

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

	December 31, 2007	March 31, 2008
ASSETS		Unaudited
Non current assets		
Goodwill, customer lists and technology	30,832	28,977
Other intangible assets, net	6,548	6,219
Tangible assets, net	12,015	10,684
Financial assets, net	1,454	1,403
Deferred tax assets	10,669	10,588
Total non current assets	61,518	57,871
Current assets		
Accounts receivable, less allowances	24,754	26,082
Prepaid expenses and other current assets	11,362	11,336
Cash and cash equivalents	14,242	20,498
Total current assets	50,358	57,916
TOTAL ASSETS	111,876	115,787
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity (deficit)		
Ordinary shares, nominal value of €1 per share	69,883	69,883
Common shares to be issued	68	68
Additional paid-in capital	181,494	181,494
Additional paid-in capital to be issued	1,867	1,855
Reserve for stock-based compensation	4,174	4,318
Accumulated deficit	(211,988)	(198,211)
Net income	13,784	5,739
Currency translation adjustments	2,463	(18)
Total shareholders' equity	61,745	65,128
Provisions for risks and charges	351	364
Deferred tax liability	1,179	1,161
Total long-term debt and other liabilities	1,530	1,525
Current liabilities		
Accounts payable and accrued liabilities	9,372	10,548
Taxes payable and deferred compensation	16,976	17,751
Current portion of provision for risks and charges	326	370
Current portion of long-term debt	18,067	17,251
Current portion of capitalized lease obligations	151	112
Other current liabilities	3,709	3,102
Total current liabilities	48,601	49,134
LIABILITIES AND SHAREHOLDERS' EQUITY	111,876	115,787

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

	Three months ended March 31 2007	Three months ended March 31 2008
Revenue	36,174	38,986
Cost of revenue	(13,638)	(12,957)
Gross profit	22,536	26,029
Operating expenses		
Research and development	1,580	1,651
Selling and marketing	9,279	9,220
General and administrative	7,373	8,252
Restructuring charge	520	-
Amortization of intangibles	573	509
	19,325	19,632
Operating income	3,211	6,397
Interest income	53	116
Interest expense	(803)	(608)
Other financial expense	73	805
Other financial income	(361)	(41)
Income tax credit (expense)	(932)	(930)
Net income	1,241	5,739
Basic net income per share	0.02	0.08
Diluted net income per share	0.02	0.08
Number of outstanding shares used in computing basic net income per share	69,923,712	69,930,491
Number of outstanding shares used in computing diluted net income per share	69,950,197	71,323,259

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

	Three months ended	Three months ended
	March 31	March 31
	2007	2008
NOTE A - EBITDA calculation		
Operating income	3,211	6,397
Amortization of intangibles	573	509
Depreciation	2,046	1,978
Stock-based compensation	228	144
EBITDA	6,058	9,028

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

	Three months ended March 31 2007	Three months ended March 31 2008
Cash flows from operating activities:		
Net (loss) income	1,241	5,739
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization of property and equipment	2,046	1,978
Amortization of intangibles	573	509
Stock-based compensation	228	144
Allowance (recovery) for bad debt	(90)	(22)
Interest expense – effective interest rate method	795	576
CAP Knock-Out contract – change in fair value	-	24
Loss on disposal of property and equipment	48	48
Deferred taxes	253	(56)
(Increase) decrease in operating assets and liabilities, net	(1,519)	(27)
Net cash provided by operating activities	3,575	8,913
Cash flows from investing activities:		
Purchases of property and equipment	(1,333)	(1,077)
Net cash used in investing activities	(1,333)	(1,077)
Cash flows from financing activities:		
Increase (decrease) in bank overdrafts	47	-
Increase (decrease) in factored receivables borrowing	(95)	(734)
Interest paid	-	(115)
Net cash provided by (used in) financing activities	(48)	(849)
Effect of foreign exchange rate changes on cash and cash equivalents	(431)	(731)
Increase (decrease) in cash and cash equivalents	1,763	6,256
Cash and cash equivalents, beginning of period	7,970	14,242
Cash and cash equivalents, end of period	9,733	20,498