

**GENESYS CONFERENCING**  
**Consolidated Balance Sheets**  
*(IFRS, in thousands of euros, except share data)*

	<b>December 31, 2005</b>	<b>December 31, 2006</b>
		<b>Unaudited</b>
<b>ASSETS</b>		
<b>Non current assets</b>		
Goodwill, customer lists and technology	33,330	34,887
Other intangible assets, net	5,663	6,939
Tangible assets, net	16,011	15,402
Financial assets, net	1,336	1,579
Deferred tax assets	2,488	10,829
Investments in affiliated companies	278	-
<b>Total non current assets</b>	<b>59,106</b>	<b>69,636</b>
<b>Current assets</b>		
Accounts receivable, less allowances (€ 1,547 and € 1,316 at December 31, 2005 and December 31, 2006, respectively)	27,692	24,506
Prepaid expenses and other current assets	8,811	9,233
Cash and cash equivalents	5,914	8,083
<b>Total current assets</b>	<b>42,417</b>	<b>41,822</b>
<b>TOTAL ASSETS</b>	<b>101,523</b>	<b>111,458</b>
 <b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>		
<b>Shareholders' equity (deficit)</b>		
Ordinary shares, nominal value of €1 per share 18,307,756 shares issued and outstanding at December 31, 2005 and 69,798,286 shares issued and outstanding at December 31, 2006	18,308	69,798
Common shares to be issued	139	135
Additional paid-in capital	185,080	179,706
Additional paid-in capital to be issued	3,831	3,735
Reserve for stock-based compensation	2,605	3,410
Accumulated deficit	(223,429)	(218,411)
Net income	4,544	6,383
Currency translation adjustments	655	5,095
<b>Total shareholders' equity (deficit)</b>	<b>(8,267)</b>	<b>49,851</b>
Provisions for risks and charges	720	434
Deferred tax liability	72	1,226
<b>Long-term debt</b>		
Long-term portion of long-term debt	62,474	19,921
Long-term portion of capitalized lease obligations	39	183
<b>Total long-term debt and other liabilities</b>	<b>63,305</b>	<b>21,764</b>
<b>Current liabilities</b>		
Bank overdrafts	1,851	1,673
Accounts payable and accrued liabilities	13,254	12,433
Other taxes payable and deferred compensation	9,493	9,455
Income taxes payable	3,148	1,720
Current portion of provision for risks and charges	907	1,601
Current portion of long-term debt	13,483	9,292
Current portion of capitalized lease obligations	4	125
Other current liabilities	4,345	3,544
<b>Total current liabilities</b>	<b>46,485</b>	<b>39,843</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>101,523</b>	<b>111,458</b>

**GENESYS CONFERENCING**  
**Consolidated Statements of Operations**  
*(IFRS, in thousands of euros, except share and per share data)*

	Three months ended December 31,		Twelve months ended December 31,	
	2005	2006 Unaudited	2005	2006 Unaudited
<b>Revenue</b>	<b>35,452</b>	<b>35,219</b>	<b>141,929</b>	<b>141,633</b>
<b>Cost of revenue</b>	(12,899)	(13,090)	(49,913)	(51,230)
<b>Gross profit</b>	<b>22,553</b>	<b>22,129</b>	<b>92,016</b>	<b>90,403</b>
Operating expenses				
Research and development	(1,064)	(1,110)	(3,266)	(4,007)
Selling and marketing	(10,672)	(10,540)	(40,749)	(42,356)
General and administrative	(7,397)	(7,962)	(32,805)	(30,854)
Restructuring charge		(1,408)	(256)	(1,375)
Amortization of intangibles	(721)	(577)	(2,823)	(2,536)
	<b>(19,854)</b>	<b>(21,597)</b>	<b>(79,899)</b>	<b>(81,128)</b>
<b>Operating income</b>	<b>2,699</b>	<b>532</b>	<b>12,117</b>	<b>9,275</b>
Interest income	172	492	297	571
Interest expense	(1,502)	(846)	(6,624)	(3,373)
Foreign exchange gain (loss)	(94)	(1,316)	(357)	(3,527)
Other income (expense)	(1,283)	(1,594)	(1,254)	(2,877)
Equity in income of affiliated companies	11	-	68	-
Income tax credit (expense)	763	8,770	297	6,314
<b>Net income</b>	<b>766</b>	<b>6,038</b>	<b>4,544</b>	<b>6,383</b>
Basic and diluted net income per share	.04	.09	.25	.10
Number of outstanding shares used in computing basic and diluted net income per share	18,424,005	69,912,022	18,424,005	62,576,917

**GENESYS CONFERENCING**  
**Note to the Consolidated Financial Statements**  
**Unaudited**  
*(In thousands of euros)*

	Three months ended December 31,		Twelve months ended December 31,	
	2005	2006 Unaudited	2005	2006 Unaudited
<b>NOTE A- EBITDA calculation</b>				
Operating income	2,699	532	12,117	9,275
Amortization of identifiable intangible assets	721	577	2,823	2,536
Depreciation	2,195	2,641	8,662	8,935
<b>EBITDA</b>	<b>5,615</b>	<b>3,750</b>	<b>23,602</b>	<b>20,746</b>
Stock-based compensation	306	385	1,172	805
<b>EBITDA before stock-based compensation</b>	<b>5,921</b>	<b>4,135</b>	<b>24,774</b>	<b>21,551</b>