4 of this Amendment.

GROUP TECHNOLOGIES SUPR. INFORMATICA IND. E. COM. LTDA.
/s/ Aviram Margalith
Vice President and General Manager

GROUP TECHNOLOGIES MEXICAN HOLDING COMPANY
/s/ Carl P. McCormick
President

METRUM, INC.
/s/ Aviram Margalith
Vice President and General Manager

GROUP TECHNOLOGIES S.A. de C.V.
/s/ Carl P. McCormick
President

SECOND AMENDMENT TO AMENDED AND RESTATED
CREDIT AND SECURITY AGREEMENT

This Second Amendment to Amended and Restated Credit and Security Agreement ("Amendment"), dated September 5, 1996, by and between GROUP TECHNOLGIES CORPORATION, a Florida corporation (the "Borrower"), and FIRST UNION COMMERCIAL CORPORATION, a North Carolina corporation (the "Lender"), amends the Amended and Restated Credit and Security Agreement, dated March 29, 1996, by and between the Borrower and the Lender, as amended on May 13, 1996, (as so amended, and as amended, modified, extended, restated, enlarged or supplemented from time to time, the "Agreement").

RECITAL

The Borrower has requested that the Lender amend the Agreement, and the Lender is willing to make such amendment, all upon the terms and subject to the conditions set forth herein.

AGREEMENT

In consideration of the foregoing and of the mutual covenants and agreements hereinafter set forth, the parties hereto agree as follows:

1 CAPITALIZED TERMS. Capitalized terms used in this Amendment and not otherwise defined herein, shall have the meanings ascribed to them in the Agreement.

2. NEGATIVE COVENANTS. Effective as of March 29, 1996, Section 8.7 of the Agreement is deleted in its entirety and replaced with the following:

RESTRICTED INVESTMENTS. Make any loans, advances or extensions of credit (including, without limitation, the accrual of interest, late fees, penalties or other charges upon any sums owed to it) to, or any investment in cash or by delivery of property in, any Person, whether by acquisition of stock, indebtedness or other obligation or security, or by loan, advance, asset transfer or capital contribution, or otherwise, except for (i) travel or other reasonable expense advances to employees in the ordinary course of business, (ii) loans, advances and other sums receivable due from GT Brazil (excluding accrual for intercompany fees) not to exceed, after including the aggregate amount of obligations under agreements entered into during such period for its leasing of equipment to GT Brazil, in fiscal year 1996, the aggregate sum of Two Million Three Hundred Thousand and No/100 Dollars ($2,300,000) or, in fiscal year 1997, the aggregate sum of Seven Hundred Fifty Thousand and No/100 Dollars ($750,000), (iii) loans, advances, and other sums receivable due from GT Mexico outstanding at any time or from time to time in an amount not to exceed, after including the aggregate amount of obligations under agreements entered into during such period for its leasing of equipment to GT Mexico, Six Million Dollars ($6,000,000) less the amount of all outstanding GT Mexico Loans, and (iv) Permitted Acquisitions.

3. REAFFIRMATION AND MODIFICATION OF GUARANTIES AND PLEDGES.

The form, terms and conditions of each of the following documents are hereby ratified and reaffirmed in all respects:

(i) Security and Pledge (Guarantor), dated August 10, 1994, executed by the Borrower in favor of the Lender;

(ii) Security and Pledge (Pledgor), dated August 10, 1994, executed by GT Mexico Holding Company in favor of the Lender;

(iii) Guaranty and Security Agreement (the "Metrum Guaranty"), dated November 22, 1994, executed by Metrum in favor of the Lender;

(iv) Guaranty and Security Agreement (the "GT Mexico Holding Company Guaranty:"), dated November 22, 1994, executed by GT Mexico Holding Company in favor of the Lender;

(v) Guaranty (the "GT Mexico Guaranty"), dated November 22, 1994, executed by GT Mexico in favor of the Lender;

(vi) Pledge Agreement, dated November 22, 1994, executed by the Borrower in favor of the Lender, regarding the pledge of Metrum stock; and

(vii) Pledge Agreement, dated November 22, 1994, executed by the Borrower in favor of the Lender, regarding the pledge of GT Mexico Holding Company stock; and

(viii) Guaranty (the "GT Brazil Guaranty"), dated March 29, 1996, executed by GT Brazil in favor of the Lender.

Each of the Borrower, Metrum, GT Mexico Holding Company, GT Mexico, and GT Brazil acknowledges and agrees that it is and shall remain liable for the payment of all obligations to the full extent provided in the Metrum Guaranty, the GT Mexico Holding Company Guaranty, the GT Mexico Guaranty and the GT Brazil Guaranty, respectively, all as amended by this section 3.

4. NO OTHER MODIFICATIONS. Except as expressly amended or modified by the terms hereof, the Agreement shall remain in full force and effect. This Agreement shall not affect, modify or diminish the obligations of Borrower which have accrued prior to the effectiveness of the provisions hereof.

5. REPRESENTATIONS AND WARRANTIES TRUE AND CORRECT. The Borrower hereby certifies that the representations and warranties contained in the Agreement continue to be true and correct and that no Default or Event of Default has occurred.

6. CHOICE OF LAW. THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS (AND NOT THE LAW OF CONFLICTS) OF THE STATE OF FLORIDA.

7. JURY TRIAL WAIVER. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY SUIT OR PROCEEDING ARISING OUT OF OR RELATED TO THIS AMENDMENT.

IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to Amended and Restated Credit Agreement to be duly executed, sealed and delivered the day and year first above written.

BORROWER:

GROUP TECHNOLOGIES CORPORATION,
a Florida corporation
/s/ David D. Johnson
Vice President

LENDER:

FIRST UNION COMMERCIAL CORPORATION,
a North Carolina corporation
/s/ Roanne Disalvatore
Vice President

Each of the Guarantors whose name is set forth below acknowledges that it has reviewed, confirmed and consented to the terms of this Amendment and each of the documents and transactions contemplated hereby, including, but not limited to, the terms of Section 3 of this Amendment.

