

ODESIA Group

INTERIM CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

FOR THE FIRST QUARTER ENDED MARCH 31, 2007

(UNAUDITED)

Notice to Readers

The Consolidated financial statements for the Three-month periods ended March 31, 2007 and 2006 have not been reviewed by the Company's auditors. All amounts are shown in Canadian dollars. **Further information concerning the Company is available at the Sedar website (www.sedar.com).**

ODESIA GROUP INC.

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ODESIA GROUP INC.**Consolidated Earnings**

Three-month periods ended March 31, (unaudited)	2007	2006
	\$	\$
Sales	2,561,932	1,268,240
Cost of services provided, operating and administrative expenses	2,651,380	1,340,458
Loss before amortization of tangible assets and client list, income taxes and non-controlling interest	(89,448)	(72,218)
Amortization of tangible assets and client list	23,049	10,949
Loss before income taxes and non-controlling interest	(112,497)	(83,167)
Income taxes		
Recovered	(21,937)	(13,909)
Future income taxes	29,916	(20,320)
	7,979	(34,229)
Loss before non-controlling interest	(120,476)	(48,938)
Non-controlling interest	10,055	--
Net loss	(110,421)	(48,938)
Net loss per share, basic and diluted (<i>note 3</i>)	(0.004)	(0.002)

The accompanying notes are an integral part of the interim unaudited consolidated financial statements.

ODESIA GROUP INC.**Consolidated Retained Earnings**

Three-month periods ended March 31, (unaudited)	2007	2006
	\$	\$
Balance, beginning of period	148,485	67,722
Net loss	(110,421)	(48,938)
Balance, end of period	38,064	18,784

The accompanying notes are an integral part of the interim unaudited consolidated financial statements.

ODESIA GROUP INC.

Consolidated Balance Sheets

	March 31, 2007 (unaudited)	December 31, 2006 (audited)
	\$	\$
ASSETS		
Current assets		
Cash	90,204	557,581
Temporary investment, variable rates, maturing in May 2007	200,000	200,000
Accounts receivable	3,770,860	3,347,920
Contracts in process	19,157	47,795
Prepaid expenses	76,898	36,881
	4,157,119	4,190,177
Term investment, 3%, maturing in February 2009	250,000	250,000
Tangible assets	149,665	149,115
Other assets	34,316	44,387
Client list	41,333	46,500
Goodwill (note 5)	35,565	35,565
Future income taxes	50,866	58,065
	4,718,864	4,773,809
LIABILITIES		
Current liabilities		
Bank loans	169,707	--
Accounts payable and accrued liabilities	1,731,326	1,766,635
Deferred revenue	25,708	104,585
Income taxes payable	6,651	28,588
Instalments on long-term debt	9,730	13,900
Future income taxes	312,970	283,175
	2,256,092	2,196,883
Non-controlling interest	--	10,055
Future income taxes	12,772	19,850
	2,268,864	2,226,788
SHAREHOLDERS' EQUITY		
Capital stock and warrants (note 7)	2,318,975	2,318,975
Contributed surplus (note 6)	92,961	79,561
Retained earnings	38,064	148,485
	2,450,000	2,547,021
	4,718,864	4,773,809

On behalf of the Board

(signed) *Jan Czech*, president of Audit Committee

(signed) *Nicolas Bonnafous*, Director, President and Chief Executive Officer

The accompanying notes are an integral part of the interim unaudited consolidated financial statements.

ODESIA GROUP INC.**Consolidated Cash Flows**Three-month periods ended March 31,
(unaudited)

	2007	2006
	\$	\$
Operating activities		
Net loss	(110,421)	(48,938)
Non-cash items		
Amortization	23,049	10,519
Non-controlling interest	(10,055)	--
Gain on settlement of purchase price of Topinet Inc.	--	(68,574)
Stock-based compensation (<i>note 6 A</i>)	13,400	14,957
Future income taxes	29,916	(20,320)
Changes in working capital items	(570,442)	(88,121)
	(624,553)	(200,477)
Investing activities		
Acquisition of tangible assets	(18,432)	(10,785)
Acquisition of other assets	--	(8,435)
Disposal of other assets	10,071	--
Business acquisition (<i>note 5</i>)	--	119,807
	(8,361)	100,587
Financing activities		
Bank loans	169,707	(167,831)
Repayment of long-term debt	(4,170)	(59,946)
	165,537	(227,777)
Net decrease in cash	(467,377)	(327,667)
Cash, beginning of period	557,581	1,198,438
Cash, end of period	90,204	870,771

The accompanying notes are an integral part of the interim unaudited consolidated financial statements.

