

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

	December 31, 2006	June 30, 2007
<b>ASSETS</b>		
<b>Non current assets</b>		
Goodwill, customer lists and technology	34,887	33,562
Other intangible assets, net	6,939	6,498
Tangible assets, net	15,402	13,897
Financial assets, net	1,579	1,520
Deferred tax assets	10,829	10,245
<b>Total non current assets</b>	<b>69,636</b>	<b>65,722</b>
<b>Current assets</b>		
Accounts receivable, less allowances	24,464	25,683
Prepaid expenses and other current assets	9,465	8,670
Cash and cash equivalents	7,970	11,475
<b>Total current assets</b>	<b>41,899</b>	<b>45,828</b>
<b>TOTAL ASSETS</b>	<b>111,535</b>	<b>111,550</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	69
Additional paid-in capital	179,706	181,494
Additional paid-in capital to be issued	3,735	1,896
Reserve for stock-based compensation	3,410	3,858
Accumulated deficit	(218,411)	(211,988)
Net income	6,421	2,447
Currency translation adjustments	5,095	5,290
<b>Total shareholders' equity (deficit)</b>	<b>49,889</b>	<b>52,949</b>
Provisions for risks and charges	434	383
Deferred tax liability	1,297	1,327
Long-term debt		
Long-term portion of long-term debt	20,127	12,205
Long-term portion of capitalized lease obligations	183	172
<b>Total long-term debt and other liabilities</b>	<b>22,041</b>	<b>14,087</b>
<b>Current liabilities</b>		
Bank overdrafts	1,673	1,518
Accounts payable and accrued liabilities	12,436	12,417
Taxes payable and deferred compensation	11,144	10,675
Current portion of provision for risks and charges	1,601	1,397
Current portion of long-term debt	9,086	16,076
Current portion of capitalized lease obligations	125	62
Other current liabilities	3,540	2,369
<b>Total current liabilities</b>	<b>39,605</b>	<b>44,514</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>111,535</b>	<b>111,550</b>

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

	Three months ended June 30,	Three months ended June 30,	Six months ended June 30,	Six months ended June 30,
	2006	2007	2006	2007
<b>Revenue</b>	<b>35,903</b>	<b>37,741</b>	<b>72,280</b>	<b>73,916</b>
Cost of revenue	11,786	14,528	25,143	28,166
<b>Gross profit</b>	<b>24,117</b>	<b>23,214</b>	<b>47,137</b>	<b>45,750</b>
<b>Operating expenses</b>				
Research and development	1,141	1,173	2,344	2,753
Selling and marketing	10,392	10,187	21,887	19,466
General and administrative	7,440	7,370	15,272	14,743
Restructuring charge	(48)	329	(33)	849
Amortization of intangibles	626	560	1,374	1,133
	19,553	19,618	40,845	38,944
<b>Operating income</b>	<b>4,564</b>	<b>3,596</b>	<b>6,292</b>	<b>6,806</b>
Interest income	7	56	58	109
Interest expense	(428)	(725)	(1,642)	(1,528)
Foreign exchange gain (loss)	(2,214)	(900)	(1,651)	(827)
Other income (expense)	(386)	(119)	(880)	(479)
Income tax credit (expense)	(504)	(702)	(1,872)	(1,634)
<b>Net income</b>	<b>1,039</b>	<b>1,206</b>	<b>305</b>	<b>2,447</b>
Basic net income per share	0.01	0.02	0.01	0.03
<b>Diluted net income per share</b>	<b>0.01</b>	<b>0.02</b>	<b>0.01</b>	<b>0.03</b>
Number of outstanding shares used in computing basic net income per share	69,912,650	69,933,056	55,120,235	69,928,598
Number of outstanding shares used in computing diluted net income per share	69,912,650	69,959,540	55,120,235	69,955,082

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

	Three months ended June 30,	Three months ended June 30,	Six months ended June 30,	Six months ended June 30,
	2006	2007	2006	2007
<b>NOTE A- EBITDA calculation</b>				
<b>Operating income</b>	4,564	3,596	6,292	6,806
Amortization of intangibles	626	560	1,374	1,133
Depreciation	2,263	1,849	4,311	3,895
<b>EBITDA</b>	<b>7,453</b>	<b>6,005</b>	<b>11,977</b>	<b>11,834</b>
Stock-based compensation	45	221	338	449
<b>EBITDA before stock-based compensation</b>	<b>7,499</b>	<b>6,226</b>	<b>12,316</b>	<b>12,283</b>

**GENESYS CONFERENCING**  
**Consolidated Statements of Cash Flows**  
*(Unaudited IFRS, in thousands of euros, except share data)*

	Three months ended June 30,	Three months ended June 30,
	2006	2007
<b>Cash flows from operating activities:</b>		
<b>Net (loss) income</b>	<b>1,039</b>	<b>1,206</b>
<b>Adjustments to reconcile net (loss) income to net cash provided by operating activities:</b>		
Depreciation and amortization of property and equipment	2,263	1,849
Amortization of intangibles	626	560
Allowance (recovery) for bad debt	(270)	24
Stock-based compensation	45	221
Loss on disposal of property and equipment	20	(65)
Deferred taxes	185	319
Changes in operating assets and liabilities	(657)	210
<b>Net cash provided by operating activities</b>	<b>3,251</b>	<b>4,324</b>
<b>Cash flows from investing activities:</b>		
Purchases of property and equipment	(2,875)	(1,105)
<b>Net cash used in investing activities</b>	<b>(2,875)</b>	<b>(1,105)</b>
<b>Cash flows from financing activities:</b>		
Increase (decrease) in bank overdrafts	824	(196)
Increase (decrease) in factored receivables borrowing	394	102
(Increase) decrease in restricted cash		1
Payments for the purchase of treasury stock, net		2
Borrowings from credit facility revolver		3,683
Principal payments on long-term debt	(1,355)	(4,325)
Interest paid	(902)	(1,267)
<b>Net cash provided by (used in) financing activities</b>	<b>(1,039)</b>	<b>(2,000)</b>
Effect of foreign exchange rate changes on cash and cash equivalents	1,944	518
<b>Increase (decrease) in cash and cash equivalents</b>	<b>1,281</b>	<b>1,737</b>
Cash and cash equivalents, beginning of period	5,590	9,738
<b>Cash and cash equivalents, end of period</b>	<b>6,871</b>	<b>11,475</b>