GROUP TECHNOLOGIES S.A. de C.V.
/s/ Richard L. Davis

Vice President

GROUP TECHNOLOGIES MEXICAN HOLDING COMPANY
/s/ David D. Johnson
Vice President

METRUM, INC.
/s/ David D. Johnson
Secretary and Treasurer

GROUP TECHNOLOGIES SUPRIMENTOS DE
INFORMATICA INDUSTRIA E COMERCIO LTDA.
/s/ Richard L. Davis
Vice President

First Union
Commercial Corporation
200 South Biscayne Boulevard - 11th Floor
Miami, Florida 33131
305-789-1205

November 7, 1996

Group Technologies Corporation
10901 Malcolm McKinley Drive
Tampa, Florida 33612

Attn: David D. Johnson
Chief Financial Officer

Re: Amended and Restated Credit and Security Agreement dated March 29, 1996, as amended (collectively, the "Credit Agreement")

Dear Dave:

In response to your request, we have agreed to amend, or waive (on a one-time basis) Events of Default pertaining to, certain negative covenants contained within the Credit Agreement. Specifically, we agree to waive compliance (and the related Events of Default) with (a) the required ratio of EBIT to interest on Indebtedness and the required EBITDA, as specified in Sections 8.11 and 8.12, respectively, each on a consolidated and an unconsolidated basis and as to your 1996 third quarter only, (b) the required Book Net Worth, as specified in Section 8.15, for the period of August through November, 1996 and (c) the required Tangible Net Worth plus Subordinated Debt, as specified in Section 8.14, for the period of October and November, 1996. In addition, the maximum internally financed Capital Expenditures for Borrower, on an unconsolidated basis for fiscal year 1996, as specified in Section 8.9, are increased from $1,500,000 to $2,000,000.

All capitalized terms not defined above have the definitions specified in the Credit Agreement and all section references are to sections within the Credit Agreement.

Except as specified above, none of the terms of this letter shall be construed as a modification to or a waiver of any term(s) of the Credit Agreement or any related documentation, all of which, subject to the foregoing, remain in full force and effect in accordance with their original terms. No consent to any further non-compliance with existing terms, whether or not similar to the non-compliance specified above, is intended or is to be implied from the terms hereof.

This letter shall become effective after it has been fully executed and returned to us.

Very truly yours,

FIRST UNION COMMERCIAL CORPORATION
/s/ Roanne Disalvatore
Vice President

On this 8th day of November, 1996, we acknowledge and agree to the foregoing, and further specifically acknowledge that no waiver or modification is in effect with respect to the Credit Agreement or any related document(s), except as specified above.

GROUP TECHNOLOGIES CORPORIATION
/s/ David D. Johnson

Vice President

GROUP TECHNOLOGIES S.A. de C.V.
/s/ Richard L. Davis
Authorized Signatory

GROUP TECHNOLOGIES MEXICAN HOLDING COMPANY
/s/ David D. Johnson
Vice President

METRUM, INC.
/s/ David D. Johnson
Secretary and Treasurer

GROUP TECHNOLOGIES SUPRIMENTOS DE
INFORMATICA INDUSTRIA E COMERCIO LTDA.
/s/ Richard L. Davis
Authorized Signatory

GROUP TECHNOLOGIES CORPORATION
INDEPENDENT DIRECTORS' STOCK OPTION PLAN
ADOPTED ON OCTOBER 27, 1994

AMENDED AND RESTATED ON OCTOBER 29, 1996

1. PURPOSE. The purpose of the Group Technologies Corporation Independent Directors' Stock Option Plan is to promote the interests of the Company by affording an incentive to certain persons not affiliated with the Company and its Subsidiaries to serve as a director of the Company in order to bring additional expertise and business judgment to the Company through the opportunity for stock ownership offered under this Plan.

2. DEFINITIONS.

A. BOARD. The word "Board" means the Company's Board of Directors.

B. CODE. The word "Code" means the Internal Revenue Code of 1986, as amended.

C. COMMON STOCK. The term "Common Stock" means the Company's common stock, $.01 par value, or the common stock or securities of a Successor that have been substituted theretofore pursuant to Section 9 hereof.

D. COMPANY. The word "Company" means Group Technologies Corporation, a Florida corporation, with its principal place of business at 10901 Malcolm McKinley Drive, Tampa, Florida 33612.

E. INDEPENDENT DIRECTOR. The term "Independent Director" means an individual serving as a director on the Company's Board of Directors and who is not otherwise employed by the Company or its Subsidiaries or an affiliate thereof.

F. OPTION PRICE. The term "Option Price" means the price to be paid for Common Stock upon the exercise of an option granted under the Plan, in accordance with Section 7.B hereof.

G. OPTIONEE. The word "Optionee" means an Independent Director to whom options have been granted under the Plan.

H. OPTIONEE REPRESENTATIVE. The term "Optionee Representative" means the Optionee's estate or the person or persons entitled thereto by will or by applicable laws of descent and distribution.

I. PLAN. The word "Plan" means the Group Technologies Corporation Independent Directors' Stock Option Plan, as set forth herein, and as amended from time to time.

J. PLAN COMMITTEE. The term "Plan Committee" means the committee appointed by the Board to administer the Plan, pursuant to Section 4 hereof.

K. SUBSIDIARY. The word "Subsidiary" shall mean any corporation word "Subsidiary" shall mean any corporation

Each of the Borrower, Metrum, GT Mexico Holding Company, GT Mexico, and GT Brazil acknowledges and agrees that it is and shall remain liable for the payment of all obligations to the full extent provided in the Metrum Guaranty, the GT Mexico Holding Company Guaranty, the GT Mexico Guaranty and the GT Brazil Guaranty, respectively, all as amended by this section 3.

4. NO OTHER MODIFICATIONS. Except as expressly amended or modified by
3. SHARES SUBJECT TO PLAN.

A. AUTHORIZED UNISSUED OR TREASURY SHARES. Subject to the provisions of Section 9 hereof, the shares to be delivered upon exercise of options granted under the Plan shall be made available, at the discretion of the Board, from the authorized unissued shares or treasury shares of Common Stock.

B. AGGREGATE NUMBER OF SHARES. Subject to adjustments and substitutions made pursuant to the provisions of Section 9 hereof, the aggregate number of shares that may be issued upon exercise of all options that may be granted under the Plan shall not exceed three hundred thousand (300,000) of the Company's authorized shares of Common Stock.