ODESIA GROUP INC.

Notes to Consolidated Financial Statements

Three-month periods ended March 31, 2007 and 2006

(unaudited)

1. Basic of presentation

These unaudited interim consolidated statements are prepared in accordance with Canadian generally accepted accounting principles related to interim financial statements. However, all disclosures required for annual financial statements have not been included in these interim financial statements. These interim financial statements are prepared using the same accounting policies and methods as the annual financial statements for the year ended December 31, 2006, except for the new accounting policies that have been adopted effective January 1, 2007.

These interim financial statements and accompanying notes should be read in conjunction with the most recent audited financial statements for the year ended December 31, 2006.

2. Changes in accounting policies

On January 1, 2007, the Company adopted the recommendations of the Canadian Institute of Chartered Accountants Handbook (CICA Handbook) Section 1530, *Comprehensive Income*; Section 3855, *Financial Instruments - Recognition and Measurement*; Section 3861, *Financial Instruments - Disclosure and Presentation*; Section 3865, *Hedges*; and Section 3251, *Equity*. These sections apply to fiscal years beginning on or after October 1, 2006 and provide standards for recognition, measurement, disclosure and presentation of financial assets, financial liabilities and non-financial derivatives, and describe when and how hedge accounting may be applied. Section 1530 provides standards for the reporting and presentation of comprehensive income, which represents the change in equity, from transactions and other events and circumstances from non-owner sources. Other comprehensive incomes defined by revenues, expenses, gains and losses that are recognized in comprehensive income, but excluded from net income, in conformity with the generally accepted accounting principles.

Under the new standards, all financial assets, except for those classified as held-to-maturity, loans and receivables, and derivative financial instruments are measured at their fair values. All financial liabilities are measured at their fair values when they are classified as held for trading purposes. Otherwise, they are measured at their carrying value. The adoption of this new section has no impact on the interim consolidated financial statements.

3. Loss per share

	Three-month period ended March 31, 2007		
	Loss	Weighted average number of shares	Loss per share
	\$		\$
Basic and diluted net loss attributable to common shareholders	(110,421)	25,635,664	(0.004)
	Three-month period ended March 31, 2006		
	Loss	Weighted average number of shares	Loss per share
	\$		\$
Basic and diluted net loss attributable to common shareholders	(48,938)	23,852,330	(0.002)

ODESIA GROUP INC.

Notes to Consolidated Financial Statements

Three-month periods ended March 31, 2007 and 2006

(unaudited)

4. Information on Consolidated Earnings

	Three-month periods ended March 31,	
	2007	2006
	\$	\$
Refundable tax credit for electronic business activities applied against the cost of services provided, operating and administrative expenses	242,104	290,880
Amortization of tangible assets	17,882	10,519
Amortization of client list	5,167	--
Gain on settlement of balance of purchase price of Topinet Inc.	--	(68,574)
Interest on bank loan	443	5,660
Interest on long-term debt	434	879
Exchange loss	11,096	4,554
Stock-based compensations	13,400	14,957
Deferred share unit plan	13,834	16,406

5. Business acquisition**Three-month period ended March 31, 2007**

No acquisition occurred during the three-month period ended March 31, 2007.

Three-month period ended March 31, 2006

On March 2, 2006, the Company acquired 70% of the shares of BI Expert SAS, a French IT consulting company located in Paris. This company is now called Odésia Europe, SAS. The total consideration for this acquisition of \$88,447 was paid by the issuance at the acquisition date of 150,000 common shares of the Company at \$0.40 per share and \$28,447 in cash paid in December 2006. The value of the shares was determined on the basis of the Company's common share market price on the date of agreement and acceptance of the acquisition terms and conditions.

The values assigned to the assets acquired are detailed as follows :

	\$
Cash	119,807
Accounts receivable	27,435
Accounts payable	(143,900)
Working capital assumed	3,342
Tangible assets	3,692
Other assets	8,297
Client list	62,000
Goodwill	35,565
Non-controlling interest	(4,599)
Long-term future income tax liabilities	(19,850)
Acquisition cost	88,447

ODESIA GROUP INC.**Notes to Consolidated Financial Statements**

Three-month periods ended March 31, 2007 and 2006

(unaudited)

5. Business acquisition (Continued)

This acquisition was recognized using the purchase method. The results of BI Expert, SAS are included in the statement of consolidated earnings since the acquisition date.

