

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

	<u>December 31, 2006</u>	<u>December 31, 2007</u>
		Unaudited
<b>ASSETS</b>		
<b>Non current assets</b>		
Goodwill, customer lists and technology	34,887	30,832
Other intangible assets, net	6,939	6,548
Tangible assets, net	15,402	12,015
Financial assets, net	1,692	1,454
Deferred tax assets	10,829	10,669
<b>Total non current assets</b>	<b>69,749</b>	<b>61,518</b>
<b>Current assets</b>		
Accounts receivable, less allowances	24,464	24,754
Prepaid expenses and other current assets	9,352	11,362
Cash and cash equivalents	7,970	14,242
<b>Total current assets</b>	<b>41,786</b>	<b>50,358</b>
<b>TOTAL ASSETS</b>	<b>111,535</b>	<b>111,876</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Shareholders' equity (deficit)</b>		
Ordinary shares, nominal value of €1 per share	69,798	69,883
Common shares to be issued	135	68
Additional paid-in capital	179,706	181,494
Additional paid-in capital to be issued	3,735	1,867
Reserve for stock-based compensation	3,410	4,174
Accumulated deficit	(218,411)	(211,988)
Net income	6,421	13,784
Currency translation adjustments	5,095	2,463
<b>Total shareholders' equity (deficit)</b>	<b>49,889</b>	<b>61,745</b>
Provisions for risks and charges	434	351
Deferred tax liability	1,298	1,179
Long-term debt		
Long-term portion of long-term debt	20,127	-
Long-term portion of capitalized lease obligations	182	-
<b>Total long-term debt and other liabilities</b>	<b>22,041</b>	<b>1,530</b>
<b>Current liabilities</b>		
Bank overdrafts	1,673	-
Accounts payable and accrued liabilities	12,436	9,372
Taxes payable and deferred compensation	11,144	16,976
Current portion of provision for risks and charges	1,601	326
Current portion of long-term debt	9,086	18,067
Current portion of capitalized lease obligations	125	151
Other current liabilities	3,540	3,709
<b>Total current liabilities</b>	<b>39,605</b>	<b>48,601</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>111,535</b>	<b>111,876</b>

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

	Three months ended December 31 2006 Unaudited	Three months ended December 31 2007 Unaudited	Twelve months ended December 31 2006	Twelve months ended December 31 2007 Unaudited
<b>Revenue</b>	<b>35,186</b>	<b>38,539</b>	<b>141,600</b>	<b>148,328</b>
Cost of revenue	13,090	13,934	51,230	56,212
<b>Gross profit</b>	<b>22,096</b>	<b>24,605</b>	<b>90,370</b>	<b>92,116</b>
<b>Operating expenses</b>				
Research and development	1,110	1,457	4,007	5,524
Selling and marketing	10,559	9,222	42,375	37,763
General and administrative	7,968	6,986	30,860	28,163
Restructuring charge	1,408	(91)	1,375	732
Amortization of intangibles	577	526	2,536	2,210
	21,622	18,100	81,153	74,392
<b>Operating income</b>	<b>474</b>	<b>6,505</b>	<b>9,217</b>	<b>17,724</b>
Interest income	491	142	571	350
Interest expense	(846)	(811)	(3,373)	(3,205)
Other financial expense	(4,287)	(501)	(6,499)	(256)
Other financial income	1,387	1,446	104	1,206
Income tax credit (expense)	8,856	78	6,401	(2,035)
<b>Net income</b>	<b>6,075</b>	<b>6,859</b>	<b>6,421</b>	<b>13,784</b>
Basic net income per share	0.09	0.10	0.10	0.20
<b>Diluted net income per share</b>	<b>0.09</b>	<b>0.10</b>	<b>0.10</b>	<b>0.20</b>
Number of outstanding shares used in computing basic net income per share	69,912,022	69,928,348	62,861,322	69,926,350
Number of outstanding shares used in computing diluted net income per share	69,912,022	70,785,786	62,865,158	70,388,091

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

	Three months ended December 31	Three months ended December 31	Twelve months ended December 31	Twelve months ended December 31
	2006	2007	2006	2007
<b>NOTE A - EBITDA calculation</b>				
<b>Operating income</b>	<b>474</b>	<b>6,505</b>	<b>9,217</b>	<b>17,724</b>
Amortization of intangibles	577	526	2,536	2,210
Depreciation	2,641	1,882	8,935	7,800
Stock-based compensation	386	118	805	764
<b>EBITDA</b>	<b>4,078</b>	<b>9,031</b>	<b>21,493</b>	<b>28,498</b>

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

	Twelve months ended December 31 2006	Twelve months ended December 31 2007 Unaudited
<b>Cash flows from operating activities:</b>		
<b>Net (loss) income</b>	<b>6,421</b>	<b>13,784</b>
<b>Adjustments to reconcile net (loss) income to net cash provided by operating activities:</b>		
Depreciation and amortization of property and equipment	8,935	7,800
Amortization of intangibles	2,536	2,210
Stock-based compensation	805	764
Allowance (recovery) for bad debt	(107)	(172)
Interest expense – effective interest rate method	3,392	3,120
CAP Knock-Out contract – change in fair value	472	(7)
Loss on disposal of property and equipment	328	80
Deferred taxes	(7,863)	(170)
(Increase) decrease in operating assets and liabilities, net	(3,449)	105
<b>Net cash provided by operating activities</b>	<b>11,470</b>	<b>27,514</b>
<b>Cash flows from investing activities:</b>		
Purchases of property and equipment	(10,274)	(5,284)
Acquisition of 80% of subsidiary Genesys Iberia, net of acquired cash and cash equivalents (€1,416)	(3,338)	-
Proceeds from sales of furniture and equipment	2	1
<b>Net cash used in investing activities</b>	<b>(13,610)</b>	<b>(5,283)</b>
<b>Cash flows from financing activities:</b>		
Increase (decrease) in bank overdrafts	(203)	(1,645)
Increase (decrease) in factored receivables borrowing	260	(214)
Principal payments on long-term debt	(47,745)	(12,072)
Proceeds from the issuance of common stock	47,436	-
Proceeds from new borrowings under credit facility	4,880	3,683
Interest paid	(3,394)	(3,106)
Payments for the purchase of treasury stock, net	(4)	2
<b>Net cash provided by (used in) financing activities</b>	<b>1,230</b>	<b>(13,352)</b>
Effect of foreign exchange rate changes on cash and cash equivalents	3,082	(1,238)
Non-cash adjustment related to intercompany debt forgiveness transaction	-	(1,369)
<b>Increase (decrease) in cash and cash equivalents</b>	<b>2,172</b>	<b>6,272</b>
Cash and cash equivalents, beginning of period	5,798	7,970
<b>Cash and cash equivalents, end of period</b>	<b>7,970</b>	<b>14,242</b>