C. SHARES SUBJECT TO EXPIRED OPTIONS. If any option granted under the Plan expires or terminates for any reason without having been exercised in full in accordance with the terms of the Plan, the shares of Common Stock subject to, but not delivered under, such option shall become available for any lawful corporate purpose, including for transfer pursuant to other options granted to the same employee or other employees without decreasing the aggregate number of shares of Common Stock that may be granted under the Plan.

4. ADMINISTRATION. The Plan shall be administered by the Board or, at the discretion of the Board, by the Plan Committee, whose membership shall be determined and reviewed from time to time by the Board. The Plan Committee shall consist of not less than two (2) members of the Board. Jeffrey T. Gill and Robert E. Gill shall serve as members of the Plan Committee until delivery of their written resignation to the Board or until removal by the Board. Both the Board and the Plan Committee shall have full power and authority to construe, interpret, and administer the Plan and either the Board or the Plan Committee may from time to time adopt such rules and regulations for carrying out the Plan as it may deem proper and in the best interests of the Company.

5. GRANT OF OPTIONS. Subject to the terms, provisions and conditions of the Plan, either the Board or the Plan Committee shall have full and final authority in its discretion: (i) to select the Independent Directors to whom options shall be granted; (ii) to determine the number of shares of Common Stock subject to each option; (iii) to determine the time or times when options will be granted, the manner in which each option shall be exercisable, and the duration of the exercise period; (iv) to fix such other provisions of the option agreement as it may deem necessary or desirable consistent with the terms of the Plan; and (v) to determine all other questions relating to the administration of the Plan. The interpretation of any provisions of the Plan by either the Board or the Plan Committee shall be final, conclusive, and binding upon all persons and the officers of the Company shall place into effect and shall cause the Company to perform its obligations under the Plan in accordance with the determinations of the Board or the Plan Committee in administering the Plan.

6. ELIGIBILITY. Independent Directors of the Company shall be eligible to receive options under the Plan. No director of the Company who is also an employee of the Company or a Subsidiary shall be entitled to receive an option under the Plan. Independent Directors to whom options may be granted under the Plan will be those elected by either the Board or the Plan Committee from time to time who, in the sole discretion of the Board or the Plan Committee, have contributed in the past or who may be expected to contribute materially in the future to the successful performance of the Company and its Subsidiaries.

7. TERMS AND CONDITIONS OF OPTIONS. Each option granted under the Plan shall be evidenced by an option agreement signed by the Optionee and by a member of the Plan Committee on behalf of the Company. An option agreement shall constitute a binding contract between the Company and the Optionee, and every Optionee, upon acceptance of such option agreement, shall be bound by the terms and restrictions of the Plan and of the option agreement. Such agreement shall be subject to the following express terms and conditions and to such other terms and conditions that are not inconsistent with the Plan and that either the Board or the Plan Committee may deem appropriate.

A. OPTION PERIOD. Options granted under the Plan shall be exercisable immediately and, if not exercised, shall lapse at the earliest of the following times:

(i) ten (10) years from the date of grant; or

(ii) the date set by the grant and specified in the applicable option agreement.

B. OPTION PRICE. The Option Price per share of Common Stock shall be determined by either the Board or the Plan Committee at the time an option is granted. The Option Price shall be not less than fair market value of the Common Stock on the date the option is granted and shall be subject to adjustments in accordance with the provisions of Section 9 hereof.

C. FAIR MARKET VALUE. The fair market value of the Common Stock on any given measurement date shall be determined as follows:

(i) if the Common Stock is traded on the over-the-counter market, the average of the closing bid and asked quotations or the closing high bid quotation, whichever is available, for the Common Stock in the over-the-counter market, as reported by the National Association of Securities Dealers Automated Quotation System on the business day immediately preceding the measurement date; or

(ii) if the Common Stock is listed on a national securities exchange, the average of the closing prices of the Common Stock on the Composite Tape for the ten (10) consecutive trading days immediately preceding the measurement date; or

(iii) if the Common Stock is neither traded on the over-the-counter market nor listed on a national securities exchange, such value as the Board or the Plan Committee, in good faith, shall determine.

D. PAYMENT OF OPTION PRICE. Each option shall provide that the purchase price of the shares as to which an option shall be exercised shall be paid to the Company at the time of exercise either in cash or in such other consideration as either the Board or the Plan Committee deems acceptable, and which other consideration in either the Board's or the Plan Committee's sole discretion may include: (i) Common Stock of the Company already owned by the Optionee having a total fair market value on the date of exercise, determined in accordance with Section 7.C hereof, equal to the purchase price, (ii) Common Stock of the Company issuable upon the exercise of a Plan option and withheld by the Company having a total fair market value on the date of exercise, determined in accordance with Section 7.C hereof, equal to the purchase price, or (iii) a combination of cash and Common Stock of the Company (either shares already owned by the Optionee or shares being withheld upon the exercise of a Plan option) having a total fair market value on the date of exercise, determined in accordance with Section 7.C hereof, equal to the amount of the purchase price not paid in cash.

E. MANNER OF EXERCISE. Subject to the terms and conditions of any applicable option agreement, any option granted under the Plan may be exercised in whole or in part. To initiate the process for the exercise of an option: (i) the Optionee shall deliver to the Company, or to a broker-dealer in the Common Stock with the original copy to the Company, a written notice of intent to exercise an option specifying the number of shares as to which the option is being exercised and, if determined by counsel for the Company to be necessary, representing that such shares are being acquired for investment purposes only and not for the purpose of resale or distribution; and (ii) the Optionee, or the broker-dealer, shall pay for the exercise price of such shares with cash, or if the Board or the Plan Committee in its discretion agrees to so accept, by delivery to the Company of Common Stock of the Company (either shares already owned by the Optionee or shares being withheld upon the exercise of a Plan option), or in some combination of cash and such Common Stock acceptable to the Board or the Plan Committee. If payment of the Option Price is made with Common Stock, the value of the Common Stock used for such payment shall be the fair market value of the Common Stock on the date of exercise as determined in accordance with Section 7.C hereof. The date of exercise of a stock option shall be determined under procedures established by either the Board or the Plan Committee, but in no event shall the date of exercise precede the date on which both the written notice of intent to exercise an option and full payment of the exercise price for the shares as to which the option is being exercised have been received by the Company. Promptly after receiving full payment for the

shares as to which the option is being exercised and, provided that all conditions precedent contained in the Plan are satisfied, the Company shall, without transfer or issuance tax or other incidental expenses to Optionee, deliver to Optionee a certificate for such shares of the Common Stock. If Optionee fails to accept delivery of the Common Stock, his rights to exercise the applicable portion of the option shall terminate.