As at March 31, 2007, cost, accumulated amortization and net book value are \$62,000, \$20,667 and \$41,333 respectively.

6. Stock-based Compensation and Contributed Surplus**A) Stock option plan**

In 2005, the Company adopted a stock option plan for its employees, directors and consultants enabling them to acquire common shares. The terms for exercising the options are determined by the Board of Directors, however the plan is governed by the rules of the TSX Venture Exchange. The options are granted at the market closing price on the day before they are granted. Under the plan, the maximum number of common shares reserved for option awards cannot exceed 2,375,000 shares issued and options granted to any beneficiary cannot exceed 5% of outstanding common shares on the grant date. Unless the Board of Directors decides otherwise, the rights vest over a three-year period as of the grant date. The option must be exercised within five years of the grant date.

Changes in the Company's stock options for the three-month periods ended March 31, 2007 and 2006 are detailed as follows :

	2007		2006	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at the beginning of the period	937,500	\$ 0.38	--	--
Awarded	--	--	765,000	\$ 0.39
Outstanding at the end of the period	937,500	\$ 0.38	765,000	\$ 0.39
Exercisable at the end of the period	308,333	\$ 0.39	100,000	\$ 0.39

The following table summarizes information regarding the outstanding options as at March 31, 2007 :

Number of options	Weighted average remaining term (years)	Weighted average exercise price	Exercisable options	
			Number of shares	Weighted average exercise price
200,000	4.36	\$ 0.32	--	--
725,000	3.79	\$ 0.39	308,333	\$ 0.39
12,500	4.61	\$ 0.40	--	--
937,500	3.92	\$ 0.38	308,333	\$ 0.39

ODESIA GROUP INC.

Notes to Consolidated Financial Statements

Three-month periods ended March 31, 2007 and 2006

(unaudited)

6. Stock-based Compensation and Contributed Surplus (Continued)**B) Deferred share unit plan**

On January 18, 2006, the Board of Directors approved a deferred share unit (“DSU”) plan for the benefit of the directors under which they will receive 100% of their total compensation in the form of DSUs. The value of a DSU is calculated according to the market value of a share of the Company on the date of the event, i.e. the weighted average quoted market price on the TSX Venture Exchange for the five days immediately preceding the event.

Under the terms of this plan, at the end of each quarter, DSUs equivalent to the number of common shares that could be purchased on the open market is credited to an account held by the Company for each director, for an amount equal to the compensation.

Upon leaving the Board of Directors, a director will receive a cash lump sum payment equivalent to the credit balance under the terms of the plans.

During the three-month periods ended March 31, 2007 and 2006, the Company recorded accounts of \$13,834 and \$16,406 respectively as stock-based compensation cost.

C) Contributed surplus

Changes in the Company’s contributed surplus are detailed as follows :

	Three-month periods ended March 31,	
	2007	2006
	\$	\$
Balance, beginning of year	79,561	25,593
Stock-based compensation (<i>note 6 A</i>)	13,400	14,957
Balance, end of year	92,961	40,550

7. Capital Stock and Warrants**A) Capital-actions**

Authorized

The Company's authorized capital stock consists of an unlimited number of voting and participating common shares. Changes in the Company's outstanding capital stock during the three-month periods ended March 31, 2007 and 2006 are detailed as follows :

	Three-month period ended March 31, 2007		Three-month period ended March 31, 2006	
	Number	\$	Number	\$
Balance, beginning of period	25,635,664	2,318,975	23,752,330	1,683,895
Shares issued in connection with the acquisition of BI Expert SAS (<i>note 5</i>)	--	--	150,000	60,000
Balance, end of period	25,635,664	2,318,975	23,902,330	1,743,895

ODESIA GROUP INC.**Notes to Consolidated Financial Statements**

Three-month periods ended March 31, 2007 and 2006

(unaudited)

7. Capital Stock and Warrants (Continued)**B) Warrants**

Warrants exercisable as at March 31, 2007 are as follows :

Number	Exercise price \$	Maturity
160,186	0.375	December 2007
<u>4,010,664</u>	0.60	December 2007
<u>4,170,850</u>		

8. Segment Information

The Company examined its operations and determined that it operates in a single reportable operating segment. This single reportable operating segment derives its income from the sale of business intelligence and data warehouse solutions. General information required for the Company is detailed as follows :

	Three-month periods ended March 31,	
	2007	2006
	\$	\$
Revenue by location		
Canada	1,438,201	1,148,059
France	903,784	116,820
Switzerland	216,305	--
	<u>2,558,290</u>	<u>1,264,879</u>