

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

	December 31, 2006	September 30, 2007
ASSETS		
Non current assets		
Goodwill, customer lists and technology	34,887	32,248
Other intangible assets, net	6,939	6,413
Tangible assets, net	15,402	12,571
Financial assets, net	1,692	1,474
Deferred tax assets	10,829	9,925
Total non current assets	69,749	62,631
Current assets		
Accounts receivable, less allowances	24,464	24,289
Prepaid expenses and other current assets	9,352	10,901
Cash and cash equivalents	7,970	16,652
Total current assets	41,786	51,842
TOTAL ASSETS	111,535	114,473
 LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity (deficit)		
Ordinary shares, nominal value of €1 per share	69,798	69,883
Common shares to be issued	135	69
Additional paid-in capital	179,706	181,494
Additional paid-in capital to be issued	3,735	1,899
Reserve for stock-based compensation	3,410	4,056
Accumulated deficit	(218,411)	(211,986)
Net income	6,421	6,925
Currency translation adjustments	5,095	4,356
Total shareholders' equity (deficit)	49,889	56,696
Provisions for risks and charges	434	386
Deferred tax liability	1,298	1,294
Long-term debt		
Long-term portion of long-term debt	20,127	19,309
Long-term portion of capitalized lease obligations	182	161
Total long-term debt and other liabilities	22,041	21,150
Current liabilities		
Bank overdrafts	1,673	336
Accounts payable and accrued liabilities	12,436	10,045
Taxes payable and deferred compensation	11,144	13,352
Current portion of provision for risks and charges	1,601	818
Current portion of long-term debt	9,086	8,117
Current portion of capitalized lease obligations	125	31
Other current liabilities	3,540	3,928
Total current liabilities	39,605	36,627
LIABILITIES AND SHAREHOLDERS' EQUITY	111,535	114,473

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

	Three months ended September 30,		Nine months ended September 30,	
	2006	2007	2006	2007
Revenue	34,135	35,873	106,414	109,789
Cost of revenue	12,997	14,113	38,140	42,279
Gross profit	21,138	21,760	68,274	67,510
Operating expenses				
Research and development	553	1,313	2,897	4,066
Selling and marketing	9,928	9,075	31,816	28,541
General and administrative	7,620	6,434	22,892	21,177
Restructuring charge	-	(26)	(33)	823
Amortization of intangibles	586	551	1,959	1,684
	18,687	17,347	59,531	56,291
Operating income	2,451	4,413	8,743	11,219
Interest income	22	99	80	208
Interest expense	(884)	(868)	(2,527)	(2,395)
Foreign exchange gain (loss)	(562)	1,072	(2,212)	245
Other income (expense)	(403)	241	(1,283)	(239)
Income tax credit (expense)	(583)	(479)	(2,455)	(2,113)
Net income	41	4,478	346	6,925
Basic net income per share	0.00	0.06	0.01	0.10
Diluted net income per share	0.00	0.06	0.01	0.10
Number of outstanding shares used in computing basic net income per share	69,912,650	69,976,567	60,105,225	69,974,588
Number of outstanding shares used in computing diluted net income per share	69,912,650	70,246,576	60,105,225	70,291,910

GENESYS CONFERENCING
Note to the Consolidated Financial Statements
(Unaudited IFRS, in thousands of euros)

	Three months ended September 30,		Nine months ended September 30,	
	2006	2007	2006	2007
NOTE A- EBITDA calculation				
Operating income	2,451	4,413	8,743	11,219
Amortization of intangibles	586	551	1,959	1,684
Depreciation	1,984	2,023	6,294	5,918
EBITDA	5,021	6,987	16,996	18,821
Stock-based compensation	81	198	419	646
EBITDA before stock-based compensation	5,102	7,185	17,415	19,467

GENESYS CONFERENCING
Consolidated Statements of Cash Flows
(Unaudited IFRS, in thousands of euros)

	Three months ended September 30,	
	2006	2007
Cash flows from operating activities:		
Net (loss) income	41	4,478
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization of property and equipment	1,984	2,023
Amortization of intangibles	586	551
Allowance (recovery) for bad debt	72	(296)
Stock-based compensation	81	198
Loss on disposal of property and equipment	(8)	34
Deferred taxes	306	196
Changes in operating assets and liabilities	(256)	1,850
Net cash provided by operating activities	2,806	9,034
Cash flows from investing activities:		
Purchases of property and equipment	(2,941)	(1,150)
Net cash used in investing activities	(2,941)	(1,150)
Cash flows from financing activities:		
Increase (decrease) in bank overdrafts	399	(1,164)
Increase (decrease) in factored receivables borrowing	(1,042)	(362)
(Increase) decrease in restricted cash	-	(2)
Principal payments on long-term debt	-	(167)
Interest paid	-	(115)
Net cash provided by (used in) financing activities	(643)	(1,810)
Effect of foreign exchange rate changes on cash and cash equivalents	358	(897)
Increase (decrease) in cash and cash equivalents	(420)	5,177
Cash and cash equivalents, beginning of period	6,753	11,475
Cash and cash equivalents, end of period	6,333	16,652