F. Investment Representation. Each option agreement may provide that, upon demand by either the Board or the Plan Committee for such a representation, the Optionee or Optionee's Representative shall deliver to the Board or the Plan Committee at the time of any exercise of an option or portion thereof a written representation that the shares to be acquired upon such exercise are to be acquired for investment and not for resale or with a view to the distribution thereof. Upon such demand, delivery of such representation before delivery of Common Stock issued upon exercise of an option and before expiration of the option period shall be a condition precedent to the right of the Optionee or Optionee's Representative to purchase Common Stock.

G. EXERCISE IN THE EVENT OF DEATH OR TERMINATION OF SERVICE. Upon termination of service as an Independent Director, for whatever reason, any and all stock options held by the Optionee shall remain effective and may be exercised by the Optionee or the Optionee's Representative until the expiration of the applicable option term.

H. TRANSFERABILITY OF OPTIONS. An option granted under the Plan may not be transferable and may be exercised only by the Optionee during Optionee's lifetime, or by the Optionee's Representative in the event of Optionee's death, to the extent the option was exercisable by Optionee at the date of his death.

I. NO RIGHTS AS SHAREHOLDER. No Optionee or Optionee's Representative shall have any rights as a shareholder with respect to Common Stock subject to his option before the date of transfer to him of a certificate or certificates for such shares.

J. TAX WITHHOLDING. To the extent required by applicable federal, state, local or foreign law, the Optionee shall, on the date of exercise, make arrangements satisfactory to the Company for the satisfaction of any withholding tax obligations that arise by reason of an option exercise or any sale of shares. Either the Board or the Plan Committee, in its sole discretion, may permit these obligations to be satisfied in whole or in part with: (i) cash paid by the Optionee or by a broker-dealer on behalf of the Optionee, (ii) shares of Common Stock that otherwise would be issued to the Optionee upon exercise of the option, and/or (iii) shares of Common Stock previously acquired. The Company shall not be required to issue shares for the exercise of an option until such tax obligations are satisfied and the Company may, to the extent permitted by law, deduct any such tax obligations from any payment of any kind otherwise due to the Optionee.

8. COMPLIANCE WITH OTHER LAWS AND REGULATIONS. The Plan, the grant and exercise of options thereunder, and the obligation of the Company to sell and deliver Common Stock under such options, shall be subject to all applicable federal and state laws, rules and regulations and to such approvals by any government or regulatory agency as may be required. The Company shall not be required to issue or deliver any certificates for Common Stock before: (i) the listing of the Common Stock on any stock exchange or over-the-counter market on which the Common Stock may then be listed and (ii) the completion of any registration or qualification of any governmental body which the Company shall, in its sole discretion, determine to be necessary or advisable. To the extent the Company meets the then applicable requirements for the use thereof and to the extent the Company may do so without undue cost or expense, and subject to the determination by the Board of Directors of the Company that such action is in the best interest of the Company, the Company intends to register the issuance and sale of such Common Stock by the Company under federal and applicable state securities laws using a Form S-8 registration statement under the Securities Act of 1933, as amended, or such successor Form as shall then be available.

9. CAPITAL ADJUSTMENTS AFFECTING STOCK, MERGERS AND CONSOLIDATIONS.

A. CAPITAL ADJUSTMENTS. In the event of a capital adjustment in the Common Stock resulting from a stock dividend, stock split, reorganization, merger, consolidation, or a combination or exchange of shares, the number of shares of Common Stock subject to the Plan and the number of shares under option shall be automatically adjusted to take into account such capital adjustment. By virtue of such a capital adjustment, the price of any share under option shall be adjusted so that there will be no change in the aggregate purchase price payable upon exercise of any such option.

B. MERGERS AND CONSOLIDATIONS. In the event the Company merges or consolidates with another entity, or all or a substantial portion of the Company's assets or outstanding capital stock are acquired (whether by merger, purchase or otherwise) by a Successor, the kind of shares of Common Stock that shall be subject to the Plan and to each outstanding option shall, automatically by virtue of such merger, consolidation or acquisition, be converted into and replaced by shares of common stock, or such other class of securities having rights and preferences no less favorable than the Common Stock of the Successor, and the number of shares subject to the option and the purchase price per share upon exercise of the option shall be correspondingly adjusted, so that, by virtue of such merger, consolidation or acquisition, each Optionee shall have the right to purchase: (i) that number of shares of common stock of the Successor that have a book value equal, as of the date of such merger, conversion or acquisition, to the book value, as of the date of such merger, conversion or acquisition, of the shares of Common Stock of the Company theretofore subject to the Optionee's option, (ii) for a purchase price per share that, when multiplied by the number of shares of common stock of the Successor subject to the option, shall equal the aggregate exercise price at which the Optionee could have acquired all of the shares of Common Stock of the Company theretofore optioned to the Optionee.

C. NO EFFECT ON COMPANY'S RIGHTS. The granting of an option pursuant to the Plan shall not effect in any way the right and power of the Company to make adjustments, reorganizations, reclassifications, or changes of its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

10. AMENDMENT, SUSPENSION, OR TERMINATION. The Board shall have the right, at any time, to amend, suspend or terminate the Plan. Notwithstanding the foregoing, without the consent of the Optionee, no amendment shall make any changes in an outstanding option which would adversely affect the rights of the Optionee.

11. EFFECTIVE DATE, TERM AND APPROVAL. The effective date of the Plan shall be October 27, 1994 (the date of Board adoption of the Plan), subject to approval by stockholders of the Company holding not less than a majority of the shares present and voting at its 1995 annual meeting on April 21, 1995. The Plan shall terminate ten (10) years after the effective date of the Plan and no options may be granted under the Plan after such time, but any option granted prior thereto may be exercised in accordance with its terms.

12. GOVERNING LAW; SEVERABILITY. The Plan shall be governed by the laws of the State of Florida. The invalidity or unenforceability of any provision of the Plan or any option granted pursuant to the Plan shall not affect the validity and enforceability of the remaining provisions of the Plan and the options granted hereunder, and such invalid or unenforceable provision shall be stricken to the extent necessary to preserve the validity and enforceability of the Plan and the options granted hereunder.

Dated this 29th day of October, 1996.

GROUP TECHNOLOGIES CORPORATION

ATTEST:

Michael L. Schuman — By: Jeffrey T. Gill

Secretary — Chairman of the Board

GROUP TECHNOLOGIES CORPORATION
1994 STOCK OPTION PLAN FOR KEY EMPLOYEES
ADOPTED ON OCTOBER 27, 1994

AMENDED AND RESTATED ON OCTOBER 29, 1996

1. PURPOSE. The purpose of the Group Technologies Corporation 1994 Stock Option Plan for Key Employees is to promote the interests of the Company by affording an incentive to certain key employees to remain in the employ of the company and its Subsidiaries and to use their best efforts in its behalf; and further to aid the Company and its Subsidiaries in attracting, maintaining, and developing capable personnel of a caliber required to ensure the continued success of the Company and its Subsidiaries by means of an offer to such persons of an opportunity to acquire or increase their proprietary interest in the Company through the granting of incentive stock options and nonstatutory stock options to purchase the Company's stock pursuant to the terms of the Plan.

2. DEFINITIONS.

A. BOARD. The word "Board" means the Company's Board of Directors.

B. CODE. The word "Code" means the Internal Revenue Code of 1986, as amended.

C. COMMON STOCK. The term "Common Stock" means the Company's common stock, $.01 par value, or the common stock or securities of a Successor that have been substituted theretofore pursuant to Section 9 hereof.

D. COMPANY. The word "Company" means Group Technologies Corporation, a Florida corporation, with its principal place of business at 10901 Malcolm McKinley Drive, Tampa, Florida 33612.

E. ISO. The acronym "ISO" means an option to purchase Common Stock which at the time the option is granted under the Plan qualifies as an incentive stock option within the meaning of Code Section 422.

F. NSO. The acronym "NSO" means a nonstatutory stock option to purchase Common Stock which at the time the option is granted under the Plan does not qualify as an ISO.

G. OPTION PRICE. The term "Option Price" means the price to be paid for Common Stock upon the exercise of an option granted under the Plan, in accordance with Section 7.B hereof.

H. OPTIONEE. The word "Optionee" means an employee to whom options have been granted under the Plan.

I. PLAN. The word "Plan" means the Group Technologies Corporation 1994 Stock Option Plan for Key Employees, as set forth herein, and as amended from time to time.

J. PLAN COMMITTEE. The term "Plan Committee" means the committee appointed by the Board to administer the Plan, pursuant to Section 4 hereof.

K. SUBSIDIARY. The word "Subsidiary" shall mean any corporation which at the time an option is granted under the Plan qualifies as a subsidiary of the Company under the definition of "subsidiary corporation" contained in Code Section 424(f), or any similar provision thereafter enacted.

L. SUCCESSOR. The word "Successor" means the entity surviving a merger or consolidation with the Company, or the entity that acquires all or a substantial portion of the Company's assets or outstanding capital stock (whether by merger, purchase or otherwise).

M. TEN PERCENT SHAREHOLDER. The term "Ten Percent Shareholder"

means an employee who, at the time an option is granted, owns stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or Subsidiary employing the Optionee or of its parent (within) the meaning of Code Section 424(e)) or subsidiary (within the meaning of Code Section 424(f)) corporation.

3. SHARES SUBJECT TO PLAN.

A. AUTHORIZED UNISSUED OR TREASURY SHARES. Subject to the provisions of Section 9 hereof, the shares to be delivered upon exercise of options granted under the Plan shall be made available, at the discretion of the Board, from the authorized unissued shares or treasury shares of Common Stock.

B. AGGREGATE NUMBER OF SHARES. Subject to adjustments and substitutions made pursuant to the provisions of Section 9 hereof, the aggregate number of shares that may be issued upon exercise of all options that may be granted under the Plan shall not exceed eight hundred thousand (800,000) of the Company's authorized shares of Common Stock.

C. SHARES SUBJECT TO EXPIRED OPTIONS. If any option granted under the Plan expires or terminates for any reason without having been exercised in full in accordance with the terms of the Plan, the shares of Common Stock subject to, but not delivered under, such option shall become available for any lawful corporate purpose, including for transfer pursuant to other options granted to the same employee or other employees without decreasing the aggregate number of shares of Common Stock that may be granted under the Plan.

4. ADMINISTRATION. The Plan shall be administered by the Board or, at the discretion of the Board, by the Plan Committee, whose membership shall be determined and reviewed from time to time by the Board. The Plan Committee shall consist of not less than two (2) members of the Board. Jeffrey T. Gill and Robert E. Gill shall serve as members of the Plan Committee until delivery of their written resignation to the Board or until removal by the Board. Both the Board and the Plan Committee shall have full power and authority to construe, interpret, and administer the Plan and either the Board or the Plan Committee may from time to time adopt such rules and regulations for carrying out the Plan as it may deem proper and in the best interests of the Company.

5. GRANT OF OPTIONS. Subject to the terms, provisions and conditions of the Plan, either the Board or the Plan Committee shall have full and final authority in its discretion: (i) to select the employees to whom options shall be granted; (ii) to authorize the granting of ISO's, NSO's or a combination of ISO's and NSO's; (iii) to determine the number of shares of Common Stock subject to each option; (iv) to determine the time or times when options will be granted, the manner in which each option shall be exercisable, and the duration of the exercise period; (v) to fix such other provisions of the option agreement as it may deem necessary or desirable consistent with the terms of the Plan; and (vi) to determine all other questions relating to the administration of the Plan. Notwithstanding the foregoing, the aggregate fair market value (determined as of the date the option is granted) of the Common Stock for which ISOs will first become exercisable by an Optionee in any calendar year under all ISO plans of the Company and its Subsidiaries shall not exceed $100,000. The interpretation of any provisions of the Plan by either the Board or the Plan Committee shall be final, conclusive, and binding upon all persons and the officers of the Company shall place into effect and shall cause the Company to perform its obligations under the Plan in accordance with the determinations of the Board or the Plan Committee in administering the Plan.

6. ELIGIBILITY. Key employees of the Company and its subsidiaries including officers and directors, shall be eligible to receive options under the Plan. No director of the Company who is not also an employee of the Company or a Subsidiary shall be entitled to receive an option under the Plan. Key employees to whom options may be granted under the Plan will be those elected by either the Board or the Plan Committee from time to time who, in the sole discretion of the Board or the Plan Committee, have contributed in the past or who may be expected to contribute materially in the future to the successful performance of the Company and its Subsidiaries.

7. TERMS AND CONDITIONS OF OPTIONS. Each option granted under the Plan shall be evidenced by an option agreement signed by the Optionee and by a member of the Plan Committee on behalf of the Company. An option agreement shall constitute a binding contract between the Company and the Optionee, and every Optionee, upon acceptance of such option agreement, shall be bound by the terms and restrictions of the Plan and of the option agreement. Such agreement shall be subject to the following express terms and conditions and to such other terms and conditions that are not inconsistent with the Plan and that either the Board or the Plan Committee may deem appropriate.

A. OPTION PERIOD. Each option agreement shall specify the period for which the option thereunder is granted and shall provide that the option shall expire at the end of such period. Either the Plan Committee or the Board, may extend such period provided that, in the case of an ISO, such extension shall not in any way disqualify the option as an ISO without the Optionee's consent. In no case shall such period, including any such extensions, exceed ten (10) years from the date of grant, provided, however, that in the case of an ISO granted to a Ten Percent Stockholder, such period, including extensions, shall not exceed five (5) years from the date of grant.

B. OPTION PRICE. The Option Price per share of Common Stock shall be determined by either the Board or the Plan Committee at the time an option is granted. The Option Price for ISO's and NSO's shall be not less than: (i) the fair market value of the Common Stock on the date the option is granted, or (ii) in the case of an ISO granted to a Ten Percent Shareholder, one hundred ten percent (110%) of the fair market value of the Common Stock on the date the option is granted and shall be subject to adjustments in accordance with the provisions of Section 9 hereof.

C. FAIR MARKET VALUE. The fair market value of Common Stock on any given measurement date shall be determined as follows:

(i) if the Common Stock is traded on the over-the-counter market, the average of the closing bid and asked quotations or the closing high bid quotation, whichever is available, for the Common Stock in the over-the-counter market, as reported by the National Association of Securities Dealers Automated Quotation System, on the business day immediately preceding the measurement date; or

(ii) if the Common Stock is listed on a national securities exchange, the average of the closing prices of the Common Stock on the Composite Tape for the ten (10) consecutive trading days immediately preceding the measurement date; or

(iii) if the Common Stock is neither traded on the over-the-counter market nor listed on a national securities exchange, such value as either the Board or the Plan Committee, in good faith, shall determine.

D. PAYMENT OF OPTION PRICE. Each option shall provide that the purchase price of the shares as to which an option shall be exercised shall be paid to the Company at the time of exercise either in cash or in such other consideration as either the Board or the Plan Committee deems acceptable, and which other consideration in either the Board's or the Plan Committee's sole discretion may include: (i) Common Stock of the Company already owned by the Optionee having a total fair market value on the date of exercise, determined in accordance with Section 7.C hereof, equal to the purchase price, (ii) Common Stock of the Company issuable upon the exercise of a Plan option and withheld by the Company having a total fair market value on the date of exercise, determined in accordance with Section 7.C hereof, equal to the purchase price, or (iii) a combination of cash and Common Stock of the Company (either shares already owned by the Optionee or shares being withheld upon the exercise of a Plan option) having a total fair market value on the date of exercise, determined in accordance with Section 7.C hereof, equal to the amount of the purchase price not paid in cash.

E. MANNER OF EXERCISE. Subject to the terms and conditions of any

applicable option agreement, any option granted under the Plan may be exercised in whole or in part. To initiate the process for the exercise of an option: (i) the Optionee shall deliver to the Company, or to a broker-dealer in the Common Stock with the original copy to the Company a written notice specifying the number of shares as to which the option is being exercised and, if determined by counsel for the Company to be necessary, representing that such shares are being acquired for investment purposes only and not for the purpose of resale or distribution; and (ii) the Optionee, or the broker-dealer, shall pay for the exercise price of such shares with cash, or if the Board or the Plan Committee in its discretion agrees to so accept, by delivery to the Company of Common Stock of the Company (either shares already owned by the Optionee or shares being withheld upon the exercise of a Plan option), or in some combination of cash and such Common Stock acceptable to the Board or the Plan Committee. If payment of the Option Price is made with Common Stock, the value of the Common Stock used for such payment shall be the fair market value of the Common Stock on the date of exercise, determined in accordance with Section 7.C hereof. The date of exercise of a stock option shall be determined under procedures established by either the Board or the Plan Committee, but in no event shall the date of exercise precede the date on which both the written notice of intent to exercise an option and full payment of the exercise price for the shares as to which the option is being exercised have been received by the Company. Promptly after receiving full payment for the shares as to which the option is being exercised and, provided that all conditions precedent contained in the Plan are satisfied, the Company shall, without transfer or issuance tax or other incidental expenses to Optionee, deliver to Optionee a certificate for such shares of the Common Stock. If Optionee fails to accept delivery of the Common Stock, his rights to exercise the applicable portion of the option shall terminate.

F. EXERCISES CAUSING LOSS OF COMPENSATION DEDUCTION. No part of an option may be exercised to the extent the exercise would cause the Optionee to have compensation from the Company and its affiliated companies for any year in excess of $1 million and which is nondeductible by the Company and its affiliated companies pursuant to Code Section 162(m) and the regulations issued thereunder. Any option not exercisable because of this limitation shall continue to be exercisable in any subsequent year in which the exercise would not cause the loss of the Company's or its affiliated companies compensation tax deduction, provided such exercise occurs before lapse of the option, and otherwise complies with the terms and conditions of the Plan and option agreement.

G. INVESTMENT REPRESENTATION. Each option agreement may provide that, upon demand by either the Board or the Plan Committee for such a representation, the Optionee or Optionee's Representative shall deliver to the Board or the Plan Committee at the time of any exercise of an option or portion thereof a written representation that the shares to be acquired upon such exercise are to be acquired for investment and not for resale or with a view to the distribution thereof. Upon such demand, delivery of such representation before delivery of Common Stock issued upon exercise of an option and before expiration of the option period shall be a condition precedent to the right of the Optionee or Optionee's Representative to purchase Common Stock.

H. ISOs. Each option agreement which provides for the grant of an ISO to an employee shall contain such terms and provisions as either the Board or the Plan Committee deems necessary or desirable to qualify such option as an ISO within the meaning of Code Section 422.

I. EXERCISE IN THE EVENT OF DEATH OR TERMINATION OF EMPLOYMENT.

[1] If an Optionee dies (i) while an employee of the Company or a subsidiary, or (ii) within three (3) months after termination of his or her employment with the Company or a Subsidiary because of a disability, his or her options may be exercised by the Optionee's Representative, to the extent that the Optionee shall have been entitled to do so on the date of his or her death or such termination of employment, but not later than the expiration date specified in paragraph A of this Section 7 or one (1) year after the Optionee's death, whichever date is earlier.

[2] If an Optionee's employment by the Company or a Subsidiary terminates because of his or her disability and the Optionee has not died within the following three (3) months, he or she may exercise his or her options, to the extent that he or she shall have been entitled to do so at the date of the termination of employment, at any time, or from time to time, but not later than the expiration date specified in paragraph A of this Section 7 or one (1) year after termination of employment, whichever date is earlier.

[3] If an Optionee's employment terminates by reason of his or her retirement in accordance with the terms of the Company's tax-qualified retirement plans or with the consent of either the Board or the Plan Committee all right to exercise his or her options shall terminate at the expiration date specified in paragraph A of this Section 7 or three (3) months after termination of employment, whichever date is earlier.

[4] If an Optionee's employment terminates for any reason other than death, disability, or retirement, all rights to exercise his or her options shall terminate on the date of his or her termination of employment.

J. LEAVES OF ABSENCE. Either the Plan Committee or the Board may, in its discretion, treat all or any portion of any period during which an Optionee is on military or on an approved leave of absence from the Company or a Subsidiary as a period of employment of such Optionee by the Company or Subsidiary for purposes of accrual of his rights under the Plan. Notwithstanding the foregoing, if a leave of absence exceeds ninety (90) days and reemployment is not guaranteed by contract or statute, the Optionee's employment by the Company or a Subsidiary for the purposes of the Plan shall be deemed to have terminated on the 91st day of the leave.

K. TRANSFERABILITY OF OPTIONS. An option granted under the Plan may not be transferred by the Optionee otherwise than by will or the laws of descent and distribution, and during the lifetime of the Optionee to whom granted, may be exercised only by such Optionee.

L. NO RIGHTS AS SHAREHOLDER. No Optionee or Optionee's Representative shall have any rights as a shareholder with respect to Common Stock subject to his option before the date of transfer to him of a certificate or certificates for such shares.

M. NO RIGHTS TO CONTINUED EMPLOYMENT. The Plan and any option granted under the Plan shall not confer upon any Optionee any right with respect to continuance of employment by the Company or any Subsidiary, nor shall it interfere in any way with the right of the Company or any Subsidiary by which an Optionee is employed to terminate his employment at any time.

N. TAX WITHHOLDING. To the extent required by applicable federal, state, local or foreign law, the Optionee shall, on the date of exercise, make arrangements satisfactory to the Company for the satisfaction of any withholding tax obligations that arise by reason of an option exercise or any sale of shares. Either the Board or the Plan Committee, in its sole discretion, may permit these obligations to be satisfied in whole or in part with: (i) cash paid by the Optionee or by a broker-dealer on behalf of the Optionee, (ii) shares of Common Stock that otherwise would be issued to the Optionee upon exercise of the option, and/or (iii) shares of Common Stock already owned by the Optionee. The Company shall not be required to issue shares for the exercise of an option until such tax obligations are satisfied and the Company may, to the extent permitted by law, deduct any such tax obligations from any payment of any kind otherwise due to the Optionee.

8. COMPLIANCE WITH OTHER LAWS AND REGULATIONS. The Plan, the grant and exercise of options thereunder, and the obligation of the Company to sell and deliver Common Stock under such options, shall be subject to all applicable federal and state laws, rules and regulations and to such approvals by any government or regulatory agency as may be required. The Company shall not be required to issue or deliver any certificates for Common Stock before: (i) the listing of the Common Stock on any stock exchange or over-the-counter market on which the Common Stock may then be listed and (ii) the completion of any registration or qualification of any governmental body which the Company shall,

in its sole discretion, determine to be necessary or advisable. To the extent the Company meets the then applicable requirements for the use thereof and to the extent the Company may do so without undue cost or expense, and subject to the determination by the Board of Directors of the Company that such action is in the best interest of the Company, the Company intends to register the issuance and sale of such Common Stock by the Company under federal and applicable state securities laws using a Form S-8 registration statement under the Securities Act of 1933, as amended, or such successor Form as shall then be available.

9. CAPITAL ADJUSTMENTS AFFECTING STOCK, MERGERS AND CONSOLIDATIONS.

A. CAPITAL ADJUSTMENTS. In the event of a capital adjustment in the Common Stock resulting from a stock dividend, stock split, reorganization, merger, consolidation, or a combination or exchange of shares, the number of shares of Common Stock subject to the Plan and the number of shares under option shall be automatically adjusted to take into account such capital adjustment. By virtue of such a capital adjustment, the price of any share under option shall be adjusted so that there will be no change in the aggregate purchase price payable upon exercise of any such option.

B. MERGERS AND CONSOLIDATIONS. In the event the Company merges or consolidates with another entity, or all or a substantial portion of the Company's assets or outstanding capital stock are acquired (whether by merger, purchase or otherwise) by a Successor, the kind of shares of Common Stock that shall be subject to the Plan and to each outstanding option shall, automatically by virtue of such merger, consolidation or acquisition, be converted into and replaced by shares of common stock, or such other class of securities having rights and preferences no less favorable than the Common Stock, of the Successor, and the number of shares subject to the option and the purchase price per share upon exercise of the option shall be correspondingly adjusted, so that, by virtue of such merger, consolidation or acquisition, each Optionee shall have the right to purchase (a) that number of shares of common stock of the Successor that have a book value equal, as of the date of such merger, conversion or acquisition, to the book value, as of the date of such merger, conversion or acquisition, of the shares of Common Stock of the Company theretofore subject to the Optionee's option, (b) for a purchase price per share that, when multiplied by the number of shares of common stock of the Successor subject to the option, shall equal the aggregate exercise price at which the Optionee could have acquired all of the shares of Common Stock of the Company theretofore optioned to the Optionee.

C. NO EFFECT ON COMPANY'S RIGHTS. The granting of an option pursuant to the Plan shall not effect in any way the right and power of the Company to make adjustments, reorganizations, reclassifications, or changes of its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets.

10. AMENDMENT, SUSPENSION, OR TERMINATION. The Board shall have the right, at any time, to amend, suspend or terminate the Plan in any respect that it may deem to be in the best interests of the Company, except that, without approval by shareholders of the Company holding not less than a majority of the votes represented and entitled to be voted at a duly held meeting of the Company's shareholders, no amendment shall be made that would:

A. increase the maximum number of shares of Common Stock which may be delivered under the Plan, except as provided in Section 9 hereof;

B. change the Option Price for an ISO, except as provided in Section 9 hereof;

C. extend the period during which an ISO may be exercised beyond the period provided in Section 7.A hereof;

D. make any changes in any outstanding option, without the consent of the Optionee, which would adversely affect the rights of the Optionee; or

E. extend the termination date of the Plan.

11. EFFECTIVE DATE, TERM AND APPROVAL. The effective date of the Plan shall be October 27, 1994 (the date of Board adoption of the Plan), subject to approval by stockholders of the Company holding not less than a majority of the shares present and voting at its 1995 annual meeting on April 21, 1995. The Plan shall terminate ten (10) years after the effective date of the Plan and no options may be granted under the Plan after such time, but any option granted prior thereto may be exercised in accordance with its terms.

12. GOVERNING LAW; SEVERABILITY. The Plan shall be governed by the laws of the State of Florida. The invalidity or unenforceability of any provision of the Plan or any option granted pursuant to the Plan shall not affect the validity and enforceability of the remaining provisions of the Plan and the options granted hereunder, and such invalid or unenforceable provision shall be stricken to the extent necessary to preserve the validity and enforceability of the Plan and the options granted hereunder.

Dated this 29th day of October, 1996.

GROUP TECHNOLOGIES CORPORATION

ATTEST:

Michael L. Schuman
- ------------------
Secretary

By:Jeffrey T. Gill

Chairman of the Board

STATEMENT REGARDING COMPUTATION OF EARNINGS PER SHARE
GROUP TECHNOLOGIES CORPORATION

	Three Months Ended		Nine Months Ended	
	September 29, 1996	October 1, 1995	September 29, 1996	October 1, 1995
Primary Earnings Per Share				
Weighted averages shares outstanding	16,220,629	15,689,879	16,135,468	15,679,879
Net effect of dilutive stock options (based on treasury method)	0	0	0	0
Total	16,220,629	15,689,879	16,135,468	15,679,879
Net loss	$(2,818,000)	$ (779,000)	$(2,755,000)	$(6,264,000)
Net loss per share	$ (0.17)	$ (0.05)	$ (0.17)	$ (0.40)
Fully Diluted Earnings Per Share				
Weighted averages shares outstanding	16,220,629	15,689,879	16,135,468	15,679,879
Net effect of dilutive stock options (based on treasury method)	0	0	0	0
Total	16,220,629	15,689,879	16,135,468	15,679,879
Net loss	$(2,818,000)	$ (779,000)	$(2,755,000)	$(6,264,000)
Net loss per share	$ (0.17)	$ (0.05)	$ (0.17)	$ (0.40)

<ARTICLE> 5
<LEGEND>
THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED BALANCE SHEET AT SEPTEMBER 29, 1996 AND THE CONSOLIDATED STATEMENT OF OPERATIONS FOR THE NINE MONTHS ENDED SEPTEMBER 29, 1996 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.
</LEGEND>
<MULTIPLIER> 1,000

<PERIOD-TYPE>	9-MOS
<FISCAL-YEAR-END>	DEC-31-1996
<PERIOD-START>	JAN-01-1996
<PERIOD-END>	SEP-29-1996
<CASH>	1,224
<SECURITIES>	0
<RECEIVABLES>	22,187
<ALLOWANCES>	995
<INVENTORY>	25,990
<CURRENT-ASSETS>	52,186
<PP&E>	47,036
<DEPRECIATION>	24,780
<TOTAL-ASSETS>	75,376
<CURRENT-LIABILITIES>	47,916
<BONDS>	1,923
<PREFERRED-MANDATORY>	0
<PREFERRED>	0
<COMMON>	162
<OTHER-SE>	25,065
<TOTAL-LIABILITY-AND-EQUITY>	75,376
<SALES>	180,380
<TOTAL-REVENUES>	180,380
<CGS>	170,549
<TOTAL-COSTS>	170,549
<OTHER-EXPENSES>	0
<LOSS-PROVISION>	330
<INTEREST-EXPENSE>	2,682
<INCOME-PRETAX>	(1,910)
<INCOME-TAX>	845
<INCOME-CONTINUING>	(2,755)
<DISCONTINUED>	0
<EXTRAORDINARY>	0
<CHANGES>	0
<NET-INCOME>	(2,755)
<EPS-PRIMARY>	(0.17)
<EPS-DILUTED>	(0.17)